TATA CAPITAL HOUSING FINANCE LIMITED

Tata Capital Housing Finance Limited (our "**Company**") was incorporated as Tata Capital Housing Finance Limited on October 15, 2008 at Mumbai, Maharashtra, as a public limited company, under the provisions of the Companies Act, 1956. Our Company also received a certificate for commencement of business on November 10, 2008. Our Company has obtained a certificate of registration dated April 2, 2009, bearing registration number 04.0073.09 by the National Housing Bank to carry on the business of a housing finance institution without accepting public deposits in accordance with Section 29A of the National Housing Bank Act, 1987. For further details regarding changes to our Registered Office, see "*History and Main Objects*" beginning on page 86 of this Draft Shelf Prospectus.

Corporate Identity Number of our Company is U67190MH2008PLC187552;
Registered Office: 11th Floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai 400 013
Tel: (91 22) 6606 9000; **Fax**: (91 22) 6656 2699; **Website**: www.tatacapital.com
Company Secretary and Compliance Officer: Mr. Jinesh Meghani; **Tel**: (91 22) 6606 9000; **Fax**: (91 22) 6656 2699; **Email**: tchflncdcompliance@tatacapital.com

PUBLIC ISSUE BY OUR COMPANY OF SECURED, RATED, LISTED, REDEEMABLE, NON-CONVERTIBLE DEBENTURES OF FACE VALUE OF ₹ 1,000 EACH AND UNSECURED, SUBORDINATED, RATED, LISTED, REDEEMABLE, NON-CONVERTIBLE DEBENTURES OF FACE VALUE OF ₹ 1,000 EACH, ("NCDs") FOR AN AMOUNT AGGREGATING UPTO ₹ 5,00,000 LAKH ("SHELF LIMIT") ("ISSUE"). THE UNSECURED, RATED, LISTED, REDEEMABLE, NON-CONVERTIBLE DEBENTURES WILL BE IN THE NATURE OF SUBORDINATED DEBT AND WILL BE ELIGIBLE FOR INCLUSION AS TIER II CAPITAL. THE NCDs WILL BE ISSUED IN ONE OR MORE TRANCHES, ON TERMS AND CONDITIONS AS SET OUT IN THE RELEVANT TRANCHE PROSPECTUS FOR ANY TRANCHE ISSUE (EACH SUCH TRANCHE ISSUANCE "TRANCHE ISSUE") WHICH SHOULD BE READ TOGETHER WITH THIS DRAFT SHELF PROSPECTUS AND THE SHELF PROSPECTUS (COLLECTIVELY THE "ISSUE DOCUMENTS"). THIS ISSUE IS BEING MADE PURSUANT TO THE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF DEBT SECURITIES) REGULATIONS, 2008, AS AMENDED (THE "SEBI DEBT REGULATIONS"), THE COMPANIES ACT, 2013 AND RULES MADE THEREUNDER, EACH AS AMENDED, AND TO THE EXTENT NOTIFIED (THE "COMPANIES ACT, 2013").

PROMOTER

Our Promoter is Tata Capital Limited. For further details see, "*Our Promoter*" beginning on page 97 of this Draft Shelf Prospectus.

GENERAL RISK

Investors are advised to read the Risk Factors carefully before taking an investment decision in this Issue. For taking an investment decision, the investors must rely on their own examination of our Company and this Issue including the risks involved. Specific attention of the investors is invited to "*Risk Factors*" beginning on page 11 of this Draft Shelf Prospectus and "*Material Developments*" beginning on page 119 of this Draft Shelf Prospectus, in the Shelf Prospectus and the relevant Tranche Prospectus of any Tranche Issue before making an investment in such Tranche Issue. This Draft Shelf Prospectus has not been and will not be approved by any regulatory authority in India, including the Securities and Exchange Board of India ("**SEBI**"), the National Housing Bank ("**NHB**"), the Registrar of Companies, Maharashtra at Mumbai ("**RoC**") or any stock exchange in India.

ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for, and confirms that this Draft Shelf Prospectus read together with the Shelf Prospectus and the relevant Tranche Prospectus for a Tranche Issue contains and will contain all information with regard to our Company and the relevant Tranche Issue, which is material in the context of this Issue and the relevant Tranche Issue. The information contained in this Draft Shelf Prospectus read together with the Shelf Prospectus and the relevant Tranche Prospectus for a Tranche Issue is true and correct in all material respects and is not misleading in any material respect and that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Shelf Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

CREDIT RATING

The NCDs proposed to be issued pursuant to this Issue have been rated "CRISIL AAA/Stable" by CRISIL for an amount of up to ₹ 5,00,000 lakh by way of its letter bearing reference number TCFSL/205349/RB/08212018 and dated August 21, 2018, rated 'IND AAA'/Outlook Stable by India Ratings for an amount up to ₹ 5,00,000 lakh by way of its letter dated August 23, 2018 and have been rated "[ICRA]AAA(stable)" by ICRA Limited for an amount of up to ₹5,00,000 lakh by way of its letter dated bearing reference number 2018-19/MUM/0778 and dated August 24, 2018. The rating of the NCDs by CRISIL, India Ratings and ICRA indicates highest degree of safety regarding timely servicing of financial obligations. The ratings provided by CRISIL, India Ratings and ICRA may be suspended, withdrawn or revised at any time by the assigning rating agency and should be evaluated independently of any other rating. These ratings are not a recommendation to buy, sell or hold securities and investors should take their own decisions. Please see, Annexures B to D of this Draft Shelf Prospectus for rating letters and rationale for the aforementioned ratings.

PUBLIC COMMENTS

This Draft Shelf Prospectus dated August 27, 2018 is open for public comments. All comments on this Draft Shelf Prospectus are to be forwarded to the attention of Mr. Jinesh Meghani, Company Secretary and Compliance Officer at the following address: 11th Floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai 400 013, Tel: (91 22) 6606 9000; Fax: (91 22) 6656 2699; Email: tchflncdcompliance@tatacapital.com. All comments must be received by our Company within seven Working Days of hosting this Draft Shelf Prospectus on the website of the Designated Stock Exchange. Comments by post, fax and mail shall be accepted, however please note that all comments by post must be received by our Company by 5:00 p.m. on the seventh Working Day from the date on which this Draft Shelf Prospectus is hosted on the website of the Designated Stock Exchange.

LISTING

The NCDs offered through this Draft Shelf Prospectus, the Shelf Prospectus along with the relevant Tranche Prospectus are proposed to be listed on the National Stock Exchange of India Limited ("**NSE**") and BSE Limited ("**BSE**"). For the purposes of this Issue, NSE shall be the Designated Stock Exchange. Our Company has received an 'in-principle' approval from NSE by way of its letter bearing reference number [●] dated [●] and from BSE by way of its letter bearing reference number [●] dated [●].

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

For details pertaining to Coupon Rate, Coupon Payment Frequency, Maturity Date and Maturity Amount of the NCDs, see "*General Terms of the Issue*" beginning on page 120 of this Draft Shelf Prospectus. For details relating to eligible investors see, "*The Issue*" beginning on page 39 of this Draft Shelf Prospectus.

LEAD MANAGERS TO THE ISSUE			REGISTRAR TO THE ISSUE	DEBENTURE TRUSTEE**
A. K. Capital Services Limited 30-39, Free Press House, 3rd Floor, Free Press Journal Marg 215, Nariman Point, Mumbai 400 021 Tel: (91 22) 6754 6500 Fax: (91 22) 6610 0594 Email: tchfl.ncd2018@akgroup.co.in Investor Grievance Email: investor.grievance@akgroup.co.in Website: www.akgroup.co.in Contact Person: Ms. Shilpa Pandey / Mr. Malay Shah SEBI Registration Number: INM000010411	**Axis Bank Limited** Axis House, 8th Floor, C-2 Wadia International Centre P.B. Marg, Worli, Mumbai 400 025 Tel: (91 22) 6604 3293 Fax: (91 22) 2425 3800 Email: tchfl.2018@axisbank.com Investor Grievance Email: investor.grievance@axisbank.com Website: www.axisbank.com Contact Person: Mr. Vikas Shinde SEBI Registration Number: INM000006104	**Edelweiss Financial Services Limited** Edelweiss House, Off CST Road Kalina Mumbai 400 098 Tel: (91 22) 4086 3535 Fax: (91 22) 4086 3610 Email: Tchfl.Ncd@edelweissfin.com Investor Grievance Email: customerservice.mb@edelweissfin.com Website: www.edelweissfin.com Contact Person: Mr. Mandeep Singh/ Mr. Lokesh Singhi SEBI Registration Number: INM0000010650	**Karvy Computershare Private Limited** Karvy Selenium Tower B, Plot 31-32 Gachibowli Financial District Nanakramguda, Hyderabad 500 032 Tel: (91 40) 6716 2222 Fax: (91 40) 2343 1551 Email: einward.ris@karvy.com Investor Grievance Email: tchfl.ncd@karvy.com Website: www.karisma.karvy.com Contact Person: Mr. M Murali Krishna SEBI Registration Number: INR000000221	**IDBI Trusteeship Services Limited** Asian Building, Ground Floor 17, R. Kamani Marg, Ballard Estate Mumbai 400 001 Tel: (91 22) 4080 7000 Fax: (91 22) 6631 1776 Email: itsl@idbitrustee.com Investor Grievance Email: response@idbitrustee.com Website: www.idbitrustee.com Contact Person: Mr. Nikhil Lohana SEBI Registration Number: IND000000460

ISSUE PROGRAMME*

ISSUE OPENS ON: As specified in the relevant Tranche Prospectus	**ISSUE CLOSES ON:** As specified in the relevant Tranche Prospectus

**This Issue shall remain open for subscription on Working Days from 10:00 a.m. to 5:00 p.m., during the period indicated in the relevant Tranche Prospectus, except that this Issue may close on such earlier date or extended date as may be decided by the Board of Directors or the Working Committee of the Board of Directors of our Company. In the event of such an early closure of or extension of this Issue, our Company shall ensure that notice of such early closure or extension is given to the prospective investors through an advertisement in a national daily newspaper with wide circulation on or before such earlier date or initial date of closure. Applications Forms for this Issue will be accepted only from 10:00 a.m. to 5:00 p.m. or such extended time as may be permitted by the Stock Exchanges, on Working Days during the Issue Period. On the Issue Closing Date, Application Forms will be accepted only between 10:00 a.m. to 3:00 p.m. and uploaded until 5:00 p.m. or such extended time as may be permitted by the Stock Exchanges.*

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

A copy of the Shelf Prospectus and relevant Tranche Prospectus shall be filed with the RoC, in terms of Section 26 and Section 31 of the Companies Act, 2013, along with the certified copies of all requisite documents. For further details see, "Material Contracts and Documents for Inspection" beginning on page 192 of this Draft Shelf Prospectus.

TABLE OF CONTENTS

SECTION I: GENERAL

DEFINITIONS/ABBREVIATIONS

This Draft Shelf Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning ascribed to such definitions and abbreviations set forth. References to any legislation, act, regulation, rules, guidelines, clarifications or policies shall be to such legislation, act, regulation, rules, guidelines, clarifications or policies as amended, supplemented or re-enacted from time to time until the date of this Draft Shelf Prospectus, and any reference to a statutory provision shall include any subordinate legislation notified from time to time pursuant to such provision.

The words and expressions used in this Draft Shelf Prospectus but not defined herein shall have, to the extent applicable, the same meaning ascribed to such words and expressions under the SEBI Debt Regulations, the Companies Act, 2013, the SCRA, the Depositories Act, the NHB Act and the rules and regulations notified thereunder.

Notwithstanding the foregoing, the terms defined as part of "Our Business", "Risk Factors" "Industry Overview", "Regulations and Policies", "Statement of Tax Benefit Available to the Debenture Holders" and "Summary of Key Provisions of Articles of Association" beginning on pages 71, 11, 58, 174, 50 and 186, respectively shall have the meaning ascribed to them as part of the aforementioned sections. Terms not defined as part of "Our Business", "Risk Factors" "Industry Overview" and "Regulations and Policies", beginning on pages 71, 11, 58 and 174, shall have the meaning ascribed to them hereunder.

General Terms

Term	Description
Company / Issuer	Tata Capital Housing Finance Limited, a public limited company incorporated under the provisions of the Companies Act, 1956 having its Registered Office at 11th Floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai 400 013
We / us / our	Unless the context otherwise indicates or implies, refers to our Company

Company related terms:

Term	Description
AoA / Articles / Articles of Association	Articles of association of our Company
Asset Liability Committee	Asset liability committee of our Company constituted in accordance with applicable law
Audit Committee	Audit committee of our Company, constituted in accordance with applicable law
Board / Board of Directors	Board of directors of our Company and includes any committee constituted thereof
CCCPS	Compulsorily convertible cumulative preference shares of our Company bearing face value ₹ 10 each
Corporate Social Responsibility Committee	Corporate social responsibility committee of our Company constituted in accordance with the applicable provisions of the Companies Act, 2013
Director(s)	Director(s) of our Company
Equity Shares	Equity shares of face value ₹ 10 each of our Company
Independent Directors(s)	Independent directors of our Company, who, unless otherwise specified include Mr. Mehernosh B. Kapadia and Ms. Anuradha E. Thakur
Information Technology Strategy Committee	Information technology strategy committee of our Company, constituted in accordance with applicable law
Key Managerial Personnel	Key managerial personnel of our Company as disclosed in this Draft Shelf Prospectus on page 92 and appointed in accordance with provisions of the Companies Act, 2013
Lending Committee	Committee of the Board of Directors of our Company, constituted and re-constituted by the Board of Directors, from time to time
Memorandum / MoA / Memorandum of Association	Memorandum of association of our Company
Nomination and Remuneration Committee	Nomination and remuneration committee of our Company, constituted in accordance with applicable law
Non-Executive Director(s)	Non-executive director of our Company, who, unless otherwise specified include Mr. Rajiv Sabharwal and Mr. Ankur Verma
Promoter	Tata Capital Limited

Term	Description
Reformatted Summary Financial Statements	The Statement of Assets and Liabilities of our Company as at March 31, 2018 and the related Statement of Profit and Loss and the Statement of Cash Flows for the said year as examined by our Company's Statutory Auditor, B S R & Co. LLP, Mumbai and the Statement of Assets and Liabilities of our Company as at March 31, 2017, 2016, 2015 and 2014 and the related Statement of Profit and Loss and the Statement of Cash Flows for each of the said four years ending March 31, 2017, 2016, 2015 and 2014 as examined by our Company's previous statutory auditor, Deloitte Haskins & Sells LLP, Mumbai
Registered Office	Registered office of our Company located at 11th Floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai 400 013
Registrar of Companies/RoC	The Registrar of companies, Maharashtra at Mumbai
Risk Management Committee	Risk management committee of our Company, constituted in accordance with applicable law
Shareholders	Shareholders of our Company from time to time
Statutory Auditors	The auditors of our Company appointed in accordance with Companies Act, 2013, being B S R & Co. LLP., 5th Floor, Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai 400 011
Tata Capital Group	Tata Capital Limited and its subsidiaries, being Tata Capital Financial Services Limited, Tata Capital Housing Finance Limited, Tata Cleantech Capital Limited, Tata Securities Limited and Tata Capital Pte. Limited
Working Committee	Working committee of the Board of Directors of our Company, constituted and re-constituted by the Board of Directors, from time to time

Issue related terms

Term	Description
Allotment / Allotted	Unless the context otherwise requires, the issue and allotment of the NCDs pursuant to this Issue to the Allottees
Allotment Advice	The communication sent to the Allottees conveying details of NCDs allotted to the Allottees in accordance with the Basis of Allotment
Allottee(s)	The successful applicant to whom the NCDs are Allotted, either in full or in part in terms of this Issue
Applicant / Investor	The person who applies for issuance and Allotment of NCDs pursuant to the terms of the Shelf Prospectus, relevant Tranche Prospectus and Abridged Prospectus and the Application Form for any Tranche Issue
Application	An application for Allotment of NCDs offered pursuant to this Issue by submission of a valid Application Form and payment of the Application Amount by any of the modes as prescribed under the respective Tranche Prospectus
Application Amount	The aggregate value of the NCDs applied for, as indicated in the Application Form for the respective Tranche Prospectus
Application Form	The form in terms of which the Applicant shall make an offer to subscribe to the NCDs through the ASBA or non-ASBA process, in terms of the Shelf Prospectus and respective Tranche Prospectus
ASBA Account	An account maintained with an SCSB which will be blocked by such SCSB to the extent of the Application Amount of an ASBA Applicant
ASBA Applicant	Any Applicant who applies for NCDs through the ASBA process
ASBA or Application Supported by Blocked Amount	The Application in terms of which the Applicant shall make an Application by authorising SCSB to block the Application Amount in the specified bank account maintained with such SCSB
Bankers to the Issue/Escrow Collection Banks	The banks with whom Escrow Accounts will be opened as specified in the relevant Tranche Prospectus for each Tranche Issue
Base Issue	As specified in the relevant Tranche Prospectus for each Tranche Issue
Basis of Allotment	As specified in the relevant Tranche Prospectus for each Tranche Issue
Category I Investor	• Public financial institutions, scheduled commercial banks, and Indian multilateral and bilateral development financial institutions which are authorised to invest in the NCDs

Term	Description
	• Provident funds and pension funds with a minimum corpus of ₹ 2,500 lakh, superannuation funds and gratuity funds, which are authorised to invest in the NCDs • Alternative Investment Funds, subject to investment conditions applicable to them under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 • Resident Venture Capital Funds registered with SEBI • Insurance companies registered with the IRDAI • State industrial development corporations • Insurance funds set up and managed by the army, navy, or air force of the Union of India • Insurance funds set up and managed by the Department of Posts, the Union of India • Systemically Important Non-Banking Financial Company registered with the RBI and having a net-worth of more than ₹ 50,000 lakh as per the last audited financial statements; • National Investment Fund set up by resolution no. F.No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India • Mutual funds registered with SEBI
Category II Investor	• Companies within the meaning of Section 2(20) of the Companies Act, 2013 • Statutory bodies/ corporations and societies registered under the applicable laws in India and authorised to invest in the NCDs • Co-operative banks and regional rural banks • Trusts including public/private charitable/religious trusts which are authorised to invest in the NCDs • Scientific and/or industrial research organisations, which are authorised to invest in the NCDs • Partnership firms in the name of the partners • Limited liability partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008 (No. 6 of 2009) • Association of Persons • Any other incorporated and/ or unincorporated body of persons
Category III Investor	High net-worth individual investors - resident Indian individuals and Hindu Undivided Families through the Karta applying for an amount aggregating to above ₹ 10,00,000 across all options of NCDs in this Issue
Category IV Investor	Retail individual investors – resident Indian individuals and Hindu Undivided Families through the Karta applying for an amount aggregating up to and including ₹10,00,000 across all options of NCDs in this Issue
Consortium Agreement	As specified in the relevant Tranche Prospectus
Consortium Members	As specified in the relevant Tranche Prospectus
Consortium/ Members of the Consortium (each individually, a Member of the Consortium)	The Lead Managers and the Consortium Members
Coupon Rate	The aggregate rate of interest payable in connection with the NCDs in accordance with the Shelf Prospectus and the relevant Tranche Prospectus
Credit Rating Agencies	For this Issue, the credit rating agencies being, CRISIL, India Ratings and ICRA
CRISIL	CRISIL Limited
Debenture Holder(s)/NCD Holder(s)	The holders of the Secured NCDs and Unsecured NCDs whose name appears in the database of the relevant Depository
Debenture Trust Deed	The trust deed to be executed by our Company and the Debenture Trustee for creating the security over the NCDs issued under this Issue
Debenture Trustee Agreement	The agreement dated August 22, 2018 entered into between the Debenture Trustee and our Company
Debt Application Circular	Circular no. CIR/IMD/DF-1/20/2012 issued by SEBI on July 27, 2012
Deemed Date of Allotment	The date on which the Board of Directors or the Working Committee approves the Allotment of the NCDs for each Tranche Issue. The actual Allotment of NCDs may take place on a date

Term	Description
	other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs (as specified for each Tranche Issue by way of the relevant Tranche Prospectus) shall be available to the Debenture holders from the Deemed Date of Allotment
Demographic Details	Details of the investor such as address, bank account details for printing on refund orders and occupation, which are based on the details provided by the Applicant in the Application Form
Depository(ies)	National Securities Depository Limited and /or Central Depository Services (India) Limited
Designated Branches	Such branches of SCSBs which shall collect the ASBA Application and a list of which is available on http://www.sebi.gov.in or at such other website as may be prescribed by SEBI
Designated Date	The date on which the Escrow Collection Banks transfer the funds from the Escrow Accounts and the Registrar to the Issue issues instruction to SCSBs for transfer of funds from the ASBA Account(s) to the Public Issue Account(s) in terms of the Shelf Prospectus and relevant Tranche Prospectus and the Escrow Agreement
Designated Stock Exchange	NSE
DP / Depository Participant	A depository participant as defined under the Depositories Act
Draft Shelf Prospectus	This draft shelf prospectus dated August 27, 2018 filed with the Designated Stock Exchange for receiving public comments and with BSE, SEBI in accordance with the provisions of the Companies Act, 2013 and the SEBI Debt Regulations
Escrow Account(s)	Accounts opened in connection with this Issue with the Escrow Collection Banks into which the Members of the Consortium and the Trading Members, as the case may be, will deposit the Application Amount from resident non-ASBA Applicants, in terms of the Shelf Prospectus, relevant Tranche Prospectus and the Escrow Agreement
Escrow Agreement	As specified in the relevant Tranche Prospectus
ICRA	ICRA Limited
India Ratings	India Ratings & Research Pvt. Ltd.
Issue	Public issue by our Company of secured, rated, listed, redeemable, non-convertible debentures of face value of ₹1,000 each and unsecured, subordinated, rated, listed, redeemable, non-convertible debentures of face value of ₹1,000 each, for an amount aggregating up to the Shelf Limit pursuant to the Shelf Prospectus and the relevant Tranche Prospectus. The unsecured, rated, listed, redeemable non-convertible debentures will be in the nature of subordinated debt and will be eligible for Tier II Capital. The NCDs will be issued in one or more Tranche(s), on terms and conditions as set out in the relevant Tranche Prospectus for any Tranche Issue. Our Company may opt to issue Secured NCDs or Unsecured NCDs or both Secured NCDs and Unsecured NCDs as part of any Tranche Prospectus and corresponding Tranche Issue
Issue Agreement	Agreement dated August 27, 2018 entered into by our Company and the Lead Managers
Issue Closing Date	Issue closing date as specified in the relevant Tranche Prospectus for the relevant Tranche Issue
Issue Document	This Draft Shelf Prospectus, the Shelf Prospectus, the relevant Tranche Prospectus, the Abridged Prospectus, the Application Form and supplemental information, if any
Issue Opening Date	Issue Opening Date as specified in the relevant Tranche Prospectus for the relevant Tranche Issue
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both days, as provided in the respective Tranche Prospectus
Lead Managers	A. K. Capital Services Limited, Axis Bank Limited and Edelweiss Financial Services Limited
Listing Agreement	The uniform listing agreement entered into between our Company and the Stock Exchanges in connection with the listing of debt securities of our Company
Market Lot	One NCD
NCDs	Secured, rated, listed, redeemable, non-convertible debentures of face value of ₹ 1,000 each and unsecured, subordinated, rated, listed, redeemable, non-convertible debentures of face value of ₹ 1,000 each, aggregating up to ₹ 5,00,000 lakh offered through this Draft Shelf Prospectus, the Shelf Prospectus and the relevant Tranche Prospectus
Option(s)	An option of NCDs which are identical in all respects including, but not limited to terms and conditions, listing and ISIN and as further stated to be an individual option in this Draft Shelf Prospectus, the Shelf prospectus and relevant Tranche Prospectus

Term	Description
Public Issue Account	Bank account(s) opened with any of the Bankers to the Issue by our Company under Section 40 of the Companies Act, 2013, to receive money from the Escrow Accounts on the Designated Date and where the funds shall be transferred by the SCSBs from the ASBA Accounts
Record Date	The date for payment of interest in connection with the NCDs or repayment of principal in connection therewith which shall be 15 days prior to the date of payment of interest, and/or the date of redemption under the relevant Tranche Prospectus. In case the Record Date falls on a day when the Stock Exchanges are having a trading holiday, the immediate subsequent trading day or a date notified by our Company to the Stock Exchanges, will be deemed as the Record Date Interest shall be computed on an actual/actual basis i.e. on the principal outstanding on the NCDs as per the SEBI Circular bearing no. CIR/IMD/DF-1/122/2016 dated November 11, 2016
Redemption Amount	As specified in the relevant Tranche Prospectus
Redemption Date	The date on which our Company is liable to redeem the NCDs in full as specified in the relevant Tranche Prospectus
Refund Account(s)	The account(s) opened by our Company with the Refund Bank(s), from which refunds of the whole or part of the Application Amounts (excluding for the ASBA Applicants), if any, shall be made
Refund Bank	As stated in the relevant Tranche Prospectus
Register of Debenture holder	A register of debenture holders maintained by our Company in accordance with the provisions of the Companies Act, 2013 and for further details see, "*General Terms of the Issue*" beginning on page 120 of this Draft Shelf Prospectus
Registrar Agreement	Agreement dated August 23, 2018 entered into between our Company and the Registrar to the Issue, in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to this Issue
Registrar to the Issue	Karvy Computershare Private Limited
Secured NCDs	NCDs offered under this Issue which are rated, listed, redeemable and will be secured as per the terms and conditions specified under this Draft Shelf prospectus, Shelf Prospectus and the relevant Tranche Prospectus
Self-Certified Syndicate Banks or SCSBs	The banks which are registered with SEBI under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 and offer services in relation to ASBA, including blocking of an ASBA Account, a list of which is available on http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time
Senior Citizen	A person who on the Deemed Date of Allotment of the relevant Tranche Issue has attained the age of 60 years or more
Shelf Limit	The aggregate limit of this Issue, being ₹ 5,00,000 lakh to be issued pursuant to the Shelf Prospectus through one or more Tranche Issues
Shelf Prospectus	The Shelf Prospectus dated [•] that shall be filed by our Company with the RoC and submitted to SEBI and Stock Exchanges in accordance with the provisions of the Companies Act, 2013 and the SEBI Debt Regulations
Stock Exchanges	NSE and BSE
Subordinated Debt	A fully paid up instrument, which is unsecured and is subordinated to the claims of other creditors and is free from restrictive clauses and is not redeemable at the instance of the holder or without the consent of the supervisory authority of a housing finance company. The book value of such instrument shall be subjected to discounting as provided hereunder: Remaining maturity of the instruments and rate of discount: • up to one year 100%; • more than one year but up to two years 80%; • more than two years but up to three years 60%; • more than three years but up to four years 40%; and • more than four years but up to five years 20% to the extent such discounted value does not exceed fifty per cent of Tier I capital

Term	Description
Syndicate ASBA Application Locations	ASBA Applications through the Lead Managers, Consortium Members or the Trading Members of the Stock Exchange only at Mumbai, Chennai, Kolkata, Delhi, Ahmedabad, Rajkot, Jaipur, Bengaluru, Hyderabad, Pune, Vadodara and Surat
Syndicate or Members of the Syndicate	Collectively, the Consortium Members appointed in relation to this Issue
Syndicate SCSB Branches	In relation to ASBA Applications submitted to a member of the Syndicate, such branches of the SCSBs at the Syndicate ASBA Application Locations named by the SCSBs to receive deposits of the Application Forms from the members of the Syndicate, and a list of which is available on http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time
Tenor	Tenor shall mean the tenor of the NCDs as specified in the relevant Tranche Prospectus
Tier I Capital	Tier I capital means, owned fund as reduced by investment in shares of other HFCs and in shares, debentures, bonds, outstanding loans and advances including hire purchase and lease finance made to and deposits with subsidiaries and companies in the same group exceeding, in aggregate, 10% of the owned fund
Tier II Capital	Tier-II capital includes the following: (a) preference shares other than those which are compulsorily convertible into equity; (b) revaluation reserves at discounted rate of 55%; (c) general provisions and loss reserves to the extent these are not attributable to actual diminution in value or identifiable potential loss in any specific asset and are available to meet unexpected losses, to the extent of one and one fourth percent of risk weighted assets; (d) hybrid debt capital instruments; and (e) subordinated debt to the extent the aggregate does not exceed Tier-I capital
Trading Members	Intermediaries registered with a broker or a sub-broker under the Securities and Exchange Board of India (Stock Brokers and Sub-Brokers) Regulations, 1992 and/or with the Stock Exchanges under the applicable byelaws, rules, regulations, guidelines, circulars issued by Stock Exchanges from time to time and duly registered with the Stock Exchanges for collection and electronic upload of Application Forms on the electronic application platform provided by Stock Exchanges
Tranche Issue	Issue of the NCDs pursuant to the respective Tranche Prospectus
Tranche Prospectus(es)	The relevant Tranche Prospectus containing the details of NCDs including interest, other terms and conditions, recent developments, general information, objects, procedure for application, statement of tax benefits, regulatory and statutory disclosures and material contracts, documents for inspection and other terms and conditions in respect of the relevant Tranche Issue
Transaction Documents	Transaction documents shall mean the Issue Agreement, Registrar Agreement, Debenture Trustee Agreement and the agreed form of the Debenture Trust Deed to be executed between our Company and the Debenture Trustee. For further details see, "*Material Contracts and Documents for Inspection*" on page 192 of this Draft Shelf Prospectus
Transaction Registration Slip or TRS	The acknowledgment slip or document issued by any of the Members of the Consortium, the SCSBs, or the Trading Members as the case may be, to an Applicant upon demand as proof of registration of his application for the NCDs
Trustees / Debenture Trustee	Trustees for the Debenture Holders in this case being, IDBI Trusteeship Services Limited appointed by the Board of Directors or the Working Committee of the Board of Directors of our Company
Unsecured NCDs	NCDs offered under this Issue which are rated, listed, redeemable and are not secured by any charge on the assets of our Company, which will be in the nature of Subordinated Debt and will be eligible for Tier II Capital and subordinate to the claims of all other creditors
Working Day	Working Day(s) shall mean all days excluding Sundays or a holiday of commercial banks in Mumbai, except with reference to Issue Period, where Working Days shall mean all days, excluding Saturdays, Sundays and public holiday in India. Furthermore, for the purpose of post issue period, i.e. period beginning from Issue Closing Date to listing of the NCDs, Working Days shall mean all days excluding Sundays or a holiday of commercial banks in Mumbai or a public holiday in India

Industry related terms

Term	Description
Assets Under Management or AUM	Total loan assets including retained interest under assignment transactions
CRAR	Capital to risk adjusted ratio
ECS	Electronic clearance service
EMI	Equated monthly instalment
Gross NPA	Outstanding loans including future principal and overdue charges and excluding unrealised interest accrued and due under NPA accounts
HFC	Housing finance company
IBPC	Inter bank participation certificate
ICAI	Institute of Chartered Accountants of India
KYC	Know your customer
LTV	Loan to value ratio
Net Loan Assets	Total loan assets as adjusted for provisions for non-performing assets
Net NPA	Gross non-performing asset net off provision held for non-performing asset accounts
NPA	Non-performing asset
NRI/Non-Resident	A person resident outside India, as defined under the FEMA
RRB	Regional rural bank
SCB	Scheduled commercial banks
Total Loan Assets	Secured hypothecation loans, other secured loans, retained interest on securitisation, unsecured loans and unsecured advance for hypothecation loans

Conventional and general terms

Term	Description
₹/ Rs. / INR/ Rupees	The lawful currency of the Republic of India
AGM	Annual general meeting
AS	Accounting standard
BSE	BSE Limited
CAGR	Compounded annual growth rate
CDSL	Central Depository Services (India) Limited
Companies Act, 2013	Companies Act, 2013, to the extent notified by the Ministry of Corporate Affairs, Government of India
Companies Act, 1956	The Companies Act, 1956, as may be applicable
Consumer Protection Act	Consumer Protection Act, 1986
Depositories Act	The Depositories Act, 1996
DRR	Debenture redemption reserve
EGM	Extraordinary general meeting
EPS	Earnings per share
FDI Policy	Government policy and the regulations (including the applicable provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000) issued by the Government of India prevailing on that date in relation to foreign investments in our Company's sector of business
FEMA	Foreign Exchange Management Act, 1999
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017
Fiscal / Financial Year / FY	Financial year ending March 31
GDP	Gross domestic product

Term	Description
GoI	Government of India
HUF	Hindu undivided family
IFRS	International financial reporting standards
IFSC	Indian financial system code
Indian GAAP	Generally accepted accounting principles in India
IRDAI	Insurance Regulatory and Development Authority of India
ISIN	International securities identification number
IST	Indian standard time
IT Act	Income Tax Act, 1961
MCA	Ministry of Corporate Affairs, Government of India
MICR	Magnetic ink character recognition
NACH	National automated clearing house
NBFC	Non-banking financial company as defined under Section 45-IA of the RBI Act
NEFT	National electronic funds transfer
NHB Act	National Housing Bank Act, 1987
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
PAN	Permanent account number
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934
RTGS	Real time gross settlement
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI Debt Regulations	Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008
SEBI LODR Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
TDS	Tax deducted at source

FORWARD-LOOKING STATEMENTS

Certain statements in this Draft Shelf Prospectus that are not statements of historical fact constitute "forward-looking statements". Investors can generally identify forward-looking statements by terminology such as *"aim", "anticipate", "believe", "continue", "could", "estimate", "expect", "intend", "may", "objective", "plan", "potential", "project", "pursue", "shall", "seek", "should", "will", "would",* or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements.

All statements regarding our expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, revenue and profitability, new business and other matters discussed in this Draft Shelf Prospectus that are not historical facts. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results, including our financial conditions and results of operations to differ from our expectations include, but are not limited to, the following:

- Continue our expansion by focusing on housing loans and the affordable housing segment;
- Leverage our technology capabilities;
- Leverage our financial strength and improved ratings to increase our competitiveness, diversify our funding mix and reduce our funding costs;
- Continue to maintain prudent risk management policies for our AUM;
- Expand our network and leverage digital media; and
- Continue to leverage our business relationships with Tata companies and alternative distribution channels to build our existing customer base.

For further discussion of factors that could cause our actual results to differ, see "*Risk Factors*" beginning on page 11 of this Draft Shelf Prospectus.

All forward-looking statements are subject to risks, uncertainties and assumptions about our Company that could cause actual results and valuations to differ materially from those contemplated by the relevant statement. Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under the "*Industry Overview*", "*Our Business*" and *"Legal and Other Information"* on pages 58, 71 and 160, respectively, of this Draft Shelf Prospectus.

The forward-looking statements contained in this Draft Shelf Prospectus are based on the beliefs of management, as well as the assumptions made by and information currently available to management. Although our Company believes that the expectations reflected in such forward-looking statements are reasonable at this time, it cannot assure investors that such expectations will prove to be correct or will hold good at all times. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. If any of these risks and uncertainties materialise, or if any of our Company's underlying assumptions prove to be incorrect, our Company's actual results of operations or financial condition could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to our Company are expressly qualified in their entirety by reference to these cautionary statements.

Neither our Company, its Directors and officers, nor any of their respective affiliates or the Lead Managers have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI Debt Regulations, our Company and the Lead Managers will ensure that investors in India are informed of material developments between the date of filing the Shelf Prospectus with the RoC and the date of receipt of listing and trading permission being obtained from the Stock Exchanges.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

General

In this Draft Shelf Prospectus, unless the context otherwise indicates or implies, references to *"you", "offeree", "purchaser", "subscriber", "recipient", "investors"* and *"potential investor"* are to the prospective investors in this Offering, references to our *"Company"*, the *"Company"* or the *"Issuer"* are to Tata Capital Housing Finance Limited.

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

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

Unless otherwise stated, references in this Draft Shelf Prospectus to a particular year are to the calendar year ended on December 31 and to a particular *"fiscal"* or *"fiscal year"* are to the fiscal year ended on March 31.

Unless otherwise stated all figures pertaining to the financial information in connection with our Company are on a standalone basis. Additionally, unless stated otherwise all references to time in this Draft Shelf Prospectus are to IST.

Presentation of Financial Information

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

The Reformatted Summary Financial Statements are included in this Draft Shelf Prospectus. The examination reports on the Reformatted Summary Financial Statements, as issued by our Statutory Auditors, are included in this Draft Shelf Prospectus in Annexure A, "*Financial Information*" beginning on page 195 of this Draft Shelf Prospectus.

Industry and Market Data

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

Unless stated otherwise, all industry and market data cited throughout this Draft Shelf Prospectus has been obtained from industry publications and certain public sources and accordingly, all financial data forming part of the industry and market data cited throughout this Draft Shelf Prospectus, is based on such industry publications and certain public sources and represented in Rupees, in million, billions and trillions, as applicable. Industry publications generally state that the information contained in those publications have been obtained from sources believed to be reliable, but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although our Company believes that the industry and market data used in this Draft Shelf Prospectus is reliable, it has not been verified by us or any independent sources. Further, the extent to which the market and industry data presented in this Draft Shelf Prospectus is meaningful depends on the readers' familiarity with and understanding of methodologies used in compiling such data.

Exchange Rates

The exchange rates (in ₹) of USD are provided below:

(in ₹)

Currency	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
USD	65.0441	64.8386	66.3329	62.5908	60.0998

Source: www.rbi.org.in In case March 31 of any of the respective years is a public holiday, the previous calendar day not being a public holiday has been considered.

SECTION II: RISK FACTORS

The risk factors set forth below do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose off the NCDs. Prospective investors should carefully consider the risks and uncertainties described below, in addition to the other information contained in this Draft Shelf Prospectus including "Our Business" beginning on page 71 of this Draft Shelf Prospectus and in Annexure A, "Financial Information" beginning on page 195 of this Draft Shelf Prospectus, before making any investment decision relating to the NCDs. If any of the following risks or other risks that are not currently known or are now deemed immaterial, actually occur, our business, financial condition and result of operation could suffer, the trading price of the NCDs could decline and you may lose all or part of your interest and/or redemption amounts. The risks and uncertainties described in this section are not the only risks that we currently face. Additional risks and uncertainties not known to us or that we currently believe to be immaterial may also have an adverse effect on our business, results of operations and financial condition.

Unless otherwise stated in the relevant risk factors set forth, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. The ordering of the risk factors is intended to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.

This Draft Shelf Prospectus contains forward looking statements that involve risk and uncertainties. Our Company's actual results could differ materially from those anticipated in these forward looking statements as a result of several factors, including the considerations described below and elsewhere in this Draft Shelf Prospectus.

Unless otherwise indicated, the financial information included herein is based on Reformatted Summary Financial Statements for Fiscal 2014, 2015, 2016, 2017 and 2018, as included in this Draft Shelf Prospectus.

Internal Risks pertaining to our business and operations

1. ***As an HFC, we face the risk of default and non-payment by borrowers and other counterparties. Any such defaults and non-payments would result in write-offs and/or provisions in our financial statements which may have a material adverse effect on our profitability and asset quality.***

   Any lending activity is exposed to credit risk arising from the risk of default and non-payment by borrowers. Our outstanding loan portfolio has grown at a CAGR of 25.20% from ₹13,03,986 lakh as of March 31, 2016 to ₹ 20,43,939 lakh as of March 31, 2018. The size of our loan portfolio is expected to continue to grow as a result of our expansion strategy. As our portfolio expands, we will be exposed to an increasing risk of defaults. Any negative trends or financial difficulties among our borrowers could increase the level of NPAs in our portfolio and adversely affect our business and financial performance. The borrowers may default on their repayment obligations due to various reasons including insolvency, lack of liquidity, operational failure, and other reasons. We also rely on collection agents to recover outstanding dues in the event of a default and such collection agents may not be successful in recovering outstanding dues. Further, any delay in enforcing the collateral due to delays in enforcement proceedings before courts of an appropriate forum, or otherwise could expose us to potential losses. Any such defaults and non-payments would result in write-offs and/or provisions in our financial statements which may materially and adversely affect our profitability and asset quality.

   In deciding whether to extend credit to or enter into transactions with customers and counterparties, we rely largely on information furnished by or on behalf of our customers, including financial information, based on which we perform our credit assessment. We may also depend on certain representations and undertakings as to the accuracy, correctness and completeness of information, and the verification of the same by agencies to which such functions are outsourced. Any such information, if materially misleading, may increase the risk of default. Our financial condition and results of operations could be adversely affected by relying on information that may not be true or may be materially misleading.

   Although we regularly review our credit exposures to clients and counterparties and to industries and geographical regions that we believe may present credit concerns, defaults may arise from events or circumstances that are difficult to detect or foresee.

   As of March 31, 2018, a substantial portion of our loans advanced to customers had tenors exceeding one year. The long tenor of these loans may expose us to risks arising out of economic cycles. In addition, some of these loans are project finance loans and there can be no assurance that these projects will perform as anticipated or that such projects will be able to generate sufficient cash flows to service commitments under the advances. We are also exposed to residential projects that are still under development and are open to risks arising out of delay in execution, such as delay in execution on time, delay in getting approvals from necessary authorities and breach of contractual obligations by counterparties, all of which may adversely impact our cash flows.

2. ***Our business has grown consistently in the past. Any inability to maintain our growth may have a material adverse effect on our business, results of operations and financial condition.***

Our business has steadily expanded in the past three Fiscals and for Fiscals 2016, 2017 and 2018, our revenue from operations was ₹1,25,330 lakh, ₹1,70,696 lakh and ₹1,94,690 lakh, respectively, and our profit after tax was ₹11,261 lakh, ₹17,817 lakh and ₹21,420 lakh, respectively. Our revenue from operations and profit after tax grew at a CAGR of 24.64% and 37.92%, respectively, during the last three Fiscals.

Our growth strategy includes increasing the number of loans we extend, diversifying our product portfolio and expanding our customer base. There can be no assurance that our growth strategy will continue to be successful or that we will be able to continue to expand further or diversify our product portfolio.

In order to maintain our growth in future, we will, *inter alia*, need to continue to focus on: (i) raising funds at optimum costs; (ii) our managerial, technical and operational capabilities; (iii) the allocation of our resources; and (iv) our information and risk management systems. In addition, we may be required to manage relationships with a greater number of customers, third-party agents, lenders and other parties.

Our business depends significantly on our marketing initiatives. Additionally, we carry out certain marketing activities through our Promoter pursuant to a service agreement between our Company and our Promoter (the "**Service Agreement**"). Pursuant to the terms of the Service Agreement our Promoter has agreed to provide certain services to our Company in relation to marketing, management and administrative functions, in order to facilitate housing finance activities carried out by our Company. The duration of the service agreement has been extended to March 31, 2019. Our advertisement and business promotion expenses amounted to ₹657 lakh, ₹817 lakh and ₹875 lakh in the fiscal years ended March 31, 2016, 2017 and 2018, respectively. Our business sourcing expenses amounted to ₹ 4,693 lakh, ₹ 5,585 lakh and ₹ 5,792 lakh, respectively, for the same periods. 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 our brand value. Further, there can be no assurance that we would be able to continue such initiatives in the future in a similar manner and on commercially viable terms.

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.

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

3. ***Our business is particularly vulnerable to volatility in interest rates.***

A substantial component of our income is the interest income that we receive from the loans we disburse. Our interest income is affected by any volatility in interest rates in our lending operations. Interest rates are highly volatile due to many factors beyond our control, including the monetary policies of the RBI, deregulation of the financial sector in India, and domestic and international economic and political conditions.

If there is an increase in the interest rates that we pay on our borrowings, which we are unable to pass on to our customers, our profitability may be affected. Further, to the extent our borrowings are linked to market interest rates, we may have to pay interest at a higher rate than lenders that borrow only at fixed interest rates. Fluctuations in interest rates may also adversely affect our treasury operations. If there is a sudden or sharp rise in interest rates, we could be adversely affected by the decline in the market value of our securities portfolio.

Our failure to pass on increased interest rates on our borrowings may cause our net interest income to decline, which would decrease our return on assets and could adversely affect our business, future financial performance and result of operations.

Also, when interest rates decline, we are subject to greater re-pricing and prepayment risks as borrowers take advantage of the attractive interest rate environment. In periods of low interest rates and high competition among lenders, borrowers may seek to reduce their borrowing cost by asking lenders to re-price loans. If we are required to re-price loans, it could adversely affect our profitability. If borrowers prepay loans, we will lose interest income expected from the loans over the course of their tenure and the return on our capital may be impaired if we are not able to deploy the received funds at similar interest rates. In addition, all housing finance providers in India are prohibited from charging pre-payment penalties on loans with variable interest rates granted to individual borrowers, which has led to balance transfer refinancing between lenders. Lenders, such as us, therefore usually witness high turnover of loans assets and face increased origination costs. If we are unable to recover the origination costs due to the short lifespan of the loans, our profitability could be adversely affected.

There can be no assurance that we will be able to adequately manage our interest rate risk in the future, which could have an adverse effect on our net interest margin.

4. ***Any increase in the levels of NPAs in our loan portfolio, for any reason whatsoever, would adversely affect our business, results of operations and financial condition.***

With the growth in our business, we expect an increase in our loan portfolio. Should the overall credit quality of our loan portfolio deteriorate, the current level of our provisions may not be adequate to cover further increases in the amount of our NPAs. There can be no assurance that there will be no further deterioration in our provisioning coverage as a percentage of gross NPAs or otherwise, or that the percentage of NPAs that we will be able to recover will be similar to our past experience of recoveries of NPAs. As of March 31, 2018, our provisioning coverage as a percentage of our gross NPAs was 61.09%.

As of March 31, 2018, our gross NPAs as a percentage of our outstanding loans was 1.22%, and our net NPAs, as a percentage of our outstanding loans, was 0.48%. The provisioning in respect of our outstanding loan portfolio has been undertaken in accordance with the NHB guidelines and other applicable laws. However, these provisioning requirements may require us to reserve lower amounts than the provisioning requirements applicable to financial institutions and banks in other countries. The provisioning requirements may also require the exercise of subjective judgments of management. The level of our provisions may be inadequate to cover further increases in the amount of our non-performing loans or decrease in the value of the underlying collateral. If our provisioning requirements are insufficient to cover our existing or future levels of non-performing loans or other loan losses that may occur, or if future regulation requires us to increase our provisions, our ability to raise additional capital and debt funds at favourable terms, if at all, as well as our results of operations, liquidity and financial condition could be adversely affected. Furthermore, whilst our current gross NPAs are in accordance with the levels stipulated as part of the NHB guidelines, we cannot assure you that our gross NPAs will continue to be in in accordance within the levels stipulated as part of the NHB guidelines and in the event our gross NPAs exceed the levels prescribed, our Company may face difficulty in obtaining refinance from NHB and we may become subject to regulatory action.

If the quality of our loan portfolio deteriorates or we are unable to implement effective monitoring and collection methods, our financial condition and results of operations may be adversely affected. In addition, we anticipate that the size of our loan portfolio will grow as a result of our expansion strategy in existing as well as new products, which will expose us to an increased risk of defaults.

Any negative trends or financial difficulties particularly among our borrowers could increase the level of NPAs in our portfolio and adversely affect our business and financial performance. If a significant number of our customers are unable to meet their financial obligations in a timely manner it may lead to an increase in our level of NPAs. If we are not able to prevent increases in our level of NPAs, our business and our future financial performance could be adversely affected.

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

In the ordinary course of our business, we have entered into agreements with certain banks and financial institutions for short-term and long-term borrowings. Some of these agreements contain restrictive covenants which require us to obtain consent from our lenders, before, among other things, altering our capital structure, disposing assets out of the ordinary course of business, incurring capital expenditure above certain limits, effecting any scheme of amalgamation or reconstitution, creating any charge or lien on our assets or receivables. Some of these agreements also contain restrictive covenant requiring our Promoter to maintain majority shareholding in our Company. In addition, under certain of our financing agreements, upon the occurrence of a default on our interest payments or repayment of principal to the lender, we would be restricted from declaring dividends and provide the lender with a right to appoint a nominee director. Our financing agreements may also require us to maintain certain financial ratios.

In the event we breach any financial or other covenants contained in any of our financing arrangements or in the event we have breached any terms in the past which are noticed 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, our financing arrangements may contain cross-default provisions which could automatically trigger defaults under other financing arrangements.

6. ***We may experience difficulties in geographically expanding our business and the products offered.***

As part of our growth strategy, we continue to evaluate attractive growth opportunities to expand our business into new regions and markets. Currently, our business is geographically concentrated in the state of Maharashtra, with 24% of the total loans offered to customers in the state. 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. In addition, as we enter new markets and geographical regions, we are likely to compete not only with other banks and financial institutions but also the local unorganised or semi-organised private financiers, who are more familiar with local regulations, business practices and customs, and have stronger relationships with potential customers.

As we continue to expand our geographic footprint, our business 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 standardised 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.

Further, of our total loan portfolio, majority forms part of the retail loans that we offer to our customers and we may not be able to effectively diversify our loan portfolio. To address such 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 may adversely affect our business prospects, financial conditions and results of operations.

Our inability to expand our current operations may adversely affect our business prospects, financial conditions and results of operations.

7. ***In order to sustain our growth, we will need to maintain a minimum capital adequacy ratio. There is no assurance that we will be able to raise capital when necessary in order to maintain such a ratio.***

The NHB Directions require a minimum capital adequacy ratio comprising of Tier I and Tier II Capital which shall not be less than 12.00% of our aggregate risk-weighted assets and risk adjusted value of off-balance sheet items. The NHB Directions assign weightages to balance sheet assets. We must maintain this minimum capital adequacy level to support our continuous growth. Our capital adequacy ratio, calculated in accordance with Indian GAAP, was 17.22% as at March 31, 2018. Our ability to support and grow our business could be limited by a declining capital adequacy ratio if we are unable to access or have difficulty raising capital. Additionally, there is no assurance that the NHB will not increase the current capital adequacy ratio.

In particular, according to the NHB Directions, 2010, at no point can our total Tier II Capital exceed 100% of the Tier I capital. For further details, see "*Regulations and Policies*" beginning on page 174 of this Draft Shelf Prospectus. This ratio is used to measure a HFCs capital strength and to promote the stability and efficiency of the housing finance system. Our capital adequacy ratio, calculated in accordance with Indian GAAP, was 17.22% as of March 31, 2018. As our asset book grows further, our CRAR may decline and this may require us to raise fresh capital. There is no assurance that NHB will not increase the minimum capital adequacy requirements. Should we be required to raise additional capital in the future in order to maintain our CRAR above the existing and future minimum required levels, we cannot guarantee that we will be able to obtain this capital on favourable terms, in a timely manner or at all. If we fail to meet the requirements prescribed by the NHB, then the NHB may take certain actions, including but not limited to levying penalties, restricting our lending activities, investment activities and asset growth, and suspending all but our low-risk activities and imposing restrictions on the payment of dividends.

8. ***We are an HFC and subject to various regulatory and legal requirements. Also, future regulatory changes may have a material adverse effect on our business, results of operations and financial condition.***

Our business is highly-regulated. The operations of HFCs are subject to various regulations framed by the Ministry of Corporate Affairs and the NHB, amongst others. We are also subject to the corporate, taxation and other laws in effect which require continued monitoring and compliance. These regulations, apart from regulating the manner in which a company carries out its business and internal operation, prescribe various periodical compliances and filings including but not limited to filing of forms and declarations with the relevant registrar of companies, and the NHB. Pursuant to the NHB regulations, HFCs are currently required to maintain a minimum CRAR consisting of Tier I and Tier II Capital which collectively shall not be less than 12.00% of their aggregate risk weighted assets and their risk adjusted value of off-balance sheet items.

The requirement for compliance with such applicable regulations presents a number of risks, particularly in areas where applicable regulations may be subject to varying interpretations. Further, if the interpretations of the regulators and authorities with respect to these regulations vary from our interpretation, we may be subject to penalties and our business could be adversely affected.

Furthermore, we are also subject to changes in laws, regulations and accounting principles. There can be no assurance that the laws and regulations governing companies generally or HFCs in particular, will not change in the future or that such changes or the interpretations or enforcement of existing and future laws and rules by governmental and regulatory authorities will not affect our business and future financial performance. The introduction of additional government controls or newly implemented laws and regulations, depending on the nature and extent thereof and our ability to make corresponding adjustments, may result in a material adverse effect on our business, results of operations and financial condition and our future growth plans. In particular, decisions taken by regulators concerning economic policies or goals that are inconsistent with our interests, could adversely affect our results of operations.

We cannot assure you that we will be in compliance with the various regulatory and legal requirements in a timely manner or at all. We cannot assure you that we will be able to adapt to new laws, regulations or policies that may come into effect from time to time with respect to the housing finance industry in general. Further, changes in tax laws may adversely affect demand for real estate and therefore, for housing finance, which will adversely affect our business, financial condition and results of operations.

9. ***We are subject to periodic inspections by the NHB. Non-compliance with the NHB's observations made during any such inspections could adversely affect our reputation, business, financial condition, results of operations and cash flows.***

The NHB conducts periodic inspections of our books of accounts and other records *inter alia* for the purpose of verifying the correctness or completeness of any statement, information or particulars furnished to the NHB or for obtaining any information which we may have failed to furnish on being called upon to do so. Inspection by the NHB is a regular exercise and is carried out periodically by the NHB for all housing finance institutions under provisions of the NHB Act. For instance, the most recent inspection by the NHB was conducted with respect to the position of our Company for Fiscal 2017 pursuant to which the NHB issued its observations by way of its letter dated March 19, 2018 ("**Observations**"). Our Company provided its response and informed the NHB regarding the status of our compliance in relation to such Observations on May 15, 2018. Our Company has also received a follow-up letter from the NHB dated June 29, 2018 asking us to furnish certain documents. The Company has accordingly furnished the documents as required by the NHB *vide* its response dated August 3, 2018. However, there can be no assurance that NHB will consider such steps to be adequate and treat the observations as being duly complied with. The NHB may take appropriate actions against our Company which could have a material and adverse effect on our business and our overall financial condition.

10. ***We may face maturity mismatches between our assets and liabilities in the future which may cause liquidity issues.***

We regularly monitor our funding levels to ensure we are able to satisfy the requirements for loan disbursements and maturities on our liabilities. We follow the "Asset Liability Management System for Housing Finance Companies – Guidelines" issued by NHB. The difference between the value of assets and liabilities maturing in any time period provides the extent to which we are exposed to the liquidity risk. As is typical for several HFCs, a portion of our funding requirements is met through short-term funding sources, such as short-term bank loans, working capital demand loans, cash credit, short term loans and commercial papers. However, a large portion of our assets have medium or long-term maturities. In the event that our existing and committed credit facilities are withdrawn or are not made available to us, funding mismatches may be created and it could have an adverse effect on our business and our future financial performance.

On a cumulative basis as at March 31, 2018, our liabilities maturing within one year exceeded our assets maturing within the same period by ₹ 88,828 lakh. As at March 31, 2018, our liabilities maturing between one year and three years exceeded our assets maturing during the same period by ₹ 1,67,768 lakh and our liabilities maturing between three and five years exceeded our assets maturing during the same period by ₹ 1,06,335 lakh, while our assets maturing in over five years exceeded our liabilities maturing in the same period by ₹ 4,47,901 lakh.

We maintain diverse sources of funding and liquid assets to facilitate flexibility in meeting our liquidity requirements. Liquidity is provided 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 securitisation, refinancing from NHB.

11. ***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. See *"Our Business"* beginning on page 171 of this Draft Shelf Prospectus. Despite this, our policies and procedures to identify, monitor and manage risks may not be fully effective. Some of our risk management systems are not automated and are subject to human error. 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.

Further, some of our risk management strategies may not be effective in a difficult or less liquid market environment, where other market participants may be attempting to use the same or similar strategies to deal with the difficult market conditions. In such circumstances, it may be difficult for us to reduce our risk positions due to the activity of such other market participants. Other risk management methods depend upon an evaluation of information regarding markets, clients or other matters. This information may not in all cases be accurate, complete, up-to-date or properly evaluated.

Our earnings are dependent upon the effectiveness of our management of changes in credit quality and risk concentrations, the accuracy of our valuation methodology 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. If we fail to effectively implement our risk management policies in our day to day operations, including at our branch offices, it could materially and adversely affect our business, financial condition, results of operations and cash flows.

12. ***If we are unable to establish and maintain an effective system of internal controls and compliances, our business and reputation could be adversely affected.***

We manage our internal compliance by monitoring and evaluating internal controls, and we endeavour to ensure that all relevant statutory and regulatory compliances are met and fulfilled in accordance with applicable law.

Whilst there has been no past instance of a material lapse in our internal controls, there can be no assurance that deficiencies in our internal controls will not arise, or that we will be able to implement, and continue to maintain, adequate measures to rectify or mitigate any such deficiencies in our internal controls, in a timely manner or at all. If we are unable to effectively maintain our system of internal controls and compliances, our business and reputation could be adversely affected and we may become subject to statutory and regulatory actions.

13. ***We may be unable to realise the expected value of collateral when borrowers default on their obligations to us, which could have a material adverse effect on our business, financial condition, results of operations and cash flows.***

We follow internal risk management guidelines in relation to portfolio monitoring which, *inter alia*, include a periodic assessment of loan to security value on the basis of conservative market price levels and ageing analysis among others. However, we may not be able to realise the full value of the collateral as a result of various factors including the following factors:

- deficiencies in the services provided by the valuation agencies which may affect the price of the property funded;
- delays in legal proceedings;
- non-availability of land records in certain parts of India leading to errors in assessing previous collateral, if any;
- defects or deficiencies in the perfection of collateral (including due to inability to obtain any approvals that may be required from third parties);
- fraud by borrowers;
- errors in assessing a diminution in the value of the collateral;
- illiquid market for the sale of the collateral; and
- applicable legislative provisions or changes thereto and past or future judicial pronouncements.

As a result of any of the foregoing factors, we may not be able to realise the full value of collateral, which could have an adverse effect on our financial condition, results of operations and cash flows.

14. ***As an HFC, we have significant exposure to the real estate sector and any negative events affecting this sector could adversely affect our business and result of operations.***

The primary security for the loans disbursed by us is the underlying property; the value of this security is largely dependent on housing market conditions prevalent at that time. The value of the collateral on the loans disbursed by us may decline due to adverse market conditions including an economic downturn or a downward movement in real estate prices. In the event the real estate sector is adversely affected due to a decline of demand for real estate properties, changes in regulations or other trends or events, which negatively impact the real estate sector, the value of our collaterals may diminish which may affect our business and results of operations. Failure to recover the expected value of collateral could expose us to losses and, in turn, result in a material adverse effect on our business, results of operations and financial condition.

Following the introduction of the SARFAESI Act and the subsequent extension of its application to HFCs, we are allowed to foreclose on secured property after 60 days' notice to a borrower, whose loan has been classified as non-performing. Although the enactment of the SARFAESI Act has strengthened the rights of creditors by allowing expedited enforcement of security in an event of default, there is still no assurance that can guarantee that we will be able to realise the full value of our collateral, due to, among other things, delays on our part in taking action to secure the property, delays in legal proceedings, inability to sell the property, diminution in the value of the property, economic downturns, defects in the perfection of collateral and fraudulent transfers by borrowers.

Further, among the various regulatory developments that have impacted the real estate sector recently, we believe that the implementation of the Real Estate (Regulation and Development) Act, 2016, as amended ("**RERA Act**") is expected to have the biggest impact over the long term. After notification of certain sections of the Act with effect from May 2016, the full provisions of the Act became effective from May 2017 onwards. Subsequent to this, the obligations of real estate project developers under the provisions of the RERA Act, including mandatory project registration, enhanced disclosure norms and penal provisions for violation of rules have become effective across India. While most of the state governments have notified rules in relation to the RERA Act, other states are in the process of doing so. To ensure compliance with the requirements of the RERA, players in the real estate sector may need to allocate additional resources, which may increase compliance and they may face regulatory actions or be required to undertake remedial steps, which may have an adverse effect the business, operations and financial condition of various players in the sector leading to less than anticipated growth in the housing sector, which may affect our business adversely.

Therefore, there can be no assurance that we will be able to foreclose our collateral on a timely basis, or at all, and if we are able to foreclose on our collateral, that the value will be sufficient to cover the outstanding amounts owed to us which may result in a material adverse effect on our business, results of operations and financial condition.

15. ***The new Bankruptcy Code may affect our rights to recover loans from borrowers.***

The Insolvency and Bankruptcy Code, 2016 ("**Bankruptcy Code**") was notified on August 5, 2016, and amended by the Insolvency and Bankruptcy (Amendment) Act, 2018. 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, 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 sets forth adjudicatory mechanisms, all of which facilitate a time-bound insolvency resolution and liquidation process. On June 6, 2018, certain provisions of the Bankruptcy Code, 2016 was amended *vide* the Insolvency and Bankruptcy (Second) Amendment Act, 2018 ("**Amendment Act**") which entitles the homebuyers to be on the seat of committee of creditors and could initiate recovery proceedings against a debtor.

In case insolvency proceedings are initiated against a debtor, 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. Pursuant to the recent promulgation of the Insolvency and Bankruptcy Code (Second) Amendment Act, 2018, home buyers are also allowed to be treated as financial creditors. Any decision of the committee of creditors must be taken by a vote of not less than 66% of all votes of the financial creditors. Any resolution plan approved by committee of creditors is binding upon all creditors, even if they vote against it. Therefore, we may be forced to accept decisions that are specifically against our interests.

In case a liquidation process is opted for, the Bankruptcy Code provides for a fixed order of priority of how the 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. In the event a secured creditor relinquishes security, it shall rank senior to unsecured creditors and dues owed to the central and state governments in order of 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 enforcement procedures enumerated under the Bankruptcy Code.

16. ***Our growth in profitability depends on the continued growth of our loan portfolio.***

Our results of operations depend on a number of internal and external factors, including changes in demand for housing loans in India, the competitive landscape, our ability to expand geographically and diversify our product offerings and the size of our loan portfolio. Changes in market interest rates could impact the interest rates charged on our interest-earning assets in a way different to its effect on the interest rates paid on our interest-bearing liabilities. Further, we may experience issues such as capital constraints. We cannot assure that we will be able to expand our existing business and operations successfully, or that we will be able to retain existing personnel or to hire and train new personnel to manage and operate our expanded business.

17. ***We may not continue to gain undisrupted access to our funding sources or be able to secure the requisite amount of financing at competitive rates for our growth plans and to meet other cash needs.***

Our liquidity and on-going profitability are, in large part, dependent upon our timely access to, and the costs associated with, raising capital. In addition to cash flows required for general business operations and capital expenditures, we are required to pay dividend to our CCCPS holders at the end of each fiscal year. If we are unable to pay such dividend in the fiscal year in which it is due, such dividend is accrued and paid in the next fiscal year. Our funding requirements historically have been met primarily from a combination of borrowings such as term loans from banks and financial institutions, refinance assistance from the NHB including subsidized refinance for onward lending for affordable housing and issuance of commercial papers and non-convertible debentures and other debt instruments on a private placement basis. Thus, our continued growth and our ability to make payments on, or repay or refinance, our debts and obligations, including the NCDs will depend, among other things, on our ability to secure requisite financing at competitive rates, to manage our expansion process, to make timely capital investments, to control input costs and to maintain sufficient operational control. Changes in laws and regulations, our obligations to lenders or under debt instruments can disrupt funding sources which would have a material adverse effect on our liquidity and financial condition. Our inability to secure requisite financing, refinancing or continuing with our existing financing arrangement could have an adverse effect on our business, results of operations and financial condition. We cannot assure you that future debt or equity financing will be available to us in an amount sufficient to enable us to pay our debts when due, including the NCDs, or to fund other liquidity needs. If we cannot procure sufficient cash to fund our liquidity needs, we may, among other things, need to restructure or refinance all or a portion of our debt, including the NCDs, obtain additional financing, delay planned capital expenditures or investments or sell material assets. We cannot assure you that we would be able to accomplish any of these alternatives on a timely basis or on commercially reasonable terms, if at all.

18. ***Any downgrade in our credit ratings may increase our financing costs and subject us to more onerous covenants, which may adversely affect our future issuances of debt and our ability to borrow on a competitive basis.***

We have received rating for our short-term instruments and long-term instruments as set forth:

Rating Agency	Rating	Nature of Securities
CRISIL	CRISIL A1+	Commercial Paper
CRISIL	CRISIL AAA/Stable	Secured NCDs, Subordinated Debt and Bank facilities
India Ratings	‘IND AAA’/Outlook Stable	Non-convertible debentures and subordinated debt
ICRA	“[ICRA]AAA(stable)”	Subordinated Debt and Secured NCDs
ICRA	[ICRA] A1+	Commercial Paper

Such aforementioned ratings indicate strong degree of confidence in our Company’s ability to timely service financial obligations and allow us to access debt financing at competitive rates of interest. The rationale for such ratings mentions a number of factors based on which the ratings have been assigned, including but not limited to the strong support provided by, and the strategic importance and business of, TCHFL’s controlling entity. We believe that our strong financial performance, credit rating, risk containment measures and brand help us to access capital at competitive rates. Any downgrade in our credit ratings may increase interest rates for our existing short-term and long-term borrowings and for our refinancing of 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 may also be subject to more onerous covenants, which could further restrict our business, financial condition and results of operations. Further, any downgrade in our credit ratings may also trigger an event of default or acceleration of certain of our borrowings.

19. ***We have experienced negative cash flows in relation to our operating activities in recent years and any negative cash flows in the future would adversely affect our results of operations and financial condition.***

We had a negative cash flow from operating activities, mainly due to increase in our loan book, of ₹ 3,63,407 lakh, ₹ 3,58,940 lakh and ₹ 3,26,713 lakh for Fiscal 2016, 2017 and 2018, respectively. We may experience negative cash flows in future, which could adversely affect our business prospects, financial condition and results of operations.

20. ***We have included certain non-GAAP financial measures and certain other selected statistical information related to our operations and financial performance in this Draft Shelf Prospectus. The manner of preparation of such non-GAAP measures and statistical information may vary from any standard methodology that is applicable across***

the financial services industry, and therefore may not be comparable with financial or statistical information of similar nomenclature computed and presented by other financial services companies.

Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance have been included in this Draft Shelf Prospectus. We compute and disclose such non-GAAP financial measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance. These non-GAAP financial measures and other statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other financial services companies including other HFCs.

21. ***We do not own the trademark and the logo associated with "Tata" brand name. Consequently, our ability to use the trademark, name and logo may be impaired.***

We do not own the trademark and logo associated with "Tata" brand name which we use in the course of our business operations and to conduct our operations, which is registered in the name of the ultimate holding company of our Promoter, Tata Sons Limited. Our Company has subscribed to the Tata Brand Equity and Business Promotion Agreement executed between Tata Sons Limited and Tata Capital Limited ("**BEBP Agreement**") for use of the "Tata" trademark and the logo " ", for further details see, "*History and Main Objects*" beginning on page 86 of this Draft Shelf Prospectus. Pursuant to the BEBP Agreement, we enjoy limited legal protection and ability to use the trademark and any claims by any third parties relating to such trademark may affect our ability to use such trademark. In addition, we have not obtained trademark registration of our name and accordingly, we may not be able to prevent infringement of our name and may be unable to seek remedies for infringement of our name by third parties other than relief against passing off by other entities, which may not provide sufficient protection. Our inability to use of the "Tata" trademark and any unauthorized usage of our name could result in adverse effects to our business and results of operations.

Further, we may become subject to claims by third parties if we use slogans, names, designs, software or other such subjects in breach of any intellectual property rights registered by such third party. Any legal proceedings pursuant to such claims, or settlements thereunder, may divert management attention and require us to pay financial compensation to such third parties, as well as compel us to change our marketing strategies or brand names of our products and services, which could adversely affect our business, prospects, results of operation and financial condition.

22. ***We may not be able to renew or maintain our statutory and regulatory permits and approvals required to operate our business.***

We require certain statutory and regulatory permits and approvals to operate our business. We have a licence from the NHB, which requires us to comply with certain terms and conditions for us to continue our housing finance operations. In the event that we are unable to comply with any or all of these terms and conditions, or seek waivers or extensions of time for complying with these terms and conditions, it is possible that the NHB may revoke this licence or may place stringent restrictions on our operations. This may result in the interruption of all or some of our operations. Further, under certain of our contractual arrangements, we are required to obtain and hold all necessary and applicable approvals, registrations and licences from local government authorities. Failure by us to renew, maintain or obtain the required permits, licences or approvals, including those set out above, may have a material adverse effect on our business, results of operations and cash flows.

23. ***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. The need and competition for skilled senior management in our industry is intense, and we may not be able to retain our existing senior management or attract and retain new senior management in the future. 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 could adversely affect our business, results of operations and financial condition.

24. ***There may be potential conflicts of interest with our Promoter and its affiliates.***

Our Promoter has equity interests or investments in other entities that offer services that are related to our business and our Promoter being a Credit Information Company licensed by the Reserve Bank of India and governed by the Credit Information Companies Regulation Act, 2005, our Promoter is permitted to invest in other HFCs. Accordingly, there may be conflicts of interest in addressing business opportunities and strategies where other companies (including other HFCs) in which our Promoter has equity interests are also involved.

25. ***We may not get the benefits of being a "Tata" company and the "Tata" brand in case of any change of control.***

In case of any change of control due to any event, such as transfer of Equity Shares or CCCPS by our Promoter, preferential allotment to any investor, including conversion of any convertible instruments, our ability to leverage the "Tata" brand may be adversely affected. The benefits of being a Tata company and being a part of the Tata Capital Group such as being able to leverage business from other Tata companies including the Tata Capital Group may become unavailable to us and, consequently our business operations and profitability could be adversely affected. We have previously received support from our Promoter, including the provision of letters of comfort and guarantees in respect of refinancing obtained from the NHB, for additional details, see "*Our Promoter*" beginning on page 97 of this Draft Shelf Prospectus. We cannot assure you that such support will continue in the event of a change of control.

26. ***Our business is highly dependent on information technology. A failure, inadequacy or security breach in our information technology and telecommunication systems or an inability to adapt to rapid technological changes may adversely affect our business, results of operation and financial condition.***

Our ability to operate and remain competitive depends in part on our ability to maintain and upgrade our information technology systems and infrastructure on a timely and cost-effective basis, including our ability to process a large number of transactions on a daily basis. Our operations also rely on the secure processing, storage and transmission of confidential and other information in our computer systems and networks. Our financial, accounting or other data processing systems and management information systems that are hosted on cloud or at data centres or our corporate website may fail to operate adequately or become disabled as a result of events that may be beyond our control, including a disruption of electrical or communications services. Further, our computer systems, software and networks may be vulnerable to unauthorised access, computer viruses or other attacks that may compromise data integrity and security and result in client information or identity theft, for which we may potentially be liable. Further, the information available to and received by our management through our 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 our operations. If any of these systems are disabled or if there are other shortcomings or failures in our internal processes or systems, it may disrupt our business or impact our operational efficiencies, and render us liable to regulatory intervention or damage to our reputation. The occurrence of any such events may adversely affect our business, results of operation and financial condition.

In addition, the future success of our business will depend in part on our ability to respond to technological advances and to emerging banking industry standards and practices on a cost-effective and timely basis. The development and implementation of such technology entail significant technical and business risks. There can be no assurance that we will successfully implement new technologies effectively or adapt our technology and systems to meet customer requirements or emerging industry standards. If we are unable, for technical, legal, financial or other reasons, to adapt in a timely manner to changing market conditions, customer requirements or technological changes, our financial condition could be adversely affected. Any technical failures associated with our information technology systems or network infrastructure, including those caused by power failures and breaches in security caused by computer viruses and other unauthorised tampering, may cause interruptions or delays in our ability to provide services to our 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.

27. ***We have experienced incidents of fraud committed by employees, customers and third parties in the past. There can be no assurance that such incident will not recur in the future. If such incidents of fraud recur or if we are unable to prevent them, our business, results of operation and financial condition may be adversely affected.***

Our business is susceptible to fraud committed by our employees, customers and third parties. In the past, there have been certain incidents of fraud committed by our employees and customers. We cannot assure you that such incidents of fraud will not recur in the future. There can also be no assurance that we will be able to prevent frauds in the future or that our existing mechanisms to detect or prevent fraud will be sufficient. Any frauds discovered in the future may have an adverse effect on our business, reputation, results of operations and financial condition and could result in regulatory and/or legal proceedings.

28. ***We depend on the accuracy and completeness of information provided by our potential borrowers. Our reliance on any misleading information given by potential borrowers may affect our judgment of creditworthiness of potential borrowers, and the value of and title to the collateral, which may affect our business, results of operations and financial condition.***

In deciding whether to extend credit or enter into other transactions with potential borrowers, we rely on information furnished to us by potential borrowers, and analysis of the information by independent valuers and advocates. To further verify the information provided by potential borrowers, we conduct searches through TransUnion CIBIL Limited ("**CIBIL**") to check the creditworthiness of our borrowers. We also verify information with registrar and sub-registrar of assurances for encumbrances on collateral. We follow the KYC guidelines as prescribed by the NHB on the potential borrower, verify the place of business or place of employment as applicable to the potential borrower and also verify the details with the caution list of the NHB as circulated from time to time. Such information includes representations with respect to the accuracy and completeness of information relating to the financial condition of potential borrowers, and independent valuation reports and title reports with respect to the property secured. We have framed our policies to prevent frauds in accordance with the KYC guidelines issued by NHB dated October 11, 2010 mandating the policies of HFCs to have certain key elements, including, *inter alia*, a customer acceptance policy, customer identification procedures, monitoring of transactions and risk management. The NHB KYC Guidelines were amended by NHB(ND)/DRS/Pol. Circular No.60/2013-14 dated February 6, 2014 and NHB (ND)/DRS/Policy Circular No.72/2014-15 dated April 23, 2015 to provide an indicative list of the nature and type of documents and information that may be relied upon for customer identification.

Further, we believe we have a well-established and streamlined credit appraisal process. However, we cannot assure you that information furnished to us by potential borrowers and analysis of the information by independent valuers or the independent searches conducted by us with CIBIL will be accurate, and our reliance on such information given by potential borrowers may affect our judgment of the creditworthiness of potential borrowers, and the value of and title to the collateral, which may adversely affect our business, results of operations and financial condition.

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

We enter into outsourcing arrangements with third party vendors providing services that include, among others, software services and professional services for sourcing of customers including valuation and title search. As a result of outsourcing such services, we are exposed to various risks including strategic, compliance, operational, legal and contractual risks. Any failure by a service provider to provide a specified service or a breach in security/ confidentiality or non-compliance with legal and regulatory requirements, may result in financial loss or loss of reputation. We cannot assure that there will be no disruptions in the provision of such services or that these third parties may not adhere to their contractual obligation. 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 may be adversely affected. In case of any dispute, there can be no assurance that the terms of such agreements will not be breached, which may result in litigation costs. Such 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. Legal risks, including actions being undertaken by the NHB, if our third-party service providers act unethically or unlawfully, could materially and adversely affect our business, financial condition and results of operations.

In addition, we license certain software and technology from third parties. Any premature termination of our license agreements or the loss of the ability to use such software or technology for any reason would have an adverse impact on our reputation, business and operations.

30. ***Our insurance coverage may not adequately protect us against losses, and successful claims that exceed our insurance coverage could harm our results of operations and diminish our financial position.***

We maintain insurance coverage of the type and in the amounts that we believe are commensurate with our operations. Our insurance policies, in certain circumstances, may not provide adequate coverage and may be subject to certain deductibles, exclusions and limits on coverage. Further, whether the relevant insurance policy is adequate, will depend upon a number of factors, including, but not limited to, coverage of insurance product selected, any policy exclusions and any breaches by the customer that might warrant the insurance product void e.g. breach of trust in relation to the declaration of good health. A successful assertion of one or more large claims against us that exceeds our available insurance coverage or results in changes in our insurance policies, including premium increases or the imposition of a larger deductible or co-insurance requirement, could adversely affect our business, results of operations and financial condition.

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

We have entered into certain transactions with related parties, including our holding company and fellow subsidiaries, and may continue to do so in future. While we believe that all such transactions are in compliance with applicable laws and are on arms-length basis, there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties, or that we will be able to maintain existing terms in cases where the terms are more favourable than if the transaction had been conducted on arm’s length basis. It is likely that we will enter into other related party transactions in the future. There can be no assurance that such transactions, individually or in aggregate, will not have an adverse effect on our business, prospects, results of operations and financial condition, including because of potential conflicts of interest or otherwise. For further details see, the statement of related party transactions in Annexure A, "*Financial Information*" beginning on page 195 of this Draft Shelf Prospectus.

32. ***We may not be able to detect money-laundering and other illegal or improper activities fully or on a timely basis, which could expose us to additional liability and harm our business or reputation.***

We are required to comply with applicable anti-money laundering and anti-terrorism laws and other regulations. In the course of our operations, we run 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 to prevent the occurrence of these risks as is customary in our jurisdiction. In certain of our activities and in our pursuit of business, we run the risk of inadvertently offering our financial products and services ignoring customer suitability and appropriateness despite having a Board-approved KYC anti-money laundering policy and associated processes in place. Further, our Company is required to comply with certain norms relating to cash collection, including those prescribed under the Section 269 of the Income Tax Act, and any failure to comply with the company will result is our Company becoming liable for penalties or other actions prescribed under thereunder. A substantial portion of our loans have a tenor exceeding one year, which may expose us to risks associated with economic cycles.

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

We regularly 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.

34. ***Our Registered Office is not owned by us and is located on our Promoter's premises and certain of our branch offices are located on leased premises and non-renewal of the respective lease or license agreements or their renewal on terms unfavorable to us could adversely affect our operations.***

Our Registered Office is located in Mumbai and is not owned by us and certain of our branch offices are located on leased premises. As on the date of this Draft Shelf Prospectus, our Promoter has issued a no objection certificate allowing our Company to use the premises as its registered office. If our Promoter withdraws its no objection certificate, or issues a conditional no objection certificate on terms and conditions that are unacceptable to us, our operations may suffer a disruption. We may be unable to locate suitable alternate facilities on commercially acceptable terms. This may adversely impact our business.

Further, as we expand our branch offices network, we expect the number of leased branch offices to increase significantly and if any of the owners of these premises do not renew the agreements under which we occupy the premises, or if they seek to renew such agreements on terms and conditions unfavourable to us, we may suffer a disruption in our operations or increased costs, or both, and such disruptions or increased costs may adversely affect our business and results of operations.

35. ***Our Company and our group companies are involved in certain legal and other proceedings and there can be no assurance that our Company and our group companies will be successful in any of these actions. In the event our Company is unsuccessful in litigating any of the disputes, its business and results of operations may be adversely affected.***

We are involved in certain legal proceedings in the ordinary course of our business such as consumer disputes and debt-recovery proceedings. These proceedings are pending at different levels of adjudication before courts of various forums. 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.

Although we intend to defend or appeal any adverse order in relation to these proceedings, we will be required to devote management and financial resources in their defense or prosecution. 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 an adverse impact on our reputation, business, results of operations and financial condition. There can be no assurance that a significant portion of these disputes will not be determined against our Company or that our Company will not be required to pay all or a portion of the disputed amounts or that it will be able to recover amounts for which our Company has filed recovery proceedings. In addition, even if our Company is successful in defending such cases, it will be subject to legal and other costs relating to defending such litigation, and such costs may be substantial. Further, there can be no assurance that similar proceedings will not be initiated against our Company in the future. For further details in relation to legal proceedings, see "*Pending Proceedings and Statutory Defaults*" beginning on page 160 of this Draft Shelf Prospectus.

External Risks pertaining to our business and operations

36. ***A slowdown in economic growth in India may adversely affect our business, results of operations and financial condition.***

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

Our performance and the growth of our business depend on the performance of the Indian economy. The Indian economy could be adversely affected by various factors, such as political and regulatory changes including adverse changes in liberalisation 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. The Government has traditionally exercised, and continues to exercise, a significant influence over many aspects of the economy. National and local government policies could adversely affect businesses and economic conditions in India. Any slowdown in the Indian economy could adversely affect the ability of our customers to afford our services, which in turn would adversely affect our business, results of operation and financial condition.

Our performance may also 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 commonly 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, which exposes us to the systemic risks faced by entities operating in the Indian financial system, including the risk of deposit runs notwithstanding the existence of a national deposit insurance scheme.

Further, in light of the increasing linkage of the Indian economy to other global economies, the Indian economy is increasingly influenced by economic developments and volatility in securities markets in other countries. Global slowdown of the financial markets and economies has in the past contributed to weakness in the Indian financial and economic environment.

37. ***The housing finance industry is competitive and increasing competition may result in declining margins if we are unable to compete effectively.***

Historically, the housing finance industry was dominated by HFCs. We now face increasing competition from commercial banks. Interest rate deregulation and other liberalisation measures affecting the housing finance industry, together with increased demand for home finance, have increased our exposure to competition. Banks and some of the HFCs have access to low-cost funds such as deposits which enable them to enjoy higher margins and/or offer finance at lower rates. However, non-deposit accepting HFCs such as us are not permitted to accept deposits, a factor which can render us less competitive. Our ability to compete effectively with commercial banks and other HFCs will depend, to some extent, on our ability to raise low-cost funding in the future. Further, we only commenced our operations in 2009 and therefore may face competition from more established banks and HFCs. If we are unable to compete effectively with other participants in the housing finance industry, our business, results of operation and financial condition may be adversely affected.

Furthermore, as a result of increased competition in the housing finance industry, home loans are becoming increasingly standardised and terms such as floating rate interest options, lower processing fees and monthly rest periods are becoming increasingly common in the housing finance industry in India. There can be no assurance that we will be able to react effectively to these or other market developments or compete effectively with new and existing players in the increasingly competitive housing finance industry. Increasing competition may have an adverse effect on our net interest margin and other income, and, if we are unable to compete successfully, our market share may decline as the origination of new loans declines.

38. ***The growth rate of India's housing finance industry may not be sustainable.***

We expect the housing finance industry in India to continue to grow as a result of anticipated growth in India's economy, increases in household income, further social welfare reforms and demographic changes. However, it is not clear how certain trends and events, such as the pace of India's economic growth, the development of domestic capital markets and the on-going reform will affect India's housing finance industry. In addition, there can be no assurance that the housing finance industry in India is free from systemic risks. Consequently, there can be no assurance that the growth and development of India's housing finance industry will be sustainable.

39. ***If inflation were to rise significantly, 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.***

The annual rate of inflation was at 2.47% (provisional) for the month of March 2018 (over March 2017) as compared to 2.48% (provisional) for the previous month and 5.11% during the corresponding month of 2017. (*Source: Index Numbers of Wholesale Price in India, Review for the month of March 2018, published on April 16, 2018 by Government of India, Ministry of Commerce and Industry*). Continued high rates of inflation may increase our expenses related to salaries or wages payable to our employees or any other expenses. There can be no assurance that we will be able to pass on any additional expenses to our payers or that our revenue will increase proportionately corresponding to such inflation. Accordingly, high rates of inflation in India could have an adverse effect on our profitability and, if significant, on our financial condition.

40. ***The effects of the adoption of the "Indian Accounting Standards converged with IFRS" ("IND-AS") are uncertain.***

Our financial statements are prepared in accordance with the Indian GAAP. In January 2016, the Ministry of Corporate Affairs ("**MCA**") laid out a road map for implementation of IND-AS for scheduled commercial banks, insurance companies and non-banking financial company ("**NBFCs**"). NBFCs will be required to prepare IND-AS-based financial statements (consolidated and individual) in two phases. Under Phase I, NBFCs that have a net worth of ₹5 billion or more, including us, and our holding, subsidiary, joint venture or associate companies are required to prepare IND-AS-based financial statements for accounting periods beginning from April 1, 2018 onwards with comparatives for the periods ending March 31, 2018 or thereafter. Under Phase II, NBFCs whose equity and/or debt securities are listed or are in the process of listing on any stock exchange or outside India and have a net worth less than ₹5 billion, NBFCs that are not listed and have a net worth of more than ₹2.5 billion but less than ₹5 billion, and their respective holding, subsidiary, joint venture or associate companies are required to prepare IND-AS-based financial statements for accounting periods beginning from April 1, 2020 onwards with comparatives for the periods ending March 31, 2020 or thereafter. NBFCs that have a net worth below ₹2.5 billion and not covered under the above provisions shall continue to apply Accounting Standards specified in Annexure to Companies (Accounting Standards) Rules, 2006.

MCA notified the Companies (Indian Accounting Standards) Rules 2015 on February 16, 2015 ("**IAS Rules**"). Further, the MCA has, by way of its notification dated March 30, 2016, included HFCs in the definition of a NBFC. Pursuant to its circular dated April 16, 2018, NHB has clarified that every HFC shall follow the provisions of paragraph 24 of the Housing Finance Companies (NHB) Directions, 2010 on accounting standards, in terms of the Accounting Standards and Guidance Notes issued by the Institute of Chartered Accountants of India to implement the IND-AS by them. As the requirement to adopt IND-AS in our financial reporting has just begun to apply to us, we are not able to determine with a degree of certainty the impact of adoption of IND-AS and there can be no assurance that our financial condition, results of operations, cash flows or changes in shareholders' equity will not appear materially worse under IND-AS than under Indian GAAP. We may also encounter difficulties in the on-going process of implementing and enhancing our management information systems in response to the adoption of IND-AS. Moreover, there is increasing competition for the small number of IND-AS experienced accounting personnel available as more companies begin to prepare IND-AS financial statements. Further, there is no significant body of established practice on which to draw in forming judgments regarding the new system's implementation and application. The NHB, as the principal regulator of HFCs, has not issued any detailed guidance or working paper on the implementation of IND-AS. There is no clarity on various aspects encompassing the implementation, including but not limited to, instruments which are qualified as capital instruments, asset classifications and provisioning and how conflicts between IND-AS and existing prudential norms will be dealt with. There is no precedent within the financial services industry on how revenue authorities will treat certain items from direct and indirect tax perspectives. The preparations of IND-AS financial statements may impact significant judgements both at the time of the first adoption and going forward. These judgements may be erroneous or changed in response to comments from regulators or the industry.

41. ***The new taxation system could adversely affect our business, prospects, financial condition and results of operations.***

The Government has implemented major reforms in tax laws, namely the goods and services tax ("**GST**"), and proposed provisions relating to general anti-avoidance rules ("**GAAR**").

GST has been implemented with effect from July 1, 2017 and has replaced the indirect taxes on goods and services, such as central excise duty, service tax, central sales tax, state value added tax, surcharge and excise, collected by the central and state governments. The GST has increased administrative compliance for the companies which is a consequence of increased registration and form filing requirements.

As regards to GAAR, the provisions were introduced in the Finance Act 2012 and apply (as per the Finance Act 2015) in respect of an assessment year beginning on April 1, 2018. The GAAR provisions intend to catch arrangements declared as "impermissible avoidance arrangements", which is defined in the Finance Act, 2012 as any arrangement, the main purpose of which is to obtain a tax benefit and which satisfies at least one of the following tests: (i) creates rights, or obligations, which are not ordinarily created between persons dealing at arm's length; (ii) results, directly or indirectly, in misuse, or abuse, of the provisions of the Income Tax Act, 1961; (iii) lacks commercial substance or is deemed to lack commercial substance, in whole or in part; or (iv) is entered into, or carried out, by means, or in a manner, which are not ordinarily employed for bona fide purposes. The onus to prove that the transaction is not an "impermissible avoidance agreement" is on the assesse. If GAAR provisions are invoked, then the tax authorities have wide powers, including the denial of tax benefit or the denial of a benefit under a tax treaty.

Further, the Government has issued a set of income computation and disclosure standards ("**ICDS**") which are effective from April 1, 2016 and will be applied in computing taxable income and payment of income taxes thereon. ICDS apply to all taxpayers following an accrual system of accounting for the purpose of computation of income under the heads of "profits and gains of business/profession" and "income from other sources".

As the taxation system is intended to undergo significant changes, the effect of such changes on the financial system cannot be determined at present and there can be no assurance that such effects would not adversely affect our business, prospects, financial condition and results of operations.

42. ***Borrowing for the purchase or construction of property may not continue to offer borrowers the same fiscal benefits it currently offers and the housing sector may not continue to be regarded as a priority sector by the Government.***

The rapid growth in the housing finance industry in the last decade is in part due to the introduction of fiscal benefits for homeowners. Since the early 1990s, interest and principal repayments on capital borrowed for the purchase or construction of housing have been tax deductible up to certain limits and tax rebates have been available for borrowers of such capital up to specified income levels. There can be no assurance that the Government will continue to offer such tax benefits to borrowers at the current levels or at all. In addition, there can be no assurance that the Government will not introduce tax efficient investment options which are more attractive to borrowers than property investment. The demand for housing and/or housing finance may be reduced if any of these changes occur.

The RBI has also provided incentives to the housing finance industry by extending priority sector status to housing loans. In addition, pursuant to Section 36(1)(viii) of the Income Tax Act, 1961, up to 20% of profits from the provision of long-term finance for the construction or purchase of housing, may be carried to a "Special Reserve" and are not subject to income tax. There can be no assurance that the Government will continue to make this fiscal benefit available to housing finance companies. If it does not, this may result in a higher tax outflow. Under its notification no. NHB(ND)/DRS/Pol. Circular No. 62/2014 dated May 27, 2014, NHB stipulated that all housing finance companies are required to create a deferred tax liability ("**DTL**") on the Special Reserve created from current and past profits, irrespective of whether it is intended to withdraw from such reserve or not.

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

As a HFC, we are exposed to the risks of the financial system which may be affected by the financial difficulties faced by certain 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 financial system in general could create an adverse market perception about financial institutions and banks and adversely affect our business, results of operation and financial condition. As the 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.

44. ***Changing laws, rules and regulations and legal uncertainties, including adverse application of corporate and tax laws, may adversely affect our business, prospects, results of operations and, financial condition.***

Our business and financial performance could be adversely affected by changes in law or interpretations of existing, or the promulgation of new laws, rules and regulations applicable to us and our business. There can be no assurance that the central or the state governments may not implement new regulations and policies which will require us to obtain approvals and licenses from the governments and other regulatory bodies or impose onerous requirements and conditions on our operations.

Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy in the jurisdictions in which we operate, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future. Any unfavourable changes to the laws and regulations applicable to us could also subject us to additional liabilities.

The application of various tax laws, rules and regulations to our business, currently or in the future, is subject to interpretation by the applicable taxation authorities. If such tax laws, rules and regulations are amended, new adverse laws, rules or regulations are adopted or current laws are interpreted adversely to our interests, the results could increase our tax payments (prospectively or retrospectively) and/or subject us to penalties. As a result, any such changes or interpretations could have an adverse effect on our business and financial performance.

45. ***Any downgrading of India's debt rating by a domestic or international rating agency could adversely affect our ability to raise financing and our business.***

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.

46. ***Our ability to raise foreign debt 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 could constrain our ability to obtain financings on competitive terms and refinance existing indebtedness. In addition, there can be no assurance that any required regulatory approvals for borrowing in foreign currencies will be granted to us without onerous conditions, or at all. Limitations on foreign debt may have an adverse effect on our business growth, financial condition and results of operations.

47. ***We may have to comply with stricter regulations and guidelines issued by regulatory authorities in India, including the NHB.***

We are regulated principally by and have reporting obligations to the NHB. We are also subject to the corporate, taxation and other laws in effect in India. The regulatory and legal framework governing us differs in certain material respects from that in effect in other countries and may continue to change as India's economy and commercial and financial markets evolve. In recent years, existing rules and regulations have been modified, new rules and regulations have been enacted and reforms have been implemented which are intended to provide tighter control and more transparency in India's housing finance sector.

Any changes in the existing regulatory framework, including any increase in the compliance requirements, may require us to divert additional resources, including management time and costs towards such increased compliance requirements. Such an increase in costs could have an adverse effect on our business, prospects, financial condition and results of operations. Additionally, our management may be required to divert substantial time and effort towards meeting such enhanced compliance requirements and may be unable to devote adequate time and efforts towards the business, which may have an adverse effect on our future business, prospects, financial condition and results of operations.

There can be no guarantee that we will be able to comply with any increased or more stringent regulatory requirements, in part or at all. Any failure to comply with such further regulatory requirements could lead to regulatory actions, including penalties, which may have an adverse effect on our future business, prospects, financial condition and results of operations.

48. ***Natural disasters and other disruptions could adversely affect the 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 labour 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 operation and financial condition.

49. ***Political instability or changes in the Government could delay the liberalisation of the Indian economy and adversely affect economic conditions in India generally, which would impact our financial results and prospects.***

Our business and customers are located in India and we currently derive all of our revenues from operations in India and all of our assets are located in India. Consequently, our performance may be affected by changes in control, government policies, taxation, social and ethnic instability, social/civil unrest and other political and economic developments affecting India. The Government has traditionally exercised, and continues to exercise, a significant influence over many aspects of the economy. Government policies could adversely affect business and economic conditions in India, as well as our ability to implement our strategy and our future financial performance. Our business is also impacted by regulations and conditions in the various states in India where we operate.

Since 1991, successive Indian governments have pursued policies of economic liberalisation, including significantly relaxing restrictions on the private sector. Nevertheless, the roles of the Indian central and state governments in the Indian economy as producers, consumers and regulators remain significant as independent factors in the Indian economy. There is no guarantee that the Government will be able to enact an optimal set of reforms or that any such reforms would continue or succeed. The rate of economic liberalisation is subject to change and specific laws and policies affecting banking and finance companies, foreign investment, currency exchange and other matters affecting investment in our securities are continuously evolving as well. Any significant change in India's economic liberalisation, deregulation policies or other major economic reforms could adversely affect business and economic conditions in India generally and our business, results of operations and financial condition, in particular.

50. ***Financial instability in other countries could disrupt Indian markets and our business.***

In recent years, factors such as inflation or deflation, energy costs, geopolitical issues, the availability and cost of credit, sovereign debt of various countries, uncertainty as to the global impact of the current United States administration, the United Kingdom's impending exit from the European Union, instability within the Euro zone, and trade disputes between the United States and the People's Republic of China continue to be a cause of concern despite concerted efforts by governments and international institutions to contain the adverse effect of these events on the global economy.

The Indian financial markets and the Indian economy are influenced by global economic and market conditions. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss of investor confidence in other financial systems may cause volatility in Indian financial markets, including with respect to the movement of exchange rates and interest rates in India, and, indirectly, in the Indian economy in general. Any such continuing or other significant financial disruption could have an adverse effect on our business, results of operation and financial condition.

In responses to the global financial crisis, legislators and financial regulators in the United States, Europe and other jurisdictions, including India, have implemented several policy measures designed to add stability to the financial markets over the years. However, the overall impact of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilising effects. In the event that the current adverse conditions in the global credit markets continue or if there is any significant financial disruption, this could have an adverse effect on its business and future financial performance.

51. ***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 Government 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 operation and financial condition.

52. ***An outbreak of an infectious disease or any other serious public health concerns in India or elsewhere could adversely affect our business, results of operations and financial condition.***

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, results of operation and financial condition.

Risk Factors pertaining to the NCDs and this Issue

53. ***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 Secured NCDs, to be issued by the relevant Tranche Prospectus 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.

54. ***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.

55. ***Unsecured NCDs are subordinated obligations of our Company***

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

56. ***Industry information included in this Draft Shelf Prospectus has been derived from an industry report commissioned by us for such purpose. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate.***

We have availed the services of an independent third party research agency, ICRA, to prepare an industry report titled "Affordable Housing Finance Market in India: Performance Update & Industry Outlook" dated March 2018.

This report is subject to various limitations and based upon certain assumptions that are subjective in nature. We have not independently verified data from this industry report. Although we believe that the data may be considered to be reliable, the accuracy, completeness and underlying assumptions are not guaranteed and dependability cannot be assured. While we have taken reasonable care in the reproduction of the information, the information has not been prepared or independently verified by us, the Lead Managers or any of our or their respective affiliates or advisors and, therefore, we make no representation or warranty, express or implied, as to the accuracy or completeness of such facts and statistics. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced for other economies and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Draft Shelf Prospectus.

57. ***There may be a delay in making refund to Applicants.***

We cannot assure you that the monies refundable to you, on account of (i) withdrawal of your applications, (ii) our failure to receive minimum subscription in connection with the Base Issue, (iii) withdrawal of this Issue, or (iv) failure to obtain the final approval from the Stock Exchange for listing of the NCDs, will be refunded to you in a timely manner. We, however, shall refund such monies, with the interest due and payable thereon as prescribed under applicable statutory and/or regulatory provisions.

58. ***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 Secured NCDs. Sale of NCDs by any holder may give rise to tax liability, see "*Statement of Tax Benefits Available To The Debenture Holders*" beginning on page 50 of this Draft Shelf Prospectus.

59. ***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 the purpose of onward lending, financing, and for repayment /prepayment of interest and principal of existing borrowings of our Company, subject to applicable statutory and/or regulatory requirements (in particular, not more than 25% of our net proceeds being utilised for general corporate purposes) and for further details, see "*Objects of the Issue*" beginning on page 48 of this Draft Shelf Prospectus. 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 utilization details of the proceeds of the Issue shall be adequately disclosed as per applicable law. Further, as per the provisions of the SEBI Debt Regulations, we are not required to appoint a monitoring agency and therefore no monitoring agency has been appointed for the Issue.

60. ***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 Draft Shelf Prospectus. 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.

61. ***Financial instability, economic developments and volatility in securities markets in other countries may also affect the business of the Company and receivables on the NCDs.***

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, particularly emerging market countries in Asia. Financial turmoil in Europe and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. Recently, the currencies of a few Asian countries suffered depreciation against the US dollar owing to amongst other, the announcement by the United States government that it may consider reducing its quantitative easing measures. A loss of investor confidence in the financial systems of other emerging markets may cause increased 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. Financial disruptions may occur again and could harm our business, future financial performance and the interest payable and redemption of the NCDs.

The global credit and equity markets have experienced substantial dislocations, liquidity disruptions and market corrections in recent years. Since September 2008, liquidity and credit concerns and volatility in the global credit and financial markets increased significantly with the bankruptcy or acquisition of, and government assistance extended to, several major us and European financial institutions. These and other related events, such as the European sovereign debt crisis, have had a significant impact on the global credit and financial markets as a whole, including reduced liquidity, greater volatility, widening of credit spreads and a lack of price transparency in global credit and financial markets. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, have implemented a number of policy measures designed to add stability to the financial markets.

However, the overall impact of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilizing effects. In the event that the current difficult conditions in the global credit markets continue or if there is any significant financial disruption, such conditions could have an adverse effect on our business, future financial performance and the interest payable and redemption of the NCDs.

62. ***If we do not generate adequate profits, we may not be able to maintain an adequate DRR for the NCDs issued pursuant to the Draft Shelf Prospectus, which may have a bearing on the timely redemption of the NCDs by our Company.***

Section 71 of the Companies Act, read with Rule 18 of Companies (Share Capital and Debentures) Rules, 2014, as amended ("**Companies Rules**") requires any company that intends to issue debentures must create a DRR for the purpose of redemption of debentures, in accordance with the following conditions: (a) the DRR shall be created out of the profits of the company available for payment of dividend, (b) the DRR shall be equivalent to at least 25% of the value of the outstanding debentures, raised through public issue of debentures in accordance with the SEBI Debt Regulations. Accordingly, our Company is required to create a DRR of 25% of the value of the outstanding NCDs issued through this Issue. In addition, as per Rule 18 (7) (e) of Companies Rules, the amounts credited to DRR shall not be utilised by our Company except for the redemption of the NCDs. Every company required to create or maintain a DRR shall on or before the 30th day of April of each year, deposit or invest, as the case may be, a sum which shall not be less than 15% of the amount of its debentures maturing during the year ending on the 31st day of March, of the next year, 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 repayment of debentures maturing during the year referred to above, provided that the amount remaining deposited or invested, as the case may be, shall not at any time fall below 15% of the amount of debentures maturing during the 31st day of March of that year. If we do not generate adequate profits, we may not be able to maintain an adequate DRR for the NCDs issued pursuant to this Draft Shelf Prospectus, this may have a bearing on the timely redemption of the NCDs by our Company.

63. ***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. 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. 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.

64. ***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 secured NCD Holders on the assets adequate to ensure 100% asset cover for the Secured NCDs, the realisable 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 Secured NCDs. A failure or delay to recover the expected value from a sale or disposition of the assets charged as security in connection with the Secured NCDs could expose you to a potential loss.

SECTION III: INTRODUCTION

GENERAL INFORMATION

Our Company was incorporated as Tata Capital Housing Finance Limited on October 15, 2008 at Mumbai, Maharashtra, as a public limited company, under the provisions of the Companies Act, 1956. Our Company also received a certificate for commencement of business on November 10, 2008. Our Company has obtained a certificate of registration dated April 2, 2009, bearing registration number 04.0073.09 by NHB to carry on the business of a housing finance institution without accepting public deposits in accordance with Section 29A of NHB Act. For further details regarding changes to our Registered Office, see "*History and Main Objects*" beginning on page 86 of this Draft Shelf Prospectus.

For details of the business of our Company, see "*Our Business*" beginning on page 71 of this Draft Shelf Prospectus.

Registered Office

Tata Capital Housing Finance Limited
11th Floor, Tower A
Peninsula Business Park
Ganpatrao Kadam Marg
Lower Parel
Mumbai - 400 013
Tel: (91 22) 6606 9000
Fax: (91 22) 6656 2699
Website: www.tatacapital.com

For details regarding changes to our Registered Office see, "*History and Main Objects*" beginning on page 86 of this Draft Shelf Prospectus.

Corporate Office

Our Company does not have a corporate office.

Corporate Identity Number, Registration Number and Legal Entity Identifier Number

Corporate Identity Number: U67190MH2008PLC187552
Registration Number: 187552
Legal Entity Identifier Number: 335800YJJGNTNX2QHR79

Certificate of registration bearing registration number 04.0073.09 issued by NHB as per Section 29A of the NHB Act dated April 2, 2009 to carry on the business of a housing finance institution without accepting public deposits.

Chief Financial Officer
Mr. S. Balakrishna Kamath
I-Think Techno Campus
Tower A, Fourth Floor
Off Pokhran Road No. 2
Thane West – 400 607
Tel: (91 22) 6182 8282
Fax: (91 22) 6182 8285
Email: balakrishna.kamath@tatacapital.com

Company Secretary and Compliance Officer
Mr. Jinesh Meghani
11th Floor, Tower A
Peninsula Business Park
Ganpatrao Kadam Marg
Lower Parel,
Mumbai - 400 013
Tel: (91 22) 6606 9000
Fax: (91 22) 6656 2699
Email: jinesh.meghani@tatacapital.com

Investors may contact the Registrar to the Issue or our Company Secretary and Compliance Officer in case of any pre-Issue or post-Issue related issues such as non-receipt of Allotment Advice, demat credit of allotted NCDs, refund orders or interest on application money, as the case maybe.

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

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

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

Lead Managers

A. K. Capital Services Limited
30-39, Free Press House,
3rd Floor, Free Press Journal Marg,
215, Nariman Point,
Mumbai 400 021
Tel: (91 22) 6754 6500
Fax: (91 22) 6610 0594
Email: tchfl.ncd2018@akgroup.co.in
Investor Grievance Email: investor.grievance@akgroup.co.in
Website: www.akgroup.co.in
Contact Person: Ms. Shilpa Pandey/ Mr. Malay Shah
Compliance Officer: Mr. Tejas Davda
SEBI Registration No.: INM000010411

Axis Bank Limited
Axis House, 8th Floor
C-2, Wadia International Centre
P.B. Marg, Worli
Mumbai 400 025
Tel: (91 22) 6604 3293
Fax: (91 22) 2425 3800
E-mail: tchfl.2018@axisbank.com
Investor grievance E-mail: investor.grievance@axisbank.com
Website: www.axiscapital.co.in
Contact Person: Mr. Vikas Shinde
Compliance Officer: Mr. Sharad Sawant
SEBI Registration No.: INM000006104

Edelweiss Financial Services Limited
Edelweiss House
Off. C.S.T. Road
Kalina
Mumbai 400 098
Tel: (91 22) 4086 3535
Fax: (91 22) 4086 3610
E-mail: Tchfl.Ncd@edelweissfin.com
Website: www.edelweissfin.com
Investor Grievance E-mail: customerservice.mb@edelweissfin.com
Contact Person: Mr. Mandeep Singh/ Mr. Lokesh Singhi
Compliance Officer: Mr. B. Renganathan
SEBI Registration No.: INM0000010650

Consortium Members

As specified in the relevant Tranche Prospectus.

Debenture Trustee

IDBI Trusteeship Services Limited

Asian Building, Ground Floor
17 R, Kamani Marg, Ballard Estate
Mumbai 400 001
Tel: (91 22) 4080 7000
Fax: (91 22) 6631 1776
Email: itsl@idbitrustee.com
Investor Grievance Email: response@idbitrustee.com
Website: www.idbitrustee.com
Contact Person: Mr. Nikhil Lohana
Compliance Officer: Mr. Jatin Bhat
SEBI Registration No.: IND000000460

IDBI Trusteeship Services Limited has, pursuant to Regulation 4(4) of SEBI Debt Regulations, 2008, by its letter dated June 4, 2018 given its consent for its appointment as Debenture Trustee to the Issue and for its name to be included in this Draft Shelf Prospectus, Shelf Prospectus or the relevant Tranche Prospectus and in all the subsequent periodical communications sent to the holders of the Debentures issued pursuant to this Issue.

All the rights and remedies of the Debenture Holders under this Issue shall vest in and shall be exercised by the appointed Debenture Trustee for this Issue without having it referred to the Debenture Holders. All investors under this Issue are deemed to have irrevocably given their authority and consent to the Debenture Trustee so appointed by our Company for this Issue to act as their trustee and for doing such acts and signing such documents to carry out their duty in such capacity. Any payment by our Company to the Debenture Holders/Debenture Trustee, as the case may be, shall, from the time of making such payment, completely and irrevocably discharge our Company *pro tanto* from any liability to the Debenture Holders. For details on the terms of the Debenture Trust Deed see, "*Issue Related Information*" beginning on page 120 of this Draft Shelf Prospectus.

Registrar to the Issue

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

Karvy Computershare Private Limited, has by its letter dated July 26, 2018, given its consent for its appointment as Registrar to the Issue and for its name to be included in this Draft Shelf Prospectus or the relevant Tranche Prospectus and in all the subsequent periodical communications sent to the holders of the Debentures issued pursuant to this Issue.

Applicants or prospective investors may contact the Registrar to the Issue or our Company Secretary and Compliance Officer in case of any pre-Issue or post-Issue related problems, such as non-receipt of Allotment Advice, demat credit or Refund Orders, non-receipt of Debenture Certificates, transfers, or interest on application money, etc. All grievances relating to this Issue may be addressed to the Registrar to the Issue, giving full details such as name, Application Form number, address of the Applicant, number of NCDs applied for, amount paid on application, Depository Participant ("**DP**") and the collection centre of the relevant members of the Lead Managers, brokers and sub-brokers appointed in relation to this Issue ("**Syndicate**") where the Application was submitted.

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

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

Statutory Auditors

B S R & Co. LLP.
5th Floor, Lodha Excelus

Apollo Mills Compound
N.M. Joshi Marg
Mahalaxmi
Mumbai 400 011
Tel: (91 22) 4345 5300
Fax: (91 22) 4345 5399

B S R & Co. LLP. has been the statutory auditor of our Company since August 21, 2017. Previously, Deloitte Haskins & Sells LLP, was the statutory auditor of our Company.

Credit Rating Agencies

CRISIL Limited
CRISIL House, Central Avenue
Hiranandani Business Park
Powai
Mumbai 400 076
Tel: (91 22) 3342 3000
Fax: (91 22) 3342 5800
Email: Krishnan.sitaraman@crisil.com
Website: www.crisil.com
Contact Person: Mr. Krishnan Sitaraman
SEBI Registration No.: IN/CRA/001/1999

India Ratings & Research Pvt. Ltd.
Wockhardt Towers, 4th Floor
Bandra Kurla Complex
Bandra East
Mumbai – 400 051
Tel: (91 22) 4000 1700
Fax: (91 22) 4000 1701
Email: shrikant.dev@indiaratings.co.in
Website: www.indiaratings.co.in
Contact Person: Mr. Shrikant Dev
SEBI Registration No.: IN/CRA/002/1999

ICRA Limited
1105, Kailash Building
11th Floor, 26 Kasturba Gandhi Marg
New Delhi – 110 001
Tel: (91 11) 2335 7940/50
Fax: NA
Email: shivakumar@icraindia.com
Website: www.icra.in
Contact Person: L Shivakumar
SEBI Registration No.: IN/CRA/008/2015

Credit Rating and Rationale

The NCDs proposed to be issued pursuant to this Issue have been rated "CRISIL AAA/Stable" by CRISIL for an amount of up to ₹ 5,00,000 lakh by way of its letter bearing reference number TCFSL/205349/RB/08212018 and dated August 21, 2018, rated 'IND AAA'/Outlook Stable by India Ratings for an amount up to ₹ 5,00,000 lakh by way of its letter dated August 23, 2018 and have been rated "[ICRA]AAA(stable)" by ICRA Limited for an amount of up to ₹5,00,000 lakh by way of its letter dated bearing reference number 2018-19/MUM/0778 and dated August 24, 2018. The rating of the NCDs by CRISIL, India Ratings and ICRA indicates highest degree of safety regarding timely servicing of financial obligations. The ratings provided by CRISIL, India Ratings and ICRA may be suspended, withdrawn or revised at any time by the assigning rating agency and should be evaluated independently of any other rating. These ratings are not a recommendation to buy, sell or hold securities and investors should take their own decisions. Please see, Annexures B to D of this Draft Shelf Prospectus for rating letters and rationale for the aforementioned ratings.

Disclaimer clause of CRISIL Limited

"*A CRISIL rating reflects CRISIL's current opinion on the likelihood of timely payment of the obligations under the rated instrument and does not constitute an audit of the rated entity by CRISIL. CRISIL ratings are based on information provided by the issuer or obtained by CRISIL from sources it considers reliable. CRISIL does not guarantee the completeness or accuracy* *of the information on which the rating is based. A CRISIL rating is not a recommendation to buy, sell, or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. All CRISIL ratings are under surveillance. Ratings are revised as and when circumstances so warrant. CRISIL is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of this product. CRISIL Ratings rating criteria are available without charge to the public on the CRISIL website, www.crisil.com. For the latest rating information on any instrument of any company rated by CRISIL, please contact Customer Service Helpdesk at 1800-267-1301.*"

Disclaimer clause of India Ratings

"All credit ratings assigned by India Ratings are subject to certain limitations and disclaimers. Please read these limitations and disclaimers by following this link: https://www.indiaratings.co.in/rating-definitions. In addition, rating definitions and the terms of use of such ratings are available on the agency's public website www.indiaratings.co.in. Published ratings, criteria, and methodologies are available from this site at all times. India Ratings' code of conduct, confidentiality, conflicts of interest, affiliate firewall, compliance, and other relevant policies and procedures are also available from the code of conduct section of this site."

Disclaimer clause of ICRA Limited

"ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with respect to the instrument rated. Please visit our website www.icra.in or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular makes no representation or warranty, express or implied as to the accuracy, timelines or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statement of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents."

Legal Counsel to the Issue

Cyril Amarchand Mangaldas
5th Floor, Peninsula Chambers
Peninsula Corporate Park
Ganpatrao Kadam Marg
Lower Parel, Mumbai 400 013
Tel: (91 22) 2496 4455
Fax: (91 22) 2496 3666

Banker(s) to our Company

Allahabad Bank
Industrial Finance Branch, Mumbai, 2nd floor
Allahabad Bank Building
37, Mumbai Samachar Marg
Fort, Mumbai – 400 023
Contact Person: Mr. A.K. Tiwari
Tel: (91 22) 22702745/46/47
E-mail: br.mumifb@allahabadbank.in
Website: www.allahabadbank.in

Axis Bank Limited
Axis House
Wadia International Centre, P.B.Marg
Worli – 400 025
Contact Person: Mr. Chetan Kapoor
Tel: (91 22) 24252745
E-mail: shareholders@axisbank.com
Website: www.axisbank.com

Bank of Baroda
Corporate Financial Services Branch
3rd Floor, 10/12 Mumbai Samachar Marg

ICICI Bank Limited
ICICI Bank Towers
Bandra Kurla Complex, Mumbai – 400051
Contact person: Mr. Anil Agarwal
Tel: (91 22) 4008 6409
E-mail: Anil.ag@icicibank.com
Website: www.icicibank.com

The Jammu and Kashmir Bank Limited
79-A, Mehta House, Bombay Samachar Marg
Fort, Mumbai – 400 001
Contact Person: Mr. Anup Bhat
Tel: (91 22) 6659 5971 - 74
E-mail: investorrelations@jkbmail.com
Website: www.jkbank.net

Karnataka Bank Limited
Corporate Finance, Mumbai
294A Haroon House, Perin Nariman Street
Fort, Mumbai – 400 001
Contact Person: Ms. Sandra Maria Lorena
Tel: (91 22) 2266 2283 / 2266 3256

Fort, Mumbai – 400 001
Contact person: Mr. Anjan Gupta
Tel: (91 22) 43407305
E-mail: rm4.cfsbal@bankofbaroda.co.in
Website: www.bankofbaroda.com

Bank of Maharashtra
Apeejay House, Dr. V.B. Gandhi Marg
Fort, Mumbai – 400 001
Contact Person: Mr. Amit Pandey, Chief Manager
Tel: (91 22) 22844882/22048197
E-mail: bom972@mahabank.co.in
Website: www.bankofmaharashtra.in

Canara Bank
Specialized Prime Corporate Branch – Fort
Maker Chambers III, 7th Floor
Nariman Point, Mumbai – 400 021
Contact Person: Mr. D.K. Saxena
Tel: (91 22) 22871106
Email: cb1903@canarabank.com
Website: www.canarabank.com

Dena Bank
Corporate Business Branch – I
C-10, G-Block, Bandra – Kurla Complex
Bandra – East, Mumbai – 400 051
Contact Person: Mr. Lalit Bardia
Tel: (91 22) 2654 5027
E-mail: bankur@denabank.co.in
Website: www.denabank.com

The Federal Bank Limited
Corporate & Institutional Banking, C Wing
2nd Floor, Laxmi Tower, Bandra Kurla Complex
Bandra (East), Mumbai – 400 051
Contact Person: Mr. Anand S. Kamble
Tel: (91 22) 6174 8626
E-mail: support@federalbank.co.in
Website: www.federalbank.co.in

HDFC Bank Limited
4th Floor, Tower B, Peninsula Business Park
Lower Parel, Mumbai – 400 013
Contact Person: Mr. Mousom Mitra
Tel: (91 22) 3395 8126
E-mail: mousom.mitra@hdfcbank.com
Website: www.hdfcbank.com

The Hongkong and Shanghai Banking Corporation Limited
52/60 Mahatma Gandhi Road
Fort, Mumbai – 400 001
Contact person: Mr. Ameet Sheth
Tel: (91 22) 2268 1110
E-mail: info@hsbc.co.in
Website: www.hsbc.co.in

E-mail: mum.cfb@ktkbank.com
Website: www.karnatakabank.com

Punjab National Bank
Ground Floor, Maker Tower, E – Wing
Cuffe Parade, Mumbai – 400 005
Contact Person: Mr. K.V.D. Prasad
Tel: (91 22) 2218 5977
E-mail: care@pnb.co.in
Website: www.pnbindia.in

Punjab & Sind Bank
27-29, Ambalal Doshi Marg
Fort, Mumbai 400 023
Contact Person: Mr. Mukesh Kumar
Tel: (91 22) 2269 3438/2265 8721
E-mail: b0385@psb.co.in
Website: www.psbindia.com

State Bank of India
Backbay Reclamation Branch, 1st Floor
Tulsiani Chambers, Free Press Journal Marg
Nariman Point, Mumbai – 400 021
Contact Person: Mr. Anup Kumar
Tel: (91 22) 2274 5830
E-mail Id: sbi.01593@sbi.co.in
Website: www.sbi.co.in

Union Bank of India
84, Rajmahal Building, Veer Nariman Road
Churchgate, Mumbai – 400 020
Contact Person: Mr. Rukmani Arvind Kumar
Tel: (91 22) 2204 5200 / 2204 8268
E-mail: cbsvnroad@unionbankofindia.com
Website: www.unionbankofindia.com

UCO Bank
1st Floor, Mafatlal Centre
Nariman Point, Mumbai – 400 021
Contact person: Mr. Gautam Banerjee
Tel: (91 22) 4054 9101
E-mail: mumfcc@ucobank.co.in
Website: https://www.ucobank.com

United Overseas Bank Limited
Mumbai Branch, Unit 31, 3rd Floor, 3rd North Avenue
Maker Maxity, Bandra Kurla Complex
Mumbai – 400 051
Contact Person: Mr. Navratan Vohra
Tel: (91 22) 4247 2828
E-mail: navratan.vohra@uobgroup.com
Website: www.uobgroup.com

Vijaya Bank
Maker Chamber - 4
Nariman Point, Mumbai – 400 020
Contact Person: Mr. Sandeep A.E.
Tel: (91 22) 2281 4898
Email: vb5101@vijayabank.co.in
Website: www.vijayabank.com

Banker(s) to the Issue

As specified in the relevant Tranche Prospectus for each Tranche.

Refund Bank(s)

As specified in the relevant Tranche Prospectus for each Tranche.

Impersonation

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

"Any person who —

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

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

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

shall be liable for action under Section 447."

Minimum Subscription

In terms of the SEBI Debt Regulations for an issuer undertaking a public issue of debt securities, the minimum subscription for public issue of debt securities shall be 75% of the Base Issue. If our Company does not receive the minimum subscription of 75 % of the Base Issue, within the prescribed timelines under Companies Act, 2013 and any rules thereto, the entire subscription amount shall be refunded to the Applicants within 12 days from the date of closure of the Issue. In the event there is a delay by our Company in making the aforesaid refund within the prescribed time limit, our Company will pay interest at the rate of 15% per annum for the delayed period.

Under Section 39(3) of the Companies Act, 2013 read with Rule 11(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 if the stated minimum subscription amount is not received within the specified period, the application money received is to be credited only to the bank account from which the subscription was remitted. To the extent possible, where the required information for making such refunds is available with our Company and/or Registrar, refunds will be made to the account prescribed. However, where our Company and/or Registrar to the Issue does not have the necessary information for making such refunds, our Company and/or Registrar to the Issue will follow the guidelines prescribed by SEBI in this regard including the Debt Application Circular and the circular regarding Strengthening the Guidelines and Raising Industry Standard for RTA, Issuer Companies and Banker to an Issue bearing no. HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018.

Self-Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA process is provided on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 as updated from time to time. For a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries, refer to the above-mentioned link.

In relation to Bids submitted under the ASBA process to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of the ASBA Forms from the members of the Syndicate is available on the website of SEBI http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes.

Utilisation of Issue proceeds

For details on utilisation of Issue proceeds see, "*Objects of the Issue*" beginning on page 48 of this Draft Shelf Prospectus.

Issue Programme

ISSUE OPENS ON	As specified in the relevant Tranche Prospectus
ISSUE CLOSES ON	As specified in the relevant Tranche Prospectus

This Issue shall remain open for subscription on Working Days from 10:00 a.m. to 5:00 p.m., during the period indicated in the relevant Tranche Prospectus, except that this Issue may close on such earlier date or extended date as may be decided by the Board or the Working Committee of the Board of Directors of our Company. In the event of such an early closure of or extension of this Issue, our Company shall ensure that notice of such early closure or extension is given to the prospective investors through an advertisement in a national daily newspaper with wide circulation on or before such earlier date or initial date of closure.

Applications Forms for this Issue will be accepted only from 10:00 a.m. to 5:00 p.m. or such extended time as may be permitted by the Stock Exchange, during the Issue Period as mentioned above on all days between Monday and Friday (both inclusive barring public holiday) (i) by the Consortium, sub-brokers or the Trading Members of the Stock Exchange, as the case maybe, at the centres mentioned in Application Form through the non-ASBA mode or, (ii) in case of ASBA Applications, (a) directly by the Designated Branches of the SCSBs or (b) by the centres of the Consortium, sub-brokers or the Trading Members of the Stock Exchange, as the case maybe, only at the selected cities. On the Issue Closing Date, Application Forms will be accepted only between 10:00 a.m. and 3:00 p.m. and uploaded until 5:00 p.m. or such extended time as may be permitted by the Stock Exchanges.

Due to limitation of time available for uploading the Applications on the electronic platform of the Stock Exchanges on the Issue Closing Date, Applicants are advised to submit their Application Forms one day prior to the Issue Closing Date and, no later than 3.00 p.m. on the Issue Closing Date. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, there may be some Applications which are not uploaded due to lack of sufficient time to upload. Such Applications that cannot be uploaded will not be considered for allocation under the Issue. Neither our Company, nor the Members of the Syndicate are liable for any failure in uploading the Applications due to failure in any software/ hardware systems or otherwise. Please note that the Basis of Allotment will be as per the relevant Tranche Prospectus. In this regard, as per the SEBI circular CIR/IMD/DF/18/2013 dated October 29, 2013, the allotment in this Issue would be made on the basis of date of upload of each application into the electronic book of the Stock Exchange. However, in the event of oversubscription, on such date, the allotments would be made to the applicants on proportionate basis.

THE ISSUE

The following is a summary of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, more detailed information forming part of "*General Terms of the Issue*" beginning on page 120 of this Draft Shelf Prospectus.

Common Terms for all series of NCDs

Particulars	Details
Issuer	Tata Capital Housing Finance Limited
Lead Managers	A. K. Capital Services Limited, Axis Bank Limited and Edelweiss Financial Services Limited
Debenture Trustee	IDBI Trusteeship Services Limited
Registrar to the Issue	Karvy Computershare Private Limited
Type and nature of instrument	Secured NCDs of face value of ₹ 1,000 each and Unsecured NCDs of face value ₹ 1,000 each
Base Issue	As specified in the relevant Tranche Prospectus for each Tranche Issue
Option to retain Oversubscription Amount	As specified in the relevant Tranche Prospectus for each Tranche Issue
Face Value (in ₹ / NCD)	1,000
Issue Price (in ₹ / NCD)	1,000
Minimum application	As specified in the relevant Tranche Prospectus for each Tranche Issue
In multiples of	As specified in the relevant Tranche Prospectus for each Tranche Issue
Seniority	Senior (to clarify, the claims of the Secured NCD Holders shall be superior to the claims of any unsecured creditors, subject to applicable statutory and/or regulatory requirements).
Mode of Issue	Public Issue
Issue	Public issue by our Company of Secured, Rated, Listed, Redeemable, Non-Convertible Debentures of face value of ₹ 1,000 each and Unsecured, Subordinated, Rated, Listed, Redeemable, Non-Convertible Debentures of face value of ₹ 1,000 each, for an amount aggregating up to the Shelf Limit pursuant to the Shelf Prospectus and the respective Tranche Prospectus. The Unsecured, Rated, Listed, Redeemable Non-Convertible Debentures will be in the nature of subordinated debt and will be eligible for Tier II Capital. The NCDs will be issued in one or more Tranches, on terms and conditions as set out in the relevant Tranche Prospectus for any Tranche Issue. Our Company may opt to issue on Secured NCDs or Unsecured NCDs or both Secured NCDs and Unsecured NCDs as part of any Tranche Prospectus
Listing	NSE and BSE NSE shall be the Designated Stock Exchange for this Issue The NCDs shall be listed in accordance with applicable law and within the timeframe stipulated by SEBI
Lock-in	As specified in the relevant Tranche Prospectus for each Tranche Issue
Mode of Allotment and Trading	Compulsorily in dematerialised form
Mode of settlement	Please see, "*Issue Structure*" beginning on page 126 of this Draft Shelf Prospectus
Market / Trading Lot	One NCD

<table>
<tr><th>Particulars</th><th>Details</th></tr>
<tr><td>Depositories</td><td>NSDL and CDSL</td></tr>
<tr><td>Security</td><td>The Secured NCDs would constitute secured obligations of our Company and shall rank pari passu inter se, present and future and subject to any obligations under applicable statutory and/or regulatory requirements, shall be secured by way of a first ranking pari passu charge by way of mortgage over our Company's specific immovable property and a first ranking pari passu floating charge over the movable properties of our Company, including book debts (excluding the exclusive charge created by our Company in favour of NHB as security for the due repayment for financial assistance by way of refinancing granted by NHB to our Company).

No security will be created for Unsecured NCDs in the nature of Subordinated Debt. The rated, listed, redeemable Unsecured NCDs are in the nature of subordinated debt and will be eligible for Tier II Capital</td></tr>
<tr><td>Who can apply/ Eligible Investors</td><td>Please see, "Issue Procedure" beginning on page 139 of this Draft Shelf Prospectus</td></tr>
<tr><td>Credit Ratings</td><td>
<table>
<tr><th>Rating agency</th><th>Instrument</th><th>Rating symbol</th><th>Date of credit rating letter</th><th>Amount rated (in lakh)</th><th>Rating definition</th></tr>
<tr><td>CRISIL</td><td>Secured NCDs, Subordinated Debt and Bank facilities</td><td>CRISIL AAA/Stable</td><td>August 21, 2018</td><td>₹5,00,000 lakh</td><td>Stable</td></tr>
<tr><td>India Ratings</td><td>Non-convertible debentures and subordinated debt</td><td>'IND AAA'/Outlook Stable</td><td>August 23, 2018</td><td>₹5,00,000 lakh</td><td>Stable</td></tr>
<tr><td>ICRA</td><td>Non-convertible debentures and subordinated debt</td><td>"[ICRA]AAA(stable)"</td><td>August 24, 2018</td><td>₹5,00,000 lakh</td><td>Stable</td></tr>
</table>

Please see Annexures B to D of this Draft Shelf Prospectus for rating letter and rationale for the above ratings. Please see the disclaimer clause of CRISIL, India Ratings and ICRA forming part of "General Information" beginning on page 31 of this Draft Shelf Prospectus</td></tr>
<tr><td>Issue Size</td><td>As specified in the relevant Tranche Prospectus for each Tranche Issue</td></tr>
<tr><td>Pay-in date</td><td>Application Date. The entire Application Amount is payable on Application</td></tr>
<tr><td>Application money</td><td>The entire Application Amount is payable on submitting the Application</td></tr>
<tr><td>Record Date</td><td>The Record Date for payment of interest in connection with the NCDs or repayment of principal in connection therewith shall be 15 days prior to the date on which interest is due and payable, and/or the date of redemption. Provided that trading in the NCDs shall remain suspended between the aforementioned Record Date in connection with redemption of NCDs and the date of redemption or as prescribed by the Stock Exchange, as the case may be. In case Record Date falls on a day when Stock Exchange is having a trading holiday, the immediate subsequent trading day or a date notified by our Company to the Stock Exchanges, will be deemed as the Record Date.

Interest shall be computed on an actual/actual basis i.e. on the principal outstanding on the NCDs as per the SEBI Circular bearing no. CIR/IMD/DF-1/122/2016 dated November 11, 2016</td></tr>
<tr><td>Issue Schedule*</td><td>As specified in the relevant Tranche Prospectus for each Tranche Issue</td></tr>
<tr><td>Objects of the Issue</td><td>Please see "Objects of the Issue" beginning on page 48 of this Draft Shelf Prospectus</td></tr>
<tr><td>Details of the utilisation of Issue proceeds</td><td>Please see "Objects of the Issue" beginning on page 48 of this Draft Shelf Prospectus</td></tr>
</table>

Particulars	Details
Coupon rate, coupon payment date and redemption premium/discount	As specified in the relevant Tranche Prospectus for each Tranche Issue
Step up/ Step down interest rates	As specified in the relevant Tranche Prospectus for each Tranche Issue
Interest type	As specified in the relevant Tranche Prospectus for each Tranche Issue
Interest reset process	As specified in the relevant Tranche Prospectus for each Tranche Issue
Tenor	As specified in the relevant Tranche Prospectus for each Tranche Issue
Coupon payment frequency	As specified in the relevant Tranche Prospectus for each Tranche Issue
Redemption date	As specified in the relevant Tranche Prospectus for each Tranche Issue
Redemption Amount	As specified in the relevant Tranche Prospectus for each Tranche Issue
Day count convention	Actual/Actual
Working Days convention/Day count convention / Effect of holidays on payment	Working Day(s) shall mean all days excluding Sundays or a holiday of commercial banks in Mumbai, except with reference to Issue Period, where Working Days shall mean all days, excluding Saturdays, Sundays and public holiday in India. Furthermore, for the purpose of post issue period, i.e. period beginning from Issue Closing Date to listing of the NCDs, Working Days shall mean all days excluding Sundays or a holiday of commercial banks in Mumbai or a public holiday in India Interest shall be computed on an actual/actual basis i.e. on the principal outstanding on the NCDs as per the SEBI Circular bearing no. CIR/IMD/DF-1/122/2016 dated November 11, 2016. If the date of payment of interest specified does not fall on a Working Day, then the succeeding Working Day will be considered as the effective date for such payment of interest, as the case may be (the "**Effective Date**"), however the calculation for payment of interest will be only till the originally stipulated Interest Payment Date. The dates of the future interest payments would be as per the originally stipulated schedule. Payment of interest will be subject to the deduction of tax as per Income Tax Act, 1961 or any statutory modification or re-enactment thereof for the time being in force. In case the Maturity Date (also being the last interest payment date) falls on a holiday, the interest/redemption payments shall be made only on the next Working Day, along with interest accrued on the NCDs until such date, however, excluding the date of such payment
Issue Opening Date	As specified in the relevant Tranche Prospectus for each Tranche Issue
Issue Closing Date	As specified in the relevant Tranche Prospectus for each Tranche Issue
Default interest rate	Our Company shall pay interest in connection with any delay in allotment, refunds, listing, dematerialized credit, execution of Debenture Trust Deed, payment of interest, redemption of principal amount beyond the time limits prescribed under applicable statutory and/or regulatory requirements, at such rates as stipulated/ prescribed under applicable laws
Interest on Application Money	Please see "*Issue Structure*" beginning on page 126 of this Draft Shelf Prospectus
Put/Call Option Date/Price/notification time	As specified in the relevant Tranche Prospectus for each Tranche Issue
Call Notification Time / Put Notification Time	As specified in the relevant Tranche Prospectus for each Tranche Issue

Particulars	Details
Deemed Date of Allotment	The date on which the Board or the Working Committee approves the Allotment of the NCDs for each Tranche Issue. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs (as specified for each Tranche Issue by way of the relevant Tranche Prospectus) shall be available to the Debenture holders from the Deemed Date of Allotment
Transaction Documents	Transaction documents shall mean the Issue Agreement, Registrar Agreement, Debenture Trustee Agreement and the agreed form of the Debenture Trust Deed to be executed between our Company and the Debenture Trustee. For further details see, "*Material Contracts and Documents for Inspection*" beginning on page 192 of this Draft Shelf Prospectus
Conditions precedent and subsequent to the Issue	The conditions precedent and subsequent to disbursement will be finalised upon execution of the Debenture Trust Deed
Events of default	Please see "*Issue Structure*" beginning on page 126 of this Draft Shelf Prospectus
Roles and responsibilities of the Debenture Trustee	Please see "*General Terms of the Issue*" beginning on page 120 of this Draft Shelf Prospectus
Governing law and jurisdiction	This Issue shall be governed in accordance with the laws of India and shall be subject to the exclusive jurisdiction of the courts of Mumbai

**This Issue shall remain open for subscription on Working Days from 10:00 a.m. to 5:00 p.m., during the period indicated in the relevant Tranche Prospectus, except that this Issue may close on such earlier date or extended date as may be decided by the Board. In the event of such an early closure of or extension of this Issue, our Company shall ensure that notice of such early closure or extension is given to the prospective investors through an advertisement in a national daily newspaper with wide circulation on or before such earlier date or initial date of closure. Applications Forms for this Issue will be accepted only from 10:00 a.m. till 5:00 p.m. or such extended time as may be permitted by the Stock Exchanges, on Working Days during the Issue Period. On the Issue Closing Date, Application Forms will be accepted only between 10:00 a.m. to 3:00 p.m. and uploaded until 5:00 p.m. or such extended time as may be permitted by the Stock Exchanges.*

The specific terms of each instrument to be issued pursuant to a Tranche Issue shall be as set out in the relevant Tranche Prospectus.

For details of category wise eligibility and allotment in this Issue, see "*Issue Procedure*" beginning on page 139 of this Draft Shelf Prospectus.

CAPITAL STRUCTURE

Details of share capital

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

S. No.	Particulars	Amount in ₹
A	**AUTHORISED SHARE CAPITAL**	
	2,50,00,00,000 Equity Shares of face value of ₹10 each	25,00,00,00,000
	2,00,00,00,000 CCCPS of face value of ₹10 each	20,00,00,00,000
	TOTAL	**45,00,00,00,000**
B	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL**	
	2,53,333,332 Equity Shares of face value of ₹10 each	2,53,33,33,320
	1,21,00,00,000 CCCPS of face value of ₹10 each	12,10,00,00,000
	TOTAL	**14,63,33,33,320**
C	**Securities premium account**	**22,09,88,623**

Note: All Equity Shares and CCCPS are held in physical form.

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

Changes in the Authorised Capital

Details of increase in authorised share capital since incorporation

S. No.	Particulars of increase	Date of Shareholders' meeting	AGM/EGM
1.	Increase in authorised share capital from ₹ 1,00,00,00,000 to ₹ 1,50,00,00,000 divided into 15,00,00,000 Equity Shares of ₹ 10 each	January 24, 2011	EGM
2.	Increase in authorised share capital from ₹ 1,50,00,00,000 to ₹ 5,00,00,00,000 divided into 50,00,00,000 Equity Shares of ₹ 10 each	August 30, 2011	AGM
3.	Increase in authorised share capital from ₹ 5,00,00,00,000 to ₹ 6,00,00,00,000 divided into 55,00,00,000 Equity Shares of ₹ 10 each and 5,00,00,000 CCCPS of ₹ 10 each	October 19, 2012	EGM
4.	Increase in authorised share capital from ₹ 6,00,00,00,000 to ₹ 9,00,00,00,000 divided into 60,00,00,000 Equity Shares of ₹ 10 each and 30,00,00,000 CCCPS of ₹ 10 each	December 14, 2012	EGM
5.	Increase in authorised share capital from ₹ 9,00,00,00,000 to ₹ 12,50,00,00,000 divided into 75,00,00,000 Equity Shares of ₹ 10 each and 50,00,00,000 CCCPS of ₹ 10 each	March 5, 2014	EGM
6.	Increase in authorised share capital from ₹ 12,50,00,00,000 to ₹ 25,00,00,00,000 divided into 1,40,00,00,000 Equity Shares of ₹ 10 each and 1,10,00,00,000 CCCPS of ₹ 10 each	March 30, 2015	EGM
7.	Increase in authorised share capital from ₹ 25,00,00,00,000 to ₹ 45,00,00,00,000 divided into 2,50,00,00,000 Equity Shares of ₹ 10 each and 2,00,00,00,000 CCCPS of ₹ 10 each	May 23, 2016	AGM

Notes to capital structure

1. **Share capital history of our Company**

Equity Share capital history of our Company for the last five years and as on the last quarter end before this Draft Shelf Prospectus

Our Company has not issued any Equity Shares whether for cash or for consideration other than cash in the last five years and as on the last quarter end before this Draft Shelf Prospectus.

Compulsorily Convertible Cumulative Preference Share capital history of our Company for the last five years and as on the last quarter end before this Draft Shelf Prospectus.

Date of allotment	No. of CCCPS	Face value (₹)	Issue price (₹)	Nature of consideration	Nature of allotment	Cumulative no. of CCCPS	Cumulative paid-up share capital (₹)	CCCPS Premium (in `)
July 30, 2013	2,00,00,000	10	10	Cash	Rights issue	14,50,00,000	145,00,00,000	-
August 8, 2013	2,00,00,000	10	10	Cash	Rights issue	16,50,00,000	165,00,00,000	-
September 20, 2013	2,00,00,000	10	10	Cash	Rights issue	18,50,00,000	185,00,00,000	-
December 2, 2013	2,00,00,000	10	10	Cash	Rights issue	20,50,00,000	205,00,00,000	-
February 6, 2014	2,90,00,000	10	10	Cash	Rights issue	23,40,00,000	234,00,00,000	-
March 26, 2014	2,00,00,000	10	10	Cash	Rights issue	25,40,00,000	254,00,00,000	-
May 28, 2014	3,00,00,000	10	10	Cash	Rights issue	28,40,00,000	284,00,00,000	-
June 27, 2014	2,00,00,000	10	10	Cash	Rights issue	30,40,00,000	304,00,00,000	-
August 28, 2014	1,50,00,000	10	10	Cash	Rights issue	31,90,00,000	319,00,00,000	-
September 29, 2014	1,00,00,000	10	10	Cash	Rights issue	32,90,00,000	329,00,00,000	-
November 28, 2014	3,50,00,000	10	10	Cash	Rights issue	36,40,00,000	364,00,00,000	-
January 30, 2015	3,00,00,000	10	10	Cash	Rights issue	39,40,00,000	394,00,00,000	-
March 31, 2015	2,00,00,000	10	10	Cash	Rights issue	41,40,00,000	414,00,00,000	-
April 30, 2015	1,00,00,000	10	10	Cash	Rights issue	42,40,00,000	424,00,00,000	-
May 25, 2015	7,80,00,000	10	10	Cash	Rights issue	50,20,00,000	502,00,00,000	-
November 30, 2015	5,70,00,000	10	10	Cash	Rights issue	55,90,00,000	559,00,00,000	-
March 23, 2016	10,00,00,000	10	10	Cash	Rights issue	65,90,00,000	659,00,00,000	-
June 30, 2016	3,00,00,000	10	10	Cash	Rights issue	68,90,00,000	689,00,00,000	-
September 30, 2016	3,50,00,000	10	10	Cash	Rights issue	72,40,00,000	724,00,00,000	-
November 22, 2016	10,00,00,000	10	10	Cash	Rights issue	82,40,00,000	824,00,00,000	-
July 31, 2017	11,10,00,000	10	10	Cash	Rights issue	93,50,00,000	935,00,00,000	-
March 21, 2018	19,00,00,000	10	10	Cash	Rights issue	1,12,50,00,000	11,25,00,00,000	-

On August 1, 2018, our Company issued 8,50,00,000 CCCPS to TCL, by way of a rights issue aggregating to ₹ 85,00,00,000, and such rights issue resulted in the cumulative number of CCCPS and the cumulative paid-up share capital of our Company to aggregate to 1,21,00,00,000 and ₹ 12,10,00,00,000, respectively.

2. **Share holding pattern of our Company as on the last quarter end**

The following is the shareholding pattern of our Company as at June 30, 2018:

Summary Statement Holding of Equity Shareholders

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) =(IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								No of Voting Rights: Class Equity	No of Voting Rights: Class eg:y	No of Voting Rights: Total	Total as a % of (A+B + C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
(A)	**Promoter and Promoter Group**	7*	25,33,33,332	-	-	25,33,33,332	100	25,33,33,332	-	25,33,33,332	100	-	100	-	-	-	-	-
(B)	**Public**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)	**Non Promoter-Non Public**	Not applicable																
(C1)	**Shares underlying DRs**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	**Shares held by Employee Trusts**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Six Equity Shares are jointly held by Tata Capital Limited, with Mr. Rajiv Sabharwal, Mr. Puneet Sharma, Mr. Govind Sankaranarayanan, Mr. Kiran Joshi, Mr. Avijit Bhattacharya, and Ms. Avan K. Doomasia, respectively.

Note: One Equity Share which was held by Tata Capital Limited jointly with Mr. Govind Sankaranarayanan was transferred to Tata Capital Limited jointly with Mr. Anil Kaul on August 27, 2018.

Our top ten shareholders and the number of Equity Shares held by them as on June 30, 2018 is as follows:

S. No.	Name	No. of Equity Shares (face value of ₹ 10 each)	No. of Equity Shares in dematerialised form	Total shareholding as % of total number of equity shares
1.	Tata Capital Limited	25,33,33,326	Nil	100
2.	Tata Capital Limited jointly with Mr. Rajiv Sabharwal	1	Nil	
3.	Tata Capital Limited jointly with Mr. Puneet Sharma	1	Nil	
4.	Tata Capital Limited jointly with Mr. Govind Sankaranarayanan*	1	Nil	
5.	Tata Capital Limited jointly with Mr. Kiran Joshi	1	Nil	
6.	Tata Capital Limited jointly with Mr. Avijit Bhattacharya	1	Nil	
7.	Tata Capital Limited jointly with Ms. Avan Doomasia	1	Nil	
	TOTAL	**25,33,33,332**	**Nil**	**100**

** One Equity Share which was held by Tata Capital Limited jointly with Mr. Govind Sankaranarayanan was transferred to Tata Capital Limited jointly with Mr. Anil Kaul on August 27, 2018.*

The list of top ten debenture holders as on June 30, 2018 is as follows:

Sr. No.	Name of the Holders	Aggregate amount in ₹ lakh*
1	HDFC Bank Limited	75,000.00
2	Wipro Limited	52,000.00
3	International Finance Corporation	40,800.00
4	NPS Trust A/C SBI Pension Fund Scheme C - Tier-II	35,900.00
5	SBI Life Insurance Company Limited	26,800.00
6	Postal Life Insurance Fund A/C UTI AMC	21,000.00
7	United India Insurance Company Limited	17,500.00
8	Corporation Bank	15,000.00
9	General Insurance Corporation of India	9,500.00
10	Agriculture Insurance Company Of India Limited	8,000.00

**The aggregate amount represents the holdings of the Debenture holders across all outstanding NCDs issued by our Company as of June 30, 2018.*

Debt to equity ratio

The debt to equity ratio prior to this Issue is based on a total outstanding debt of ₹ 18,48,481 lakh (includes accrued interest but not due on borrowings) and shareholder funds amounting to ₹ 1,69,878 lakh as on March 31, 2018. The debt to equity ratio post to this Issue (assuming subscription of NCDs aggregating to ₹ 5,00,000 lakh) would be 13.82 times, based on a total outstanding debt of ₹ 23,48,481 lakh and shareholders' funds of ₹ 1,69,878 lakh as on March 31, 2018

(in ₹ lakh)

Particulars	Prior to this Issue (as of March 31, 2018)	Post this Issue
Secured Loan*	13,15,021	18,15,021
Unsecured Loan*	5,33,460	5,33,460
Total Debt	18,48,481	23,48,481
Share Capital	1,37,833	1,37,833
Reserves	39,437	39,437
Less: Miscellaneous Expenditure (to the extent not written off or adjusted)	7,392	7,392
Shareholders' Funds (Net)	1,69,878	1,69,878
Debt Equity Ratio (No. of Times)#	10.88	13.82

**Includes Accrued interest but not due on borrowings.*

#*The debt-equity ratio post this Issue is indicative and is on account of assumed inflow of ₹ 5,00,000 lakh as Secured Loan from this Issue as on March 31, 2018. The actual debt-equity ratio post this Issue would depend upon the actual position of debt and equity on the date of allotment.*

For details on the total outstanding debt of our Company see, "*Disclosures on Existing Financial Indebtedness*" beginning on page 99 of this Draft Shelf Prospectus.

Other than the issue of 8,50,00,000 CCCPS by our Company to TCL on August 1, 2018, by way of a rights issue aggregating to ₹ 85,00,00,000, no other securities including shares of our Company were either purchased or sold by our Promoter, directors of our Promoter, Promoter group, Directors of our Company and their relatives within six months immediately preceding the date of this Draft Shelf Prospectus.

There is no change in our Promoter holding in our Company during the last financial year. Further, the quantum of our Promoters holding in our company is in compliance with the threshold limits prescribed by the NHB.

OBJECTS OF THE ISSUE

Issue proceeds

Public issue by our Company of Secured, Rated, Listed, Redeemable, Non-Convertible Debentures of face value of ₹ 1,000 each and Unsecured Subordinated, Rated, Listed, Redeemable, Non-Convertible Debentures of face value ₹ 1,000 each, for an amount aggregating up to the Shelf Limit. The Unsecured, Rated, Listed, Redeemable Non-convertible Debentures will be in the nature of subordinated debt and will be eligible for Tier II Capital. The NCDs will be issued in one or more tranches, on terms and conditions as set out in the relevant Tranche Prospectus for any Tranche Issue which should be read together with this Draft Shelf Prospectus and the Shelf Prospectus. This Issue is being made pursuant to the provisions of the SEBI Debt Regulations and the Companies Act, 2013.

The details of the proceeds of this Issue are summarized below:

Particulars	Estimated amount (in ₹ lakh)
Gross proceeds to be raised through each Tranche Issue	As mentioned in the relevant Tranche Prospectus
Less: - Tranche Issue related expenses	As mentioned in the relevant Tranche Prospectus
Net proceeds of the Tranche Issue after deducting the Tranche Issue related expenses	As mentioned in the relevant Tranche Prospectus

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

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

#Our Company shall not utilize the proceeds of this Issue towards payment of prepayment penalty, if any.

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

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

The Unsecured NCDs will be in the nature of Subordinated Debt and will be eligible for Tier II Capital and accordingly will be utilised in accordance with statutory and regulatory requirements including requirements of the NHB.

Purpose for which there is a requirement of funds

As stated in this section.

Monitoring of utilisation of funds

There is no requirement for appointment of a monitoring agency in terms of the SEBI Debt Regulations. The Audit Committee of our Company shall monitor the utilisation of the proceeds of this Issue. Our Company will disclose in our Company's financial statements for the relevant financial year commencing from Fiscal 2019, the utilisation of the proceeds of this Issue under a separate head along with details, if any, in relation to all such proceeds of this Issue that have not been utilised thereby also indicating investments, if any, of such unutilised proceeds of this Issue. Our Company shall utilize the proceeds of this Issue only upon the execution of the documents for creation of security and receipt of final listing and trading approval from the Stock Exchanges.

Interim use of proceeds

The management of our Company, in accordance with the policies formulated by it from time to time, will have the flexibility in deploying the proceeds received from this Issue. Pending utilisation of the proceeds out of this Issue for the purposes described above, our Company intends to temporarily invest funds in high quality interest bearing liquid instruments including money market mutual funds, deposits with banks or temporarily deploy the funds in investment grade interest bearing securities as may be approved by the Board / Committee of Directors of our Company, as the case may be. Such investment would be in accordance with the investment policy of our Company approved by the Board or any committee thereof from time to time.

Other confirmations

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

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

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

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

Our Company confirms that for the purposes of this Issue a funding plan, summary of the project appraisal report and schedule of implementation of the project will not be applicable.

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

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

Variation in terms of contract or objects in Draft Shelf Prospectus

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

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

Neither our Promoter nor the Directors of our Company are interested in the Objects of this Issue.

STATEMENT OF TAX BENEFITS AVAILABLE TO THE DEBENTURE HOLDERS

To

Board of Directors
Tata Capital Housing Finance Limited
11th Floor, Tower A, Peninsula
Business Park
Ganpatrao Kadam Marg, Lower Parel
Mumbai 400 013

Dear Sirs,

Statement of Possible Tax Benefits available to the debenture holders of Tata Capital Housing Finance Limited

We, B S R & Co. LLP, Chartered Accountants, hereby report that the enclosed statement states the possible tax benefits available to the debenture holders of Tata Capital Housing Finance Limited (the "**Company**") under the Income-tax Act, 1961 (amended by The Finance Act, 2018), presently in force in India. Several of these benefits are dependent on the debenture holders fulfilling the conditions prescribed under the relevant provisions of the statute. Hence, the ability of the debenture holders to derive the tax benefits is dependent upon their fulfilling such conditions which based on business imperatives it faces in the future, it may not choose to fulfil.

The benefits discussed in the enclosed statement are not exhaustive. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or its own tax consultant with respect to the specific tax implications arising out of their participation in the issue. We do not express any opinion or provide any assurance as to whether:

i) the debenture holders will continue to obtain these benefits in future; or

ii) the conditions prescribed for availing the benefits have been / would be met with.

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

Yours faithfully,

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration Number: 101248W/W-100022

Manoj Kumar Vijai
Partner
Membership Number: 046882

Place: Mumbai
Date: August 27, 2018

ANNEXURE: STATEMENT OF TAX BENEFITS

STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO THE DEBENTURE HOLDER(S)

Under the existing provisions of law, the following tax benefits, inter-alia, will be available to the Debenture Holder(s). The tax benefits are given as per the prevailing tax laws and may vary from time to time in accordance with amendments to the law or enactments thereto. The information given below lists out the possible benefits available to the Debenture Holder(s) of an Indian company in which public are substantially interested[1], in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the subscription, ownership and disposal of the debenture.

The Debenture Holder is advised to consider in its own case, the tax implications in respect of subscription to the Debentures after consulting his tax advisor as alternate views are possible. We are not liable to the Debenture Holder in any manner for placing reliance upon the contents of this statement of tax benefits.

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

I. *To the Resident Debenture Holder*

Interest on NCD

1. Interest received by Debenture Holder(s) would be subject to tax at the normal rates of tax in accordance with and subject to the provisions of the I.T. Act and such tax would need to be withheld at the rate of 10% at the time of credit/payment as per the provisions of Section 193 of the I.T. Act. However, no income tax is deductible at source in respect of the following:

   (a) On any security issued by a company in a dematerialized form and is listed on recognized stock exchange in India in accordance with the Securities Contracts (Regulation) Act, 1956 and the rules made there under.(w.e.f. 01.06.2008).

   (b) In case the payment of interest on debentures to a resident individual or a Hindu Undivided

   Family ('HUF'), Debenture Holder does not or is not likely to exceed Rs 5,000 in the aggregate during the Financial Year and the interest is paid by an account payee cheque.

   (c) When the Assessing Officer issues a certificate on an application by a Debenture Holder on satisfaction that the total income of the Debenture Holder justifies no/lower deduction of tax at source as per the provisions of Section 197(1) of the I.T. Act; and that certificate is filed with the Company before the prescribed date of closure of books for payment of debenture interest.

(d) (i) When the resident Debenture Holder with Permanent Account Number ('PAN') (not being a company or a firm) submits a declaration as per the provisions of section 197A(1A) of the I.T. Act in the prescribed Form 15G verified in the prescribed manner to the effect that the tax on his estimated total income of the financial year in which such income is to be included in computing his total income will be NIL. However under section 197A(1B) of the I.T. Act, "Form 15G cannot be submitted nor considered for exemption from tax deduction at source if the dividend income referred to in section 194, interest on securities, interest, withdrawal from NSS and income from units of mutual fund or of Unit Trust of India as the case may be or the aggregate of the amounts of such incomes credited or paid or likely to be credited or paid during the previous year in which such income is to be included exceeds the maximum amount which is not chargeable to income tax".

To illustrate, as on 01.04.2018 -

- the maximum amount of income not chargeable to tax in case of individuals (other than senior citizens and super senior citizens) and HUFs is Rs. 2,50,000;
- in the case of every individual being a resident in India, who is of the age of 60 years or more but less than 80 years at any time during the Financial year (Senior Citizen) is Rs. 3,00,000; and
- in the case of every individual being a resident in India, who is of the age of 80 years or more at any time during the Financial year (Super Senior Citizen) is Rs. 5,00,000 for Financial Year 2018-19.

---

[1] *Refer Section 2(18)(b)(B) of the I.T. Act.*

Further, section 87A provides a rebate of 100 percent of income-tax or an amount of Rs. 2,500 whichever is less to a resident individual whose total income does not exceed Rs. 3,50,000.

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

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

2. In case where tax has to be deducted at source while paying debenture interest, the Company is not required to deduct surcharge, education cess and secondary and higher education cess.

Classification of gains on transfer

3. In case the debentures are held as stock in trade, the income on transfer of debentures would be taxed as business income or loss in accordance with and subject to the provisions of the I.T. Act. Further, where the debentures are sold by the Debenture Holder(s) before maturity, the gains arising therefrom are generally treated as capital gains or business income as the case may be depending whether the same is held as Stock in trade or investment. However, there is an exposure that the Indian Revenue Authorities (especially at lower level) may seek to challenge the said characterisation (especially considering the provisions explained in Para V below) and hold the such gains/income as interest income in the hands of such Debenture Holder(s). Further, cumulative or regular returns on debentures held till maturity would generally be taxable as interest income taxable under the head Income from other sources where debentures are held as investments or business income where debentures are held as trading asset / stock in trade.

Capital gains and other general provisions

4. As per the provisions of section 2(29A) of the IT Act, read with section 2(42A) of the I.T. Act, a listed debenture is treated as a long term capital asset if the same is held for more than 12 months immediately preceding the date of its transfer. In all other cases, it is 36 months immediately preceding the date of its transfer.

As per section 112 of the I.T. Act, capital gains arising on the transfer of long term capital assets being listed securities are subject to tax at the rate of 20% of capital gains calculated after reducing indexed cost of acquisition or 10% of capital gains without indexation of the cost of acquisition. The capital gains will be computed by deducting expenditure incurred in connection with such transfer and cost of acquisition/indexed cost of acquisition of the debentures from the sale consideration. However as per the third proviso to section 48 of I.T. Act, benefit of indexation of cost of acquisition under second proviso of section 48 of I.T. Act, is not available in case of bonds and debenture, except capital indexed bonds. Accordingly, long term capital gains arising to the Debenture Holder(s), would be subject to tax at the rate of 10%, computed without indexation, as the benefit of indexation of cost of acquisition is not available in case of debentures.

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

5. Short-term capital gains on the transfer of listed debentures, where debentures are held for a period of not more than 12 months would be taxed at the normal rates of tax in accordance with and subject to the provisions of the I.T. Act. The provisions relating to maximum amount not chargeable to tax would also apply to such short term capital gains.

6. As per Section 74 of the I.T. Act, short-term capital loss on debentures suffered during the year is allowed to be set-off against short-term as well as long-term capital gains of the said year. Balance loss, if any could be carried forward for eight years for claiming set-off against subsequent years' short-term as well as long-term capital gains. Long-term capital loss on debentures suffered during the year is allowed to be set-off only against long-term capital gains. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent year's long-term capital gains.

II. *To Mutual Funds*

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

III. ***To the Foreign Institutional Investors (FIIs/FPIs)***

1. As per Section 2(14) of the I.T. Act, any securities held by FIIs/FPIs[2] which has invested in such securities in accordance with the regulations made under the Securities and Exchange Board of India Act, 1992, shall be treated as capital assets. Accordingly, any gains arising from transfer of such securities shall be chargeable to tax in the hands of FIIs as capital gains.

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

3. The Finance Act, 2013 (by way of insertion of a new section 194LD in the I.T. Act) provides for lower rate of withholding tax at the rate of 5% on payment by way of interest paid by an Indian company to FIIs/FPIs and Qualified Foreign Investor in respect of rupee denominated bond of an Indian company between June 1, 2013 and July 1, 2020 provided such rate does not exceed the rate as may be notified[3] by the Government. In the regular course, interest is subject to tax at the rate of 20%

4. In accordance with and subject to the provisions of section 196D(2) of the I.T. Act, no deduction of tax at source is applicable in respect of capital gains arising on the transfer of debentures by FIIs/FPIs.

IV. ***To the Non-resident Indian Debenture Holder – Special provisions***

1. A non-resident Indian has ***an option*** to be governed by Chapter XII-A of the I.T. Act, subject to the provisions contained therein which are given in brief as under:

   Interest on NCD and capital gains on transfer

   (a) Under section 115E of the I.T. Act, interest income from debentures acquired or purchased with or subscribed to in convertible foreign exchange will be taxable at 20%, whereas, long term capital gains on transfer of such Debentures will be taxable at 10% of such capital gains without indexation of cost of acquisition. Short-term capital gains will be taxable at the normal rates of tax in accordance with and subject to the provisions contained therein.

   Exemption from long-term capital gains

   (b) Under section 115F of the I.T. Act, long term capital gains arising to a non-resident Indian from transfer of debentures acquired or purchased with or subscribed to in convertible foreign exchange will be exempt from capital gain tax if the net consideration is invested within six months after the date of transfer of the debentures in any specified asset or in any saving certificates referred to in section 10(4B) of the I.T. Act in accordance with and subject to the provisions contained therein.

   Others relaxations

   (c) Under section 115G of the I.T. Act, it shall not be necessary for a non-resident Indian to file a return of income under section 139(1) of the I.T. Act, if his total income consists only of investment income as defined under section 115C and/or long term capital gains earned on transfer of such investment acquired out of convertible foreign exchange, and the tax has been deducted at source from such income under the provisions of Chapter XVII-B of the I.T. Act in accordance with and subject to the provisions contained therein.

---

[2] *The CBDT has issued a Notification No. 9 dated 22 January 2014 which provides that Foreign Portfolio Investors (FPI) registered under the SEBI (Foreign Portfolio Investors) Regulations, 2014 shall be treated as FII for the purpose of Section 115AD of the I.T. Act.*

[3] *Refer Notification No. 56/2013 [F.No.149/81/2013-TPL]/SO 2311(E), dated 29-7-2013. As per the said Notification, in case of bonds issued on or after the 1st day of July, 2010, the rate of interest shall not exceed500 basis points (bps) over the Base Rate of State Bank of India applicable on the date of issue of the said bonds.*

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

2. In accordance with and subject to the provisions of section 115I of the I.T. Act, a Non-Resident Indian ***may opt not to be governed*** by the provisions of Chapter XII-A of the I.T. Act. In that case, the general provisions applicable to non-residents would apply.

V. *To Non-resident Debenture Holder –General*

1. Under the general provisions applicable to non-resident investors, the applicable tax rates are as under:

(a) Long term capital gains on transfer of listed debentures would be subject to tax at the rate of 10% computed without indexation.

(b) Investment income and Short-term capital gains on the transfer of listed debentures, where debentures are held for a period of not more than 12 months preceding the date of transfer, would be taxed at the normal rates of tax in accordance with and subject to the provisions of the I.T. Act

2. Under Section 195 of the I.T. Act, the applicable rate of tax deduction at source is 20% on investment income and 10% on any long-term capital gains as per section 115E, and 30% for Short Term Capital Gains if the payee Debenture Holder is a Non Resident Indian.

3. As per Section 74 of the I.T. Act, short-term capital loss suffered during the year is allowed to be set-off against short-term as well as long-term capital gains of the said year. Balance loss, if any could be carried forward for eight years for claiming set-off against subsequent years' short-term as well as long-term capital gains. Long-term capital loss suffered (other than the long-term capital assets whose gains are exempt under Section 10(38) of the I.T. Act) during the year is allowed to be set-off only against long-term capital gains. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent year's long-term capital gains.

4. As per section 90(2) of the I.T. Act read with the Circular no. 728 dated October 30, 1995 issued by the Central Board of Direct Taxes ('CBDT'), in the case of a remittance to a country with which a Double Taxation Avoidance Agreement (DTAA) is in force, the tax should be deducted at the rate provided in the I.T. Act or at the rate provided in the DTAA, whichever is more beneficial to the assessee. However, submission of Tax Residency Certificate ('TRC') is a mandatory condition for availing benefits under any DTAA. Further, such non-resident investor would also be required to furnish Form 10F along with TRC, if such TRC does not contain information prescribed by the CBDT vide its Notification No. 57/2013 dated 1 August 2013.

5. Alternatively, to ensure non deduction or lower deduction of tax at source, as the case may be, the Debenture Holder should furnish a certificate under section 195(2) & 195(3) of the I.T. Act, from the Assessing Officer before the prescribed date of closure of books for payment of debenture interest. However, an application for the issuance of such certificate would not be entertained in the absence of PAN as per the provisions of section 206AA.

6. Where, debentures are held as stock in trade, the income on transfer of debentures would be taxed as business income or loss in accordance with and subject to the provisions of the I.T. Act. Further, where the debentures are sold by the Debenture Holder(s) before maturity, the gains arising therefrom are generally treated as capital gains or business income as the case may be. However, there is an exposure that the Indian Revenue Authorities (especially at lower level) may seek to challenge the said characterisation (especially considering the provisions explained in Para V below) and hold the such gains/income as interest income in the hands of such Debenture Holder(s). Further, cumulative or regular returns on debentures held till maturity would generally be taxable as interest income taxable under the head Income from other sources where debentures are held as investments or business income where debentures are held as trading asset / stock in trade.

VI. *General Anti-Avoidance Rule ('GAAR)*

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

VII. ***Exemption under Sections 54EE and 54F of the I.T. Act***

Exemptions may be claimed from taxation of LTCG or STCG if investments in certain specified securities/assets is made subject to fulfillment of certain conditions. The following exemptions may be available to the shareholders:

(a) Section 54EE of the Act exempts long-term capital gains on transfer of shares if the gains upto Rs.50 lacs are invested in "long term specified assets" (i.e. units of notified fund) within six months from the date of transfer. The investment in long term specified assets should be held for 3 years.

(b) Section 54F of the Act exempts long-term capital gains on transfer of shares, held by an individual or HUF, if the net consideration is utilized to purchase/ construct a residential house within specified timelines.

VIII. ***Requirement to furnish PAN under the I.T. Act***

1. *Sec.139A(5A)*

Section 139A(5A) requires every person from whose income tax is to be deducted at source to furnish his PAN to the person responsible for deduction of tax at source.

2. *Sec.206AA*

(a) Section 206AA of the I.T. Act requires every person entitled to receive any sum, on which tax is deductible under Chapter XVIIB ('deductee') to furnish his PAN to the deductor, failing which tax shall be deducted at the highest of the following rates:

(i) at the rate in force specified in the relevant provision of the I.T. Act; or

(ii) at the rate of **twenty per cent**

However, new rule 37BC of the Income Tax Rules provides that the provisions of section 206AA of the Act shall not apply on payments made to non-resident deductees who do not have PAN in India. The non-resident deductee in this regard, shall be required to furnish few prescribed details *inter alia* TRC and Tax Identification Number (TIN).

(b) A declaration under Section 197A(1) or 197A(1A) or 197A(1C) shall not be valid unless the person furnishes his PAN in such declaration and the deductor is required to deduct tax as per Para (a) above in such a case.

(c) Where a wrong PAN is provided, it will be regarded as non-furnishing of PAN and Para (a) above will apply apart from any penal consequences.

IX. ***Taxability of Gifts received for nil or inadequate consideration***

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

(i) without any consideration, aggregate fair market value of which exceeds fifty thousand rupees, then the whole of the aggregate fair market value of such debentures or;

(ii) for a consideration which is less than the aggregate fair market value of the debenture by an amount exceeding fifty thousand rupees, then the aggregate fair market value of such debentures as exceeds such consideration;

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

X. ***General Tax Rates (relevant for computing tax on short term capital gains)***

Rates applicable to different categories of assesses:

(a) The slab rates applicable to individuals/HUF/Association of Persons (AOP)/Body of Individuals (BOI)/ Artificial Juridical Person are as under:

Slabs	% of Income Tax
Up to Rs. 2.5 lacs (Basic exemption limit)	Nil
From Rs. 2.5 lacs to Rs. 5 lacs	5% of the amount by which the total income exceeds Rs. 2.5 lacs
From Rs. 5 lacs to Rs. 10 lacs	Rs. 12,500 plus 20% of the amount by which the total income exceeds Rs. 5 lacs
Above Rs. 10 lacs	Rs. 1,12,500 plus 30% of the amount by which the total income exceeds Rs. 10 lacs.

Basic exemption limit for resident senior citizens of 60 years but below 80 years of age is Rs. 3 lacs and for resident senior citizens of 80 years of age or more is Rs. 5 lacs.

An individual resident, whose total income does not exceed Rs. 500,000 (Rs. 3,50,000 w.e.f. 1 April 2018), shall be eligible for a rebate of amount of income-tax payable on the total income for any assessment year or Rs 2500, whichever is less.

(b) Rates applicable to other categories of assesses:

Assessee	% of Income Tax
Partnership Firms	30%
Indian Corporates	30% *
Foreign Company	40%

*The Finance Act, 2018, provides that where the total turnover or the gross receipt of the domestic company does not exceed Rs. 250 crores in the previous year 2016-17, the rate of income tax is 25%.

Surcharge and cess

The rates of surcharge applicable to various assessees are provided as under:

Particulars	If total income does not exceed Rs. 50 lakh	If total income exceeds Rs. 50 lakh but doesn't exceed Rs. 1 crore	If total income exceeds Rs. 1 crore
Individuals/HUF/ AOP/ BOI/ Artificial Juridical Person	Nil	10%	15%

Particulars	If total income does not exceed Rs. 1 crore	If total income exceeds Rs. 1 crore but doesn't exceed Rs. 10 crore	If total income exceeds Rs. 10 crore
Domestic Company	Nil	7%	12%
Other than Domestic Companies	Nil	2%	5%

In case of Firms [including Limited Liability Partnership ('LLP')] and Local Authority, surcharge will be applicable at the rate of 12% if income exceeds Rs. 1 crore.

Over and above the surcharge, 'Health and Education Cess' at the rate of 4% on tax including surcharge is payable by all taxpayers persons.

B. IMPLICATIONS UNDER THE WEALTH TAX ACT, 1957

The Finance Act, 2015 has abolished Wealth Tax Act, 1957 with effect from 1 April 2016 which shall then apply in relation to FY 2015-16 and subsequent years. There is, therefore, no wealth tax obligation arising out of the investment in debentures.

Notes

1. The above statement covers only certain relevant benefits under the Income-tax Act, 1961 and Wealth Tax Act, 1957(collectively referred to as 'direct tax laws') and does not cover benefits under any other law.

2. The above statement sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of debentures/bonds. Further, several of these benefits are dependent on the Debenture Holder fulfilling the conditions prescribed under the relevant provisions.

3. The above statement of possible tax benefits is as per the current direct tax laws relevant for the Assessment Year 2019-20 (considering the amendments made by Finance Act, 2018).

4. This statement is intended only to provide general information to the Debenture Holder(s) and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each Debenture Holder is advised to consult his/her/its own tax advisor with respect to specific tax consequences of his/her/its holding in the debentures of the Company.

5. The stated benefits will be available only to the sole/ first named holder in case the debenture is held by joint holders.

6. In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant tax treaty, if any, between India and the country in which the non-resident has fiscal domicile. For taxes paid in India, the same could be claimed as a credit in accordance with the provisions of the relevant tax treaty and applicable domestic tax law.

7. Interest on application money would be subject to tax at the normal rates of tax in accordance with and subject to the provisions of the I.T. Act and such tax would need to be withheld at the time of credit/payment as per the provisions of Section 194A of the I.T. Act.

No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

SECTION IV: ABOUT THE COMPANY AND INDUSTRY OVERVIEW

INDUSTRY OVERVIEW

*Unless stated otherwise, the information in this section has been obtained or derived from the "Affordable Housing Finance Market in India: Performance Update & Industry Outlook" dated March, 2018 by ICRA Limited ("**ICRA**" and such report, the "**ICRA Report**"), as well as other industry sources and government publications. All financial data forming part of the industry and market data cited as part of "Industry Overview", is derived from the ICRA Report and as well as other industry sources and government publications and accordingly, such financial data is represented in Rupees, in million, billions and trillions, as applicable. All information contained herein must be construed solely as statements of opinion. None of our Company, the Lead Managers and any other person connected with this Issue has independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The recipient should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction. The information in this section must be read in conjunction with "Risk Factors" and "Business" beginning on pages 11 and 71, respectively.*

Overview of the Indian Economy

India has emerged as the fastest growing major economy in the world according to the International Monetary Fund ("**IMF"**). In recent years, India's economic growth has primarily been driven by consumption, while investment has been decelerating. GDP (at constant Fiscal 2012 prices) grew at a 6.9% compounded annual growth rate ("**CAGR**") between Fiscal 2012 and Fiscal 2017. It grew at a slower pace between Fiscal 2012 and Fiscal 2014, mainly because of sluggish income growth, persistently rising inflation and high interest rates. Industrial output grew at a slower pace, impacting GDP growth. After Fiscal 2014, improving industrial activity, lower crude oil prices and supportive policies led to a recovery in GDP growth. The growth slowed down in Fiscal 2017, due to demonetisation, reduced private investment and slower global growth. As per the IMF, the Indian economy is projected to grow at a 7.7% CAGR over the next five years. Growth will be higher than many emerging as well as developed economies, such as Brazil, Russia and China.

According to the Organisation for Economic Co-operation and Development, investment and exports, supported by the smoother implementation of the new goods and services tax (GST), are becoming growth engines. Financial and monetary policies are projected to remain broadly neutral. To reduce the relatively high public debt-to-GDP ratio, containing contingent fiscal liabilities is key, including through better governance of public enterprises. Better risk assessment in banks would allow allocating financial resources to the best projects and avoiding a new increase in non-performing loans. Investing more in education and training, combined with a modernisation of labour laws, would help create better jobs and make growth more inclusive.

Key factors pertaining to the Indian economy

Inflation - The annual rate of inflation, based on monthly wholesale price index ("**WPI**"), stood at 4.43% (provisional) for the month of May, 2018 (over May, 2017) as compared to 3.18% (provisional) for the previous month and 2.26% during the corresponding month of the previous year. (*Source: Office of Economic Adviser, Ministry of Commerce & Industry, New Delhi*).

Population - As per Census 2011, India's population was about 1.2 billion, and comprised nearly 246 million households. The population, which grew nearly 18% between 2001 and 2011, is expected to increase about 11% between 2011 and 2025, to 1.4 billion. (*Source: United Nations Department of Economic and Social affairs).*

Demographics - Currently, India is one of the nations with the highest young population, with a median age of 28 years. Comparatively, the US, China and Brazil had 74%, 62% and 78% of their population below the age of 60 (as of calendar year 2012). **(***Source: United Nations Department of Economic and Social affairs).*

Economic Outlook

According to the World Bank, economic activity is expected to stabilize, maintaining annual GDP growth rate for Fiscal 2018. According to the World Bank, growth is projected to increase to 7.4% by Fiscal 2020, underpinned by a recovery in private investments prompted by a recent increase in public capital expenditure and an improvement in the investment climate (partly due to passage of the GST and the Bankruptcy Code, and measures to attract FDI). According to the World Bank, inflation and external conditions are expected to remain stable.

According to the World Bank, the biggest medium-term risks are associated with the recovery in private investments which continues to face several domestic impediments including the corporate debt overhang and regulatory and policy challenges, along with the risk of an imminent increase in international interest rates.

Overview of the Indian Housing Finance Companies

The housing industry in India has an important impact on the country's development, civic life and human capital formation. The economic growth and favourable structural factors including under-penetration of the mortgage market, government sops, the large gap between housing demand and supply, tax incentives, encouraging regulatory environment and positive demographic trends, are expected to ensure continued growth in the housing finance market.

The main players in India's housing finance market comprise scheduled commercial banks ("**SCBs**"), including national banks, private sector banks, regional rural banks, agriculture and rural development banks and state-level apex co-operative housing finance societies, and specialized lending institutions for housing i.e. housing finance companies ("**HFCs**"). Furthermore there are some smaller institutions, such as microfinance institutions, community-based organizations and self-help groups and other non-banking financial companies ("**NBFCs**").

The Indian housing finance market has reported strong growth in the recent years. Domestic housing credit growth stood at 17% for the 12 months ended December 2017 (from 16% for the 12 months ended December 2016) taking the overall housing credit outstanding to ₹ 15,900 billion as on December 31, 2017 owing to some recovery in the real estate market and improvement in sales velocity and some stabilisation of Goods and Service Tax ("**GST**") and Real Estate (Regulation and Development) Act, 2016 ("**RERA**") and lower base effect as growth in the third quarter of Fiscal 2017 which was impacted because of demonetisation. ICRA expects overall growth to pick up in Fiscal 2019 onwards supported by improvement in primary sales, and support from the Government of India on the affordable housing segment which is likely to expand the market. ICRA continues to believe that HFCs and NBFCs are likely to benefit from their focus on the housing finance market, their thrust on the relatively high growth segments like affordable housing and self-employed customers, and their comparatively superior service levels. Banks will nevertheless have a sizeable share of the market, given their competitive interest rates, extensive branch network and customer base and access to stable low-cost funds. ICRA expects banks to pick up to 16-18% and HFCs at 20-23% leading to an overall market growth of 18-20% in Fiscal 2019.

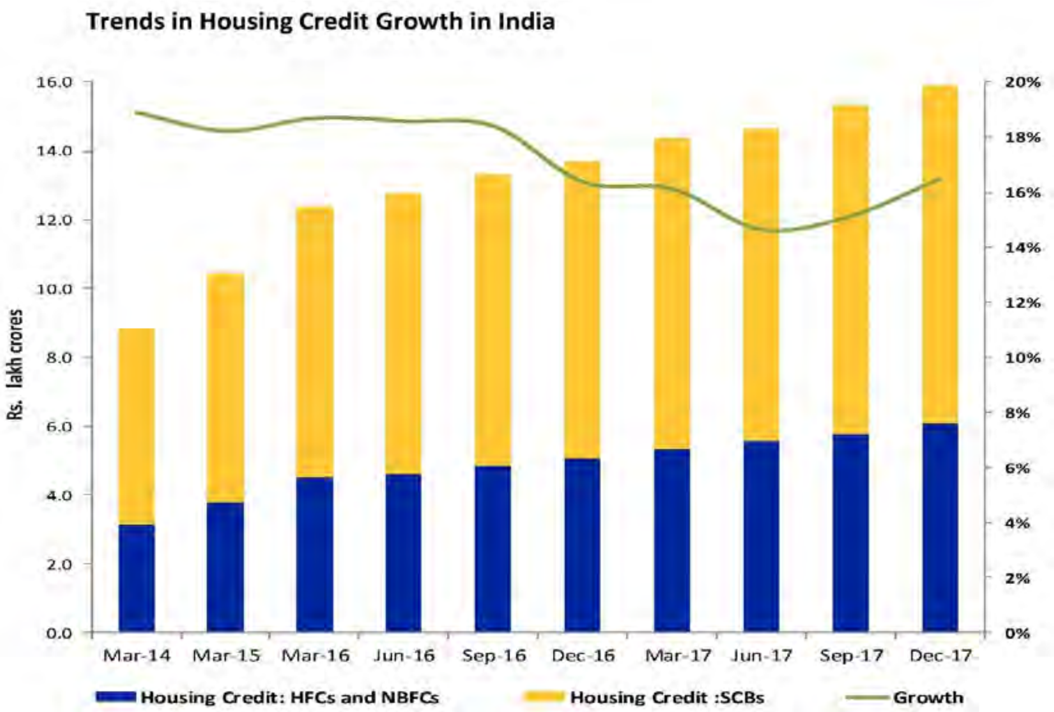
The share of HFCs and NBFCs in the overall mortgage finance market remained at around 38% as on December 31, 2017, with commercial banks accounting for the rest 62%. HFCs operating in the affordable housing space reported total outstanding portfolio of ₹ 1,400 billion as on December 31, 2017; this segment continued to grow at a faster pace of 22% year on year. Their growth was supported by an increase in supply of affordable housing projects following the infrastructure status accorded to the sector and the improved borrower affordability supported by lower interest rates and capital subsidy through the credit-linked subsidy scheme. While the potential for growth in this segment remains good, ICRA notes that the increasing competition has led to a significant reduction in incremental yields. The asset quality indicators of some players in the affordable housing segment also deteriorated during the nine month period ending December 31, 2017 owing to seasoning of the portfolios and the introduction of GST which impacted cash flows of self-employed borrowers.

	March 2014	**March 2015**	**March 2016**	**June 2016**	**September 2016**	**December 2016**	**March 2017**	**June 2017**	**September 2017**	**December 2017**
HFC and NBFCs	313	379	452	463	484	505	533	556	578	608
SCBs	569	664	786	814	848	863	905	907	956	985
Total Housing Credit Outstanding	882	1,043	1,238	1,277	1,332	1,368	1,438	1,463	1,534	1,593
Credit Growth – HFC and NBFCs	20%	21%	19%	19%	19%	19%	18%	20%	19%	20%
Credit Growth – SCBs	18%	17%	18%	18%	18%	15%	15%	11%	13%	14%
Overall Housing Credit Growth (Annualised)	19%	18%	19%	19%	18%	16%	16%	15%	15%	17%
% share										
HFC and NBFCs	35%	36%	36%	36%	36%	37%	37%	38%	38%	38%

	March 2014	March 2015	March 2016	June 2016	September 2016	December 2016	March 2017	June 2017	September 2017	December 2017
SCBs	65%	64%	64%	64%	64%	63%	63%	62%	62%	62%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

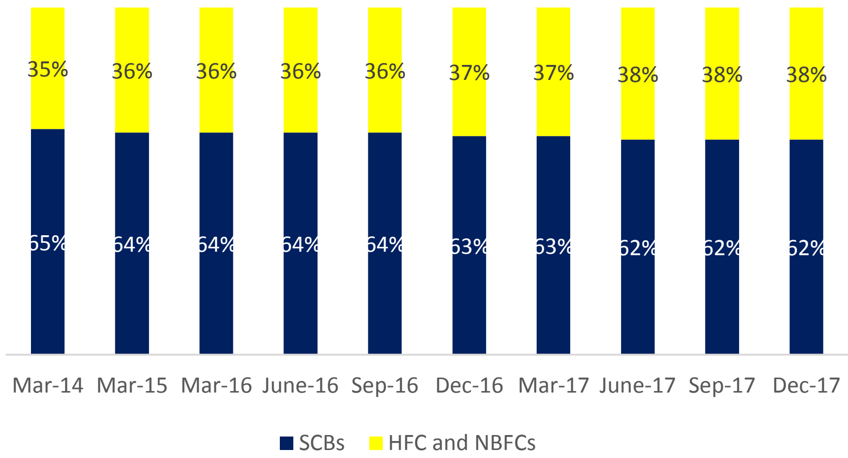
*(Source: ICRA estimates, the Reserve Bank of India ("**RBI**"); Amounts in ₹ millions)*

The following graph shows the growth of total outstanding housing loans in ₹ millions and overall annualised housing credit growth percentage:



(Source: ICRA, RBI)

The following graph shows the market split between SCBs, HFCs and NBFCs:



(Source: ICRA, RBI)

<u>Key Trends</u>

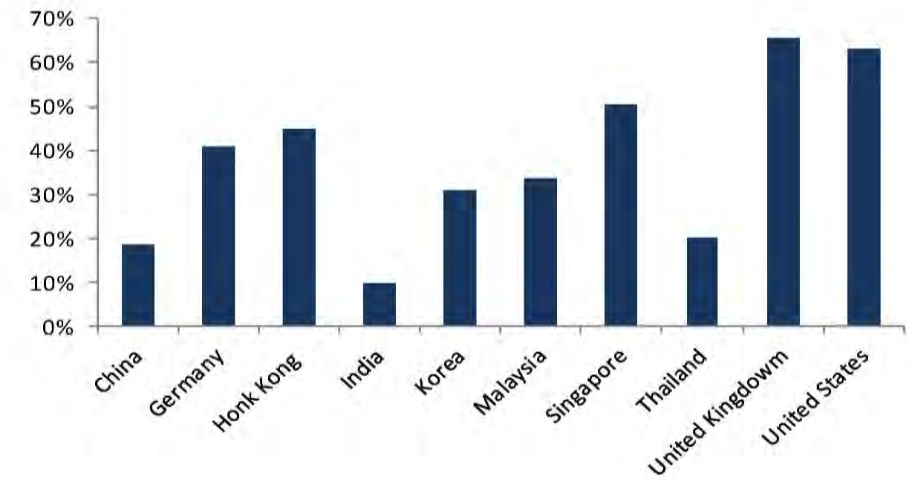
Low mortgage penetration

Mortgage penetration (housing credit as a percentage of the gross domestic production) in India has increased steadily from around 7% as on March 31, 2007 to around 9.7% as on December 31, 2017, however continues to be significantly lower than developed markets, therefore there is significant scope for growth over the medium term. The following factors are likely to support the growth in housing loans:

- Favourable demographics, with a large proportion of Indian population being below the age of 30 years

- Changing social scenario, with increasing urbanisation and prevalence of nuclear family structures
- Increase in supply of affordable homes especially in satellite towns of metros
- Tax incentives on home loans for both principal and interest repayment
- Government initiatives like Housing for All are likely to boost demand as well as supply as well as improve affordability for the end borrower

The following graph shows Housing Credit as a percentage of gross domestic production:



(Source: HOFINET, ICRA)

Pradhan Mantri Awas Yojana ("PMAY")

The Government of India launched the "Housing for All" mission under the PMAY in June 2015. The mission attempts to address demand and supply side constraints that had affected the growth of the sector in the past. On the demand side, the Government of India proposed a credit-linked subsidy capital, which could be as high as 44% (₹0.27 million) for a loan of up to ₹0.6 million. On December 31, 2016, the Prime Minister, introduced two new middle-income categories under the scheme, that is loans of upto ₹0.9 million and ₹1.2 million with subvention of 4% and 3% respectively. The income eligibility criteria for the two categories are overall household income of ₹1.2 million and ₹1.8 million respectively. These categories are likely to improve the affordability for a wider set of borrowers leading to increased growth potential in the affordable housing segment. However, the success of this action would hinge on the availability of supply of such houses. Initiatives taken by state governments and urban local bodies to provide land to keep the prices affordable while ensuring adequate returns for the developers would be critical to ensure adequate supply of low-cost housing. Further modifications to the scheme were made in November 2017 when the dwelling unit carpet area was increased for the Middle Income Group ("**MIG**") segment.

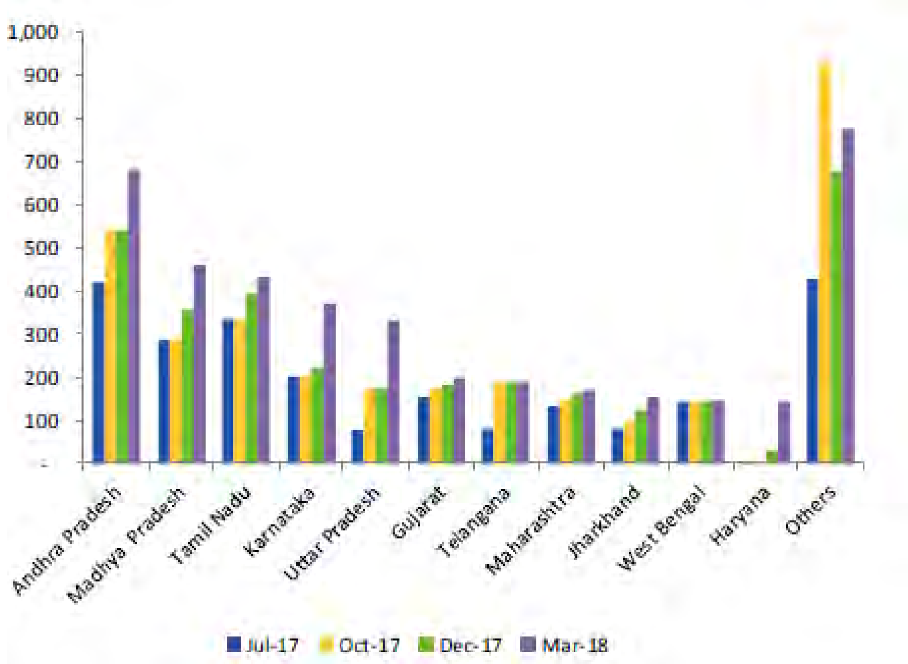
The Union Budget for Fiscal 2018 has maintained its focus on the agenda 'Housing for All' by 2022. The allocation of ₹274 billion under the PMAY has been at similar levels as last year. This would help in continuing the growth momentum in the affordable housing sector on both demand and supply side. In addition to the CLSS, setting up of affordable housing fund is likely to increase the funding options for HFCs operating in affordable housing space. In ICRA's opinion, HFCs operating in affordable housing space could benefit with lower funding costs which is likely to improve affordability for end borrowers. Thrust on increasing rural incomes is also likely to aid the demand for housing and is likely to be positive for the housing finance companies from a growth perspective especially the players with good presence in the rural/semi urban areas.

Highlights of the Additions to Credit Linked Subsidy are as below:

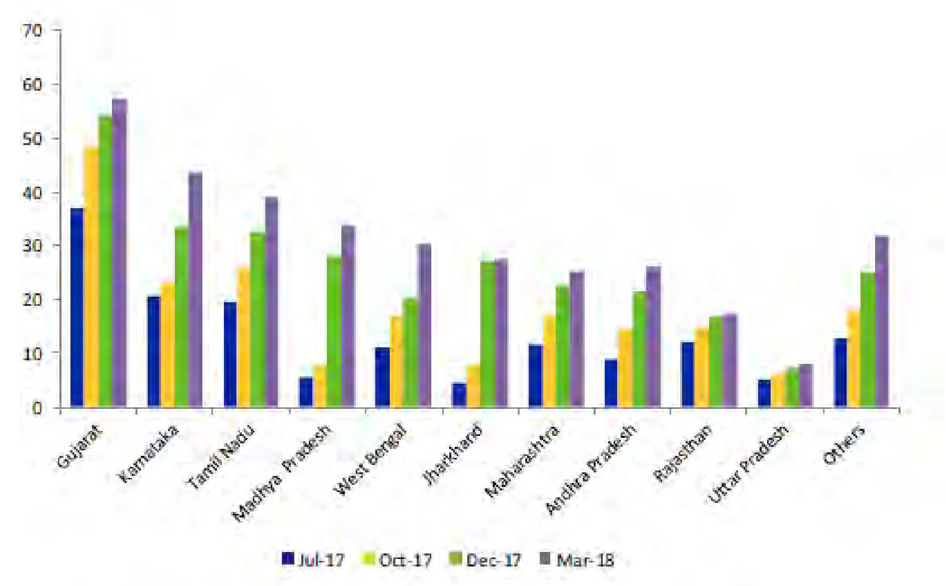
	CLSS for EWS/LIG	**CLSS for MIG (2017) (Additions)**	
Loan Amount (₹)	Up to 6,00,000	Up to 9,00,000	Up to 12,00,000
Eligibility Criteria	EWS (income of up to ₹ 3,00,000) and LIG (income of up to ₹ 6,00,000) Women to be co-owners along with the	MIG - I households are defined as households having an annual income between ₹ 6,00,001 up to ₹ 12,00,000	MIG - II households are defined as households having an annual income between ₹ 12,00,001 up to ₹ 18,00,000

	CLSS for EWS/LIG	CLSS for MIG (2017) (Additions)	
	beneficiaries		
Subsidy calculation rate Interest subsidy for a tenure of 20 years or during tenure of loan whichever is lower. The net present value ("**NPV**") of the interest subsidy to be calculated at a discount rate of 9%.	6.5%	4%	3%
Subsidy Amount	Upto ₹ 2,67,000 (for a ₹ 6,00,000 loan) for 20-year tenure	Upto ₹ 2,35,000 (for a ₹ 9,00,000 loan) for 20-year tenure	Upto ₹ 2,30,000 (for a ₹ 12,00,000 loan) for 20-year tenure
Dwelling unit Carpet Area	60 sq meter	120 sq meter (increased from 110 sq metre in November 2017)	150 sq meter (increased from 110 sq metre in November 2017)
Discount Rate for NPV Calculation	9%	9%	9%

The following graph shows the progress under PMAY basis number of houses involved (in 000s):



The following graph shows the progress under PMAY basis number of houses completed (in thousands):



(Source: Progress under PMAY, Ministry of Housing and Urban Affairs)

Though the progress in implementing the scheme has been limited so far, the pace has started to pick up now and around 4 million houses sanctioned across various states. In addition, an amount of ₹ 13.5 billion has been released under the PMAY Urban scheme upto March 5, 2018. The pace is expected to pick up in Fiscal 2019 with increase in number of houses sanctioned as well as beneficiaries of the subsidy. Top five Performing States in CLSS are Gujarat, Karnataka, Tamil Nadu, Madhya Pradesh, and West Bengal.

Improved Affordability

Tax incentives on home loans for both principal and interest repayment and subsidies under CLSS for EWS, LIG and MIG segment have improved affordability levels of the borrowers have improved affordability levels for the first-time buyers and likely to boost demand.

In this section, ICRA has analysed the impact of the reduction in interest rates and the CLSS on EMIs of a borrower. As can be seen from Exhibit 9, the effective EMI reduces significantly, if a borrower is eligible for capital subsidy. The minimum income required for taking a higher loan amount also reduces, which expands the eligible borrower base. Based on feedback from lenders in the affordable space almost 20-30% of incremental disbursements are being made of borrowers eligible under CLSS.

Overall, ICRA expects the potential market for affordable housing to widen.

Changes in Effective EMIs of Borrowers with a Reduction in Interest rates and Eligibility under Credit Linked Subsidy are as below:

	EMIs assuming subsidy upto ₹ 0.6 million loan amount and interest rate of 10.5%	**EMIs assuming subsidy upto ₹ 1.2 million loan amount and interest rate of 8.5%**
Interest rate	10.5%	8.5%
Loan amount (in ₹ million)	1.2	1.2
Amount eligible under subsidy (in ₹ million)	0.6 (only for EWS and LIG)	1.2(for middle income segment)
Subsidy rate	6.50%	3.00%
Subsidy amount (in ₹ million)	0.26	0.23
Effective EMI for a 20 year loan, pre – subsidy (in ₹ million)	0.01198	0.0104
Effective EMI for a 20 year loan, post subsidy (in ₹ million)	0.009314	0.008417
Minimum income requirement of borrower at 50% FOIR		
Minimum income requirement for loan without subsidy (in ₹ million)	0.02376	0.020828

	EMIs assuming subsidy upto ₹ 0.6 million loan amount and interest rate of 10.5%	EMIs assuming subsidy upto ₹ 1.2 million loan amount and interest rate of 8.5%
Minimum income requirement for loan with subsidy (in ₹ million)	0.018628	0.016834

(Source: ICRA)

Affordable housing segment being a prime growth driver for HFCs

Total loan book of all players in the affordable housing segment is estimated to be around ₹1,390 billion as on December 31, 2017; constituting 16% of the total HFC loan book. Share of new HFCs in the affordable housing segment stable at 3% (around ₹ 300 billion) of the total HFC loan book as on December 31, 2017.

New HFCs have started operations in this segment and traditional HFCs are also increasing their focus on affordable housing and the share of affordable housing in the overall pie is expected to increase going forward. Strong growth expected in the Indian affordable housing market driven by:

- Structural factors, favourable demographics, increasing urbanisation, nuclearisation;
- Tax incentives on home loans; and
- Expansion in target segment through improved affordability – CLSS and supply.

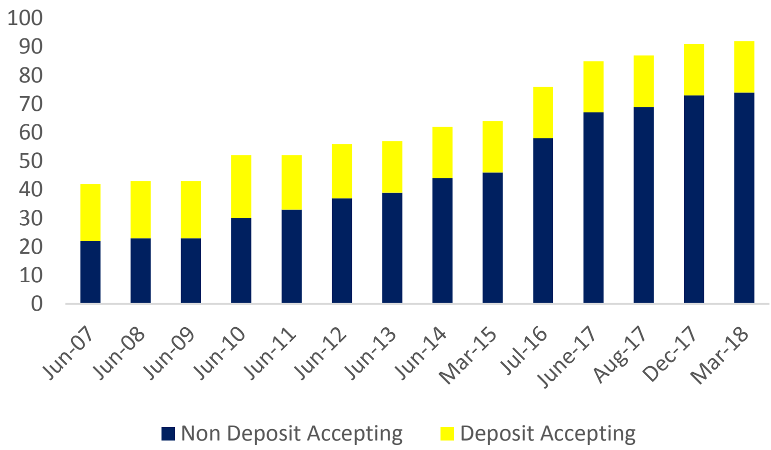
The following graph shows the projections for Affordable Housing Finance Market in India (₹ lakh trillion):

(Source: ICRA)

Large Number of Market Players with a Continuous Increase in New Entrants

The housing finance market has large number of players including 92 HFCs as in March 2018. Also, there are fourteen applications for fresh HFC licences currently under process by the NHB. The number of new entrants has been increasing continuously over the decade. Between March 2015 to March 2018, there have been 28 new entrants into the markets. Most new entrants in the past two years have focussed on the relatively under-penetrated low-ticket affordable housing and self-employed segments.

The following graph shows the number of HFCs registered with NHB:



(Source: NHB)

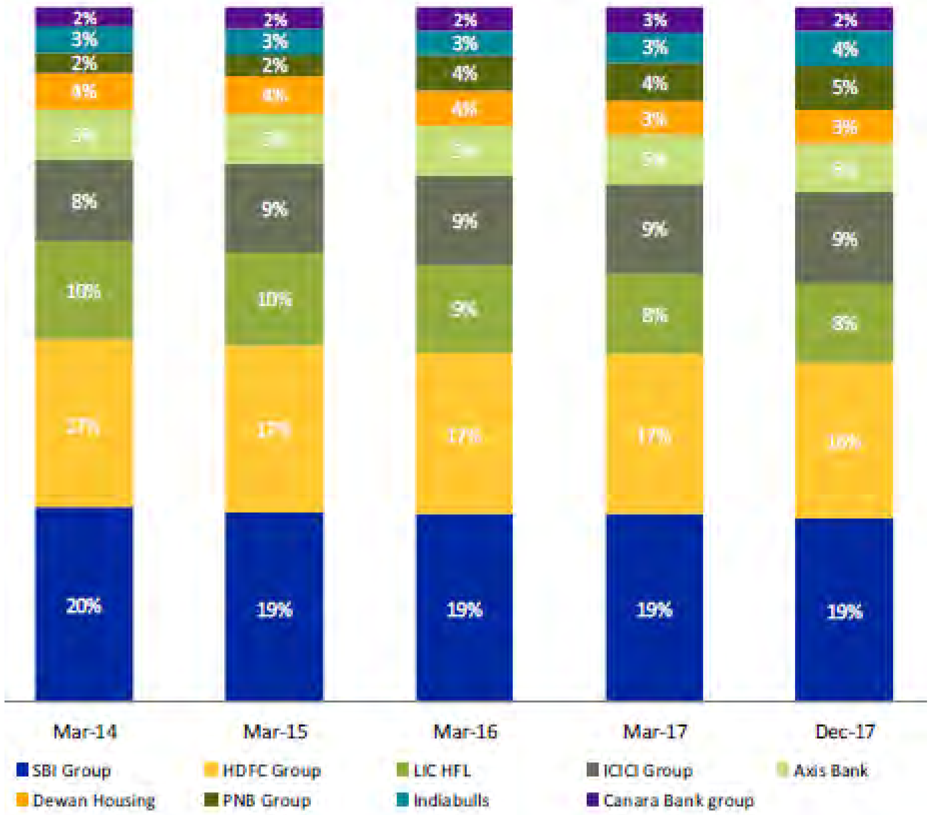
Market Remains Concentrated

Notwithstanding the large number of participants in the housing finance market, the sector remains concentrated with the top five players – State Bank of India, HDFC group (HDFC Limited, HDFC Bank Limited and Gruh Finance Limited), LIC Housing Finance Limited, ICICI group, and Axis Bank Limited – clearly dominating the market. These five together accounted for 58% of the total housing credit in India as on December 31, 2017 (61% as on March 31, 2014).

While ICRA expects the large players to continue to dominate the mortgage market in the medium term, smaller HFCs that have been expanding their portfolios over the last few years are likely to increase their share given their focus on the relatively untapped segments.

Despite the relatively high share of the large players in the overall market, the HHI index for the top 10 players has declined gradually, from 971 as on March 31, 2013 to 852 as on December 31, 2017 indicating the increasing competition in the market.

The following graph shows the Market Shares of Key Players:



(Source: ICRA, RBI)

<u>Industry and Regulatory Updates:</u>

Introduction of External Benchmark Linked Home Loans by Lenders

Citibank has introduced a home loan product that will be linked to the rate of treasury bills, which is used by government for its short-term borrowings. Loans will be sold at a fixed spread above the T-bill rate which will be maintained throughout the loan tenure and the rate will be reviewed every quarter. While this rate would reflect the policy rates more closely, it would be important to see whether the product is accepted by the borrowers as the rates could be more volatile as compared to other floating rate loans linked to marginal cost of lending rate/base rate.

Norms for Valuation of Properties

NHB by way of its circular dated December 29, 2017 made some modifications to the earlier circular on valuation of properties dated August 31, 2017. In ICRA's opinion, the circular attempts at address the emerging risk related to inflated valuations of properties especially in case of higher ticket loans by introducing the concept of dual valuations for loans greater than ₹ 5 million. While for loans between ₹5 million to ₹ 0.75 million at least one valuation needs to be from an external independent valuer, for loans greater than ₹ 7.5 million, both the valuations need to be from independent valuers. As per ICRA's estimates, around 22% of the portfolio of HFCs as on March 31, 2017 consisted of loans greater than ₹5 million. Assuming a similar disbursement mix, this percentage of portfolio would require dual valuations. This could lead to some increase in origination costs for them given that the entire origination costs are not passed on to the borrowers especially in the prime higher ticket segments.

Further, guidelines such as lower of the two valuations to be considered would lead to standardisation of the processes across players and reduce risks related to overvaluation of properties. The circular of August 31, 2017 specified that Non-performing assets to be valued at least annually by the HFCs. Regular valuation for non-performing assets ("**NPAs**") is likely to ensure that impairments in the value of securities is captured early on. Further, where the value of the properties has been substantially impaired by any event, these are to be immediately revalued and appropriately factored in to capital adequacy computation. The change in LTV ratios could lead to a higher risk weights for such loans thus ensuring that HFCs provide adequate capital against the likely losses in the portfolio.

While the August 31, 2017 circular stipulated dual valuations for all properties of greater than ₹ 10 million, this latest circular has linked the valuation requirements to the LTV. Thus, in cases where average LTVs are lower (~45%-50%), even if the property value was greater than ₹ 10 million, there would not be a requirement of dual valuations as per the current circular. This risk could be more pronounced in case of Loans against property extended by HFCs. While the valuation related risk would remain, lower LTVs do provide some cushion of absorb the fall in property prices. Given that the circular allows HFCs to have more stringent norms than the requirement, ICRA expects the HFCs to follow the directions in spirit and have more prudent valuation guidelines.

Reduction in Standard Assets Provisioning and Risk Weights for Individual Housing Loans

On June 7, 2017, the RBI issued a notification to all SCBs effecting a reduction in provisioning on standard assets from 0.40% earlier to 0.25% and a reduction in risk weights for incremental home loan disbursements (including higher ticket size loans) made after June 7, 2017. The NHB also issued a similar circular applicable to HFCs in August 2017 applicable since August 1, 2017. In ICRA's view, the reduction in risk weights and standard asset provisioning for new individual home loans reaffirms the regulatory impetus to a segment that has forward and backward linkages to the economy and has stood resilient to asset quality pressures while supporting the government's objective of Housing for All by 2022.

Salient feature of the notification are:

- Standard assets provisioning reduced from 0.40% to 0.25%;
- Reduction in risk weights for loans between ₹ 3 million to ₹ 7.5 million, from 50% to 35% if LTVs are between 75-80%; and
- Reduction in risk weights for larger ticket (> ₹7.5 million) loans from 75% to 50%.

Change in Standard Assets Provisioning on Individual Home Loans:

Loan Category	Standard Asset Provisioning	
	Earlier	Revised
Individual Housing Loans	0.40%	0.25%
Commercial Real Estate - Residential Housing	0.75%	0.75%
Commercial Real Estate	1.00%	1.00%

The lower incremental provisioning requirement is likely to reduce the provisioning costs for HFCs by around 0.03% the provisioning costs for HFCs by around 0.03-0.08%, depending on their pace of growth and the share of disbursements to individual home loan segment. Lenders' return on equity earned from individual home loan segment. Lenders' return on equity earned from individual home loan segment has reduced to single digits owing to severe competitive pressures. This could improve by 0.3-1% if they are able to resist further rate cuts. However given the competitive scenario, the action may prompt lenders to further cut lending rates to this segment.

As per ICRA's estimates, since the capital relief is only for disbursements made after June 7, 2017 for banks and August 1, 2017 for HFCs and for only higher ticket sizes, there could be limited relief on regulatory CRAR. There could be an increase in balance transfers to take benefit of lower risk weights, as the lower risk weights are only applicable on fresh disbursements made post the cut off dates. Given that banks especially public-sector banks are starved for capital, banks could sharpen their focus on this segment which could lead to increased competition.

Performance of HFCs

HFCs reported a 23% year on year growth in overall portfolio for the 12 months ended December 2017 supported by a higher 30% year on year growth in the non-housing loan segment. The home loan portfolio grew by 20%. While housing loans continue to dominate the HFC loan book, the share of housing loans in the overall HFC portfolio reduced to 67% as on December 31, 2017 owing to the higher pace of growth of non-housing loans.

ICRA expects HFC home loan growth in Fiscal 2019 to be around 20-23%, and non-housing loan growth to be higher at 24-28% leading to overall portfolio growth of 22-24% in Fiscal 2019. Consequently, share of housing loans is likely to come down to 65% over the next one year.

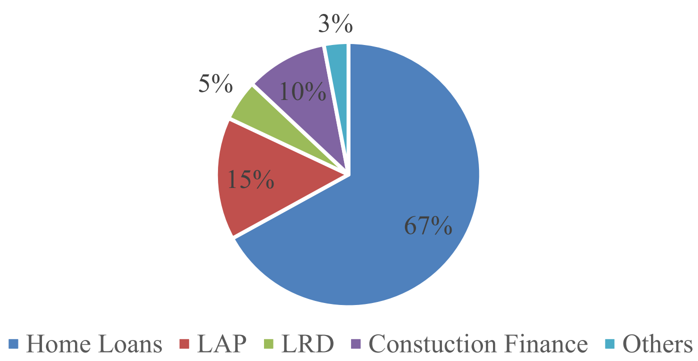
• HFCs would continue to face competition from banks given the latter's relatively lower cost of funds and nil prepayment penalties that could encourage loan transfers.

• Within HFCs, those focussed on the affordable housing segment may continue to grow at a faster pace than the overall market growth.

Portfolio of All HFCs (in ₹million):

	March 2015	March 2016	March 2017	December 2016	December 2017
Growth- Home Loans	21%	19%	18%	19%	20%
Growth-Other Loans	26%	26%	27%	25%	30%
Growth-Overall Portfolio	22%	21%	20%	21%	23%
Share					
Home Loans	71%	70%	68%	69%	67%
Other Loans	29%	30%	32%	31%	33%
Total Loans	100%	100%	100%	100%	100%

Portfolio Composition of All HFCs as on March 31, 2017:



The pace of growth for small HFCs was higher than all HFCs growth of 23% supported by higher increase in home loan and non-housing loan book. Unlike their larger counterparts, the non-housing loan books of small HFCs largely consist of Loan Against Property (**"LAP"**). LAP constituted 23% of the total loan book of small HFCs as on March 31, 2017 compared with 15% for all HFCs. Further, in terms of borrower mix, small HFCs have a larger proportion of self-employed customers who tend to borrow against property for their business or personal needs, thus providing small HFCs better opportunities for originating LAP. The share of housing loans in the overall portfolio of the smaller HFCs has been declining and with the increased focus of many players on the LAP segment, the share of home loans is likely to reduce to around 65-67% over the medium term. ICRA expects small HFCs to continue to grow at a faster pace than the industry, supported by the growth in affordable housing, a segment that is largely serviced by them

While the asset quality of home loan portfolios of HFCs remained stable with gross NPAs of 0.6% as on December 31, 2017, the asset quality of their non-housing loan portfolios deteriorated in the nine month period ending December 31, 2017 with gross NPAs increasing from 1.4% as on March 31, 2017 to 2.3% as on December 31, 2017. ICRA notes that an increase in the share of riskier segments like non-housing loans, self-employed and affordable housing in the overall portfolio and the higher competitive intensity have led to some dilution in lending norms of HFCs. This could impact their asset quality indicators negatively over the medium term. Nevertheless, the strong monitoring and control processes of HFCs, borrowers' own equity in the properties and the large proportion of properties financed for self-occupation especially in the affordable segment mitigate the concerns to an extent. Overall, ICRA expects HFCs' gross NPAs to be slightly higher at 1.2-1.5% for Fiscal 2019.

HFCs' reported capital adequacy remained comfortable, supported by the relatively lower risk weights for home loans and commercial real estate loans for residential projects. Overall HFC gearing level remained at around 8.0 times as on December 31, 2017. As per ICRA's estimates, HFCs will require around ₹100-160 billion of external capital (11-19% of their existing net worth) to grow at a CAGR of 20%-22% for the next three years with internal capital generation levels (post dividend) of 15-16% and gearing levels of 8-9 times. Most of the incremental capital requirement would be from smaller HFCs, including those operating in the affordable housing space. Notwithstanding the large quantum, ICRA expects these HFCs to raise the required capital, given the high growth potential in the above-mentioned segments. Investor interest in these segments and the track record of various HFCs in raising funds from private equity players provide comfort.

The moderation in HFCs' cost of funds continued in the third quarter of Fiscal 2018 with an overall 15 basis points decline for all HFCs in third quarter of Fiscal 2018 *vis-a-vis* a 7 basis points decline in second quarter of Fiscal 2018. A further reduction in the cost of funds will be depend on an HFCs share of borrowings maturing and being re-priced at lower rates in the medium term. However, with the hardening of bond yields in fourth quarter of Fiscal 2018, entities with a higher reliance on debt market instruments and having higher share of share of short term borrowings are likely to be more impacted in the rising interest rate scenario. Going forward, though competition is impacting the incremental lending spreads, ICRA expects HFCs to maintain their interest margins, supported rising share of higher yielding book. Overall there could be a 5-10 basis points reduction in profitability for HFCs owing to increase in credit costs. Nevertheless, ICRA expects HFCs to report good returns (return on equity of 17-19%) for Fiscal 2019.

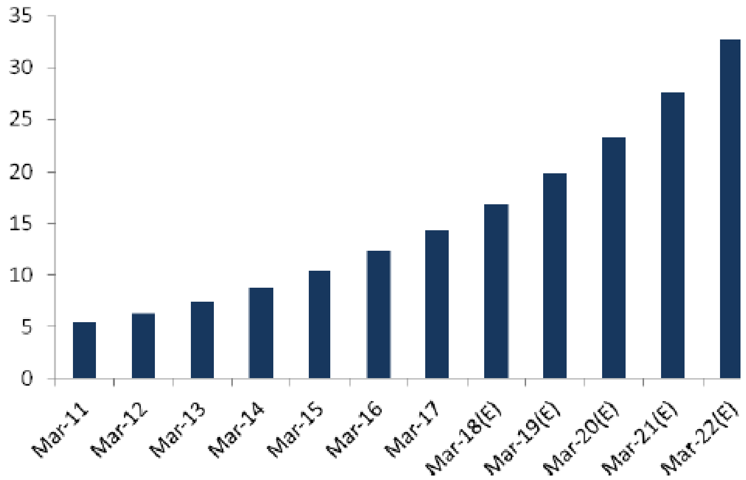
<u>Key Industry Credit Factors and Outlook</u>

	Key Factors	**Outlook**
Business Mix	High competitive pressures owing to: • Increase in number of players • Likelihood of borrowers deferring home purchases with expectation of a reduction in real estate prices • With borrowers being rate sensitive, reduction in interest rates, removal of prepayment penalty could encourage balance transfers Increased portfolio vulnerability arising from: • Increasing share of non-housing loan segment (LAP, construction loans) • Dilution in lending norms (LTV ratios, FOIR, higher loan tenures)	• In ICRA's opinion, overall housing loan growth is likely to be around 16-18% in Fiscal 2018 and pick up to 18-20% in Fiscal 2019 • Affordable housing segment to continue to grow at a faster pace than overall industry growth • Share of housing loans in the overall portfolio likely to reduce to around 65% by March 2019
Operating Environment	• Higher growth in underserved segments and support from the Government of India to the affordable housing sector • Real Estate Act aims to improve the level of transparency and accountability in the sector	

	Key Factors	Outlook
	• Coverage of new entrants under SARFAESI Act could improve recoveries	
Asset Quality	Rising portfolio credit risk on account of: • Increasing share of non-housing loans • Changing customer mix in favour of affordable housing and self-employed segments, and dilution in lending norms • Limited track record of some players, and likelihood of deterioration in asset quality as the portfolios season Comfort from being a secured asset class which could lead to lower loss given default	• In ICRA's opinion, gross NPAs in HFCs' home loan segment is likely to increase from the current levels of 0.6% to around 0.7-0.9% over the medium term • While it is difficult to estimate the expected trends for asset quality in construction finance given the lumpy nature of the portfolio, assuming gross NPAs of 1.5-2% in the non-housing loan portfolio of HFCs, ICRA expects overall gross NPAs to remain range bound between 1.2-1.5% over the medium term
Funding Mix and Liquidity	• About 60-65% of the HFC borrowings are at fixed rates of interest, posing an interest rate risk in a declining interest rate scenario • Increasing reliance on short-term funding of some players	HFCs with higher share of short term borrowings could be impacted more in the rising interest rate scenario
Earnings	• High competition • Reduction in lending rates by most large HFCs • Lack of diversity in earnings; fee-based income mostly limited to processing fees	Going forward, though competition is high, ICRA expects HFCs to maintain their interest margins supported by change in portfolio mix. Overall there could be a 5-10 basis points reduction in profitability for HFCs owing to increase in credit costs. Nevertheless, ICRA expects HFCs to report good returns (return on equity of 17-19%) for Fiscal 2019.
Capitalisation	• Growth • Internal Capital Generation	• Overall capitalisation levels expected to remain comfortable Good investor interest in the sector likely to help HFCs in raising required capital • Capital requirement expected to be around ₹100-160 billion • Over the next 3 years (11-19% of existing net worth of all HFCs) to achieve a portfolio growth of 18-20%

ICRA's opinion over the medium and long term, the housing credit growth could be supported further by focus of the government on Housing for all by 2022, Based on the above factors ICRA housing finance market to double over the next 5 years, which could push the mortgage penetration levels to double digits around 300-500 basis points. Within this, affordable housing credit growth over the medium to long term is likely to be high at around 30%, which could increase mortgage penetration levels to over 12-14% by March 2022.

The following graph shows the projections on Housing Market Growth over next 5 years (₹trillion):



(Source: ICRA)

The following graph shows the projections on Mortgage Penetration levels over next 5 years (%):

(Source: ICRA)

OUR BUSINESS

Overview

We are one of India's leading non-deposit taking housing finance companies registered with the National Housing Bank ("**NHB**"). We were incorporated in 2008 as a wholly-owned subsidiary of Tata Capital Limited ("**TCL**") and accordingly are part of the Tata Capital Group which is part of the larger Tata group. Our promoter, TCL is majority-owned by Tata Sons Limited, the holding company of Tata group. We focus primarily on providing home loans, loans against property and construction finance. For Fiscal 2018, we made total loan disbursements of ₹ 9,37,783 lakh. As of March 31, 2018, our gross Non-Performing Assets ("**NPAs**") in terms of value and as a percentage of our outstanding loans were ₹ 24,851 lakh or 1.22%, respectively and our net NPAs in terms of value and as a percentage of our outstanding loans were ₹ 9,669 lakh or 0.48%, respectively.

Since 2009, we have grown to become one of the key housing finance companies ("**HFC**") in India based on our loans and advances from financing activity of ₹20,43,939 lakh as of March 31, 2018. We have a strong marketing and distribution network with a presence in 124 locations throughout India as of March 31, 2018. Our network provides us with a pan-India presence across Tier I, Tier II and Tier III cities in India and also allows us to interact with and service our customers at the local level. Credit decisions are taken in accordance with the defined internal parameters and procedures. We believe that we have an adequate sized direct sales team of employees located across the geographies where we operate. Majority of our customers are sourced through the internal sales team. We also rely on external channels such as direct sales agents for referring potential customers to us.

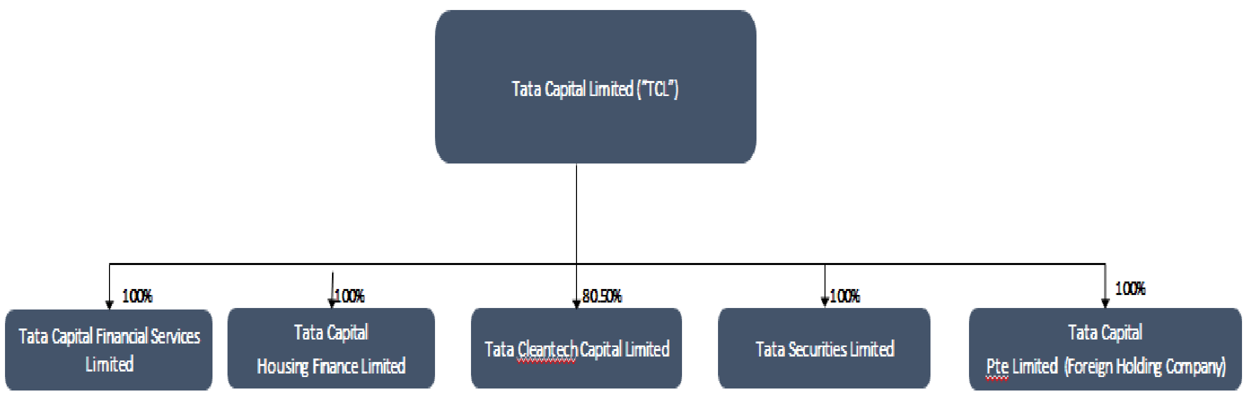
In addition to housing loans and loans against property to the retail segment, we also provide project finance loans to housing developers in the form of lease rental discounting for commercial premises and construction finance for the construction of residential premises. Our focus growth areas for the business are (i) affordable housing through increasing our reach into Tier II and Tier III cities, (ii) developing partnerships with property developers, (iii) focusing on cross-selling products, (iv) leveraging the "Tata" brand and (v) increasing our utilisation of alternate business channels, including digital platforms.

The majority of our AUM comprises housing loans, including in the affordable housing segment. As of March 31, 2016, March 31, 2017 and March, 31, 2018, mortgage loans (comprising housing loans and loans against property) constituted 89.00 %, 88.00 % and 78.23 %, respectively, of our AUM and project finance loans constituted 11.00%, 12.00%, 21.77%, respectively, of our AUM. As of March 31, 2016, March 31, 2017 and March 31, 2018 our NPAs as a percentage of our outstanding loans were 0.72%, 0.91% and 1.22%, respectively.

Our borrowings as of June 30, 2018 were ₹ 18,24,466 lakh. We rely on long-term and medium-term borrowings from banks and other financial institutions, refinance assistance from the NHB and issuances of non-convertible debentures and commercial papers in capital markets. We believe we have a diversified and stable lender base, comprising banks in the public and private sectors, mutual funds, insurance companies, provident funds, pension funds, multilateral agencies and other financial institutions including NHB.

Organisational structure

The following diagram sets out an overview of our shareholding structure as of this Draft Shelf Prospectus:



Our Strengths

We believe that the following are our key strengths:

Respected "Tata" brand

We believe our success as a provider of financial services is built upon the reputation and client trust of the "Tata" brand. The "Tata" brand was recognised as one of the most valuable brands in the world in a brand survey undertaken by Brand Finance Plc. We believe that the "Tata" name is associated with trust, knowledge, leadership and high quality services and solutions for our customers and stakeholders. The reputation of the "Tata" brand is pivotal to our ability to reach out to our customers and to access capital for our business. We believe that we have been able to build and strengthen our own brand and increase our brand awareness through quality customer service and various marketing and advertising campaigns in print and digital media. As of March 31, 2018, our current customer base was approximately 80,000 customers.

Unified financial services platform across Tata group and customer potential

We believe, our customers benefit from Tata group's integrated financial services platform, which offers a cross section of financial services and products including home loans, loans against property and construction finance. Our management structure enables us to leverage relationships across all lines of our businesses within Tata group. We believe our product knowledge derived from the multi-channel platform within Tata Capital Group, enhances our ability to cross-sell our financial services to a wide group of customers.

In addition, Tata group has approximately, 6,95,000 employees worldwide, a significant proportion of which reside within India. As part of the Tata Capital Group which is part of the Tata group, we believe we are in a prime position to market our financial products to the Tata group employees and family members who reside in India, and to encourage tie-ups and promotions with Tata group companies in order to capture a larger share of customers. We believe that we will be able to attract additional customers within Tata group as we implement our marketing strategies tailored to target such customers. Such strategies may include offering loan products with interest rates at or more competitive than market rates.

Strong internal controls and risk management systems

We believe that we have strong internal controls and risk management systems that allow us to assess and monitor risks across our business lines. Our Board has constituted various committees, including the Audit Committee, Asset Liability Committee and Risk Management Committee, to monitor and manage risks at various levels. We place an emphasis on risk management measures to ensure an appropriate balance between risk and return and have taken steps to implement robust and comprehensive policies and procedures to identify, measure, monitor and manage risks. All new lines of business and product launches follow a rigorous internal approval process that requires assessing of risk and client suitability, understanding regulations and ensuring compliance with regulatory and internal policy prior to launch. We believe that we have effective procedures for evaluating and managing the market, credit and other relevant risks.

For example, as a financial intermediary, our operations are regulated by the NHB. We are currently required by the NHB to make provisions in respect of NPAs. We have implemented the provisions of the SARFAESI Act for our recovery process of NPAs. Our branch managers and staff interact closely with customers at the time of loan disbursal. Their involvement extends to the collection process, thus ensuring both higher collection efficiency and stronger relationships. Our strict adherence to regulatory and supervisory norms, our systems-driven framework of supervisory committees and our Board are a few examples of how our corporate culture and policies contribute to our strong corporate governance and management of our NPAs.

Prudent credit and information technology policies and processes

Our credit policies specify the types of loans to be offered, the documentary requirements and limits on loan amounts, all aimed at ensuring underwriting of low risk, good quality and profitable loans. We have also established protocols and procedures to be followed when engaging with customers, as well as to determine the authority and levels to which credit decisions can be taken at our various offices. Over the past nine years, we have developed expertise in mortgage loan underwriting and this expertise forms the cornerstone of our business.

We believe our experienced credit policies team, with the support of our legal team, enable us to maintain effective mortgage loan underwriting through economic cycles. The credit policies are in place to help mitigate risks, formalise procedures for determining acceptable risks and monitoring and handling credit relationships. We believe that credit policies are of equal importance to our sales and customer services functions. Credit policies serve as a frontier when we engage in new business opportunities and allow us to capitalise from such business opportunities. Our credit policies are not designed to be necessarily restrictive but are built to ensure that our credit departments are well-structured and operate with efficiency. Additionally, through the adoption of various information security measures, we believe we are able to maintain our competitiveness, customer confidence and brand value. For further details on our Company's information security measures, see "*– Liability Management – Operational Risk Management*" at page 82 of this Draft Shelf Prospectus.

Strong management team

Our senior management team consists of professionals with experience in the banking and housing finance industries. The management team members share the common vision of excellence in execution and the team promotes a result-oriented culture that rewards our employees on the basis of merit. Our management team is supported by employees from a diverse set of backgrounds who bring significant expertise in our respective lines of business. Our management team has a continued and strong focus on identifying opportunities in the housing finance business that are capable of providing steady returns. We believe that the substantial experience and financial acumen of our management and employees provides us with a distinct competitive advantage across our large, diverse and branch network. For further details, see "*Our Management*" beginning on page 88 of this Draft Shelf Prospectus.

Diversified funding mix and access to capital

We use a variety of funding sources to optimise funding costs, protect interest margins and maintain a diverse funding portfolio that enables us to further achieve funding stability and liquidity.

As of March 31, 2018, our sources of funding were primarily from banks and financial institutions (25.29%), non-convertible debentures and other debt instruments (23.43%), refinancing from NHB (31.10%), commercial papers (16.62%), and subordinated debt (3.56%). We diversify our resources profile by accessing various sources of funds as permitted by the NHB and the RBI from time to time.

We are subject to the capital adequacy requirements prescribed by the NHB. We are currently required to maintain a minimum Capital Adequacy Ratio ("**CAR**") of 12.00%. Our CAR as of March 31, 2018 stood at 17.22%. We are adequately capitalised to cater to our business growth plans. As of this Draft Shelf Prospectus, we have received rating for our short-term instruments and long-term instruments as set forth:

Rating Agency	Rating	Nature of Securities
CRISIL	CRISIL A1+	Commercial Paper
CRISIL	CRISIL AAA/Stable	Secured NCDs, Subordinated Debt and Bank facilities
India Ratings	'IND AAA'/Outlook Stable	Non-convertible debentures and subordinated debt
ICRA	"[ICRA]AAA(stable)"	Subordinated Debt and Secured NCDs
ICRA	[ICRA] A1+	Commercial Paper

Such aforementioned ratings indicate strong degree of confidence in our Company's ability to timely service our financial obligations and allow us to access debt financing at competitive rates of interest. We believe that our strong financial performance, credit rating, risk containment measures and brand help us to access capital at competitive rates.

Strong growth opportunity supported by the Government's housing policy agenda

We believe that the rapidly growing housing finance industry in India provide us with a strong growth opportunity to service people in diverse geographical regions and across income spreads, in particular the low income segment. The growth in demand for housing construction and houses has resulted and is expected to lead to an increase in demand for mortgages. The Government has announced its plans to provide housing for all by 2022. The Governments focus on affordable housing and extending benefits of economic growth to the broader population are expected to lead to its support in providing low mortgage rates to the lower income segment of the Indian population on which we focus. We believe that being able to assess the credit quality of the lower income segment, including customers in Tier I, Tier II and Tier III cities and towns, and those private salaried persons, public servants, entrepreneurs, traders and other professionals, provides us with a significant competitive advantage and we believe will assist in our future growth.

Strong network and pan-India presence

Our geographical reach within India across Tier I, Tier II and Tier III cities allows us to target and grow our customer base. We offer loans to our target customer base of salaried and self-employed individuals across India. Our presence in 124 branches throughout India as of March 31, 2018, allows us to undertake loan processing, appraisal and management of customer relationships in an efficient and cost effective manner. We believe that we have an adequate sized direct sales team of employees located across the locations where we operate, and such sales team is responsible for sourcing the majority of our mortgage loans. We also rely on external channels, such as direct sales agents, for referring potential customers.

Our Strategies

Continue our expansion by focusing on housing loans and the affordable housing segment

According to the ICRA, demand for housing in India is expected to grow at the rate of approximately, 18.00% in 2019 due to increasing population, income levels, urbanisation and a growing trend towards nuclear families. We intend to continue to grow as a housing loan provider, with a focus on the affordable housing segment. We believe that there is a significant potential for growth in the housing finance industry in light of favourable government policies in the affordable housing segment.

We believe that a continued focus on housing loans and the affordable housing segment, with an emphasis on growing our customer base across Tier I, Tier II and Tier III cities, will allow us to maintain a steady rate of growth and robust profitability, while maintaining our cautious approach to credit underwriting.

Leverage our technology capabilities

We believe that we have a technology platform and information technology systems in place to support significant growth in our customer base. We believe that continuous investments and improvements in our platform will continue to enable us to increase customer satisfaction and reduce costs and overheads. We plan to streamline the loan approval and know-your-client processes by eliminating the need for multiple signatures and sets of documents.

We will aim to use our technological capabilities to reduce our operational costs and improve productivity of our employees.

Leverage our financial strength and improved ratings to increase our competitiveness, diversify our funding mix and reduce our funding costs

Our cost of borrowings is driven by our credit ratings, financial discipline and business performance. As of this Draft Shelf Prospectus, we have received rating for our short-term instruments and long-term instruments as set forth:

Rating Agency	Rating	Nature of Securities
CRISIL	CRISIL A1+	Commercial Paper
CRISIL	CRISIL AAA/Stable	Secured NCDs, Subordinated Debt and Bank facilities
India Ratings	'IND AAA'/Outlook Stable	Non-convertible debentures and subordinated debt
ICRA	"[ICRA]AAA(stable)"	Subordinated Debt and Secured NCDs
ICRA	[ICRA] A1+	Commercial Paper

Such ratings indicate a highest degree of safety with regard to timely payment of interest and principal on the instrument. We therefore are able to source fundings at competitive rates. Any reduction in our cost of borrowing will in turn allow us to reduce our cost of lending and competitively price our products to our customers. We believe that this competitive pricing combined with our loan service levels, will allow us to attract more customers with good credit records, to grow our portfolio and attain a higher market share. We also seek to continue to use a variety of funding sources to optimise our funding costs, protect interest margins and maintain a diverse funding portfolio that will enable us to further achieve funding stability and liquidity.

Our funding mix is as follows:

Source of Funding	As of March 31		
	2016	2017	2018
	(in ₹ lakh)		
Loans from banks and financial institutions	3,68,677	2,91,672	4,61,428
Non-convertible debentures and other debt instruments	3,95,440	5,05,260	4,27,420
Commercial papers	1,50,189	3,00,691	3,03,373
Subordinated debt	44,870	64,870	64,870
Inter-corporate deposit	21,220	10,000	-
Refinancing from NHB	1,80,113	3,48,285	5,67,375
Total	**11,60,509**	**15,20,778**	**18,24,466**

Continue to maintain prudent risk management policies for our AUM

We believe that the success of our business is dependent on our ability to consistently implement and streamline our risk management policies. As we focus on building a large AUM with low credit risk, we will continue to maintain strict risk management standards to reduce credit risks and promote a robust recovery process. We also intend to further develop and strengthen our technology platform to support our growth and improve the quality of our risk management. We plan to continue to update our systems and use the latest available technology to streamline our credit approval, administration and monitoring processes, in order to meet customer requirements on a real-time basis. We believe that improvements in technology will also reduce our operational and processing time, thereby improving our efficiency and allowing us to provide better service to our customers.

Expand our network and leverage digital media

We believe that there are opportunities to grow our network and expand our reach within India. We believe that our low income group customers in tier II and tier III cities are presently under-served by existing financial institutions, which presents us with significant opportunities for growth. In addition, we intend to significantly increase our online and digital presence.

We believe that our target customer base is increasingly relying on online platforms to make financial decisions. Furthermore, with more users using social networking sites, we aim to use such digital platforms in the future to provide relevant information to our customers at all times, instantaneously.

Continue to leverage our business relationships with Tata companies and alternative distribution channels to build our existing customer base

We intend to increase our credit portfolio in the retail and corporate segments by strengthening and expanding our relationship with retail and corporate clients, and leveraging our connection to the wider Tata group's network of vendors, dealers and customers. We believe we can incorporate this wider business network into our existing customer base through the launch of new products and services, and developing new distribution channels that cater to our customers' specific needs. As of March 31, 2018, Tata group had an approximate employee workforce of approximately, 6,95,000 employees, a significant proportion of which reside within India. We believe that we will be able to attract additional customers within Tata group as we implement our marketing strategies tailored to target such customers.

Products

We are an HFC with a focus on providing housing finance and related products for our eligible customers, primarily through home loans. Generally, we determine the actual loan amount for each loan by taking into account various factors including the property value, repayment capacity, age, educational qualifications, stability and continuity of income, number of dependents, co-applicant's income, assets, liabilities and historical savings habits. Loans are generally repaid in equated monthly instalments. The size of EMIs depends on the quantum of loan, interest rate and tenure of the loan. We also offer a payment scheme for home loan seekers who are due for retirement within the term of the loan and have applied jointly with an eligible younger co-applicant. Prepayment of the loan, ahead of the contracted schedule in part or full, is permitted. Our loans vary in tenure, though most loans are not extended beyond the borrower's retirement age or 60 years, whichever is earlier (70 years for self-employed individuals). Our retail prime lending rate as of March 31, 2018 was 16.50%.

As of March 31, 2016, 2017 and 2018, mortgage loans (comprising housing loans and loans against property) constituted 89.00%, 88.00%, 78.23%, respectively, of our AUM and project finance loans constituted 11.00%, 12.00%, and 21.77%, respectively, of our AUM.

Housing Loans

We offer secured mortgage-backed housing loans to salaried and self-employed individuals. We provide housing loans for:

- the purchase of flats, terraced houses and bungalows from real estate developers and existing freehold properties;
- the purchase of properties in an existing co-operative housing society or apartment owner's association;
- the construction of residential dwelling units on any plots already owned;
- the purchase of residential plots and/or construction thereon;
- the extension of existing residential properties such as adding floors or new rooms; and
- the renovation of existing residential properties.

We offer customised housing loan plans to suit our customers' needs. We also offer comprehensive home buying solutions, which include the selection of a suitable property, checking approvals on the project, filing documents, registering the property and choosing the appropriate EMI and tenure of the loan for customers. We engage with our customers on an on-going basis to ensure a high degree of customer satisfaction.

Housing loans can be applied for either by individual owners or by co-owners. Proposed owners of the property will have to be co-applicants. Approval for loans may be granted even if the property is yet to be selected by the customer, as the final approval will only be granted once the collateral is finalised and the collateral satisfies our allowed loan-to-value ratios.

For loans up to ₹30.00 lakh, the NHB allows a loan-to-value ratio of up to 90.00%, of the value of the property. For loans of ₹30.00 lakh to ₹75.00 lakh, the NHB allows a loan-to-value ratio of up to 80.00% and for loans of greater than ₹75.00 lakh, a maximum loan-to-value ratio of 75.00% applies. As of March 31, 2018, the majority of our housing loans were granted on floating rates of interest.

Loans against Property

In addition to our home loans, we also provide loans against property (residential and commercial), primarily to self-employed individuals, proprietorships and small businesses for working capital or business expansion needs, which are secured by mortgages against, among others, the self-occupied residential properties owned by our customers.

Project finance to developers

We also provide project finance by way of working capital assistance and term loans to housing developers to finance the construction of residential and commercial complexes which are disbursed in instalments benchmarked against a schedule of construction progress. The primary security is a registered or equitable mortgage on the project land or construction thereon and hypothecation of receivables from the project. Other security may include personal guarantees from the promoters, partners or directors of the borrower and a mortgage of other land or buildings or a pledge of shares in a developer.

Others – Affordable housing subsidies

We offer subsidised home loans to low income groups under the Pradhan Mantri Awas Yojna ("**PMAY**") initiative which the Government launched in 2015 to increase affordable housing in India. First claim by our Company under PMAY was submitted in May 2016 to NHB.

Sales, marketing and distribution offices

Sales and marketing

We follow the brand promise of our Promoter, "We only do what's right for you." Encapsulated in this promise is our commitment to "do right" by our customers, stakeholders and society at large. Our marketing strategy is derived from this and revolves around the following:

- Positioning ourselves as one of the leading housing finance companies, especially in the affordable housing segment, offering housing loans at competitive rates with customer-centric features such as Flexi EMIs and online/digital products;
- Building high levels of awareness and consideration for our brand across all customer segments;
- Ensuring sustained visibility through television, print, social and digital media targeted at our relevant customer segments. Effective marketing mix consisting of national and regional-level media to reach out to our target segments in an optimum manner;
- Ensuring sustained visibility in the media through regular public relations initiatives and efforts, including product launches, conveying our growth stories, goals, and leadership in the sector;
- Ensuring sustained presence on-ground through activities at events, exhibitions, corporate offices and other venues;
- Creating digital assets and digitising existing processes to reach out to newer customer segments;
- Strengthening visibility at point-of-sale with builders through maintaining an optimum presence in and around our pre-approved residential projects.

Our Company carries out various marketing and branding activities, implements our marketing strategy in order to ensure that our brand objectives are met. At certain instances, we may also engage third party agencies to support the marketing and branding team in achieving our objectives.

We adopt a comprehensive marketing approach across various media platforms to achieve sustained and strategic visibility and effective and efficient communication with potential customers. Our communication channels generally include the following:

- above-the-line communication: advertise through television, national and vernacular dailies, radio and outdoor advertising structures;
- below-the-line communication: conduct and/or participate in sponsored events, property exhibitions, customer awareness events and co-branded builder site events promotions; and
- digitalisation and digitisation: digitalisation and digitisation are key areas of emphasis for us. We intend to utilise advances in technology and data analytics to further our strategic objectives. We believe that we can increase our growth and efficiency while reducing costs through the adoption of advanced digital technology to provide new products and services to consumers.

Our sales efforts primarily involve loans provided to customers purchasing (i) homes in under-construction projects or (ii) homes being resold. We enter into tie-ups with real estate developers, pursuant to which we can pre-approve their projects. We also enter into tie-ups with other corporate houses for the referral of our products to their employees. Our direct sales team employees operating at the project sites service the customers intending to purchase homes from pre-approved construction projects. We also have a dedicated call-centre to address enquiries generated from various media and to resolve customer complaints.

Direct Sales Team

Our customers are sourced through our in-house direct sales team and branch walk-ins. Our direct sales team covers and penetrates the urban and semi-urban customer segments. We believe that we have an adequate sized direct sales team of employees located across the locations where we operate. For Fiscal 2018, 58.63% of our mortgage loans were sourced in-house through our direct sales team and walk-in customers.

The direct sales team 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 direct sales team employees show various developments to the customers and help the customers with the purchase decision. Once the sale is ready to close, the direct sales team employees also assist the customers in obtaining a housing loan.

We also rely on external direct sales agents for referring potential customers. Our direct sales agents are typically proprietorships and self-employed professionals who we believe, primarily work with multiple small businesses providing consulting services. Business sourced by a direct sales agent is appraised by us in accordance with our underwriting standards and requirements. Our employees undertake the loan processing, appraisal and management of customer relationships after the disbursement of the loan. The direct sales agents pass on leads of any loan requirements to us. These direct sales agents do not work exclusively with us, and may also work with other lenders, including our competitors. For Fiscal 2018, direct sales agents sourced 41.37% of our mortgage loans.

Distribution

Our distribution network, which includes our branches and third party direct selling associates, plays an important role in sourcing home loans. We also have distribution tie-ups with alternate channels such as co-operative banks.

Our distribution network across Tier I, Tier II and Tier III cities is designed to reach out to the low and moderate income segment and tap the growing potential customer base throughout India. We maintain a pan-India marketing and distribution network with a presence in 124 branches throughout India as of March 31, 2018. Our distribution network in India is spread over Tier I, Tier II and Tier III cities and towns. We believe our business model allows us to deliver improved turnover time and to improve customer satisfaction while maintaining asset quality. The map below depicts the number of branches* in each state and each union territory in India of TCHFL as on March 31, 2018:

Note: Map not to scale
**Three branches in Punjab i.e. two branches in Punjab and one branch in Chandigarh*
**Nine branches in Tamil Nadu i.e. eight branches in Tamil Nadu and one branches in Pondicherry*

Lending Policies and Procedures

Overview

We are an HFC, registered with the NHB, the regulator for HFCs in India. The NHB stipulates prudential guidelines, directions and circulars in relation to HFCs. For further details, see "*Regulation and Policies*" beginning on page 174 of this Draft Shelf Prospectus. Within the NHB guidelines, directions and circulars, HFCs can establish their own credit approval processes. As such, once a company has obtained an HFC licence, the terms, credit levels, and interest rates of loans and any credit approvals would be based upon the HFCs established internal credit approval processes framed in accordance with applicable regulations by the NHB. Each HFC undergoes annual inspections by the NHB. The inspections are exhaustive and can last for a period of three to four weeks, during which the regulators review the HFCs adherence to regulatory guidelines, scrutinise the loan book and individual loan files (including security documents), review the functioning of the Board and its committees and our adherence to minutes of various internal meetings, review the NPAs and delinquent cases, review and evaluate the credit approval policies and credit assessment standards, review implementation of decisions and policies of the Board and review adherence to prescribed formats in the filing of regulatory reports.

We believe, we have a strong 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.

Our customers are required to submit a duly signed application form, a processing fee cheque, and required 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 TDS from salary disbursements for such employees. If they are self-employed, prospective customers are required to submit income tax returns along with financial statements and bank statements. Borrowers that 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 creditworthiness of the customer with various credit bureaus to ascertain the financial obligations of the customer and to ensure that the customer has a clean repayment track record. We obtain documents 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, debtors and 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 on the collateral to ensure that we have the first and sole charge on it. Additionally, we conduct property valuations internally and also engage external property valuers to assess the property. The lower of the two valuations is reviewed by the credit officer. Additional checks are also undertaken by our fraud control unit to ensure 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. Typically, we are able to provide approval to a customer for a home loan within seven to eight days.

Before disbursing the loan, we must receive either electronic clearance instructions or post-dated cheques from the customer for 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 authorisations and/or cheques have been received, the funds are disbursed to the customer.

Portfolio Monitoring

Our risk and collection departments review and monitor our loan portfolio. This department monitors debt repayment levels of particular loan exposures on a monthly basis. This allows us to identify potentially problematic loans at an early stage and prepare for immediate actions if any principal or accrued interest repayment problems arise. The portfolio is monitored by way of various analyses consisting of:

- bucket-wise ageing analysis (i.e. 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.

The NHB Directions, 2010 stipulate requirements for HFCs for assessing the quality of their assets including preparation of financial statements. We follow the NHB Directions, 2010 for preparation of our financial statements and prudential norms prescribed by the NHB for the purpose of asset classifications.

Provisions for contingencies have been made on non-performing loans and other assets as per the prudential norms prescribed by the NHB.

Asset Recovery and Non-Performing Assets

We believe that we have a defined, fair and systematic process for the collection of delinquent dues. When a customer initially misses the payment of any instalment on its due date, we contact the customer via telephone to ascertain the reason for non-payment and to determine the likelihood of the collection of the overdue instalment from the borrower. If the default remains outstanding for a period of 30 days or longer, we send a written demand notice setting out the amount in arrears and simultaneously send our in-house collection team to the borrower to collect the arrears in person. If a borrower defaults on two consecutive instalments, we typically send a further demand notice indicating the legal consequences of failing to make two consecutive instalment payments while ensuring that our in-house collection team continues to follow-up with the borrower in person.

The following table sets out details of our NPAs (in absolute terms and also as a percentage of our AUM) and our provision As of March 31, 2016, 2017 and 2018:

Particulars	As of March 31		
	2016	2017	2018
	(in ₹ lakh, except percentages)		
Gross NPAs	9,446	15,553	24,851
Provisions	3,524	7,732	15,182
Percentage of gross NPAs to AUM	0.72%	0.91%	1.22%
Net NPAs	5,922	7,821	9,669
Percentage of net NPAs to AUM	0.46%	0.46%	0.48%
NPA Coverage ratio	37.30%	49.71%	61.09%
Total cumulative provision – loans and other assets (Standard asset + NPA provision)	9,985	16,732	25,144

Provisioning Policy

To establish allowances and provisions, loans are classified by our perceived risk criteria in accordance with our policies and accounting requirements and in compliance with the NHB Directions. After taking into account the degree of well-defined credit weaknesses and extent of dependence on collateral security for realisation, classify its lease or hire purchase assets, loans and advances and any other forms of credit into standard assets; sub-standard assets; doubtful assets; and loss assets. An asset is classified as a non-performing asset under these directions when the interest on such asset has remained overdue for a period of more than ninety days. We utilise a combination of substandard asset provisions, standard asset provisions, and counter-cyclical provisions on our outstanding AUM.

Substandard asset provisions are made as a percentage of loan outstanding forming part of the delinquent portfolio aged beyond a certain number of days. Standard asset provisions are made on the standard assets at rates prescribed by the NHB. As of March 31, 2018, our Gross NPAs were ₹24,851 lakh, representing 1.22% of our AUM. As of March 31, 2018, we made provisions for NPAs of ₹15,182 lakh, representing 61.09% of our gross NPAs.

The following table is a summary of the risk classification of our gross NPAs (in absolute terms and as a percentage of our gross NPA) and our provision for probable losses as of March 31, 2016, 2017 and 2018:

NPAs	As of March 31					
	2016		2017		2018	
	Amount (in ₹ lakh)	% of total NPAs	Amount (in ₹ lakh)	% of total NPAs	Amount (in ₹ lakh)	% of total NPAs
Housing Loans						
Substandard assets	4,772	50.52%	6,443	41.43%	14,041	56.50%
Doubtful assets	2,371	25.10%	2,956	19.01%	4,621	18.59%
Loss asset	894	9.46%	1,850	11.89%	327	1.32%
Total housing loans (A)	8,037	85.08%	11,249	72.33%	18,989	76.41%
Non-housing Loans						

NPAs	As of March 31					
	2016		2017		2018	
	Amount (in ₹ lakh)	% of total NPAs	Amount (in ₹ lakh)	% of total NPAs	Amount (in ₹ lakh)	% of total NPAs
Substandard assets	668	7.07%	3,279	21.08%	4,033	16.23%
Doubtful assets	247	2.61%	615	3.95%	1,829	7.36%
Loss asset	494	5.24%	410	2.64%	-	0.00%
Total non- housing loans (B)	1,409	14.92%	4,304	27.67%	5,862	23.59%
Total NPA (A+B)	9,446	100.00%	15,553	100.00%	24,851	100.00%
Total Provisions	3,524	37.30%	7,732	49.71%	15,182	61.09%

Further, historically, we have maintained a higher provisioning for NPAs than the norms prescribed by the NHB.

Loan operations

Loan sanctions during Fiscal 2018 were ₹14,38,897 lakh as against ₹11,80,379 lakh in the previous Fiscal, representing a growth of 21.90%. Loan disbursements during Fiscal 2018 were ₹9,37,783 lakh as against ₹8,23,558 lakh in the previous Fiscal, representing a growth of 13.87%.

The following table sets out the value of loan sanctions and disbursements as of March 31, 2016, 2017 and 2018:

	As of March 31			
	2016	2017	2018	CAGR
	(in ₹ lakh, except percentages)			
Loan Disbursements	6,53,184	8,23,558	9,37,783	19.82%
Loan Sanctions	7,09,993	11,80,379	14,38,897	42.36%

In value terms, our loan sanctions have grown at a CAGR of 42.36% and disbursements have witnessed a CAGR of 19.82% over Fiscals 2016, 2017 and 2018.

Sources of funding

We strive to maintain diverse sources of funds in order to reduce our funding costs, maintain adequate interest margins and achieve liquidity goals. For details of our sources of funding see, "*Disclosures on Existing Financial Indebtedness*" beginning on page 99 of this Draft Shelf Prospectus.

Liability management

As a lending entity, we are exposed to various risks such as credit risk, market risk, liquidity risk, legal risks, interest rate risk, and operational risk. We are conscious of these factors and place an emphasis on risk management practices to ensure an appropriate balance between risks and returns. We have put in place a comprehensive risk management policy to identify, assess and monitor various risks. Risk management is driven by the Board of Directors with the overall responsibility of risk management assigned to the Risk Management Committee and Asset Liability Committee of the Board of Directors. At an operational level, we have set up an independent risk management function that is led by the Head – Risk, Credit and Technical Valuation.

We believe we have a robust liability management programme that leads to stable borrowings at reasonable costs. We have lending relationships with Indian public sector banks, private banks, mutual funds, provident funds, pension funds, insurance companies and other financial institutions.

Our borrowing is mainly in the form of term loans from banks, non-convertible debentures and commercial paper, issued on a private placement basis and refinance loans from the NHB.

Refinancing from NHB

For Fiscals 2016, 2017 and 2018, NHB has sanctioned refinance assistance amounting to ₹1,00,000 lakh, ₹3,00,000 lakh and ₹1,25,000 lakh under the NHB's refinancing scheme to HFCs.

Risk and Asset-Liability Management

Our Board has formed the Risk Management Committee and the Asset Liability Committee to help prudently manage major risks within our company.

The Risk Management Committee is composed of four members who are responsible for, among other things:

- To assist the Board in its oversight of various risks viz., credit risk, liquidity and interest rate risk, operational risk (process, human resource, technology and fraud), strategic risks (including emerging and external risks) and compliance and reputation risk;
- To approve and review compliance with risk policies, monitor breaches/triggers of risk tolerance limits and direct action;
- To review and analyse risk exposure related to specific issues and provides oversight of risk across organisation;
- To review reports of significant issues prepared by internal risk oversight functional groups, including risk exposure related to specific issues, concentrations and limits excesses;
- To nurture a healthy and independent risk management function in the company;
- To inculcate risk culture within the organization; and
- To approve the Enterprise wide Risk Management (ERM) framework.

The Asset Liability Committee is composed of four members who are responsible for, among other things:

- Compliance with NHB prudential norms/directions/guidelines for asset liability management;
- Debt composition and fund raising plan of the Company;
- Resource Raising Policy of the Company;
- Pricing of loans; and
- Interest rate risk/liquidity risk analysis.

Our Board has established various other committees, namely the Audit Committee, Nomination and Remuneration Committee, Working Committee, Corporate Social Responsibility Committee, Information Technology Strategy Committee and Lending Committee, which act in accordance with the terms of reference determined by the Board. These committees comprise Independent Directors on our Board, along with experienced members of our senior management team who have put in place preventative measures to mitigate various risks. We have a robust mechanism to ensure the on-going review of systems, policies, processes and procedures to mitigate risks that arise from time to time. The key principles we apply to address and mitigate interest rate risk, liquidity risk, credit risk and operational risk are summarised below.

Interest Rate Risk

We are in the business of lending. We borrow funds at floating and fixed rates of interest, while primarily extending credit at floating rates of interest. Our profitability is linked to interest rates, which exposes us to an interest rate risk. Consequently, exposure to interest rate fluctuations, particularly any increases, needs to be managed in order to mitigate the risk.

Our business is impacted by a change in interest rates, although the floating rate loans only re-price on a periodic basis. Our balance sheet consists of Indian Rupee-denominated assets and liabilities. Consequently, movements in domestic interest rates constitute the primary source of interest rate risk.

This risk is managed on the balance sheet by the management team, with the guidance of our Asset Liability Committee. The committee actively reviews our assets and liabilities positions, and gives directions to the finance and treasury teams in managing the same.

Liquidity Risk

Liquidity risk arises when there is an asset-liability mismatch caused by the difference in the maturity profile of our assets and liabilities, resulting in inability to liquidate a position in a timely manner at a reasonable price. This risk may lead to unexpected increases in the cost of funding. HFCs in particular are exposed to liquidity risk in view of the fact that the assets generated by HFCs are of an average tenor of eight to nine years while the liabilities contracted are of an average tenor of approximately four to five years. We actively monitor our liquidity position to ensure that we can meet all requirements of our borrowers, while also meeting the requirements of our lenders and to be able to consider investment opportunities as they arise. As average loan tenors change due to market conditions, we may be exposed to more liquidity risk during certain market conditions as opposed to others.

We seek diverse sources of liquidity to facilitate flexibility in meeting funding requirements. Our operations are principally funded by borrowings from banks and financial institutions, while we also obtain funding from NHB, and the domestic debt markets. In addition, due to our stable short-term and long-term credit ratings, we have access to fundraising opportunities in the capital markets.

We classify our assets and liabilities as current and non-current based on our contracted maturities. However, our classification of assets and liabilities into various maturity profiles reflects various adjustments for prepayments and renewals in accordance with the guidelines issued by the NHB. We manage our balance sheet while drawing new debts and extending credits so as to minimise potential asset-liability mismatches. Please see Annexure A, "*Financial Information*" beginning on page 195 of this Draft Shelf Prospectus.

Capital Adequacy

HFCs are required to maintain a minimum CRAR norm of 12.00% of the risk-weighted assets and risk-adjusted value of off-balance sheet items before declaring any dividends. In addition, the NHB also requires HFCs to transfer a minimum of 20.00% of their annual profits to a reserve fund. The table below sets forth our standalone CRAR As of March 31, 2016, 2017 and 2018:

Particulars	March 31		
	2016	2017	2018
	(in percentages)		
CRAR[1]	16.17	16.01	17.22
CRAR – Tier I Capital	10.72	10.19	12.10
CRAR – Tier II Capital	5.45	5.82	5.12

[1]CRAR is defined as a capital ratio consisting of Tier I and Tier II Capital to our aggregated risk weighted assets (as per the NHB Regulations) and risk adjusted value of off-balance sheet items.

Credit Risk

Credit risk is the risk of loss that may result from a borrower's or counterparty's failure to meet the contractual obligation of repaying debt as per the agreed terms. Credit risk is actively monitored and controlled by our Risk Management Committee. The committee reviews and updates the credit policy, which is strictly adhered to by our underwriting teams. We also employ advanced credit assessment procedures, which include verifying the identity and checking references of prospective customers thoroughly at the generation stage. Our extensive local presence also enables us to maintain regular direct contact with our customers. The underwriting team works closely with our fraud control unit, which uses internal and external sources to identify all possible fraudulent loan applications.

The Risk Management Committee is composed of four members, including members of our senior management team with significant experience in the industry. The Risk Management Committee meets once in each quarter and reviews our Company's risk profile.

Operational Risk Management

Operational risk is the risk of loss resulting from (i) inadequate or failed internal processes, (ii) people and systems, or (iii) external events. Operational risk is associated with human errors, system failures, and inadequate procedures and controls. We follow the operational risk management framework that our Board has approved. We have also put in place key risk indicators to monitor and identify key risks on an ongoing basis and corrective actions are implemented accordingly.

We have identified certain types of operational risk events that are more likely to result in substantial losses to our business. These include (i) credit risk, (ii) technology risk, (iii) employee risk, (iv) regulatory risk, and (v) the risks arising from fraud and anti-money laundering transactions.

The operational risk management committee is composed of seven members, including members of our senior management team. The operational risk management committee meets once in each quarter and reviews our company's risk profile.

Key Performance Indicators

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

Parameters	Fiscal 2016	Fiscal 2017	Fiscal 2018
	(₹ lakh, except number of accounts / groups)		
Net worth	1,02,793	1,28,121	1,69,878
Total debt	11,60,510	15,20,778	18,24,466
i) Non-current long term borrowings	7,86,688	8,65,745	10,41,115

Parameters	Fiscal 2016	Fiscal 2017	Fiscal 2018
	(₹ lakh, except number of accounts / groups)		
ii) Short term borrowings	2,56,753	3,57,918	5,40,745
iii) Current maturities of long term borrowings	1,17,069	2,97,115	2,42,606
Net fixed assets	1,359	1,860	2,796
Non-current assets*	2,147	2,445	4,662
Cash and cash equivalents	3,131	8,303	6,931
Current investments	-	-	-
Current assets**	415	310	1,158
Current liabilities	34,336	48,440	40,973
AUM	13,03,986	17,00,322	20,43,939
Off balance sheet assets	-	-	-
Interest income from funding activities	1,25,330	1,70,696	1,94,690
Interest expense	86,263	1,13,743	1,24,664
Provisioning and write – offs	4,052	7,040	12,832
PAT	11,261	17,817	21,420
Gross NPA (%)	0.72%	0.91%	1.22%
Net NPA (%)	0.46%	0.46%	0.48%
Tier I Capital Adequacy Ratio (%)	10.72%	10.19%	12.10%
Tier II Capital Adequacy Ratio (%)	5.45%	5.82%	5.12%

**Non-current asset is calculated after deferred revenue and unamortised loan sourcing costs, which are considered in net worth.*
***Current assets is calculated after deducting prepaid expenses, deferred revenue and unamortised loan sourcing costs considered in net worth.*

Our Net Total Income and Profit after Tax increased at a CAGR of 24.64% and 37.92%, respectively from Fiscal 2016 to Fiscal 2018. In addition, our Loan Book also increased at a CAGR of 25.20% from Fiscal 2016 to Fiscal 2018.

	As of March 31, 2016	As of March 31, 2017	As of March 31, 2018
	(₹ lakh, except ratios and percentages)		
Assets:			
Fixed Assets (net of depreciation)	1,359	1,860	2,796
Loan Assets	13,03,986	17,00,322	20,43,939
Other Assets	12,016	18,384	20,143
Total Assets	**13,17,361**	**17,20,565**	**20,66,878**
Liabilities:			
Share Capital	91,233	1,07,733	1,37,833
Reserves and Surplus	17,882	27,713	39,437
Shareholders' Funds	1,09,115	1,35,446	1,77,270
Borrowings	11,60,510	15,20,778	18,24,466
Other Liabilities	47,736	64,341	65,142
Total liabilities	**13,17,361**	**17,20,565**	**20,66,878**
Gross NPAs	9,446	15,553	24,851
Net NPAs	5,922	7,821	9,669
Debt to Equity	11.55	12.12	10.88
Capital Adequacy Ratio (%)	16.17%	16.01%	17.22%
Tier I Capital Adequacy Ratio (%)	10.72%	10.19%	12.10%

Ratios	Fiscal 2016	Fiscal 2017	Fiscal 2018
Yield(1)	11.08%	10.76%	10.28%
Cost Of Borrowing(1)	9.08%	8.50%	7.79%
Net Interest Margin(1)	3.20%	3.36%	3.50%
Cost to Net Total Income	46.35%	40.60%	36.92%
ROA(1)	1.03%	1.15%	1.16%
ROE(1)	11.96%	14.27%	13.99%

(1) Calculated on an annualized basis

Competition

We face competition in all of our lines of business. Our primary competitors are commercial banks and other HFCs. Local public and private sector banks with a large deposit base, technological sophistication and extensive branch network may have greater reach to the retail clients. Foreign banks, although having small market penetration, have significant presence among non-resident Indians. As personnel is the prime asset of any service-orientated business such as is, there is also a competition in recruitment and retention of skilled and professional human resources.

We compete in the market with fast turnaround time, service quality, diversified product lines, clear focus on the identified markets and good human resource practices to attract and retain talents.

Information technology

We recognise the importance of information technology and use both internally developed and externally subscribed tools to improve our overall productivity. Data is processed and analysed using various tools, enabling us to manage our nationwide network of branches efficiently and cost-effectively and monitor various risks appropriately.

Our IT systems have the capability of end-to-end customer data capture, computation of income, collateral data capture and repayment management. Loan approval is controlled by the loan application system and the monthly analytics reports, including through-the-door and credit information tracking to ensure risk management control and compliance. For our employees, day-to-day activities and collection workflow processes are accessible through hand-held devices and mobile applications.

We believe we have also implemented security tools to ensure data security for our scale of operations.

Insurance

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 directors' and officers' liability policy covering the Directors, officers and employees against claims arising out of legal and regulatory proceedings and monetary demands for damages.

Intellectual property

We conduct our operations under the "Tata" brand name which is registered in the name of the ultimate holding company of our Promoter, Tata Sons Limited, with a certificate of registration of trademark dated November 3, 2009. Our Company has also subscribed to the Tata Brand Equity and Business Promotion Agreement executed between Tata Sons Limited and Tata Capital Limited ("**BEBP Agreement**"). For further details see, "*History and Main Objects*" on page 86 of this Draft Shelf Prospectus.

Property

Our Registered Office is 11th Floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai 400 013. Our Promoter has issued a no objection certificate dated March 30, 2018 allowing our Company to use the premises as our registered office from April 1, 2018. Further, as on March 31, 2018, we have 124 branches located throughout India which have been mostly leased by us.

Employees

We place great emphasis and focus on recruitment and retention of our employees as personnel is the most valuable asset for a service industry such as ours. We mainly hire professionals from the housing finance industry. We believe we are a talent-driven company housing qualified employees who implement our strategies to achieve sustainability and success. We believe our robust performance management system helps identify high potential performers and ensure adequate rewards along with career growth.

We believe that our incentive structure identifies, acknowledges and rewards our talented employees. The structure is designed to enable us to retain key employees to achieve our business objectives. Best performers are considered for regular awards and recognition programmes in addition to potential awards during our annual offsite and TCL annual day program held on September 12 of each year.

We focus on adequate training for all of our employees. We leverage Tata's infrastructure and internal opportunities of learning, development and mobility. We have a well-structured, qualified and dedicated Learning and Development team to monitor behavioural and functional training needs for our employees. A well-planned monthly training calendar is communicated to all employees across locations and functions. Specific programmes to target different levels of employees are provided based on the identified gaps between training need and competency. External experts and internal talents usually run these programmes. Regular effectiveness checks on specific trainings are in place to ensure positive impact on business. Systematic Training's ("**TTT**"), evaluations, rewards and recognition for internal trainers are designed and monitored each month. As of March 31, 2016, 2017 and 2018, we had a dedicated workforce of 1,408, 1,614 and 1,958 employees, respectively. The growth in our employee headcount is in line with our strategy of growing our operations.

Our Company does not have an ESOP Scheme, however, the shareholders of our Promoter, at their Extraordinary General Meeting held on March 2, 2010, approved the Tata Capital Limited Employee Stock Purchase/Option Scheme ("**TCL ESOP**

Scheme") to facilitate employee participation in the ownership of our Promoter by offering equity shares of our Promoter, *inter alia*, to eligible employees (including directors) of our Promoter and its subsidiaries. The TCL ESOP Scheme has been amended in accordance with the applicable provisions of the Companies Act, 2013, which, *inter alia*, restricts issuance of employee stock options to Independent Directors.

The Board of Directors adopted the TCL ESOP Scheme, as it extends the benefit of the TCL ESOP Scheme to the Directors and employees of our Company, as contained in the TCL ESOP Scheme. The employees of our Company are eligible to purchase equity shares of our Promoter at fair market value, on such terms and conditions as mentioned in the TCL ESOP Scheme.

Corporate social responsibility

We are firmly committed to taking corporate social responsibility ("**CSR**") initiatives. As per Section 135 of the Companies Act, 2013, we have constituted a Corporate Social Responsibility Committee. Our CSR policy outlines four areas for development, namely the livelihood of people, employability, health, education and environment. During Fiscal 2018, we spent approximately ₹ 450.00 lakh in our CSR initiatives, which constituted 2.00% of our average net profit in the three immediately preceding Fiscals calculated as per Section 198 of the Act in projects covered under Schedule VII of the Act.

HISTORY AND MAIN OBJECTS

Brief background of our Company

Our Company was incorporated as Tata Capital Housing Finance Limited on October 15, 2008 at Mumbai, Maharashtra, as a public limited company, under the provisions of the Companies Act, 1956 with corporate identity number U67190MH2008PLC187552. Our Company also received a certificate for commencement of business on November 10, 2008. Our Company has obtained a certificate of registration dated April 2, 2009, bearing registration number 04.0073.09 by the NHB to carry on the business of a housing finance institution without accepting public deposits in accordance with Section 29A of NHB Act. For further details regarding our Promoter see, "*Our Promoter*" beginning on page 97 of this Draft Shelf Prospectus.

Registered Office and changes to Registered Office of our Company

The Registered Office of our Company is situated at 11th Floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai 400 013. The Board of Directors of the Company at its meeting held on October 26, 2017 had, *inter alia*, approved shifting of the Registered Office of our Company from One Forbes, Dr. V. B. Gandhi Marg, Fort, Mumbai 400 001, Maharashtra, India, to the present address, with effect from April 1, 2018.

Amalgamation, acquisition, re-organisation or reconstruction undertaken by our Company in the last one year

There have been no amalgamations, acquisitions, re-organisations or re-constructions undertaken by our Company in the last one year, preceding the date of this Draft Shelf Prospectus.

Key events, milestones and achievements

The table below sets forth the key events in the history of our Company:

Year	Particulars
2008	Our Company was incorporated as Tata Capital Housing Finance Limited
2017	Our Company received the award for 'Best Housing Finance Company' as part of the 'National Awards For Best Housing Finance Companies' endorsed by CMO Asia and World Federation of Marketing
2018	Our Company received the award for 'Best Housing Finance Company' as part of the BFSI Awards presented by ET Now
	Our Company's management system for, *inter alia*, providing loans for home purchase (home loans) and loans to real estate developers for funding project construction (construction finance), was certified to conform to the Quality Management System standard: ISO 9001:2015

Key terms of material agreements

*Tata Brand Equity and Business Promotion Agreement executed between Tata Sons Limited and Tata Capital Limited ("**BEBP Agreement**")*

Tata Sons Limited and TCL (herein defined to include TCL as a party and its existing subsidiaries, including TCHFL as a subscriber) entered into a Brand Equity and Business Promotion Agreement on October 4, 2013 ("**BEBP Agreement**"), setting out the terms and conditions in relation to the subscription of the 'Tata Brand Equity and Business Promotion Scheme' and usage and association with the mark "TATA" by TCL (herein defined to include TCL as a party and its existing subsidiaries, including TCHFL as a subscriber). The BEBP Agreement also contains certain key provisions which, *inter alia*, provides for the grant and use of marks, business name subscription, term, termination and confidentiality.

Main objects of our Company

The main objects of our Company as contained in our Memorandum of Association are:

To carry on the business of providing long term finance to any person or persons, company or corporation, society or association of persons with or without interest and with or without any security for the purpose of enabling such borrower to construct / purchase any house or any part or portions thereof in India for residential purposes on such terms and conditions as our Company may deem fit.

To provide finance for enlargement or repairs of any house or any part or portions thereof on such terms and conditions as our Company may deem fit.

To negotiate loans of every description and to finance or assist in financing on long term basis, the sale or purchase of houses, buildings, flats, either furnished or otherwise by way of hire purchase or deferred payment or similar transactions and to institute, enter into, carry on, subsidise, finance or assist in subsidizing, financing the sale or maintenance of any such houses, buildings, flats, furnished or otherwise, upon any terms whatsoever.

To render services as brokers, commission agents and to carry on the business of retail and institutional distribution/referral of the schemes, membership, units of the mutual funds, insurance policies or any other products of/issued by banks, mutual funds, insurance companies, financial institutions or any other Company or body corporates, such as may be lawfully permissible, on the basis of a commission, remuneration, fee or any other consideration or to provide for and furnish or secure to any member or customer of our Company, any convenience, advantage, benefit or special privilege, as may be legally permissible, either gratuitously or otherwise.

Subsidiaries or associate companies

As on the date of this Draft Shelf Prospectus, our Company has no subsidiary or associate company.

OUR MANAGEMENT

Board of Directors

The general superintendence, direction and management of our affairs and business are vested in our Board of Directors.

As of the date of this Draft Shelf Prospectus, we have five Directors on the Board, of which two Directors are Independent Directors and one Managing Director whose appointment is subject to the approval of the Shareholders of our Company in the ensuing general meeting.

Details relating to Directors

Name, Designation, DIN, Term, Nationality, Date of appointment and Address	Age (years)	Other Directorships
Mr. Rajiv Sabharwal Non-Executive Director and Chairman DIN: 00057333 Nationality: Indian Term: Liable to retire by rotation Date of appointment: January 11, 2018 Address: C-183, Kalpataru Sparkle N. Dharmadhikari Road Gandhinagar, Bandra East, Mumbai - 400 051	52	1. Tata Capital Limited 2. Tata Capital Financial Services Limited 3. Tata Cleantech Capital Limited 4. Tata Securities Limited 5. Tata Capital Pte. Ltd., Singapore 6. Tata Realty and Infrastructure Limited 7. Tata Capital Advisors Pte. Ltd., Singapore 8. Tata Asset Management Limited
Mr. Mehernosh B. Kapadia Independent Director DIN: 00046612 Nationality: Indian Term: Five years commencing from October 24, 2017 up to October 23, 2022 Date of appointment: October 24, 2017 Address: F/8, Godrej Baug, Off Napean Sea Road, Mumbai - 400 026	63	1. Tata Capital Limited 2. Tata Industries Limited 3. HDFC ERGO General Insurance Company Limited 4. Siemens Limited
Ms. Anuradha E. Thakur Independent Director DIN: 06702919 Nationality: Indian Term: Five years commencing from February 16, 2015 up to February 15, 2020 Date of appointment: February 16, 2015 Address: B-7, 3rd Floor, Bageshree Co-operative Housing Society, Shankar Ghanekar Marg, Prabhadevi Mumbai – 400 025	70	1. Tata Capital Financial Services Limited 2. Patnaik Steel and Alloys Limited 3. Privi Organics Limited 4. Privi Organics India Limited 5. Tata Asset Management Limited
Mr. Ankur Verma	42	1. Tata AIA Life Insurance Company Limited

Name, Designation, DIN, Term, Nationality, Date of appointment and Address	Age (years)	Other Directorships
Non-Executive Director DIN: 07972892 Nationality: Indian Term: Liable to retire by rotation Date of appointment: April 12, 2018 Address: A-501, Attria, Akruti Housing Society, Saiwadi Andheri East, Mumbai – 400 069		2. ATC Telecom Infrastructure Private Limited 3. Tata Teleservices Limited 4. Tata AutoComp Systems Limited 5. Tata Elxsi Limited
Mr. Anil Kaul Managing Director DIN: 00644761 Nationality: Indian Term: Five years commencing from July 18, 2018 Date of appointment: July 18, 2018* Address: B – 305, Ashok Towers, Dr. Babasaheb Ambedkar Road, Parel, Mumbai – 400 012	53	-

** NHB by way of its letter dated April 10, 2018, issued no objection for the appointment of Mr. Anil Kaul as the Managing Director of our Company and such appointment is subject to the approval of the Shareholders of our Company in the ensuing general meeting.*

Profile of Directors

Mr. Rajiv Sabharwal is a Non-Executive Director and Chairman of our Company. Mr. Sabharwal holds a bachelor's degree in mechanical engineering from the Indian Institute of Technology, Delhi and has a post graduate diploma in management from the Indian Institute of Management, Lucknow. Mr. Sabharwal has over 26 years of experience in the banking and financial services industry. Currently, he is the managing director and chief executive officer of our Promoter. Prior to joining Tata Capital Limited, he was the partner in True North Managers LLP which was mainly involved in investing and managing businesses with a focus on certain sectors including the financial service sector. He has also served as an executive director on the board of directors of ICICI Bank Limited where he was responsible for several businesses including retail banking, business banking, rural banking, financial inclusion business, digital banking and technology.

Mr. Mehernosh B. Kapadia is an Independent Director of our Company and has over 34 years of experience. Mr. Kapadia has served as the senior executive director, finance director and company secretary of GlaxoSmithKline Pharmaceuticals Limited ("**GSK**"). During his tenure of over 27 years with GSK, in addition to his finance and accounting responsibilities, he has also held management responsibility for other functions including company secretarial matters, legal, compliance, corporate communications, administration and information technology. Mr. Kapadia is a Member of the Institute of Chartered Accountants of India as well as the Institute of Company Secretaries of India.

Ms. Anuradha E. Thakur is an Independent Director of our Company. Ms. Thakur holds a bachelor's degree in Arts in English Literature from the Pune University and is a certified associate from the Indian Institute of Bankers. Ms. Thakur started her career as a probationary officer with State Bank of India in 1973 and retired in 2007, as the chief general manager, corporate accounts group of State Bank of India.

Mr. Ankur Verma is a Non-Executive Director of our Company. Mr. Verma holds a bachelor's degree in mechanical engineering from the Delhi College of Engineering and holds a post-graduate diploma in management from the Indian Institute of Management, Calcutta. Mr. Verma has over 15 years of experience in investment banking, capital markets and corporate strategy. Currently, Mr. Verma is the senior vice president, chairman's office at Tata Sons Limited, prior to which, Mr. Verma was the managing director (investment banking division) at Bank of America Merrill Lynch.

Mr. Anil Kaul is the Managing Director of our Company and such appointment is subject to the approval of the Shareholders of our Company in the ensuing general meeting. Mr. Kaul holds a bachelor's degree in physics from Panjab University and holds a post-graduate diploma in management from the University of Lucknow. Mr. Kaul has over of 29 years of experience in banking and financial services industry. Prior to joining our Company Mr. Kaul was the senior general manager at ICICI Bank Limited. Over the years, he has been responsible for an extensive range of functions such as institutional banking, sales, credit, collections and operations.

Relationship between the Directors

None of the Directors are related to each other.

Remuneration of the Non-Executive and Independent Directors

Pursuant to a resolution passed by the Board of Directors at their meeting held on March 30, 2015, sitting fees payable to Non-Executive Directors and Independent Directors for attending the meetings of the Board and Committees are, as under:

a. Sitting fees payable to Independent Directors, Woman Directors and Non-Executive Directors who are not employees of Tata companies*: ₹ 30,000;

b. Sitting fees payable to Non-Executive Directors who are employees of other Tata companies*: ₹ 20,000;

c. Sitting fees payable to Independent Directors for their Independent Director meetings: ₹ 30,000.

**Tata companies, in this context, includes employees of Tata Sons Limited, our Promoter and other subsidiaries of our Promoter.*

The Shareholders at the AGM held on August 21, 2017, have approved the payment of Commission of upto 1% of the Net Profits calculated under Sections 197 and 198 of the Companies Act, 2013 to the Non-Executive Directors and Independent Directors of the Company, as may be approved by the Board of Directors each year. The distribution of Commission is to be decided by taking into account, the Company's performance, profits, returns to investors, as also the criteria combining attendance at Meetings, contribution thereat and contribution other than at Meetings. The remuneration paid to the current Non-Executive and Independent Directors in the past financial year is set forth:

(Amount in ₹)

Name of Directors	Financial Year	
	2018	
	Commission	Sitting Fees
Mr. Mehernosh B. Kapadia[1]	4,25,000	4,50,000
Ms. Anuradha E. Thakur	10,00,000	7,20,000
Mr. Ankur Verma[2]	-	-

Notes:

1. *Mr. Mehernosh B. Kapadia was appointed as an Independent Director of our Company, with effect from October 24, 2017.*
2. *Mr. Ankur Verma was appointed as an Additional Director with effect from April 12, 2018 and approved by the Shareholders of our Company on June 29, 2018.*

Remuneration of the Managing Director (Subject to the approval of the approval of the Shareholders of our Company in the ensuing general meeting)

The Board of Directors had, at their meetings held on February 28, 2018 and June 26, 2018, approved the appointment of and payment of remuneration to Mr. Anil Kaul as the Managing Director of the Company, subject to the approval of the Shareholders of our Company in the ensuing general meeting, with effect from July 18, 2018 and also approved a basic salary of ₹7,76,770 per month upto to maximum limit of such basic salary of ₹20,00,000 per month. The annual increments will be effected on April 1 of each year, to be decided by the Board of Directors or a Committee thereof and will be merit based and will take into account the Company's performance as well. Pursuant to the aforesaid resolution, Mr. Kaul is entitled to perquisites, allowances, commission, incentive remuneration, long term incentive pay and other benefits mutually agreed with our Company, from time to time.

Other understandings and confirmations

No Director of our Company is a director or is otherwise associated in any manner with, any company that appears in the list of the vanishing companies as maintained by the MCA, willful defaulter list maintained by the RBI or Export Credit Guarantee Corporation of India Limited or any other regulatory or governmental authority.

Borrowing powers of the Board

Pursuant to a resolution passed by the Shareholders at their EGM held on March 20, 2018 and in accordance with Section 180(1)(c) and other applicable provisions of the Companies Act, 2013, our Board has been authorised to borrow from time to time, as the Board may think fit, any sum or sums of money, notwithstanding that the moneys to be so borrowed together with the moneys already borrowed by our Company (apart from temporary loans obtained from our Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up share capital of our Company and its free reserves. The aggregate of the moneys that may be thus borrowed by the Company together with the moneys already borrowed and remaining outstanding shall not at any time exceed ₹30,00,000 lakh.

Interest of the Directors

Our Non-Executive Directors and Independent Directors, may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the Board or a Committee thereof, to the extent of commission, other remuneration and reimbursement of expenses payable to them. The Managing Director (whose appointment is subject to the approval of the Shareholders of our Company in the ensuing general meeting) may be deemed to be interested to the extent of remuneration paid to him for services rendered as an "Officer" of the Company. The Directors may also be deemed to be interested to the extent of Equity Shares, if any, held jointly by them with our Promoter in the Company.

Some of the Directors may be deemed to be interested to the extent, of any loans or advances provided to or received from any body corporate, including companies, firms, and trusts, in which they are interested as directors, members, partners or trustees.

Except as disclosed in this Draft Shelf Prospectus, and except to the extent of shareholding in our Company, the Directors do not have any economic interest in our Company. As of March 31, 2018, there were no outstanding transactions other than in the ordinary course of business undertaken by our Company in which the Directors were interested parties.

Except as stated in Annexure A, "*Financial Information*" beginning on page 195 of this Draft Shelf Prospectus and to the extent of compensation and commission if any, and their shareholding in our Company, the Directors do not have any other interest in our business. Additionally, the Directors do not have an interest in any venture that is involved in any activities similar to those conducted by our Company.

None of the Directors are interested in their capacity as a member of any firm or company and no sums have been paid or are proposed to be paid to any Director or to such firm of company in which he is interested, by any person, in cash or shares or otherwise, either to induce them or to help them qualify as a director or for services rendered by him or by such firm or company, in connection with the promotion or formation of our Company.

The Directors have no interest in any immovable property acquired or proposed to be acquired by our Company in the preceding two years of filing this Draft Shelf Prospectus with the Designated Stock Exchange nor do they have any interest in any transaction regarding the acquisition of land, construction of buildings and supply of machinery, etc. with respect to our Company. No benefit/interest will accrue to our Promoter/Directors out of the objects of this issue. Further, the Directors may deem to have no interest in the formation or promotion of our Company.

Debentures/Subordinated Debt holding of Directors

The Directors do not hold any debentures/subordinated debt in our Company.

Changes in the Directors of our Company during the last three years

The changes in the Board of Directors in the three years preceding the date of this Draft Shelf Prospectus are, as follows:

Name	Designation	DIN	Date of appointment	Date of resignation/cessation/retirement	Remarks
Mr. Janki Ballabh	Independent Director	00011206	March 25, 2011	October 23, 2017	Retirement
Mr. Mehernosh B. Kapadia	Independent Director	00046612	October 24, 2017	NA	Appointment
Mr. Shailesh H. Rajadhyaksha	Non-Executive Director	00020465	October 15, 2008	December 1, 2017	Resignation
Mr. Rajiv Sabharwal	Director and Chairman	00057333	January 11, 2018	NA	Appointment
Mr. Praveen P. Kadle	Non-Executive Director	00016814	October 15, 2008	March 31, 2018	Resignation
Mr. Ankur Verma	Non-Executive Director	07972892	April 12, 2018	NA	Appointment
Mr. R. Vaithianathan	Managing Director	05267804	June 1, 2012	May 21, 2018	Retirement

Name	Designation	DIN	Date of appointment	Date of resignation/cessation/retirement	Remarks
Mr. Anil Kaul	Managing Director*	00644761	July 18, 2018	NA	Appointment
Mr. Govind Sankaranarayanan	Non-Executive Director	01951880	October 15, 2008	August 24, 2018	Resignation

**Appointment of Mr. Anil Kaul as the Managing Director remains subject to the approval of the Shareholders of our Company in the ensuing general meeting*

Holding of Securities by the Directors

Apart from Mr. Rajiv Sabharwal and Mr. Anil Kaul who hold one Equity Share jointly with our Promoter, respectively, none of the Directors hold any securities in our Company as on the date of this Draft Shelf Prospectus.

Relatives of directors

No persons, who are relatives of directors, hold office or place of profit in our Company.

Key Managerial Personnel

Following are the Key Managerial Personnel:

Mr. Anil Kaul is the Managing Director of our Company since July 18, 2018 and such appointment is subject to the approval of the Shareholders of our Company in the ensuing general meeting. He holds a bachelor's degree in physics from Panjab University and a post graduate diploma in management from the University of Lucknow.

Mr. S. Balakrishna Kamath is the Chief Financial Officer of our Company since August 8, 2013. He is a member of the Institute of Chartered Accountants of India and is a member of the Institute of Company Secretaries of India.

Mr. Jinesh Meghani is the Company Secretary of our Company since June 1, 2018. He holds a bachelor's degree in commerce and law and is a member of the Institute of Company Secretaries of India.

Corporate Governance

Our Company believes that good corporate governance is an important constituent in enhancing stakeholder value.

Our Company has in place, processes and systems whereby it complies with the requirements of the Housing Finance Companies – Corporate Governance (National Housing Bank) Directions, 2016. The Company is in compliance with the requirements in relation to the composition of the Board of Directors and constitution of committees such as Audit Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee, as mandated in the Companies Act, 2013.

Currently, our Board has constituted the following Committees:

(a) Audit Committee;

(b) Asset Liability Committee;

(c) Risk Management Committee;

(d) Nomination and Remuneration Committee;

(e) Corporate Social Responsibility Committee;

(f) Working Committee;

(g) Information Technology Strategy Committee; and

(h) Lending Committee.

Audit Committee

The Audit Committee of our Board was constituted by way of a resolution passed by the Board at its meeting held on March 23, 2009. Further, the Audit Committee was last reconstituted by way of a board circular resolution passed on April 17, 2018 and as on the date of this Draft Shelf Prospectus, it comprises:

Name of the Director	Designation in the Committee	Nature of Directorship
Mr. Mehernosh B. Kapadia	Chairman	Independent Director
Ms. Anuradha E. Thakur	Member	Independent Director
Mr. Ankur Verma	Member	Non-Executive Director

Terms of reference of the Audit Committee are in compliance with applicable law and *inter alia* include:

- To recommend the appointment and removal of the auditors and their remuneration, nature and scope of audit;
- To ensure adequacy of internal controls and compliances and recommend remedial measures;
- To review adequacy of the internal audit function;
- To review and monitor the auditors' independence and performance and effectiveness of the audit process;
- To oversee financial reporting process and disclosure of financial information;
- To examine the financial statements and the auditors' report thereon;
- To evaluate internal financial controls and the risk management systems;
- To act as a link between the Statutory Auditors, Internal Auditors and the Board of Directors;
- To review accounting policies;
- To monitor compliance with the 'Tata Code of Conduct';
- To approve any transactions of our Company with related parties or any subsequent modifications thereof;
- To scrutinize inter-corporate loans and investments;
- To evaluate the valuation of undertakings or assets of our Company, if necessary;
- To monitor the end use of funds raised through public offers and related matters;
- To review findings of internal investigations, frauds, irregularities, etc.;
- To carry out additional functions as contained in the SEBI LODR Regulations or other regulatory requirements applicable to our Company or in the terms of reference of the Audit Committee; and
- To carry out the responsibilities under the Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices.

Asset Liability Committee

The Asset Liability Committee was constituted by way of a resolution passed by the Board at its meeting held on July 28, 2010. Further, the Asset Liability Committee was last reconstituted by way of a board circular resolution passed on May 30, 2018 and as on the date of this Draft Shelf Prospectus, it comprises:

Name of the Director	Designation in the Committee	Nature of Directorship
Mr. Mehernosh B. Kapadia	Chairman	Independent Director
Mr. Rajiv Sabharwal	Member	Non-Executive Director and Chairman
Mr. Ankur Verma	Member	Non-Executive Director
Mr. Anil Kaul	Member	Managing Director*

**Appointment of Mr. Anil Kaul as the Managing Director remains subject to the approval of the Shareholders of our Company in the ensuing general meeting*

Terms of reference of the Asset Liability Committee are in compliance with applicable law and *inter alia* include:

- Compliance with NHB prudential norms/directions/guidelines for asset liability management;
- Debt composition and fund raising plan of our Company;
- Resource raising policy of the Company;
- Pricing of loans; and
- Interest rate risk/liquidity risk analysis.

Risk Management Committee

The Risk Management Committee was constituted by way of a resolution passed by the Board at its meeting held on January 7, 2011. Further, the Risk Management Committee was last reconstituted by way of a board circular resolution passed on May 30, 2018 and as on the date of this Draft Shelf Prospectus, it comprises:

Name of the Director	Designation in the Committee	Nature of Directorship
Mr. Mehernosh B. Kapadia	Chairman	Independent Director
Ms. Anuradha E. Thakur	Member	Independent Director
Mr. Rajiv Sabharwal	Member	Non-Executive Director and Chairman
Mr. Ankur Verma	Member	Non-Executive Director

Terms of reference of Risk Management Committee are in compliance with applicable law and *inter alia* include:

- To assist the Board in its oversight of various risks viz., credit risk, liquidity and interest rate risk, operational risk (process, human resource, technology and fraud), strategic risks (including emerging and external risks) and compliance and reputation risk;
- To approve and review compliance with risk policies, monitor breaches/triggers of risk tolerance limits and direct action;
- To review and analyse risk exposure related to specific issues and provides oversight of risk across organisation;
- To review reports of significant issues prepared by internal risk oversight functional groups, including risk exposure related to specific issues, concentrations and limits excesses;
- To nurture a healthy and independent risk management function in the company;
- To inculcate risk culture within the organization; and
- To approve the Enterprise wide Risk Management (ERM) framework.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee was constituted by way of a board circular resolution passed on May 2, 2014. Further, the Nomination and Remuneration Committee was last reconstituted by way of a board circular resolution passed on April 17, 2018 and as on the date of this Draft Shelf Prospectus, it comprises:

Name of the Director	Designation in the Committee	Nature of Directorship
Mr. Mehernosh B. Kapadia	Chairman	Independent Director
Ms. Anuradha E. Thakur	Member	Independent Director
Mr. Rajiv Sabharwal	Member	Non-Executive Director and Chairman

Terms of reference of the Nomination and Remuneration Committee are in compliance with applicable law and *inter alia* include:

- Board composition and succession related matters;
- Evaluation related matters;
- Remuneration related matters;
- Board development related matters;
- Review of human resource strategy, philosophy and practices; and
- Other functions as requested by the Board, from time to time

Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee was constituted by way of a board circular resolution passed on April 2, 2014. Further, the Corporate Social Responsibility Committee was last reconstituted by way of a board circular resolution passed on May 30, 2018 and as on the date of this Draft Shelf Prospectus, it comprises:

Name of the Director	Designation in the Committee	Nature of Directorship
Ms. Anuradha E. Thakur	Chairperson	Independent Director
Mr. Rajiv Sabharwal	Member	Non-Executive Director and Chairman
Mr. Ankur Verma	Member	Non-Executive Director

Terms of reference of the Corporate Social Responsibility Committee are in compliance with applicable law and *inter alia* include:

- To formulate and recommend to the Board, a corporate social responsibility policy which shall indicate the activities to be undertaken by our Company as specified within Companies Act, 2013 ("**CSR Activities**");
- To recommend the amount of expenditure to be incurred on CSR activities;
- To monitor the corporate social responsibility policy of our Company from time to time and institute a transparent monitoring mechanism for implementation of the corporate social responsibility projects or programs or activities undertaken by our Company;
- To oversee our Company's conduct with regard to its corporate and societal obligations and its reputation as a responsible corporate citizen;
- To oversee activities impacting the quality of life of the beneficiaries of corporate social responsibility projects; and
- To carry out such other functions as may be delegated by the Board from time to time.

Working Committee

The Working Committee was constituted by way of a resolution passed by the Board at its meeting held on January 29, 2018. Further, the Working Committee was last reconstituted by way of the board resolution passed on June 15, 2018 and as on the date of this Draft Shelf Prospectus, it comprises:

Name of the Director	Designation in the Committee	Nature of Directorship
Mr. Mehernosh B. Kapadia	Member	Independent Director
Mr. Rajiv Sabharwal	Member	Non-Executive Director and Chairman
Mr. Anil Kaul	Member	Managing Director*

**Appointment of Mr. Anil Kaul as the Managing Director remains subject to the approval of the Shareholders of our Company in the ensuing general meeting*

Terms of reference of the Working Committee are in compliance with applicable law and include:

- To explore and evaluate market appetite, potential pricing, structure of the proposed issuance and timing, negotiation of various other terms in connection with the issuance of masala bonds, non-convertible debentures to public and raising of funds through external commercial borrowings;
- To incur any expenditure for carrying out the above activities;
- To delegate the above powers, as may be felt necessary; and
- To recommend to the Board of Directors the findings of the Working Committee.

Information Technology Strategy Committee

The Information Technology ("**IT**") Strategy Committee was constituted by way of a resolution passed by the Board at its meeting held on April 30, 2018. Further, the IT Strategy Committee has not been reconstituted since the date of its constitution and as on the date of this Draft Shelf Prospectus, it comprises the following Directors among other employees of the Company:

Name of the Director	Designation in the Committee	Nature of Directorship
Mr. Mehernosh B. Kapadia	Chairman	Independent Director
Mr. Rajiv Sabharwal	Member	Non-Executive Director and Chairman
Mr. Anil Kaul	Member	Managing Director*

** Appointment of Mr. Anil Kaul as the Managing Director remains subject to the approval of the Shareholders of our Company in the ensuing general meeting*

Terms of reference of the IT Strategy Committee are in compliance with applicable law and *inter alia* include:

- To approve IT strategy and policy documents and ensure that the management puts an effective strategic planning process in place;
- To ascertain that the management had implemented processes and practices that ensure that the IT delivers value to the business;
- To ensure IT investments represent a balance of risks and benefits and that budgets are acceptable;
- To monitor the method that the management used to determine the IT resources needed to achieve strategic goals and provide high-level direction for sourcing and use of IT resources;
- To ensure proper balance of IT investments for sustaining the Company's growth and being aware about exposure towards IT risks and controls;
- To constitute the Steering Committee and review the discussions of the said Committee periodically;
- To institute an effective governance mechanism and risk management process for all outsourced IT operations and to do all such acts as may be required under the Directions in respect of the outsourced IT operations;
- To do any or all things that may be done by the Board of Directors in accordance with the RBI IT Directions, as amended from time to time; and
- To do such other things related to IT as may be recommended by the Board of Directors to the Committee.

Lending Committee

The Lending Committee was constituted by way of a resolution passed by the Board at its meeting held on April 30, 2018. Further, the Lending Committee has not been reconstituted since the date of its constitution and as on the date of this Draft Shelf Prospectus, it comprises:

Name of the Director	Designation in the Committee	Nature of Directorship
Mr. Rajiv Sabharwal	Chairman	Non-Executive Director and Chairman
Mr. Mehernosh B. Kapadia	Member	Independent Director
Ms. Anuradha E. Thakur	Member	Independent Director
Mr. Anil Kaul	Member	Managing Director*

**Appointment of Mr. Anil Kaul as the Managing Director remains subject to the approval of the Shareholders of our Company in the ensuing general meeting*

Terms of reference of the Lending Committee *inter alia* include:

- To approve financing proposals related to Developer Funding above ₹60 crore;
- To approve financing proposals related to Home Loans and Home Equity above ₹15 crore;
- To recommend to the Board any financing proposal above the authority of the Lending Committee; and
- To carry out such other functions as may be delegated by the Board from time to time.

OUR PROMOTER

Profile of our Promoter

Details of our Promoter are below:

Tata Capital Limited

(a) Our Promoter, Tata Capital Limited ("**TCL**") was incorporated as a public limited company under the name of Primal Investments and Finance Limited on March 8, 1991 under the Companies Act, 1956. TCL received its certificate of commencement of business on April 1, 1991. On May 8, 2007, the name of the company was changed to TCL.

(b) TCL was classified as a systemically important non-deposit accepting core investment company (CIC-ND-SI) in accordance with the certificate of registration issued by the RBI dated May 10, 2012, under Section 45-IA of the RBI Act.

(c) TCL is the flagship financial services company of the Tata group providing a range of financial services. It is a one-stop financial solutions partner, catering to the diverse needs of retail, corporate, and institutional customers through a comprehensive suite of product and service offerings.

(d) TCL has its registered office at 11th Floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai – 400 013 and bears the CIN U65990MH1991PLC060670.

(e) The board of directors of TCL as on the date of filing of this Draft Shelf Prospectus are:

Name	Designation
Mr. Saurabh Agrawal	Non-executive director and Chairman
Mr. Farokh Nariman Subedar	Non-executive director
Mr. Nalin Mansukhlal Shah	Independent director
Mr. Mehernosh Behram Kapadia	Independent director
Ms. Aarthi Subramanian	Non-executive director
Mr. Rajiv Sabharwal	Managing director and chief executive officer

Other understandings and confirmations

Our Promoter has confirmed that it has not been identified as willful defaulter by the RBI or any other governmental authority.

No violation of securities laws has been committed by our Promoter in the past or are currently pending against it. Our Promoter or its directors are not debarred or prohibited from accessing the capital markets or restrained from buying, selling, or dealing in securities under any order or directions passed for any reasons by the SEBI or any other authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad.

Our Promoter is not in default of payment of interest or repayment of principal amount in respect of debt securities issued by it to the public, if any, for a period of more than six months.

Common Pursuits of Promoter

Our Promoter is interested as a shareholder/promoter in Tata Capital Financial Services Limited that is engaged in businesses similar to ours and this may result in potential conflicts of interest with our Company.

For further details on the related party transactions, to the extent of which our Company is involved see, Annexure A, "*Financial Information*" beginning on page 195 of this Draft Shelf Prospectus.

Interest of Promoter in our Company

Except as disclosed below, and as stated in Annexure A, "*Financial Information*" beginning on page 195 of this Draft Shelf Prospectus, other than as our shareholder, our Promoter, does not have any other interest in our Company. Further, apart from the guarantee amounting to ₹ 1,200 crore to NHB in relation to refinancing our existing debt facilities, our Promoter has not given any personal guarantees in relation to loan facilities availed by our Company. For further details see "*Disclosures on Existing Financial Indebtedness*" beginning on page 99 of this Draft Shelf Prospectus.

Our Promoter does not propose to subscribe to this Issue.

Details of Shares allotted to our Promoter during the last three Financial Years

Our Company has confirmed that no Equity Shares have been allotted to our Promoter during the last three Financial Years, for details of the CCCPS allotted to our Promoter in the last three Financial Years, see "*Capital Structure*" beginning on page 43 of this Draft Shelf Prospectus.

Details of shares pledged or encumbered by our Promoter as of the date of this Draft Shelf Prospectus

No shares have been pledged or encumbered by our Promoter as of the date of this Draft Shelf Prospectus.

Payment of benefits to our Promoter during the last two years

Other than as disclosed under the "*Related Party Transactions*" segment of the Financial Statements of our Company, available at Annexure A, beginning on page 195 of this Draft Shelf Prospectus, our Company has not made payments of any benefits to its Promoter during the last two years preceding the date of this Draft Shelf Prospectus.

Interest of our Promoter in property, land and construction

Except as stated in Annexure A, "*Financial Information*" beginning on page 195 of this Draft Shelf Prospectus, our Promoter does not have any interest in any property acquired by our Company within two years preceding the date of filing of this Draft Shelf Prospectus or any property proposed to be acquired by our Company or in any transaction with respect to the acquisition of land, construction of building or supply of machinery.

Shareholding Pattern of our Promoter as on June 30, 2018:

Summary Statement Holding of Equity Shareholders

Particulars	Total number of equity shares	Number of shares in dematerialised form	Total shareholding as % of total number of equity shares	Number of pledged shared	Percentage of Shares pledged with respect to shares owned
Promoters					
Bodies Corporate	278,26,55,289	278,26,55,289	93.56	NIL	NIL
Non Promoters					
Bodies Corporate	11,67,21,517	11,67,21,517	3.93	NIL	NIL
TCL Employee Welfare Trust (ESOP Trust)	5,16,35,187	5,16,35,187	1.73	NIL	NIL
Individuals	2,32,27,520	2,32,27,520	0.78	NIL	NIL
Total	**297,42,39,513**	**297,42,39,513**	**100**	**NIL**	**NIL**

Summary Statement Holding of Preference Shareholders

Particulars	Total Number of Preference Shares	Number of Preference Shares in Dematerialised Form	Total Shareholding as % of Total Number of Preference Shares	Number of Preference Shares pledged or encumbered by the Promoters	Percentage of Preference Shares pledged with respect to shares owned
Promoters					
Bodies Corporate	NIL	NIL	NIL	NIL	NIL
Non Promoters					
Bodies Corporate	98,98,854	98,98,854	50.11	NIL	NIL
Individuals	90,76,678	90,76,678	45.95	NIL	NIL
Trust	3,78,333	3,78,333	1.92	NIL	NIL
Others	3,99,092	3,99,092	2.02		
Total	**1,97,52,957**	**1,97,52,957**	**100**	**NIL**	**NIL**

DISCLOSURES ON EXISTING FINANCIAL INDEBTEDNESS

The outstanding borrowings of our Company as on June 30, 2018 are, as follows:

Sr. No.	Nature of borrowings	Amount (in ₹) lakh*
1.	Secured borrowings	13,43,686
2.	Unsecured borrowings	6,03,870
Total		**19,47,556**

* *Gross of unamortised discounts / premium*

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

A. Details of Secured Borrowings

Our Company's secured loans as on June 30, 2018 amount to ₹ 13,43,686 lakh. The details of the borrowings are set out below.

All our term loans have been secured by way of security as detailed below.

(i) Term Loans availed by our Company

Sr. No	Lender's Name	Amount Sanctioned (in ₹) lakh	Amount Outstanding as on June 30, 2018 (in ₹) lakh	Repayment Date/Repayment Schedule	Penalty	Prepayment
1.	Union Bank of India	10,000	10,000	December 30, 2018 Bullet payment to be made on December 30, 2018.	Any default made in payment of instalment on due dates will attract penal interest at such rates as the lender may determine at its discretion on the amount then outstanding not exceeding 2% per annum over the sanctioned rate of interest.	The prepayment penalty is to be waived only in the case of disagreement on the reset of interest including a change in the base rate.
2.	State Bank of India	80,000	7,500	September 27, 2018 and December 27, 2018 To be repaid in 10 quarterly instalments of ₹ 6,500 lakh each and 2 quarterly instalments of ₹ 7,500 lakh payable The last 2 quarterly instalments would be of ₹ 7,500 lakh, after a moratorium period of 2 years from the date of first disbursement.	Any default in payment of the principal, interest or any other monies payable will attract interest on the defaulted amounts at 2% per annum above the rate of interest specified by the lender or as per the lender's prevailing from time to time for the period of default.	There will be no prepayment charges if the loans are prepaid from the borrower's own funds, else there will be a pre-payment charge of 2% on the pre-paid amount.

Sr. No	Lender's Name	Amount Sanctioned (in ₹) lakh	Amount Outstanding as on June 30, 2018 (in ₹) lakh	Repayment Date/Repayment Schedule	Penalty	Prepayment
3.	Karnataka Bank Limited	15,000	5,000	To be repaid in 2 equal yearly instalments of ₹ 7,500 lakh on June 29, 2018 and June 29, 2019, after a moratorium of 1 year from the date of first disbursement.	Any delay in servicing of the instalments, interest or excess drawings will attract a penal interest of 5% over and above the rate chargeable	No pre-payment penalty.
4.	HDFC Bank Limited	40,000	13,333	September 30, 2018, December 30, 2018, March 30, 2019, June 30, 2019, September 30, 2019 and December 30, 2019. To be repaid in 20 equal quarterly instalments from the end of 9th month.	Any delay in servicing of over dues, any monies payable shall attract a penal interest of 2% per annum above the rate of interest specified by the lender.	A prepayment penalty of 2% shall be applicable on the overall amount.
5.	HDFC Bank Limited	30,000	30,000	August 27, 2020 Bullet payment to be made on August 27, 2020.	Any default in payment for dues or of any of the terms and conditions would attract an additional interest of 2 % on the entire loan.	Prepayment charges of 2% on the entire facility amount, except for in the case of a reset of the interest rate which is not agreeable to the borrower on the reset dates.
6.	Federal Bank Limited	15,000	1,250	September 27, 2018 To be repaid in 12 equal quarterly instalments, after a moratorium of 2 years from the date of first disbursement.	Any delay in payment of interest or principal or non-compliance with the sanctioned conditions shall attract penal interest of 2%.	Nil
7.	Axis Bank Limited	20,000	20,000	October 30, 2020 Bullet payment to be made at the end of three years from the date of	Any non-payment of interest or instalments on the due date will attract a penal interest of 2% on the overdue	Prepayment is not permitted within 6 months from the date of first disbursement of the loan. The borrower may

Sr. No	Lender's Name	Amount Sanctioned (in ₹) lakh	Amount Outstanding as on June 30, 2018 (in ₹) lakh	Repayment Date/Repayment Schedule	Penalty	Prepayment
				first disbursement.	interest and/or instalment.	prepay the loan after the first 6 months with 15 days written notice without any prepayment charges.
8.	Axis Bank Limited	30,000	11,250	September 27, 2018, December 27, 2018 and March 27, 2019 To be repaid in 8 equal quarterly instalments, after a moratorium of 3 years from the date of first disbursement.	Any non-payment of interest or instalments on the due date will attract a penal interest of 2% on the overdue interest and/or instalment.	The borrower shall have the option to prepay, in part or full, the outstanding facility. In such an event, if the borrower provides a 15 days prior notice for such prepayment there will be no prepayment penalty.
9.	Allahabad Bank	30,000	15,000	₹ 7,500 lakh each on June 26, 2019 and June 26, 2020. To be repaid in 4 equal instalments starting end of 12th month from the date of disbursement for each tranche.	Nil	Nil
	Total	**2,70,000**	**1,13,333**			

**Secured by first ranking pari-passu charge by way of mortgages on our Company's immovable properties and movable properties, including book debts in favour of lenders (excluding the exclusive charge created by our Company in favour of NHB as security for due repayment for financial assistance by way of refinancing granted by NHB to our Company).*

(ii) Cash Credit/ Working Capital Loans availed by our Company ±

Sr. No	Lender's Name	Type of Facility	Amount Sanctioned (in ₹) lakh	Amount Outstanding as on June 30, 2018 (in ₹) lakh	Repayment Date/Repayment Schedule
1.	Union Bank of India	cash credit	20,000	19,500	On Demand
2.	Punjab and Sind Bank	cash credit	5,000	4,500	On Demand
3.	Karnataka Bank Limited	cash credit	5,000	4,499	On Demand
4.	The Jammu and Kashmir Bank Limited	working capital facility	20,000	10,000	August 10, 2018
5.	The Jammu and Kashmir Bank Limited	working capital facility		10,000	July 25, 2018

Sr. No	Lender's Name	Type of Facility	Amount Sanctioned (in ₹) lakh	Amount Outstanding as on June 30, 2018 (in ₹) lakh	Repayment Date/Repayment Schedule
6.	ICICI Bank Limited	working capital facility	20,000	10,000	April 25, 2019
7.	ICICI Bank Limited	cash credit		9,500	On Demand
8.	Canara Bank	working capital facility	20,000	19,500	July 13, 2018
9.	Bank of India	cash credit	10,000	10,000	July 13, 2018
10.	Bank of Baroda	cash credit	10,000	9,500	On Demand
11.	Axis Bank Limited	cash credit	20,000	19,500	On Demand
12.	UCO Bank	cash credit	30,000	26,998	On Demand
13.	Punjab National Bank	cash credit	10,000	9,452	On Demand
14.	United Overseas Bank	working capital facility	7,000	7,000	September 27, 2018
15.	HDFC Bank	cash credit	5,000	147	On Demand
16.	Book Overdraft*	--	--	30,940	On Demand
Total			**1,82,000**	**2,01,036**	

± Secured by first ranking pari-passu charge by way of mortgages on our Company's immovable properties and movable properties, including book debts in favour of lenders (excluding the exclusive charge created by our Company in favour of NHB as security for due repayment for financial assistance by way of refinancing granted by NHB to our Company).

*Book Overdraft represents cheque issued but not presented/cleared in TCHFL's various disbursement accounts.

The facility documents executed by our Company stipulate certain events as "*Events of Default*", pursuant to which our Company may be required to immediately repay the entire loan facility availed by it and be subject to additional penalties by the relevant lenders.

Some of the "*Events of Default*", set out under are facility documents have been set out as follows*:

1. Any insolvency or bankruptcy of our Company;
2. Any event which is prejudicial or is likely to prejudice the interest of the lender or the security given to the lenders;
3. Any default in payment of principal sum or interest;
4. Any default in performance of covenants and conditions;
5. Any cross-default pursuant to the terms of any other loan agreement;
6. Any inclusion of our Company or the Directors in the list of willful defaulters of the RBI;
7. Cessation of business;
8. Attachment or distress proceedings against the assets of our Company;
9. Any re-organisation, or change in the management and control of our Company without obtaining the consents of the lenders;
10. Appointment of receiver;
11. Any misleading information or representation made; and
12. Any event or circumstance which is likely to have a material adverse effect.

**Kindly note, that the above set out "Events of Default", are not an exhaustive list of defaults mentioned in our financing agreements but are a brief overview of the some of the events mentioned.*

(iii) Details of Secured Non-Convertible Debentures

Our Company has issued secured redeemable non-convertible debentures each on a private placement on the basis of which ₹ 381,140 lakh is cumulatively outstanding as on June 30, 2018 the details of which are set forth below.

Sr. No	Description (Debenture Series)	Date of Allotment	Date of Redemption	Tenor (in Years)*	Coupon Rate	Principal Amount Outstanding (in ₹) lakh	Credit Rating
1.	TCHFL NCD G Series FY 2011-12	November 18, 2011	November 18, 2018	7	10.25%	1,000	'CRISIL AA+' by CRISIL Limited
2.	TCHFL NCD G Series FY 2012-13	May 18, 2012	May 18, 2022	10	10.10%	1,000	'CRISIL AA+' by CRISIL Limited
3.	TCHFL NCD K Series FY 2012-13	October 3, 2012	October 3, 2019	7	10.05%	1,000	'CRISIL AA+' by CRISIL Limited
4.	TCHFL NCD Q Series FY 2012-13	December 28, 2012	December 28, 2022	10	9.60%	1,000	'CRISIL AA+' by CRISIL Limited
5.	TCHFL NCD R Series FY 2012-13	January 18, 2013	January 18, 2023	10	9.50%	1,500	'CRISIL AA+' by CRISIL Limited
6.	TCHFL NCD U Series FY 2012-13	March 12, 2013	March 10, 2023	10	9.50%	1,000	'CRISIL AA+' by CRISIL Limited
7.	TCHFL NCD N Series FY 2013-14	January 20, 2014	January 18, 2019	5	9.95%	500	'CRISIL AA+' by CRISIL Limited
8.	TCHFL NCD A Series FY 2014-15 – Option-II	June 13, 2014	June 13, 2019	5	9.55%	1,000	'CRISIL AA+' by CRISIL Limited
9.	TCHFL NCD B Series FY 2014-15– Option-II	July 22, 2014	July 22, 2019	5	9.60%	1,000	'CRISIL AA+' by CRISIL Limited
10.	TCHFL NCD D Series FY 2014-15 – Option-II	August 22, 2014	August 22, 2019	5	9.65%	1,000	'CRISIL AA+' by CRISIL Limited
11.	TCHFL NCD G Series FY 2014-15	October 22, 2014	October 22, 2019	5	9.60%	5,500	'CRISIL AA+' by CRISIL Limited
12.	TCHFL NCD R Series FY 2014-15	December 9, 2014	December 9, 2024	10	9.22%	20,000	'CRISIL AA+' by CRISIL Limited & 'ICRA AA+' by ICRA Limited
13.	TCHFL NCD V Series FY 2014-15	January 23, 2015	January 23, 2025	10	9.05%	15,000	'CRISIL AA+' by CRISIL Limited & 'ICRA AA+' by ICRA Limited
14.	TCHFL NCD Z	February 12, 2015	February 12, 2020	5	9.05%	1,000	'CRISIL AA+' by CRISIL Limited

Sr. No	Description (Debenture Series)	Date of Allotment	Date of Redemption	Tenor (in Years)*	Coupon Rate	Principal Amount Outstanding (in ₹) lakh	Credit Rating
	Series FY 2014-15						
15.	TCHFL NCD"O" Series FY 2015-16	June 16, 2015	June 16, 2025	10	8.85%	2,000	'CRISIL AA+' by CRISIL Limited
16.	TCHFL NCD"P"– Series FY 2015-16 - Option III 2015-16	June 24, 2015	January 7, 2019	4	8.89%	500	'CRISIL AA+' by CRISIL Limited
17.	TCHFL NCD"T" Series FY 2015-16 – Option I	July 9, 2015	July 9, 2020	5	8.95%	1,000	'CRISIL AA+' by CRISIL Limited
18.	TCHFL NCD "V" Series FY 2015-16	July 16, 2015	July 26, 2018	3	8.92%	4,400	'CRISIL AA+' by CRISIL Limited
19.	TCHFL NCD "W" Series FY 2015-16	July 24, 2015	July 19, 2018	3	8.90%	2,000	'CRISIL AA+' by CRISIL Limited
20.	TCHFL NCD "X" Series FY 2015-16	July 29, 2015	July 29, 2022	7	8.99%	7,500	'CRISIL AA+' by CRISIL Limited
21.	TCHFL NCD "Y" Series FY 2015-16 Option I	July 31, 2015	August 21, 2018	3	8.86%	2,170	'CRISIL AA+' by CRISIL Limited
22.	TCHFL NCD "Y" Series FY 2015-16 - Option II	July 31, 2015	July 23, 2018	3	8.86%	2,600	'CRISIL AA+' by CRISIL Limited
23.	TCHFL NCD "Z" Series FY 2015-16	August 7, 2015	August 7, 2020	5	8.86%	3,000	'CRISIL AA+' by CRISIL Limited
24.	TCHFL NCD "AA" Series FY 2015-16	August 17, 2015	August 17, 2020	5	8.85%	10,000	'CRISIL AA+' by CRISIL Limited & 'ICRA AA+' by ICRA Limited
25.	TCHFL NCD "AB" Series FY 2015-16	August 20, 2015	August 20, 2020	5	8.85%	1,000	'CRISIL AA+' by CRISIL Limited
26.	TCHFL NCD "AC" Series FY 2015-16 – Option II	August 24, 2015	August 20, 2018	3	8.80%	3,500	'CRISIL AA+' by CRISIL Limited
27.	TCHFL NCD "AC"	August 24, 2015	August 24, 2018	3	8.80%	500	'CRISIL AA+' by CRISIL Limited

Sr. No	Description (Debenture Series)	Date of Allotment	Date of Redemption	Tenor (in Years)*	Coupon Rate	Principal Amount Outstanding (in ₹) lakh	Credit Rating
	Series FY 2015-16 – Option I						
28.	TCHFL NCD "AD" Series FY 2015-16	August 26, 2015	August 16, 2018	3	8.85%	1,580	'CRISIL AA+' by CRISIL Limited
29.	TCHFL NCD "AE" Series FY 2015-16	August 31, 2015	August 29, 2025	10	8.87%	2,000	'CRISIL AA+' by CRISIL Limited & 'ICRA AA+' by ICRA Limited
30.	TCHFL NCD "AG" Series FY 2015-16	October 8, 2015	October 8, 2025	10	8.70%	750	'CRISIL AA+' by CRISIL Limited & 'ICRA AA+' by ICRA Limited
31.	TCHFL NCD "AH" Series FY 2015-16	October 14, 2015	October 14, 2020	5	8.70%	2,000.	'CRISIL AA+' by CRISIL Limited
32.	TCHFL NCD "AI" Series FY 2015-16	October 16, 2015	October 16, 2020	5	8.70%	5,000	'CRISIL AA+' by CRISIL Limited
33.	TCHFL NCD "AK" Series FY 2015-16	October 26, 2015	October 26, 2018	3	8.65%	1,300	'CRISIL AA+' by CRISIL Limited
34.	TCHFL NCD "AL" Series FY 2015-16	November 2, 2015	November 2, 2018	3	8.65%	1,200	'CRISIL AA+' by CRISIL Limited
35.	TCHFL NCD "AM" Series FY 2015-16 – Option II	November 6, 2015	November 6, 2020	5	8.60%	500	'CRISIL AA+' by CRISIL Limited
36.	TCHFL NCD "AM" Series FY 2015-16 – Option I	November 6, 2015	November 6, 2025	10	8.60%	3,500	'CRISIL AA+' by CRISIL Limited
37.	TCHFL NCD "AP" Series FY 2015-16 – Option I	January 12, 2016	January 12, 2023	7	8.70%	1,500	'CRISIL AA+' by CRISIL Limited
38.	TCHFL NCD "AP" Series FY 2015-16 – Option II	January 12, 2016	January 12, 2024	8	8.70%	1,500	'CRISIL AA+' by CRISIL Limited
39.	TCHFL NCD "AQ" Series FY 2015-16	January 18, 2016	January 18, 2019	3	8.70%	10,000	'CRISIL AA+' by CRISIL Limited
40.	TCHFL NCD "AR"	January 20, 2016	January 18, 2019	3	8.70%	1,000	'CRISIL AA+' by CRISIL Limited

Sr. No	Description (Debenture Series)	Date of Allotment	Date of Redemption	Tenor (in Years)*	Coupon Rate	Principal Amount Outstanding (in ₹) lakh	Credit Rating
	Series FY 2015-16						
41.	TCHFL NCD "AS" Series FY 2015-16	January 22, 2016	January 22, 2021	5	8.70%	2,000	'CRISIL AA+' by CRISIL Limited
42.	TCHFL NCD "AT" Series FY 2015-16	March 2, 2016	May 16, 2019	3	8.93%	2,200	'CRISIL AA+' by CRISIL Limited & 'ICRA AA+' by ICRA Limited
43.	TCHFL NCD "AU" Series FY 2015-16 Option II	March 30, 2016	April 18, 2019	3	8.79%	1,000	'CRISIL AA+' by CRISIL Limited
44.	TCHFL NCD "AU" Series FY 2015-16 Option I	March 30, 2016	March 30, 2026	10	8.78%	1,500	'CRISIL AA+' by CRISIL Limited
45.	TCHFL NCD "A" Series FY 2016-17	April 12, 2016	April 12, 2021	5	8.73%	12,000	'CRISIL AA+' by CRISIL Limited
46.	TCHFL NCD "B" Series FY 2016-17	April 18, 2016	April 18, 2019	3	8.70%	1,500	'CRISIL AA+' by CRISIL Limited
47.	TCHFL NCD "E" Series FY 2016-17	May 4, 2016	May 4, 2023	7	8.63%	2,000	'CRISIL AA+' by CRISIL Limited
48.	TCHFL NCD "G" Series FY 2016-17 Option I	June 10, 2016	June 24, 2019	3	8.75%	200	'CRISIL AA+' by CRISIL Limited
49.	TCHFL NCD "G" Series FY 2016-17 Option –II	June 10, 2016	December 23, 2019	3	8.7233%	1,300	'CRISIL AA+' by CRISIL Limited
50.	TCHFL NCD "H" Series FY 2016-17	June 14, 2016	June 14, 2019	3	8.75%	500	'CRISIL AA+' by CRISIL Limited & 'ICRA AA+' by ICRA Limited
51.	TCHFL NCD "J" Series FY 2016-17	June 30, 2016	June 30, 2026	10	8.70%	1,000	'CRISIL AA+' by CRISIL Limited & 'ICRA AA+' by ICRA Limited
52.	TCHFL NCD "K" Series FY 2016-17	July 5, 2016	July 5, 2021	5	8.70%	2,000	'CRISIL AA+' by CRISIL Limited & 'ICRA AA+' by ICRA Limited
53.	TCHFL	July 14, 2016	July 12, 2019	3	8.66%	1,000	'CRISIL AA+' by CRISIL

Sr. No	Description (Debenture Series)	Date of Allotment	Date of Redemption	Tenor (in Years)*	Coupon Rate	Principal Amount Outstanding (in ₹) lakh	Credit Rating
	NCD "M" Series FY 2016-17						Limited
54.	TCHFL NCD "N" Series FY 2016-17	July 29, 2016	July 29, 2019	3	8.6150%	1,000	'CRISIL AA+' by CRISIL Limited
55.	TCHFL NCD "O" Series FY 2016-17	August 2, 2016	August 2, 2018	2	8.6150%	10,000	'CRISIL AA+' by CRISIL Limited
56.	TCHFL NCD "P" Series FY 2016-17	August 8, 2016	August 8, 2019	3	8.42%	2,500	'CRISIL AA+' by CRISIL Limited
57.	TCHFL NCD "Q" Series FY 2016-17	August 18, 2016	August 16, 2018	2	8.20%	13,000	'CRISIL AA+' by CRISIL Limited
58.	TCHFL NCD "R" Series FY 2016-17	August 30, 2016	August 30, 2019	3	8.16%	2,500	'CRISIL AA+' by CRISIL Limited
59.	TCHFL NCD "S" Series FY 2016-17	August 31, 2016	August 31, 2018	2	8.16%	2,500	'CRISIL AA+' by CRISIL Limited
60.	TCHFL NCD "T" Series FY 2016-17	September 15, 2016	September 15, 2021	5	8.20%	1,000	'CRISIL AA+' by CRISIL Limited & 'ICRA AA+' by ICRA Limited
61.	TCHFL NCD "V" Series FY 2016-17	November 17, 2016	November 16, 2018	2	7.80%	2,500	'CRISIL AA+' by CRISIL Limited
62.	TCHFL NCD "W" Series FY 2016-17	December 28, 2016	December 28, 2021	5	7.585%	40,800	'CRISIL AA+' by CRISIL Limited
63.	TCHFL NCD "X" Series FY 2016-17	February 10, 2017	February 7, 2020	3	7.77%	5,140	'CRISIL AA+' by CRISIL Limited
64.	TCHFL NCD "Y" Series FY 2016-17	March 17, 2017	March 17, 2020	3	7.60%	30,000	'CRISIL AA+' by CRISIL Limited
65.	TCHFL NCD "A" Series FY 2017-18	April 5, 2017	April 5, 2019	2	7.7250%	25,500	'CRISIL AA+' by CRISIL Limited
66.	TCHFL NCD "B" Series FY 2017-18	April 17, 2017	April 17, 2019	2	7.68%	17,500	'ICRA AA+' by ICRA Limited
67.	TCHFL NCD "C" Series FY	April 20, 2017	April 29, 2020	3	7.71%	500	'ICRA AA+' by ICRA Limited

Sr. No	Description (Debenture Series)	Date of Allotment	Date of Redemption	Tenor (in Years)*	Coupon Rate	Principal Amount Outstanding (in ₹) lakh	Credit Rating
	2017-18						
68.	TCHFL NCD "D" Series FY 2017-18	May 30, 2017	May 30, 2019	2	7.77%	2,500	'ICRA AA+' by ICRA Limited
69.	TCHFL NCD "E" Series FY 2017-18	June 7, 2017	June 30, 2020	3	7.75%	500	'ICRA AA+' by ICRA Limited
70.	TCHFL NCD "F" Series FY 2017-18	June 14, 2017	June 15, 2020	3	7.70%	5,500	'ICRA AA+' by ICRA Limited
71.	TCHFL NCD "G" Series FY 2017-18	July 13, 2017	July 12, 2019	2	7.60%	10,000	'ICRA AA+' by ICRA Limited
72.	TCHFL NCD "H" Series FY 2017-18	July 21, 2017	July 19, 2019	2	7.54%	12,500	'ICRA AA+' by ICRA Limited
73.	TCHFL NCD "I" Series FY 2017-18	August 31, 2017	August 31, 2020	3	7.40%	35,000	'ICRA AA+' by ICRA Limited
74.	TCHFL NCD "A" Series FY 2018-19	May 30, 2018	July 30, 2019	15 months	Zero Coupon	9,000	'ICRA AA+' by ICRA Limited
		Total				**3,81,140**	

**Rounded off to nearest year*

#Secured by first ranking pari-passu charge by way of mortgages on our Company's immovable properties and movable properties, including book debts in favour of lenders (excluding the exclusive charge created by our Company in favour of NHB as security for due repayment for financial assistance by way of refinancing granted by NHB to our Company).

(iv) Other Secured Borrowings - Refinance by the National Housing Bank

Date of Sanction / Drawdown Date	Amount Sanctioned/ Drawn Down (in ₹) lakh	Amount Outstanding as on June 30, 2018 (in ₹) lakh	Final Maturity Date	Repayment Schedule
November 11, 2011	752	24	October 1, 2018	₹ 28 lakh on 1st of January, April, July and October of each year
December 16, 2011	320	12	October 1, 2018	₹ 11.86 lakh on 1st of January, April, July and October of each year
January 24, 2012	216.00	16	January 1, 2019	₹ 8 lakh on 1st of January, April, July and October of each year
March 16, 2012	155	10	January 1, 2019	₹ 5.80 lakh on 1st of January, April, July and October of each year
May 2, 2012	341	36	April 1, 2019	₹ 12.70 lakh on 1st of January, April, July and October of each year

Date of Sanction / Drawdown Date	Amount Sanctioned/ Drawn Down (in ₹) lakh	Amount Outstanding as on June 30, 2018 (in ₹) lakh	Final Maturity Date	Repayment Schedule
June 14, 2012	321	33	April 1, 2019	₹ 12 lakh on 1st of January, April, July and October of each year
January 11, 2013	112	25	January 1, 2020	₹ 4.15 lakh on 1st of January, April, July and October of each year
January 11, 2013	3,537	786	January 1, 2020	₹131 lakh on 1st of January, April, July and October of each year
January 29, 2013	14	3	January 1, 2020	₹ 0.52 lakh on 1st of January, April, July and October of each year
January 29, 2013	767	170	January 1, 2020	₹ 28 lakh on 1st of January, April, July and October of each year
January 29, 2013	397	88	January 1, 2020	₹ 14.71 lakh on 1st of January, April, July and October of each year
March 8, 2013	26	6	January 1, 2020	₹ 0.97 lakh on 1st of January, April, July and October of each year
March 8, 2013	938	203	January 1, 2020	₹ 35 lakh on 1st of January, April, July and October of each year
March 19, 2013	1,017	655	January 1, 2028	₹ 17.24 lakh on 1st of January, April, July and October of each year
March 26, 2013	1,058	218	January 1, 2020	₹ 40 lakh on 1st of January, April, July and October of each year
April 29, 2013	910	230	April 1, 2020	₹ 34 lakh on 1st of January, April, July and October of each year
April 29, 2013	1,220	800	April 1, 2028	₹ 21 lakh on 1st of January, April, July and October of each year
June 26, 2013	645	165	April 1, 2020	₹ 24 lakh on 1st of January, April, July and October of each year
September 11, 2013	53	16	July 1, 2020	₹ 1.97 lakh on 1st of January, April, July and October of each year
September 20, 2013	972	288	July 1, 2020	₹ 36 lakh on 1st of January, April, July and October of each year
September 20, 2013	1,975	585	July 1, 2020	₹ 73.15 lakh on 1st of January, April, July and October of each year
October 15, 2013	48	16	October 1, 2020	₹ 1.97 lakh on 1st of January, April, July and October of each year
October 15, 2013	1,272	424	October 1, 2020	₹ 47 lakh on 1st of January, April, July and October of each year
December 3, 2013	364	121	October 1, 2020	₹ 13.50 lakh on 1st of January, April, July and October of each year
December 3, 2013	3,623	1,193	October 1, 2020	₹ 135 lakh on 1st of January, April, July and October of each year

Date of Sanction / Drawdown Date	Amount Sanctioned/ Drawn Down (in ₹) lakh	Amount Outstanding as on June 30, 2018 (in ₹) lakh	Final Maturity Date	Repayment Schedule
December 3, 2013	6,013	1,999	October 1, 2020	₹ 223 lakh on 1st of January, April, July and October of each year
February 20, 2014	4,800	3,049	January 1, 2026	₹ 103 lakh on 1st of January, April, July and October of each year
February 20, 2014	5,200	1,919	January 1, 2021	₹ 193 lakh on 1st of January, April, July and October of each year
March 25, 2014	1,100	701	January 1, 2026	₹ 23.5 lakh on 1st of January, April, July and October of each year
March 26, 2014	1,180	840	January 1, 2029	₹ 20 lakh on 1st of January, April, July and October of each year
May 8, 2014	3,700	1,492	April 1, 2021	₹ 138 lakh on 1st of January, April, July and October of each year
May 8, 2014	215	142	April 1, 2026	₹ 4.58 lakh on 1st of January, April, July and October of each year
May 8, 2014	1,085	716	April 1, 2026	₹ 23.09 lakh on 1st of January, April, July and October of each year
June 25, 2014	2,700	1,100	April 1, 2021	₹ 100 lakh on 1st of January, April, July and October of each year
July 31, 2014	10,000	4,375	July 1, 2021	₹ 375 lakh on 1st of January, April, July and October of each year
September 15, 2014	7,300	5,425	July 1, 2029	₹ 125 lakh on 1st of January, April, July and October of each year
September 15, 2014	2,700	2,010	July 1, 2029	₹ 46 lakh on 1st of January, April, July and October of each year
September 26, 2014	1,190	515	July 1, 2021	₹ 45 lakh on 1st of January, April, July and October of each year
September 30, 2014	3,600	2,670	July 1, 2029	₹ 62 lakh on 1st of January, April, July and October of each year
November 7, 2014	2,500	1,170	October 1, 2021	₹ 95 lakh on 1st of January, April, July and October of each year
December 22, 2014	2,700	1,300	October 1, 2021	₹ 100 lakh on 1st of January, April, July and October of each year
December 26, 2014	5,400	4,112	October 1, 2029	₹ 92 lakh on 1st of January, April, July and October of each year
January 21, 2015	5,000	3,895	January 1, 2030	₹ 85 lakh on 1st of January, April, July and October of each year
January 21, 2015	2,500	1,265	January 1, 2022	₹ 95 lakh on 1st of January, April, July and October of each year
January 21, 2015	2,500	1,941	January 1, 2030	₹ 43 lakh on 1st of January, April, July and October of each year

Date of Sanction / Drawdown Date	Amount Sanctioned/ Drawn Down (in ₹) lakh	Amount Outstanding as on June 30, 2018 (in ₹) lakh	Final Maturity Date	Repayment Schedule
February 13, 2015	2,500	1,265	January 1, 2030	₹ 95 lakh on 1st of January, April, July and October of each year
February 13, 2015	6,000	4,677	January 1, 2030	₹ 101.75 lakh on 1st of January, April, July and October of each year
February 13, 2015	3,500	2,727	January 1, 2030	₹ 59.50 lakh on 1st of January, April, July and October of each year
March 20, 2015	7,000	4,660	January 1, 2025	₹ 180 lakh on 1st of January, April, July and October of each year
March 20, 2015	3,000	1,999	January 1, 2025	₹ 77 lakh on 1st of January, April, July and October of each year
May 8, 2015	30,000	23,892	April 1, 2030	₹ 509 lakh on 1st of January, April, July and October of each year
June 26, 2015	4,500	3,108	April 1, 2025	₹ 116 lakh on 1st of January, April, July and October of each year
July 31, 2015	2,920	2,096	July 1, 2025	₹ 74.90 lakh on 1st of January, April, July and October of each year
September 24, 2015	10,000	8,130	July 1, 2030	₹ 170 lakh on 1st of January, April, July and October of each year
September 24, 2015	5,000	4,065	July 1, 2030	₹ 85 lakh on 1st of January, April, July and October of each year
November 10, 2015	6,800	5,050	October 1, 2025	₹ 175 lakh on 1st of January, April, July and October of each year
November 16, 2015	10,000	8,300	October 1, 2030	₹ 170 lakh on 1st of January, April, July and October of each year
December 18, 2015	3,600	2,676	October 1, 2025	₹ 92.40 lakh on 1st of January, April, July and October of each year
January 25, 2016	4,500	3,461	January 1, 2026	₹ 115.40 lakh on 1st of January, April, July and October of each year
March 8, 2016	4,000	3,073	January 1, 2026	₹ 103 lakh on 1st of January, April, July and October of each year
March 23, 2016	5,800	4,450	January 1, 2026	₹ 150 lakh on 1st of January, April, July and October of each year
March 23, 2016	4,200	3,210	January 1, 2026	₹ 110 lakh on 1st of January, April, July and October of each year
April 25, 2016	20,000	17,280	April 1, 2031	₹ 340 lakh on 1st of January, April, July and October of each year
May 23, 2016	10,000	7,948	April 1, 2026	₹ 256.50 lakh on 1st of January, April, July and October of each year
June 29, 2016	13,500	11,669	April 1, 2031	₹ 228.90 lakh on 1st of January, April, July and October of each year

Date of Sanction / Drawdown Date	Amount Sanctioned/ Drawn Down (in ₹) lakh	Amount Outstanding as on June 30, 2018 (in ₹) lakh	Final Maturity Date	Repayment Schedule
August 29, 2016	10,000	8,180	July 1, 2026	₹ 260 lakh on 1st of January, April, July and October of each year
August 29, 2016	30,000	26,430	July 1, 2031	₹ 510 lakh on 1st of January, April, July and October of each year
October 27, 2016	11,000	9,878	October 1, 2031	₹ 187 lakh on 1st of January, April, July and October of each year
December 2, 2016	30,000	26,940	October 1, 2031	₹ 510 lakh on 1st of January, April, July and October of each year
December 2, 2016	10,000	8,458	October 1, 2026	₹ 257 lakh on 1st of January, April, July and October of each year
January 31, 2017	50,000	45,750	January 1, 2032	₹ 850 lakh on 1st of January, April, July and October of each year
January 31, 2017	8,647	7,537	January 1, 2027	₹ 222 lakh on 1st of January, April, July and October of each year
April 26, 2017	40,000	37,280	April 1, 2032	₹ 680 lakh on 1st of January, April, July and October of each year
May 31, 2017	40,000	35,897	April 1, 2027	₹ 1,025.65 lakh on 1st of January, April, July and October of each year
June 7, 2017	40,000	37,280	April 1, 2032	₹ 680 lakh on 1st of January, April, July and October of each year
June 19, 2017	16,853	15,710	April 1, 2032	₹ 285.65 lakh on 1st of January, April, July and October of each year
June 19, 2017	15,000	13,460	April 1, 2027	₹ 385 lakh on 1st of January, April, July and October of each year
September 15, 2017	40,000	37,960	July 1, 2032	₹ 680 lakh on 1st of January, April, July and October of each year
September 29, 2017	20,000	18,461	July 1, 2027	₹ 513 lakh on 1st of January, April, July and October of each year
October 31, 2017	7,500	7,110	October 1, 2027	₹ 195 lakh on 1st of January, April, July and October of each year
October 31, 2017	7,500	7,242	October 1, 2032	₹ 129 lakh on 1st of January, April, July and October of each year
March 15, 2018	30,000	29,490	January 1, 2033	₹ 510 lakh on 1st of January, April, July and October of each year
March 27, 2018	10,000	9,260	January 1, 2025	₹ 380 lakh on 1st of January, April, July and October of each year
May 15, 2018	2,500	2,500	April 1, 2025	₹ 92.60 lakh on 1st of January, April, July and October of each year
May 15, 2018	7,500	7,500	April 1, 2033	₹ 127.15 lakh on 1st of January, April, July and October of each year

Date of Sanction / Drawdown Date	Amount Sanctioned/ Drawn Down (in ₹) lakh	Amount Outstanding as on June 30, 2018 (in ₹) lakh	Final Maturity Date	Repayment Schedule
June 29, 2018	35,000	35,000	April 1, 2033	₹ 594 lakh on 1st of January, April, July and October of each year
June 29, 2018	36,000	36,000	April 1, 2033	₹ 610.20 lakh on 1st of January, April, July and October of each year
June 29, 2018	14,000	14,000	April 1, 2025	₹ 519 lakh on 1st of January, April, July and October of each year
Total	**7,60,756**	**6,48,177**		

≤ All monies payable by the National Housing Bank are secured by creating first mortgage on all book debts together with the securities (mortgage / pledge/ other title or interest) acquired or to be acquired.

Prepayment of Refinance availed from the National Housing Bank

There will be no prepayment penalty subject to the following:

- *Such refinance is availed under Rural Housing Fund, Urban Housing Fund, Special Urban Refinance Scheme for Low Income Households, or under Regular Refinance Scheme at concessional rates,*
- *The said amount disbursed to the ultimate borrowers under these schemes has been prepaid, and The prepayment is made not more than once in a quarter after giving two weeks' notice.*

The refinance availed can also be prepaid without any prepayment penalty subject to the following conditions:

- *The said refinance has run for at least one year (including the required period of notice), and*
- *Prior notice of two months is given to NHB, and*
- *Such prepayment is made not more than once in any half year (January – June or July – December).*

At the time of Interest Rate Reset our Company will have the option to either continue with the outstanding balance on the revised Interest Rate or to prepay the same without any prepayment penalty and notice period.

In all other cases, prepayment would be accepted upon payment of prepayment charges as stated below and subject to two months' notice in writing:

Ageing (from date of disbursement)	***Prepayment Charges***
Upto 1 year	*1.0% of amount to be prepaid*
More than 1 year	*0.5% of amount to be prepaid*

B. Details of Unsecured Borrowings

Our Company has ₹ 6,03,870 lakh unsecured borrowings as on June 30, 2018. The details of the individual borrowings are set out below.

(i) Term Loans

Sr. No	Lender's Name	Amount Sanctioned (in ₹) Lakh	Amount Outstanding as on June 30, 2018 (in ₹) lakh	Repayment Date/Repayment Schedule	Penalty	Prepayment
1.	ICICI Bank Limited	20,000	20,000	Bullet payment to be made on May 24, 2019	Any delay in the repayment of principal instalment or payment of interest due shall attract default interest at 2% per	Prepayment may be as mutually agreed between borrower and lender.

Sr. No	Lender's Name	Amount Sanctioned (in ₹) Lakh	Amount Outstanding as on June 30, 2018 (in ₹) lakh	Repayment Date/Repayment Schedule	Penalty	Prepayment
					annum over the interest rate.	
2.	HDFC Bank Limited	25,000	15,000	Bullet payment to be made on December 26, 2020.	Any overdue or delay in payment of any monies payable shall attract default interest at 2% per annum in addition to the interest rate specified by the lender.	Any prepayment by the borrower shall attract prepayment charges of 2% on the entire facility amount, except for in the case of a reset of the interest rate which is not agreeable to the borrower on the reset dates.
3.	HDFC Bank Limited	20,000	20,000	Bullet payment to be made on November 2, 2018.	Any overdue or delay in payment of any monies payable shall attract default interest at 2% per annum in addition to the interest rate specified by the lender.	Any prepayment by the borrower shall attract prepayment charges of 2% on the entire facility amount, except for in the case of a reset of the interest rate which is not agreeable to the borrower on the reset dates.
4.	HDFC Bank Limited	25,000	25,000	Bullet payment to be made on November 5, 2018.	Any overdue or delay in payment of any monies payable shall attract default interest at 2% per annum in addition to the interest rate specified by the lender.	Any prepayment by the borrower shall attract prepayment charges of 2% on the entire facility amount, except for in the case of a reset of the interest rate which is not agreeable to the borrower on the reset dates.
5.	HDFC Bank Limited	20,000	20,000	Bullet payment to be made on March 15, 2019.	Any overdue or delay in payment of any monies payable shall attract default interest at 2% per annum in addition to the interest rate specified by the lender.	Any prepayment by the borrower shall attract prepayment charges of 2% on the entire facility amount, except for in the case of a reset of the interest rate which is not agreeable to the borrower on the reset dates.
6.	Dena Bank	50,000	38,000	₹ 8,000 lakh to be repaid on June 21, 2019, ₹ 10,000 to be repaid on June 26, 2019 and ₹ 20,000 lakh on July 26, 2019, respectively.	Nil	2% over applicable rate p.a. for delayed payment of interest / instalment.

Sr. No	Lender's Name	Amount Sanctioned (in ₹) Lakh	Amount Outstanding as on June 30, 2018 (in ₹) lakh	Repayment Date/Repayment Schedule	Penalty	Prepayment
Total		1,60,000	1,38,000			

(ii) Cash Credit/Working Capital Loans

Our Company does not have any unsecured cash credit or working capital facility outstanding as on June 30, 2018. .

(iii) Details of Unsecured Non-Convertible Debentures – Subordinated Debt

Our Company has issued unsecured redeemable non-convertible debentures each on a private placement on the basis of which ₹ 64,870 lakh is cumulatively outstanding as on June 30, 2018 the details of which are set forth below.

Sr. No	Date of Allotment	Amount Outstanding (in ₹) lakh	Final Redemption Date	Tenor (in Years)	Coupon	Description (Debenture Series)	Latest Credit Rating
1.	July 29, 2011	2,500	July 29, 2021	10	10.17%	TCHFL Tier II Bonds A Series FY 2011-12	'CRISIL AA+' by CRISIL Limited
2.	September 29, 2011	2,530	September 29, 2021	10	10.00%	TCHFL Tier II Bonds B Series FY 2011-12	'CRISIL AA+' by CRISIL Limited & 'ICRA AA+' by ICRA Limited
3.	October 28, 2011	110	October 28, 2021	10	10.00%	TCHFL Tier II Bonds C Series FY 2011-12	'CRISIL AA+' by CRISIL Limited & 'ICRA AA+' by ICRA Limited
4.	November 4, 2011	1,010	November 4, 2021	10	10.00%	TCHFL Tier II Bonds D Series FY 2011-12	'CRISIL AA+' by CRISIL Limited & 'ICRA AA+' by ICRA Limited
5.	January 25, 2012	1,350	January 25, 2022	10	10.15%	TCHFL Tier II Bonds E Series FY 2011-12	'CRISIL AA+' by CRISIL Limited & 'ICRA AA+' by ICRA Limited
6.	March 12, 2012	1,020	March 12, 2022	10	10.15%	TCHFL Tier II Bonds F Series FY 2011-12	'CRISIL AA+' by CRISIL Limited & 'ICRA AA+' by ICRA Limited
7.	May 10, 2012	100	May 10, 2022	10	10.00%	TCHFL Tier II Bonds A Series FY 2012-13	'CRISIL AA+' by CRISIL Limited & 'ICRA AA+' by ICRA Limited
8.	May 30, 2012	3,000	May 30, 2022	10	10.05%	TCHFL Tier II Bonds C Series FY 2012-13	'CRISIL AA+' by CRISIL Limited & 'ICRA AA+' by ICRA Limited
9.	May 30, 2012	30	May 30, 2022	10	10.00%	TCHFL Tier II Bonds B Series FY 2012-13	'CRISIL AA+' by CRISIL Limited & 'ICRA AA+' by ICRA Limited
10.	August 22,	3,300	August 22, 2022	10	10.25%	TCHFL Tier II	'CRISIL AA+' by

Sr. No	Date of Allotment	Amount Outstanding (in ₹) lakh	Final Redemption Date	Tenor (in Years)	Coupon	Description (Debenture Series)	Latest Credit Rating
	2012					Bonds D Series FY 2012-13	CRISIL Limited & 'ICRA AA+' by ICRA Limited
11.	March 28, 2013	1,500	March 28, 2023	10	9.75%	TCHFL Tier II Bonds E Series FY 2012-13	'CRISIL AA+' by CRISIL Limited
12.	April 15, 2013	2,500	April 15, 2023	10	9.70%	TCHFL Tier II Bonds A Series FY 2013-14	'CRISIL AA+' by CRISIL Limited & 'ICRA AA+' by ICRA Limited
13.	April 23, 2013	210	April 23, 2023	10	9.70%	TCHFL Tier II Bonds B Series FY 2013-14	'CRISIL AA+' by CRISIL Limited
14.	May 20, 2013	100	May 19, 2023	10	9.30%	TCHFL Tier II Bonds C Series FY 2013-14	'CRISIL AA+' by CRISIL Limited
15.	January 10, 2014	770	January 10, 2024	10	10.00%	TCHFL Tier II Bonds D Series FY 2013-14	'CRISIL AA+' by CRISIL Limited
16.	March 18, 2014	40	March 18, 2024	10	10.00%	TCHFL Tier II Bonds E Series FY 2013-14	'CRISIL AA+' by CRISIL Limited
17.	September 26, 2014	4,800	September 26, 2024	10	10.15%	TCHFL Tier II Bonds A Series FY 2014-15	'CRISIL AA+' by CRISIL Limited & 'ICRA AA+' by ICRA Limited
18.	April 28, 2015	4,000	April 28, 2025	10	9.25%	TCHFL Tier-II Bonds A Series FY 2015-16	'CRISIL AA+' by CRISIL Limited & 'ICRA AA+' by ICRA Limited
19.	July 22, 2015	3,500	July 22, 2025	10	9.25%	TCHFL Tier II Bonds B Series FY 2015-16	'CRISIL AA+' by CRISIL Limited & 'ICRA AA+' by ICRA Limited
20.	September 16, 2015	1,000	September 16, 2025	10	9.20%	TCHFL Tier II Bonds C Series FY 2015-16	'CRISIL AA+' by CRISIL Limited & 'ICRA AA+' by ICRA Limited
21.	September 21, 2015	1,500	September 19, 2025	10	9.20%	TCHFL Tier II Bonds D Series FY 2015-16	'CRISIL AA+' by CRISIL Limited & 'ICRA AA+' by ICRA Limited
22.	November 4, 2015	3,000	November 4, 2025	10	8.99%	TCHFL Tier II Bonds E Series FY 2015-16	'CRISIL AA+' by CRISIL Limited & 'ICRA AA+' by ICRA Limited
23.	December 15, 2015	2,500	December 15, 2025	10	9.00%	TCHFL Tier II Bonds F Series FY 2015-16	'CRISIL AA+' by CRISIL Limited & 'ICRA AA+' by ICRA Limited
24.	December 17,	2,500	December 17,	10	9.00%	TCHFL Tier II	'CRISIL AA+' by

Sr. No	Date of Allotment	Amount Outstanding (in ₹) lakh	Final Redemption Date	Tenor (in Years)	Coupon	Description (Debenture Series)	Latest Credit Rating
	2015		2025			Bonds G Series FY 2015-16	CRISIL Limited & 'ICRA AA+' by ICRA Limited
25.	March 13, 2016	2,000	March 13, 2026	10	9.00%	TCHFL Tier II Bonds H Series FY 2015-16	'CRISIL AA+' by CRISIL Limited & 'ICRA AA+' by ICRA Limited
26.	August 4, 2016	20,000	August 4, 2026	10	8.92%	TCHFL Tier II Bonds A Series FY 2016-17	'CRISIL AA+' by CRISIL Limited & 'ICRA AA+' by ICRA Limited
Total		**64,870**					

C. Details of Commercial Papers

The total face value of commercial papers outstanding as on the last quarter end to be provided and its breakup in the following table.

Sr. No	Maturity Date	Amount Outstanding (in ₹) lakh
1	July 6, 2018	50,000
2	July 18, 2018	10,000
3	July 20, 2018	25,000
4	July 24, 2018	30,000
5	July 27, 2018	6,000
6	August 6, 2018	40,000
7	August 13, 2018	10,000
8	August 21, 2018	20,000
9	August 27, 2018	40,000
10	August 28, 2018	10,000
11	September 3, 2018	6,000
12	September 4, 2018	30,000
13	September 5, 2018	7,500
14	September 5, 2018	20,000
15	September 7, 2018	20,000
16	October 31, 2018	10,000
17	October 31, 2018	30,000
18	December 13, 2018	1,500
19	March 12, 2019	10,000
20	March 15, 2019	10,000
21	April 5, 2019	15,000
Total		**4,01,000**

D. The amount of corporate guarantee issued by our Company along with the name of the counterparty on behalf of whom it has been issued

Our Company has not issued any corporate guarantee.

E. Details of rest of the borrowings (if any including hybrid debt like FCCB, Optionally Convertible Debenture/ Preference Shares) as on June 30, 2018

As on June 30, 2018, our Company has not availed any other borrowing including hybrid debt such as foreign currency convertible bond, optionally convertible debenture. For details of the CCCPS issued by our company, see "*Capital Structure*" beginning on page 43 of this Draft Shelf Prospectus.

F. Loans from Directors and Relatives of Directors

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

G. Details of any Inter-Corporate Loans, Deposits and other borrowings

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

H. Servicing behavior on existing debt securities, payment of due interest on due dates on financing facilities or securities including corporate guarantee issued by our Company, in the past five years

In the five years preceding the date of this Draft Shelf Prospectus, there has been no delay and /or default in servicing of debt/interest or in payment of principal or interest on any existing financing facilities or term loan or debt security including corporate guarantee issued by our Company.

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

Our Company has nil outstanding borrowings taken / debt securities issued where taken / issued (a) for consideration other than cash, whether in whole or in part, (b) at a premium or discount, or (c) in pursuance of an option as on June 30, 2018.

As on the date of this Draft Shelf Prospectus, there has been no rescheduling, 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 our Company, in the past 5 years.

J. Some of the restrictive covenants under our financing agreements have been set out, as follows :

1. The Company cannot create or permit to subsist any security interest over any of the receivables / security hereunder, unless the security interest created pursuant to any security document or such other security as may be created is with the prior written approval of the lender;

2. The Company cannot incur, any indebtedness in any manner without the prior written approval of the lender;

3. The Company cannot effect any change in its capital structure or constitutional documents in any manner without the prior written approval of the lender;

4. The Company is not permitted to do or undertake anything that may prejudice or jeopardize the security under any financing agreement, while remaining indebted to the lender in any manner;

5. The Company is not permitted to declare any dividend, if any instalment towards principal or interest remain unpaid on its due date without the prior consent of the lender;

6. The Company is not permitted to enter into scheme of merger, amalgamation, compromise or reconstruction without the prior written consent of the bank;

7. The Company is not permitted to utilize the funds raised from the loans only for the purposes of its business;

8. The Company shall not undertake any new project, diversification or substantial expansion of any project in case of event of default;

9. The Company shall not create any subsidiary or permit any Company to become its subsidiary in case of event of default; and

10. The Company shall not sell or dispose of the mortgaged premises.

K. Our Board of Directors by a resolution dated June 15, 2018 has approved the establishment of a medium term note programme up to ₹30,000 million (the "**Programme**"). In the same resolution, our Board also approved the issuance of notes, bonds, debentures or any other securities (including rupee denominate bonds overseas) up to ₹30,000 million and, as and when approved by the Board of the Company and permitted by the RBI, creation of security over the Company's assets, in each case, under the Programme up to ₹30,000 million.

MATERIAL DEVELOPMENTS

Except as stated below, there have been no material developments since March 31, 2018 and there have arisen no circumstances that materially or adversely affect the operations, financial condition or profitability of our Company or the value of its assets or its ability to pay its liabilities within the next 12 months.

1. The NHB by way of its letter dated April 10, 2018, issued no objection to the appointment of Mr. Anil Kaul as the Managing Director of our Company. The appointment of Mr. Anil Kaul as the Managing Director of our Company is subject to ratification of our Shareholders in the ensuing general meeting;

2. Pursuant to the resolution passed at the EGM held on March 20, 2018, our Shareholders approved the issuance of 5,55,00,00,000 CCCPS to TCL on a 'rights basis' during Fiscal 2019 and consequently our Company allotted 8,50,00,000 CCCPS aggregating to ₹ 85,00,00,000 to TCL on August 1, 2018, and accordingly, such CCCPS shall compulsorily convert into equity shares of our Company upon the expiry of nine years from the date of allotment or at the option of TCL; and

3. Mr. Govind Sankaranarayanan, ceased to be a Non-Executive Director of our Company pursuant to his resignation from the Board of Directors with effect from August 24, 2018.

SECTION V: ISSUE RELATED INFORMATION

GENERAL TERMS OF THE ISSUE

Authority for this Issue

At the meeting of the Board of Directors of our Company held on June 15, 2018, the Board of Directors approved the public issue of Secured NCDs of face value ₹ 1,000 each and Unsecured NCDs of face value ₹ 1,000 each, aggregating up to ₹ 5,00,000 lakh.

This Draft Shelf Prospectus has been approved by the Board of Directors at its meeting held on August 27, 2018. The NCDs will be issued in one or more tranches up to the Shelf Limit, on terms and conditions as set out in the relevant tranche prospectus for any Tranche Issue, which issue is being made as decided by the Board of Directors.

Further, the present borrowing is within the borrowing limits of ₹ 30,00,000 lakh under Section 180(1)(c) of the Companies Act, 2013 duly approved by our Shareholders by way of their resolution on March 20, 2018.

Principal terms and conditions of this Issue

The NCDs being offered as part of this Issue are subject to the provisions of the SEBI Debt Regulations, the relevant provisions of the Companies Act, 1956, as applicable and the Companies Act, 2013, as on the date of this Draft Shelf Prospectus, our Memorandum and Articles of Association, the terms of this Draft Shelf Prospectus, the Shelf Prospectus, the relevant Tranche Prospectus, the terms and conditions of the Debenture Trustee Appointment Agreement and the Debenture Trust Deed, other applicable statutory and/or regulatory requirements including those issued from time to time by SEBI, the Government, the Stock Exchanges, and any other statutory or regulatory authorities relating to the offer, issue and listing of securities and any other documents that may be executed in connection with the NCDs.

Ranking of the Secured NCDs

The Secured NCDs would constitute secured obligations of our Company and shall rank *pari passu, inter se*, present and future and subject to any obligations under applicable statutory and/or regulatory requirements, shall be secured by way of a first ranking *pari passu* charge by way of mortgage over our Company's specific immovable property and a first ranking *pari passu* floating charge over the movable properties of our Company, including book debts (excluding the exclusive charge created by our Company in favour of NHB as security for the due repayment for financial assistance by way of refinancing granted by NHB to our Company). The Secured NCDs proposed to be issued under this Issue and all earlier issues of debentures outstanding in the books of our Company having corresponding assets as security, shall rank *pari passu* without preference of one over the other except that priority for payment shall be as per applicable date of redemption.

Our Company is required to obtain permissions / consents from existing lenders for ceding *pari passu* charge and for proceeding with this Issue. Our Company has obtained all requisite permissions / consents from the existing lenders as on the date of this Draft Shelf Prospectus.

Ranking of Unsecured NCDs

The Unsecured NCDs would constitute unsecured and subordinated obligations of our Company and shall rank *pari passu inter se*, and subject to any obligations under applicable statutory and/or regulatory requirements. The Unsecured NCDs proposed to be issued under this Issue and all earlier issues of unsecured debentures outstanding in the books of our Company, if any, shall rank *pari passu* without preference of one over the other except that priority for payment shall be as per applicable date of redemption. The claims of the Unsecured NCD Holders shall be subordinated to those of the other creditors of our Company, subject to applicable statutory and/or regulatory requirements. Our Company shall, subject to applicable RBI requirements and other applicable statutory and/or regulatory provisions, treat the Unsecured NCDs as Tier II Capital.

Debenture Redemption Reserve

Section 71 of the Companies Act, 2013, read with Rule 18 of Companies (Share Capital and Debenture) Rules, 2014, requires that any company that intends to issue debentures must create a DRR for the purpose of redemption of debentures, in accordance with the following conditions: (a) the DRR shall be created out of the profits of our Company available for payment of dividend, (b) the DRR shall be equivalent to at least 25% of the value of the outstanding debentures issued through the public issue in accordance with the SEBI Debt Regulations. Accordingly, our Company is required to create a DRR of 25% of the value of the outstanding NCDs issued through this Issue. In addition, as per Rule 18 (7) (e) of Companies (Share Capital and Debenture) Rules, 2014, the amounts credited to DRR shall not be utilised by our Company except for the redemption of the NCDs. Every company required to create or maintain DRR shall on or before the 30th day of April of each year, deposit or invest, as the case may be, a sum which shall not be less than 15% of the amount of its debentures maturing during the year ending on the 31st day of March, of the next financial 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 utilised for any purpose other than for the repayment of debentures maturing during the year referred to above, provided that the amount remaining deposited or invested, as the case may be, shall not at any time fall below 15% of the amount of debentures maturing during the year ending on the 31st day of March of that year.

Face Value

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

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

NCD Holder not a shareholder

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

Rights of the Secured NCD Holders

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

1. The Secured NCDs shall not, except as provided in the Companies Act, 2013 to the extent applicable as on the date of this Draft Shelf Prospectus, confer upon the Secured NCD Holders thereof any rights or privileges available to our Shareholders including the right to receive notices, or to attend and/or vote, at our general meeting. However, if any resolution affecting the rights attached to the Secured NCDs is to be placed before the Shareholders, the said resolution will first be placed before the concerned registered Secured NCD Holders for their consideration. In terms of Section 136 of the Companies Act, 2013 the Secured NCD Holders shall be entitled to inspect a copy of the balance sheet and copy of trust deed at the Registered Office of our Company during business hours.

2. Subject to applicable statutory/ regulatory requirements, including requirements of the RBI and the NHB, the rights, privileges and conditions attached to the Secured NCDs may be varied, modified and/or abrogated with the consent in writing of the NCD Holders of at least 51% in value of the Secured NCDs or with the sanction of a special resolution passed at a meeting of the concerned Secured NCD Holders, provided that nothing in such consent or resolution shall be operative against us, where such consent or resolution modifies or varies the terms and conditions governing the Secured NCDs, if the same are not acceptable to us.

3. In case of Secured NCDs held in (i) dematerialised form, the person for the time being appearing in the register of beneficial owners of the Depository; and (ii) physical form on account of re-materialization, the registered Secured NCD Holders or in case of joint-holders, the one whose name stands first in the register of debenture holders shall be entitled to vote in respect of such Secured NCDs, either in person or by proxy, at any meeting of the concerned Secured NCD Holders and every such Secured NCD Holder shall be entitled to one vote on a show of hands and on a poll, his/her voting rights on every resolution placed before such meeting of the Secured NCD Holders shall be in proportion to the outstanding nominal value of Secured NCDs held by him/her.

4. The Secured NCDs are subject to the provisions of the SEBI Debt Regulations, provisions of the Companies Act, 2013, our Memorandum and Articles of Association, the terms of this Draft Shelf Prospectus, the Shelf Prospectus and the relevant Tranche Prospectus, the terms and conditions of the Debenture Trust Deed, requirements of the RBI, the NHB and other applicable statutory and/or regulatory requirements relating to this issue and listing, of securities and any other documents that may be executed in connection with the Secured NCDs.

5. For Secured NCDs in physical form on account of re-materialization, a register of debenture holders will be maintained in accordance with Section 88 and Section 94 of the Companies Act, 2013 and all interest and principal sums becoming due and payable in respect of the Secured NCDs will be paid to the registered holder thereof for the time being or in the case of joint-holders, to the person whose name stands first in the register of debenture holders as on the Record Date. For Secured NCDs in dematerialized form, all interest and principal sums becoming due and payable in respect of the Secured NCDs will be paid to the person for the time being appearing in the register of beneficial owners of the Depository. In terms of Section 88(3) of the Companies Act, 2013, the register of beneficial owners maintained by a Depository for any Secured NCDs in dematerialized form under Section 11 of the Depositories Act shall be deemed to be a register of debenture holders for this purpose. The same shall be maintained at the Registered Office of our Company under Section 94 of the Companies Act, 2013 unless the same has been moved to another location after obtaining the consent of the NCD Holders as given thereunder.

6. The Secured NCDs can be rolled over only by passing a special resolution by the Secured NCD Holders through postal ballot, with the consent of at least 75%of the Secured NCDs by value of such Secured NCDs, after providing at least 21 days prior notice for such roll over, in accordance with the SEBI Debt Regulations, as amended from time to time. Our Company shall redeem the Secured NCDs of all the Secured NCD Holders, who have either not participated in the voting by postal ballot or have not given their positive consent to the roll-over.

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

Rights of Unsecured NCD Holders

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

1. The Unsecured NCDs shall not, except as provided in the relevant provisions of the Companies Act, 2013 applicable as on the date of this Draft Shelf Prospectus, confer upon the Unsecured NCD Holders thereof any rights or privileges available to our Shareholders including the right to receive notices, or to attend and/or vote, at our general meeting. However, if any resolution affecting the rights attached to the Unsecured NCDs is to be placed before the Shareholders, the said resolution will first be placed before the concerned registered Unsecured NCD Holders for their consideration. In terms of Section 136 of the Companies Act, 2013, the Unsecured NCD Holders shall be entitled to inspect a copy of the balance sheet and copy of trust deed at the Registered Office of our Company during business hours.

2. Subject to applicable statutory / regulatory requirements, including requirements of the RBI, the NHB, the rights, privileges and conditions attached to the Unsecured NCDs may be varied, modified and/or abrogated with the consent in writing of the NCD Holders representing at least 51% in value of the Unsecured NCDs or with the sanction of a special resolution passed at a meeting of the concerned Unsecured NCD Holders, provided that nothing in such consent or resolution shall be operative against us, where such consent or resolution modifies or varies the terms and conditions governing the Unsecured NCDs, if the same are not acceptable to us.

3. In case of Unsecured NCDs held in (a) dematerialised form, the person for the time being appearing in the register of beneficial owners of the Depository; and (b) physical form, on account of re-materialization, as entitled under Section 8(1) of the Depositories Act, 1996, the registered Unsecured NCD Holders or in case of joint-holders, the one whose name stands first in the register of debenture holders shall be entitled to vote in respect of such Unsecured NCDs, either in person or by proxy, at any meeting of the concerned Unsecured NCD Holders and every such Unsecured NCD Holder shall be entitled to one vote on a show of hands and on a poll, his/her voting rights on every resolution placed before such meeting of the Unsecured NCD Holders shall be in proportion to the outstanding nominal value of Unsecured NCDs held by him/her.

4. The Unsecured NCDs are subject to the provisions of the SEBI Debt Regulations, the relevant provisions of the Companies Act, 2013 applicable as on the date of this Draft Shelf Prospectus, our Memorandum and Articles of Association, the terms of the Shelf Prospectus, the relevant Tranche Prospectus, the terms and conditions of the Debenture Trust Deed, requirements of the RBI, the NHB and other applicable statutory and/or regulatory requirements relating to this Issue and listing, of securities and any other documents that may be executed in connection with the Unsecured NCDs.

5. For Unsecured NCDs in physical form, on account of re-materialization, a register of debenture holders will be maintained in accordance with Section 88 and Section 94 of the Companies Act, 2013 and all interest and principal sums becoming due and payable in respect of the Unsecured NCDs will be paid to the registered holder thereof for the time being or in the case of joint-holders, to the person whose name stands first in the register of debenture holders as on the Record Date. For Unsecured NCDs in dematerialized form, all interest and principal sums becoming due and payable in respect of the Unsecured NCDs will be paid to the person for the time being appearing in the register of beneficial owners of the Depository. In terms of Section 88(3) of the Companies Act, 2013, the register of beneficial owners maintained by a Depository for any Unsecured NCDs in dematerialized form under Section 11 of the Depositories Act shall be deemed to be a register of debenture holders for this purpose. The same shall be maintained at the Registered Office of our Company under Section 94 of the Companies Act, 2013 unless the same has been moved to another location after obtaining the consent of the NCD Holders as given thereunder.

6. The Unsecured NCDs can be rolled over by passing a special resolution by the Unsecured NCD Holders through postal ballot, with the consent of at least 75% of the Unsecured NCD Holders by value of such Unsecured NCDs, after providing at least 21 days prior notice for such roll over and in accordance with the SEBI Debt Regulations, as amended from time to time. Our Company shall redeem the Unsecured NCDs of all the Unsecured NCD Holders, who have either not participated in the voting by postal ballot or have not given their positive consent to the roll-over.

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

Minimum Subscription

In terms of the SEBI Debt Regulations for an issuer undertaking a public issue of debt securities, the minimum subscription for public issue of debt securities shall be 75% of the Base Issue. If our Company does not receive the minimum subscription of 75% of the Base Issue as specified in the respective Tranche Prospectus, prior to the Issue Closing Date for the respective tranche issue, the entire subscription amount shall be refunded to the Applicants within 12 days from the date of closure of the respective tranche Issue. The refunded subscription amount shall be credited only to the account from which the relevant subscription amount was remitted In the event there is a delay by our Company in making the aforesaid refund, our Company will pay interest at the rate of 15% per annum for the delayed period.

Under Section 39(3) of the Companies Act 2013 read with Rule 11(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014, if the stated minimum subscription amount is not received within the specified period, the application money received is to be credited only to the bank account from which the subscription was remitted. To the extent possible, where the required information for making such refunds is available with our Company and/or Registrar, refunds will be made to the account prescribed. However, where our Company and/or Registrar to the Issue does not have the necessary information for making such refunds, our Company and/or Registrar to the Issue will follow the guidelines prescribed by SEBI in this regard including the Debt Application Circular and the circular regarding Strengthening the Guidelines and Raising Industry Standard for RTA, Issuer Companies and Banker to an Issue bearing no. HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018.

Market Lot and Trading Lot

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

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

Allotment in this Issue will be in electronic form multiples of one NCD. For details of Allotment, see "*Issue Procedure*" beginning on page 139 of this Draft Shelf Prospectus.

Nomination facility to NCD Holders

In accordance with Section 72 of the Companies Act, 2013 (read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014, the sole NCD Holder or first NCD Holder, along with other joint NCD Holders (being individual(s) may nominate any one person (being an individual) who, in the event of death of the sole holder or all the joint-holders, as the case may be, shall become entitled to the NCDs. A person, being a nominee, becoming entitled to the NCDs by reason of the death of the NCD Holder(s), shall be entitled to the same rights to which he would be entitled if he were the registered holder of the NCD. Where the nominee is a minor, the NCD Holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to the NCDs, in the event of his death, during the minority. A nomination shall stand rescinded upon sale of the NCDs by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. When the NCDs are held by two or more persons, the nominee shall become entitled to receive the amount only on the demise of all such NCD Holders. Fresh nominations can be made only in the prescribed form available on request at our Registered Office, at such other addresses as may be notified by us, or at the office of the Registrar to the Issue or the transfer agent.

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

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

(a) To register himself or herself as the holder of the NCDs; or

(b) To make such transfer of the NCDs, as the deceased holder could have done.

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

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

Succession

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

Jurisdiction

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

Application in this Issue

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

Period of subscription

ISSUE OPENS ON	As specified in the relevant Tranche Prospectus
ISSUE CLOSES ON	As specified in the relevant Tranche Prospectus

This Issue shall remain open for subscription on Working Days from 10:00 a.m. to 5:00 p.m., during the period indicated in the relevant Tranche Prospectus, except that this Issue may close on such earlier date or extended date as may be decided by the Board or the Working Committee of the Board of Directors of our Company. In the event of such an early closure of or extension of this Issue, our Company shall ensure that notice of such early closure or extension is given to the prospective investors through an advertisement in a national daily newspaper with wide circulation on or before such earlier date or initial date of closure.

Applications Forms for each Tranche Issue will be accepted only from 10:00 a.m. to 5:00 p.m. or such extended time as may be permitted by the Stock Exchange, on Working Days during the Issue Period. On the Issue Closing Date, Application Forms will be accepted only from 10:00 a.m. till 3:00 p.m. and uploaded until 5:00 p.m. or such extended time as may be permitted by the Stock Exchange.

Due to limitation of time available for uploading the Applications on the electronic platform of the Stock Exchanges on the Issue Closing Date, Applicants are advised to submit their Application Forms one day prior to the Issue Closing Date and, no later than 3.00 p.m. on the Issue Closing Date. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, there may be some Applications which are not uploaded due to lack of sufficient time to upload. Such Applications that cannot be uploaded will not be considered for allocation under the Issue. Neither our Company, nor the Members of the Syndicate are liable for any failure in uploading the Applications due to failure in any software/ hardware systems or otherwise. Please note that the Basis of Allotment will be as per the relevant Tranche Prospectus. In this regard as per the SEBI circular dated October 29, 2013, the allotment in this Issue should be made on the basis of date of upload of each application into the electronic book of the Stock Exchange. However, on the date of oversubscription, the allotments should be made to the applicants on proportionate basis.

Procedure for re-materialization of NCDs

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

Restriction on transfer of NCDs

There are currently no restrictions on transfers and transmission of NCDs and on their consolidation/ splitting except as may be required under applicable statutory and/or regulatory requirements including any RBI requirements and/or as provided in our Articles of Association. Please see "*Summary of the Key Provisions of the Articles of Association*" beginning on page 186 of this Draft Shelf Prospectus.

Day Count Convention

Interest shall be computed on actual/actual basis i.e. on the principal outstanding on the NCDs as per the SEBI circular on Issues Pertaining to Primary Issuance of Debt Securities bearing no. CIR/IMD/DF/18/2013 dated October 29, 2013 and regarding clarification on aspects related to day count convention for debt securities issued under the SEBI Debt Regulations bearing no. CIR/IMD/DF-1/122/2016 dated November 11, 2016.

Effect of holidays on payments

If the date of payment of interest does not fall on a Working Day, then the interest payment will be made on succeeding Working Day, however, the calculation for payment of interest will be only till the originally stipulated Interest Payment Date. The dates of the future interest payments would be as per the originally stipulated schedule. Payment of interest will be subject to the deduction of tax as per Income Tax Act or any statutory modification or re-enactment thereof for the time being in force. In case the Maturity Date (also being the last Interest Payment Date) does not fall on a Working Day, the payment will be made on the immediately preceding Working Day, along with coupon/interest accrued on the NCDs until but excluding the date of such payment.

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

The illustration for guidance in respect of the day count convention and effect of holidays on payments, as required by SEBI circular regarding Issues Pertaining to Primary Issuance of Debt Securities bearing no. CIR/IMD/DF/18/2013 dated October 29, 2013 and regarding clarification on aspects related to day count convention for debt securities issued under the SEBI Debt Regulations bearing no. CIR/IMD/DF-1/122/2016 dated November 11, 2016, will be a disclosed in the relevant Tranche Prospectus.

ISSUE STRUCTURE

The following are the key terms of the NCDs. This section should be read in conjunction with, and is qualified in its entirety by more detailed information in "*General Terms of the Issue*" beginning on page 120 of this Draft Shelf Prospectus.

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

Particulars	Terms and Conditions
Minimum Application Size	As specified in the relevant Tranche Prospectus for each Tranche Issue
Mode of allotment	Compulsorily in dematerialised form
Terms of Payment	Full amount on application
Trading Lot	One NCD
Who can apply	**Category I** • Public financial institutions, scheduled commercial banks, and Indian multilateral and bilateral development financial institutions which are authorised to invest in the NCDs; • Provident funds and pension funds with a minimum corpus of ₹ 2,500 lakh, superannuation funds and gratuity funds, which are authorised to invest in the NCDs; • Alternative Investment Funds, subject to investment conditions applicable to them under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012; • Resident Venture Capital Funds registered with SEBI; • Insurance companies registered with the IRDAI; • State industrial development corporations; • Insurance funds set up and managed by the army, navy, or air force of the Union of India; • Insurance funds set up and managed by the Department of Posts, the Union of India; • Systemically Important Non-Banking Financial Company registered with the RBI and having a net-worth of more than ₹ 50,000 lakh as per the last audited financial statements • National Investment Fund set up by resolution no. F.No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; and • Mutual funds registered with SEBI. **Category II** • Companies within the meaning of Section 2(20) of the Companies Act, 2013; statutory bodies/ corporations and societies registered under the applicable laws in India and authorised to invest in the NCDs; • Co-operative banks and regional rural banks; • Trusts including Public/private charitable/religious trusts which are authorised to invest in the NCDs; • Scientific and/or industrial research organisations, which are authorised to invest in the NCDs;

Particulars	Terms and Conditions
	• Partnership firms in the name of the partners; and • Limited liability partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008 (No. 6 of 2009). • Association of Persons; and • Any other incorporated and/ or unincorporated body of persons **Category III** • High Net-worth Individual Investors - Resident Indian individuals and Hindu Undivided Families through the Karta applying for an amount aggregating to above ₹10,00,000 across all options of NCDs in this Issue **Category IV** • Retail Individual Investors - Resident Indian individuals and Hindu Undivided Families through the Karta applying for an amount aggregating up to and including ₹10,00,000 across all options of NCDs in this Issue

Participation by any of the above-mentioned investor classes in this Issue will be subject to applicable statutory and/or regulatory requirements. Applicants are advised to ensure that Applications made by them do not exceed the investment limits or maximum number of Secured NCDs and Unsecured NCDs that can be held by them under applicable statutory and/or regulatory provisions. Applicants are advised to ensure that they have obtained the necessary statutory and/or regulatory permissions/consents/approvals in connection with applying for, subscribing to, or seeking allotment of NCDs pursuant to this Issue.

For further details see "*Issue Procedure*" beginning on page 139 of this Draft Shelf Prospectus.

TERMS AND CONDITIONS IN CONNECTION WITH THE NCDs*

Common Terms of NCDs

Particulars	Details
Issuer	Tata Capital Housing Finance Limited
Lead Managers	A. K. Capital Services Limited, Axis Bank Limited and Edelweiss Financial Services Limited
Debenture Trustee	IDBI Trusteeship Services Limited
Registrar to the Issue	Karvy Computershare Private Limited
Type and nature of instrument	Secured NCDs of face value of ₹ 1,000 each and Unsecured NCDs of face value ₹ 1,000 each
Base Issue	As specified in the relevant Tranche Prospectus for each Tranche Issue
Option to retain Oversubscription Amount	As specified in the relevant Tranche Prospectus for each Tranche Issue
Face Value (in ₹ / NCD)	1,000
Issue Price (in ₹ / NCD)	1,000
Minimum application	As specified in the relevant Tranche Prospectus for each Tranche Issue
In multiples of	As specified in the relevant Tranche Prospectus for each Tranche Issue

<table>
<tr><th>Particulars</th><th>Details</th></tr>
<tr><td>Seniority</td><td>Senior (to clarify, the claims of the Secured NCD Holders shall be superior to the claims of any unsecured creditors, subject to applicable statutory and/or regulatory requirements).</td></tr>
<tr><td>Mode of Issue</td><td>Public Issue</td></tr>
<tr><td>Issue</td><td>Public issue by our Company of Secured, Rated, Listed, Redeemable, Non-Convertible Debentures of face value of ₹ 1,000 each and Unsecured, Subordinated, Rated, Listed, Redeemable, Non-Convertible Debentures of face value of ₹ 1,000 each, for an amount aggregating up to the Shelf Limit pursuant to the Shelf Prospectus and the respective Tranche Prospectus.

The Unsecured, Rated, Listed, Redeemable Non-convertible Debentures will be in the nature of subordinated debt and will be eligible for Tier II Capital. The NCDs will be issued in one or more Tranches, on terms and conditions as set out in the relevant Tranche Prospectus for any Tranche Issue. Our Company may opt to issue on Secured NCDs or Unsecured NCDs or both Secured NCDs and Unsecured NCDs as part of any Tranche Prospectus.</td></tr>
<tr><td>Listing</td><td>NSE and BSE

NSE shall be the Designated Stock Exchange for this Issue

The NCDs shall be listed in accordance with applicable law and within the timeframe stipulated by SEBI</td></tr>
<tr><td>Lock-in</td><td>As specified in the relevant Tranche Prospectus for each Tranche Issue.</td></tr>
<tr><td>Mode of Allotment and Trading</td><td>Compulsorily in dematerialised form</td></tr>
<tr><td>Mode of settlement</td><td>Please see, “Issue Structure” beginning on page 126 of this Draft Shelf Prospectus</td></tr>
<tr><td>Market / Trading Lot</td><td>One NCD</td></tr>
<tr><td>Depositories</td><td>NSDL and CDSL</td></tr>
<tr><td>Security</td><td>The Secured NCDs would constitute secured obligations of our Company and shall rank pari passu inter se, present and future and subject to any obligations under applicable statutory and/or regulatory requirements, shall be secured by way of a first ranking pari passu charge by way of mortgage over our Company’s specific immovable property and a first ranking pari passu floating charge over the movable properties of our Company, including book debts (excluding the exclusive charge created by our Company in favour of NHB as security for the due repayment for financial assistance by way of refinancing granted by NHB to our Company).

No security will be created for Unsecured NCDs in the nature of Subordinated Debt. The rated, listed, redeemable Unsecured NCDs are in the nature of subordinated debt and will be eligible for Tier II Capital</td></tr>
<tr><td>Who can apply/ Eligible Investors</td><td>Please see, “Issue Procedure” beginning on page 139 of this Draft Shelf Prospectus</td></tr>
<tr><td>Credit Ratings</td><td>
<table>
<tr><th>Rating agency</th><th>Instrument</th><th>Rating symbol</th><th>Date of credit rating letter</th><th>Amount rated (in lakh)</th><th>Rating definition</th></tr>
<tr><td>CRISIL</td><td>Secured NCDs, Subordinated Debt and Bank facilities</td><td>CRISIL AAA/Stable</td><td>August 21, 2018</td><td>₹5,00,000 lakh</td><td>Stable</td></tr>
<tr><td>India Ratings</td><td>Non-convertible debentures and subordinated debt</td><td>‘IND AAA’/Outlook Stable</td><td>August 23, 2018</td><td>₹5,00,000 lakh</td><td>Stable</td></tr>
<tr><td>ICRA</td><td>Non-convertible debentures and subordinated debt</td><td>“[ICRA]AAA(stable)”</td><td>August 24, 2018</td><td>₹5,00,000 lakh</td><td>Stable</td></tr>
</table>
</td></tr>
</table>

Particulars	Details
	Please see, Annexures B to D of this Draft Shelf Prospectus for rating letter and rationale for the above ratings. Please see the disclaimer clause of CRISIL, India Ratings and ICRA forming part of "*General Information*" beginning on page 31 of this Draft Shelf Prospectus
Issue Size	As specified in the relevant Tranche Prospectus for each Tranche Issue
Pay-in date	Application Date. The entire Application Amount is payable on Application
Application money	The entire application amount is payable on submitting the application
Record Date	The Record Date for payment of interest in connection with the NCDs or repayment of principal in connection therewith shall be 15 days prior to the date on which interest is due and payable, and/or the date of redemption. Provided that trading in the NCDs shall remain suspended between the aforementioned Record Date in connection with redemption of NCDs and the date of redemption or as prescribed by the Stock Exchange, as the case may be. In case Record Date falls on a day when Stock Exchange is having a trading holiday, the immediate subsequent trading day or a date notified by our Company to the Stock Exchanges, will be deemed as the Record Date. Interest shall be computed on an actual/actual basis i.e. on the principal outstanding on the NCDs as per the SEBI Circular bearing no. CIR/IMD/DF-1/122/2016 dated November 11, 2016
Issue Schedule*	As specified in the relevant Tranche Prospectus for each Tranche Issue
Objects of the Issue	Please see, "*Objects of the Issue*" beginning on page 48 of this Draft Shelf Prospectus
Details of the utilisation of Issue proceeds	Please see, "*Objects of the Issue*" beginning on page 48 of this Draft Shelf Prospectus
Coupon rate, coupon payment date and redemption premium/discount	As specified in the relevant Tranche Prospectus for each Tranche Issue
Step up/ Step down interest rates	As specified in the relevant Tranche Prospectus for each Tranche Issue
Interest type	As specified in the relevant Tranche Prospectus for each Tranche Issue
Interest reset process	As specified in the relevant Tranche Prospectus for each Tranche Issue
Tenor	As specified in the relevant Tranche Prospectus for each Tranche Issue
Coupon payment frequency	As specified in the relevant Tranche Prospectus for each Tranche Issue
Redemption date	As specified in the relevant Tranche Prospectus for each Tranche Issue
Redemption Amount	As specified in the relevant Tranche Prospectus for each Tranche Issue
Day count convention	Actual/Actual
Working Days convention/Day count convention / Effect of holidays on payment	Working Day(s) shall mean all days excluding Sundays or a holiday of commercial banks in Mumbai, except with reference to Issue Period, where Working Days shall mean all days, excluding Saturdays, Sundays and public holiday in India. Furthermore, for the purpose of post issue period, i.e. period beginning from Issue Closing Date to listing of the NCDs, Working Days shall mean all days excluding Sundays or a holiday of commercial banks in Mumbai or a public holiday in India Interest shall be computed on an actual/actual basis i.e. on the principal outstanding on the NCDs as per the SEBI Circular bearing no. CIR/IMD/DF-1/122/2016 dated November 11, 2016. If the date of payment of interest specified does not fall on a Working Day, then the succeeding Working Day will be considered as the effective date for such payment of interest, as the case may be (the "**Effective Date**"), however the calculation for payment of interest will be only till the

Particulars	Details
	originally stipulated Interest Payment Date. The dates of the future interest payments would be as per the originally stipulated schedule. Payment of interest will be subject to the deduction of tax as per Income Tax Act, 1961 or any statutory modification or re-enactment thereof for the time being in force. In case the Maturity Date (also being the last interest payment date) falls on a holiday, the interest/redemption payments shall be made only on the next Working Day, along with interest accrued on the NCDs until such date, however, excluding the date of such payment
Issue Opening Date	As specified in the relevant Tranche Prospectus for each Tranche Issue
Issue Closing Date	As specified in the relevant Tranche Prospectus for each Tranche Issue
Default interest rate	Our Company shall pay interest in connection with any delay in allotment, refunds, listing, dematerialized credit, execution of Debenture Trust Deed, payment of interest, redemption of principal amount beyond the time limits prescribed under applicable statutory and/or regulatory requirements, at such rates as stipulated/ prescribed under applicable laws
Interest on Application Money	Please see, "*Issue Structure*" beginning on page 126 of this Draft Shelf Prospectus
Put/Call Option Date/Price/notification time	As specified in the relevant Tranche Prospectus for each Tranche Issue
Call Notification Time / Put Notification Time	As specified in the relevant Tranche Prospectus for each Tranche Issue
Deemed Date of Allotment	The date on which the Board or the Working Committee approves the Allotment of the NCDs for each Tranche Issue. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs (as specified for each Tranche Issue by way of the relevant Tranche Prospectus) shall be available to the Debenture holders from the Deemed Date of Allotment
Transaction Documents	Transaction documents shall mean the Issue Agreement, Registrar Agreement, Debenture Trustee Agreement and the agreed form of the Debenture Trust Deed to be executed between our Company and the Debenture Trustee. For further details see, "*Material Contracts and Documents for Inspection*" beginning on page 192 of this Draft Shelf Prospectus
Conditions precedent and subsequent to this Issue	The conditions precedent and subsequent to disbursement will be finalised upon execution of the Debenture Trust Deed
Events of default	Please see, "*Issue Structure*" beginning on page 126 of this Draft Shelf Prospectus
Roles and responsibilities of the Debenture Trustee	Please see, "*General Terms of the Issue*" beginning on page 120 of this Draft Shelf Prospectus
Governing law and jurisdiction	This Issue shall be governed in accordance with the laws of India and shall be subject to the exclusive jurisdiction of the courts of Mumbai

**This Issue shall remain open for subscription on Working Days from 10:00 a.m. to 5:00 p.m., during the period indicated in the relevant Tranche Prospectus, except that this Issue may close on such earlier date or extended date as may be decided by the Board. In the event of such an early closure of or extension of this Issue, our Company shall ensure that notice of such early closure or extension is given to the prospective investors through an advertisement in a national daily newspaper with wide circulation on or before such earlier date or initial date of closure. Applications Forms for this Issue will be accepted only from 10:00 a.m. till 5:00 p.m. or such extended time as may be permitted by the Designated Stock Exchange, on Working Days during the Issue Period. On the Issue Closing Date, Application Forms will be accepted only between 10:00 a.m. to 3:00 p.m. and uploaded until 5:00 p.m. or such extended time as may be permitted by Designated Stock Exchange.*

Terms of the NCDs

As specified in the relevant Tranche Prospectus.

Interest and Payment of Interest

As specified in the relevant Tranche Prospectus.

Taxation

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

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

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

Payment of Interest

As specified in the relevant Tranche Prospectus. Amount of interest payable shall be rounded off to the nearest Rupee. If the date of interest payment falls on Saturday, Sundays or holidays of commercial banks in Mumbai, then interest as due and payable on such day, would be paid on the next Working Day, however the calculation for payment of interest will be only till the originally stipulated Interest Payment Date. The dates of the future interest payments would be as per the originally stipulated schedule. Payment of interest would be subject to the deduction as prescribed in the I.T. Act or any statutory modification or re-enactment thereof for the time being in force. In case the Maturity Date (also being the last Interest Payment Date) does not fall on a Working Day, the payment will be made on the immediately preceding Working Day, along with coupon/interest accrued on the NCDs until but excluding the date of such payment.

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

Mode of payment of Interest to NCD Holders

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

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

We may offer the facility of NACH, NEFT, RTGS, Direct Credit and any other method permitted by RBI and SEBI from time to time to effect payments to NCD Holders. The terms of this facility (including towns where this facility would be available) would be as prescribed by RBI. For further details see "*Issue Structure - Manner of Payment of Interest / Refund / Redemption*" beginning on page 132 of this Draft Shelf Prospectus.

Maturity and Redemption

As specified in the relevant Tranche Prospectus.

Deemed Date of Allotment

The date on which the Board or the Working Committee approves the Allotment of the NCDs for each Tranche Issue. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs (as specified for each Tranche Issue by way of the relevant Tranche Prospectus) shall be available to the Debenture holders from the Deemed Date of Allotment.

Application Size

As specified in the relevant Tranche Prospectus.

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

Terms of Payment

The entire issue price per NCD, as specified in the relevant Tranche Prospectus for each Tranche Issue, is payable on application itself. In case of allotment of lesser number of NCDs than the number of NCDs applied for, our Company shall refund the excess amount paid on application to the applicant in accordance with the terms of this Draft Shelf Prospectus. For further details see, "*Interest on Application Money*" in this Draft Shelf Prospectus.

Record Date

The date for payment of interest in connection with the NCDs or repayment of principal in connection therewith which shall be 15 days prior to the date of payment of interest, and/or the date of redemption under the relevant Tranche Prospectus. In case the Record Date falls on a day when the Stock Exchange are having a trading holiday, the immediate subsequent trading day or a date notified by our Company to the Stock Exchanges, will be deemed as the Record Date. Interest shall be computed on an actual/actual basis i.e. on the principal outstanding on the NCDs as per the SEBI Circular bearing no. CIR/IMD/DF-1/122/2016 dated November 11, 2016.

Manner of Payment of Interest / Refund / Redemption*

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

For NCDs applied / held in electronic form

The bank details will be obtained from the Depositories for payment of Interest / refund / redemption as the case may be. Applicants who have applied for or are holding the NCDs in electronic form, are advised to immediately update their bank account details as appearing on the records of the depository participant. Please note that failure to do so could result in delays in credit of refunds to the applicant at the applicant's sole risk, and neither the Lead Managers our Company nor the Registrar to the Issue shall have any responsibility and undertake any liability for the same.

In case of ASBA Applicants, the Registrar to the Issue will issue requisite instructions to the relevant SCSBs to un-block amounts in the ASBA Accounts of the Applicants representing the amounts to be refunded to the Applicants.

For NCDs held in physical form on account of re-materialization

The bank details will be obtained from the Registrar to the Issue for payment of interest / refund / redemption as the case may be. Please see the procedure for "*Issue Procedure for re-materialization of NCDs*" on page 124 of this Draft Shelf Prospectus.

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

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

1. Direct Credit

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

2. NACH

   National Automated Clearing House which is a consolidated system of ECS. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including Magnetic Ink Character

Recognition ("**MICR**") code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.

3. RTGS

Applicants having a bank account with a participating bank and whose interest payment/ refund/ redemption amounts exceed ₹ 2,00,000, or such amount as may be fixed by RBI from time to time, have the option to receive refund through RTGS. Such eligible Applicants who indicate their preference to receive interest payment/ refund/ redemption through RTGS are required to provide the IFSC code in the Application Form or intimate our Company and the Registrar to the Issue at least seven days prior to the Record Date. Charges, if any, levied by the Applicant's bank receiving the credit would be borne by the Applicant. In the event the same is not provided, interest payment/ refund/ redemption shall be made through NACH subject to availability of complete bank account details for the same as stated above.

4. NEFT

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

5. Registered Post/Speed Post

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

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

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

Printing of Bank Particulars on Interest Warrants

As a matter of precaution against possible fraudulent encashment of refund orders and interest/ redemption warrants due to loss or misplacement, the particulars of the Applicant's bank account are mandatorily required to be given for printing on the orders/ warrants. In relation to NCDs applied and held in dematerialized form, these particulars would be taken directly from the depositories. In case of Secured NCDs held in physical form either on account of re-materialization or transfer, the Secured NCD Holders are advised to submit their bank account details with our Company/ Registrar to the Issue at least seven days prior to the Record Date failing which the orders/ warrants will be dispatched to the postal address of the Secured NCD Holders as available in the records of our Company either through speed post or registered post.

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

Buy Back of NCDs

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

Our Company may, from time to time, invite the NCD Holders to offer the NCDs held by them through one or more buy-back schemes and/or letters of offer upon such terms and conditions as our Company may determine, subject to applicable statutory and/or regulatory requirements. Such NCDs which are bought back may be extinguished, re-issued and/or resold in the open market with a view of strengthening the liquidity of the NCDs in the market, subject to applicable statutory and/or regulatory requirements.

Form and Denomination of Secured NCDs

In case of Secured NCDs held in physical form on account of rematerialisation, a single certificate will be issued to the NCD

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

It is, however, distinctly to be understood that the Secured NCDs pursuant to this issue shall be traded only in dematerialised form.

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

Form and Denomination of Unsecured NCDs

In case of Unsecured NCDs held in physical form on account of rematerialisation, a single certificate will be issued to the NCD Holder for the aggregate amount of the Unsecured NCDs held ("**Consolidated Certificate**"). The Applicant can also request for the issue of NCD certificates in denomination of one Unsecured NCD ("**Market Lot**"). In case of Unsecured NCDs held under different Options, as specified in the relevant Tranche Prospectus, by a NCD Holder, separate Consolidated Certificates will be issued to the NCD Holder for the aggregate amount of the Unsecured NCDs held under each Option.

It is, however, distinctly to be understood that the Unsecured NCDs pursuant to this issue shall be traded only in dematerialised form.

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

Procedure for Redemption by NCD holders

The procedure for redemption is set out below:

NCDs held in physical form on account of re-materialization:

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

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

NCDs held in electronic form:

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

Payment on Redemption

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

NCDs held in physical form on account of re-materialization

The payment on redemption of the NCDs will be made by way of cheque/pay order/ electronic modes. However, if our Company so requires, the aforementioned payment would only be made on the surrender of NCD certificates, duly discharged by the sole holder/ all the joint-holders (signed on the reverse of the NCD certificates). Dispatch of cheques/ pay orders, etc. in respect of such payment will be made on the redemption date or (if so requested by our Company in this regard) within a period of 30 days from the date of receipt of the duly discharged NCD certificate.

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

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

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

NCDs held in electronic form

On the redemption date, redemption proceeds would be paid by cheque/ pay order/ electronic mode to those NCD Holders whose names appear on the list of beneficial owners given by the Depositories to us. These names would be as per the Depositories' records on the Record Date fixed for the purpose of redemption. These NCDs will be simultaneously extinguished to the extent of the amount redeemed through appropriate debit corporate action upon redemption of the corresponding value of the NCDs. It may be noted that in the entire process mentioned above, no action is required on the part of NCD Holders.

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

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

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

Redemption Date

As specified under the relevant Tranche Prospectus.

Right to reissue NCD(s)

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

Transfer/Transmission of NCD(s)

For NCDs held in physical form on account of re-materialization

The NCDs shall be transferred or transmitted freely in accordance with the applicable provisions of the Companies Act, 2013 applicable as on the date of this Draft Shelf Prospectus and all other applicable laws including FEMA and the rules and regulations thereunder. The provisions relating to transfer and transmission and other related matters in respect of our shares contained in the Articles, the relevant provisions of the Companies Act, 2013 applicable as on the date of this Draft Shelf Prospectus, and all applicable laws including FEMA and the rules and regulations thereunder, shall apply, *mutatis mutandis* (to the extent applicable to debentures) to the NCDs as well. In respect of the NCDs held in physical form on account of re-materialization, a common form of transfer shall be used for the same.

For NCDs held in dematerialized form

The NCDs held in dematerialised form shall be transferred subject to and in accordance with the rules/ procedures as prescribed by NSDL/CDSL and the relevant Depositary Participants of the transferor and the transferee and any other applicable laws and rules notified in respect thereof. The transferees should ensure that the transfer formalities are completed at prior to the Record Date. In the absence of the same, interest will be paid/ redemption will be made to the person, whose name appears in the register of debenture holders or the records as maintained by the Depositories. In such cases, claims, if any, by the transferees would need to be settled with the transferors and not with our Company or Registrar to the Issue.

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

Title

In case of:

- NCDs held in the dematerialised form, the person for the time being appearing in the register of beneficial owners maintained by the Depository; and
- the NCDs held in physical form on account of re-materialization, the person for the time being appearing in the register of NCD Holders shall be treated for all purposes by our Company, the Debenture Trustee, the Depositories and all other persons dealing with such person as the holder thereof and its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it or any writing on, theft or loss of the Consolidated NCD Certificates issued in respect of the NCDs and no person will be liable for so treating the NCD Holder.

No transfer of title of a NCD will be valid unless and until entered in the register of NCD Holders or the register of beneficial owners maintained by the Depository prior to the Record Date. In the absence of transfer being registered, interest and/or maturity amount, as the case may be, will be paid to the person, whose name appears first in the register of the NCD Holders maintained by the Depositories and/or our Company and/or the Registrar, as the case may be. In such cases, claims, if any, by the purchasers of the NCDs will need to be settled with the seller of the NCDs and not with our Company or the Registrar. The provisions relating to transfer and transmission and other related matters in respect of our Company's shares contained in the Articles of Association of our Company and the relevant provisions of the Companies Act, 2013 applicable as on the date of this Draft Shelf Prospectus shall apply, mutatis mutandis (to the extent applicable) to the NCD(s) as well.

For NCDs held in electronic form

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

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

Common form of transfer

Our Company undertakes that there shall be a common form of transfer for the NCDs and the provisions of the Companies Act, 2013 and all applicable laws shall be duly complied with in respect of all transfer of debentures and registration thereof.

Joint-holders

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

Sharing of information

We may, at our option, use on our own, as well as exchange, share or part with any financial or other information about the NCD Holders available with us or the Registrar to the Issue and other banks, financial institutions, credit bureaus, agencies, statutory bodies, as may be required and neither we or our affiliates nor their agents shall be liable for use of the aforesaid information.

Notices

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

Issue of Duplicate NCD Certificate(s) issued in physical form on account of re-materialization

If NCD certificate(s) is/ are mutilated or defaced or the cages for recording transfers of NCDs are fully utilised, the same may be replaced by us against the surrender of such certificate(s). Provided, where the NCD certificate(s) are mutilated or defaced, the same will be replaced as aforesaid only if the certificate numbers and the distinctive numbers are legible.

If any NCD certificate is destroyed, stolen or lost then upon production of proof thereof to our satisfaction and upon furnishing such indemnity/ security and/or documents as we may deem adequate, duplicate NCD certificates shall be issued. Upon issuance of a duplicate NCD certificate, the original NCD certificate shall stand cancelled.

Security

The principal amount of the Secured NCDs to be issued in terms of this Draft Shelf Prospectus together with all interest due on the Secured NCDs, subject to any obligations under applicable statutory and/or regulatory requirements, shall be secured by way of a first ranking *pari passu* charge by way of mortgage over our Company's specific immovable property and a first ranking *pari passu* floating charge over the movable properties of our Company, including book debts (excluding the exclusive charge created by our Company in favour of NHB as security for the due repayment for financial assistance by way of refinancing granted by NHB to our Company).

Our Company will create the security for the NCDs in favour of the Debenture Trustee for the NCD Holders on the assets to ensure 100% security cover of the amount outstanding in respect of NCDs, including interest thereon, at any time.

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

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

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

Trustees for the NCD Holders

We have appointed IDBI Trusteeship Services Limited to act as the Debenture Trustees for the NCD Holders. The Debenture Trustee and we will execute a Debenture Trust Deed, *inter alia*, specifying the powers, authorities and obligations of the Debenture Trustee and us. The NCD Holders shall, without further act or deed, be deemed to have irrevocably given their consent to the Debenture Trustee or any of its agents or authorised officials to do all such acts, deeds, matters and things in respect of or relating to the NCDs as the Debenture Trustee may in its absolute discretion deem necessary or require to be done in the interest of the NCD Holders. Any payment made by us to the Debenture Trustee on behalf of the NCD Holders shall discharge us pro tanto to the NCD Holders. The Debenture Trustee will protect the interest of the NCD Holders in the event of default by us in regard to timely payment of interest and repayment of principal and they will take necessary action at our cost.

Events of Default:

Subject to the terms of the Debenture Trust Deed, the Debenture Trustee at its discretion may, or if so requested in writing by the NCD Holders representing at least 51% in value of the NCDs or with the sanction of a special resolution, passed at a meeting of the NCD Holders, give notice to our Company specifying that the NCDs and/or any particular series of NCDs, in whole but not in part are and have become due and repayable on such date as may be specified in such notice *inter alia* if any of the events listed below occurs. The description below is indicative and a complete list of events of default and its consequences will be specified in the Debenture Trust Deed:

(i) default is committed in payment of the principal amount of the NCDs on the due date(s); and

(ii) default is committed in payment of any interest on the NCDs on the due date(s).

As per the Housing Finance Companies issuance of Non-Convertible Debentures on private placement basis (NHB) Directions, 2014, as amended from time to time, our Company is not permitted to extend loans against the security of its debentures issued by way of private placement or public issues. Our Company shall have the right of set-off and lien, present as well as future, on the moneys due and payable to the NCD Holders or deposits held in the account of the NCD Holders, whether in single name or joint name, to the extent of all outstanding dues by the NCD Holders to our Company, subject to applicable law.

Lien on pledge of NCDs

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

Future Borrowings

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

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

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

Interest on Application Amount

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

Our Company shall pay interest on application amount against which NCDs are allotted to the Applicants, other than to ASBA Applicants, subject to deduction of income tax under the provisions of the Income Tax Act, 1961, as amended, as applicable, from the date of realization of the cheque(s)/demand draft(s) up to one day prior to the Deemed Date of Allotment as specified in relevant Tranche Prospectus. In the event that such date of realization of the cheque(s)/ demand draft(s) is not ascertainable in terms of banking records, we shall pay interest on Application Amounts on the amount Allotted from three Working Days from the date of upload of each Application on the electronic Application platform of the Stock Exchanges up to one day prior to the Deemed Date of Allotment. A tax deduction certificate will be issued for the amount of income tax so deducted as per applicable law.

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

Interest on application monies received which are liable to be refunded

Our Company shall pay interest on application amount on all valid applications, which is liable to be refunded to the Applicants (other than Application Amounts received after the Issue Closing Date, and ASBA Applicants) pursuant to the Tranche Issue at the rate specified in the Tranche Prospectus, subject to deduction of income tax under the provisions of the Income Tax Act, 1961, as amended, as applicable, to the Applicants whose Valid Applications receive (i) partial allotment due to oversubscription or (ii) no allotment due to oversubscription pursuant to this Issue from the date of realization of the cheque(s)/demand draft(s) upto one day prior to the Deemed Date of Allotment. In the event that such date of realization of the cheque(s)/ demand draft(s) is not ascertainable in terms of banking records, we shall pay interest on Application Amounts on the amount Allotted from three Working Days from the date of upload of each Application on the electronic Application platform of the Stock Exchanges upto one day prior to the Deemed Date of Allotment. Such interest shall be paid along with the monies liable to be refunded. Interest warrant will be dispatched / credited (in case of electronic payment) along with the Letter(s) of Allotment/ Letter(s) of Refund at the sole risk of the Applicant, to the sole/first Applicant.

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

Provided that, notwithstanding anything contained hereinabove, our Company shall not be liable to pay any interest on monies liable to be refunded in case of (a) invalid applications or applications liable to be rejected, (b) applications which are withdrawn by the Applicant and/or (c) monies paid in excess of the amount of NCDs applied for in the Application Form. Please see, "*Issue procedure - Rejection of Applications*" on page 153 of this Draft Shelf Prospectus.

ISSUE PROCEDURE

This section applies to all Applicants. ASBA Applicants and Applicants applying through the Direct Online Application Mechanism (as defined hereinafter) should note that the ASBA process and the Direct Online Application Mechanism involve application procedures that are different from the procedure applicable to all other Applicants. Please note that all Applicants are required to pay the full Application Amount or ensure that the ASBA Account has sufficient credit balance such that the entire Application Amount can be blocked by the SCSB while making an Application. In case of ASBA Applicants, an amount equivalent to the full Application Amount will be blocked by the SCSBs in the relevant ASBA Accounts.

ASBA Applicants should note that they may submit their ASBA Applications to the Members of the Consortium, Syndicate or Trading Members of the Stock Exchanges only at the Syndicate ASBA Application Locations, or directly to the Designated Branches of the SCSBs. Applicants other than direct ASBA Applicants are required to submit their Applications to the Members of the Syndicate or Trading Members (at the application centres of the Members of the Syndicate will be mentioned in the Application Form) or make online Applications using the online payment gateway of the Stock Exchanges.

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

Please note that this section has been prepared based on the circular no. CIR./IMD/DF-1/20/2012 dated July 27, 2012 issued by SEBI ("Debt Application Circular"). The procedure mentioned in this section is subject to the Stock Exchanges putting in place the necessary systems and infrastructure for implementation of the provisions of the abovementioned circular, including the systems and infrastructure required in relation to Applications made through the Direct Online Application Mechanism and the online payment gateways to be offered by Stock Exchanges and accordingly is subject to any further clarifications, notification, modification, direction, instructions and/or correspondence that may be issued by the Stock Exchanges and/or SEBI. Please note that clarifications and/or confirmations regarding the implementation of the requisite infrastructure and facilities in relation to direct online applications and online payment facility have been sought from the Stock Exchanges and the Stock Exchanges has confirmed that the necessary infrastructure and facilities for the same have not been implemented by the Stock Exchanges. Hence, the Direct Online Application facility will not be available for this Issue.

Specific attention is drawn to the circular (No. CIR/IMD/DF/18/2013) dated October 29, 2013 issued by SEBI, which amends the provisions of the 2012 SEBI Circular to the extent that it provides for allotment in public issues of debt securities to be made on the basis of date of upload of each application into the electronic book of the Stock Exchanges, as opposed to the date and time of upload of each such application.

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

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

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

Who can apply?

The following categories of persons are eligible to apply in this Issue.

Category I

- Public financial institutions, scheduled commercial banks, and Indian multilateral and bilateral development financial institutions which are authorised to invest in the NCDs;

- Provident funds and pension funds with a minimum corpus of ₹ 2,500 lakh, superannuation funds and gratuity funds, which are authorised to invest in the NCDs;
- Alternative Investment Funds, subject to investment conditions applicable to them under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012;
- Resident Venture Capital Funds registered with SEBI;
- Insurance companies registered with the IRDAI;
- State industrial development corporations;
- Insurance funds set up and managed by the army, navy, or air force of the Union of India;
- Insurance funds set up and managed by the Department of Posts, the Union of India;
- Systemically Important Non-Banking Financial Company registered with the RBI and having a net-worth of more than ₹ 50,000 lakh as per the last audited financial statements
- National Investment Fund set up by resolution no. F.No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; and
- Mutual funds registered with SEBI.

Category II

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

Category III

- High Net-worth Individual Investors - Resident Indian individuals and Hindu Undivided Families through the Karta applying for an amount aggregating to above ₹10,00,000 across all options of NCDs in this Issue

Category IV

- Retail Individual Investors - Resident Indian individuals and Hindu Undivided Families through the Karta applying for an amount aggregating up to and including ₹10,00,000 across all options of NCDs in this Issue.

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

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

The Lead Managers and their respective associates and affiliates are permitted to subscribe in this Issue.

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

How to apply?

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

Please note that there is a single Application Form for ASBA Applicants as well as non-ASBA Applicants who are persons resident in India.

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

(i) for download on the website of NSE at www.nseindia.com, on the website of BSE at www.bseindia.com and the website of the Lead Managers at www.akgroup.co.in, www.axisbank.com and www.edelweissfin.com.

(ii) at the designated branches of the SCSB and the Members of the Syndicate at the Syndicate ASBA Application Locations.

Electronic Application Forms will also be available on the website of the Stock Exchanges. A unique application number ("**UAN**") will be generated for every Application Form downloaded from the websites of the Stock Exchanges. A hyperlink to the website of the Stock Exchanges for this facility will be provided on the website of the Lead Managers and the SCSBs. Further, Application Forms will also be provided to Trading Members at their request.

Methods of Application

An eligible investor desirous of applying in this Issue can make Applications by one of the following methods:

1. Applications through the ASBA process; and

2. Non-ASBA Applications.

Applicants are requested to note that in terms of the Debt Application Circular, SEBI has mandated issuers to provide, through a recognized stock exchange which offers such a facility, an online interface enabling direct application by investors to a public issue of debt securities with an online payment facility ("**Direct Online Application Mechanism**"). In this regard, SEBI has, through the Debt Application Circular, directed recognized stock exchanges in India to put in necessary systems and infrastructure for the implementation of the Debt Application Circular and the Direct Online Application Mechanism infrastructure for the implementation of the Debt Application Circular and the Direct Online Application Mechanism. Please note that the Applicants will not have the option to apply for NCDs under this Issue, through the direct online applications mechanism of the Stock Exchanges. Please note that clarifications and/or confirmations regarding the implementation of the requisite infrastructure and facilities in relation to direct online applications and online payment facility have been sought from the Stock Exchanges and the Stock Exchanges have confirmed that the necessary infrastructure and facilities for the same have not been implemented by the Stock Exchanges. Hence, the Direct Online Application facility will not be available for this Issue.

Applications through the ASBA process

Applicants can submit their Applications through the ASBA process by submitting the Application Forms in physical mode to the SCSB with whom the ASBA Account is maintained or through the Members of the Syndicate or Trading Members (ASBA Applications through the Members of the Syndicate and Trading Members shall hereinafter be referred to as the "**Syndicate ASBA**"), prior to or on the Issue Closing Date. **ASBA Applications through the Members of the Syndicate and Trading Members is permitted only at the Syndicate ASBA Application Locations** (**Mumbai, Chennai, Kolkata, Delhi, Ahmedabad, Rajkot, Jaipur, Bangalore, Hyderabad, Pune, Vadodara and Surat**). Kindly note that Application Forms submitted by ASBA Applicants to the Members of the Consortium or the Trading Members at the Syndicate ASBA Application Locations will not be accepted if the SCSB with which the ASBA Account, as specified in the Application Form is maintained has not named at least one branch at that location for the Member of the Syndicate or the Trading Members to deposit the Application Form (A list of such branches is available at http://www.sebi.gov.in). The Members of Consortium syndicate and Trading Members shall accept ASBA Applications only at the Syndicate ASBA Application Locations and should ensure that they verify the details about the ASBA Account and relevant SCSB prior to accepting the Application Form.

Trading Members shall, upon receipt of physical Application Forms from ASBA Applicants, upload the details of these Application Forms to the online platform of the Stock Exchanges and submit these Application Forms with the SCSB with whom the relevant ASBA Accounts are maintained in accordance with the Debt Application Circular.

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

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

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

Non- ASBA Applications for Allotment of the NCDs in dematerialised form

Applicants may submit duly filled in Application Forms either in physical or downloaded Application Forms to the Members of the Syndicate or the Trading Members accompanied by account payee cheques/ demand drafts prior to or on the Issue Closing Date. The Members of the Syndicate and Trading Members shall, upload the non-ASBA Application on the online platforms of the Stock Exchanges from 10:00 a.m. to 5:00 p.m. during the Issue Period, following which they shall acknowledge the uploading of the Application Form by stamping the acknowledgment slip with the date and time and returning it to the Applicant. This acknowledgment slip shall serve as the duplicate of the Application Form for the records of the Applicant and the Applicant should preserve this and should provide the same for any grievances relating to their Applications.

Upon uploading the Application on the online platform of the Stock Exchanges, the Members of the Syndicate and Trading Members will submit the Application Forms, along with the relevant payment instruments (cheques or demand drafts) to the Escrow Collection Banks, which will realise the payment instrument, and send the Application details to the Registrar. The Members of the Syndicate/ Trading Members are requested to note that all Applicants are required to be banked with only the designated branches of Escrow Collection Banks, as mentioned in the Application Form. The Registrar to the Issue shall match the Application details as received from the online platform of the Stock Exchanges with the Application Amount details received from the Escrow Collection Banks for reconciliation of funds received from the Escrow Collection Banks. In case of discrepancies between the two data bases, the details received from the online platform of the Stock Exchanges will prevail. Upon Allotment, the Registrar to the Issue will credit the NCDs in the demat accounts of the successful Applicants as mentioned in the Application Form.

Please note that neither our Company, nor the Members of the Syndicate, nor the Registrar to the Issue shall be responsible for redressal of any grievances that Applicants may have in regard to the non-ASBA Applications made to the Trading Members, including, without limitation, relating to non-upload of the Applications data. All grievances against Trading Members in relation to this Issue should be made by Applicants to the relevant Stock Exchanges.

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

To supplement the foregoing, the mode and manner of Application and submission of Application Forms is illustrated in the following chart.

Mode of Application	To whom the Application Form has to be submitted
ASBA Applications	(i) to the Members of the Syndicate only at the Syndicate ASBA Application Locations; or (ii) to the Designated Branches of the SCSBs where the ASBA Account is maintained; or (iii) to Trading Members only at the Syndicate ASBA Application Locations.
Non- ASBA Applications	(i) to the Members of the Syndicate; or (ii) to Trading Members.

Application Size

As specified in the relevant Tranche Prospectus.

APPLICATIONS BY VARIOUS APPLICANT CATEGORIES

Applications by Mutual Funds

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

A separate Application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such Applications shall not be treated as multiple Applications. Applications made by the AMCs or custodians of a Mutual Fund shall clearly indicate the name of the concerned scheme for which the Application is being made. An Application Form by a mutual fund registered with SEBI for Allotment of the NCDs must be also accompanied by certified true copies of (i) its SEBI registration certificates (ii) the trust deed in respect of such mutual fund (ii) a resolution authorising investment and containing operating instructions and (iii) specimen signatures of authorized signatories. Failing this, our Company reserves the right to accept or reject any Application from a Mutual Fund for Allotment of the NCDs in whole or in part, in either case, without assigning any reason therefor.

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

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

Application by Non-Banking Financial Companies

Non-banking financial companies can apply in this Issue based on their own investment limits and approvals. Applications by them for allotment of the Secured NCDs must be accompanied by certified true copies of their (i) memorandum and articles of association/charter of constitution; (ii) power of attorney; (iii) a board resolution authorising investments; and (iv) specimen signatures of authorised signatories. **Failing this, our Company reserves the right to accept or reject any Application for Allotment of the Secured NCDs in whole or in part, in either case, without assigning any reason therefor.**

Application by Insurance Companies

Insurance companies registered with the IRDAI can apply in this Issue based on their own investment limits and approvals in accordance with the regulations, guidelines and circulars issued by the IRDAI. The Application Form must be accompanied by certified true copies of their (i) memorandum and articles of association/charter of constitution; (ii) power of attorney; (iii) resolution authorising investments/containing operating instructions; and (iv) specimen signatures of authorised signatories. **Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.**

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

Applications by Alternative Investments Funds

Applications made by 'alternative investment funds' eligible to invest in accordance with the Securities and Exchange Board of India (Alternative Investment Fund) Regulations, 2012, as amended (the "**SEBI AIF Regulations**") for Allotment of the NCDs must be accompanied by certified true copies of (i) SEBI registration certificate; (ii) a resolution authorising investment and containing operating instructions; and (iii) specimen signatures of authorised persons. The Alternative Investment Funds shall at all times comply with the requirements applicable to it under the SEBI AIF Regulations and the relevant notifications issued by SEBI.

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

Applications by Trusts

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

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

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

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

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

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

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

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

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

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

In case of Applications made pursuant to a power of attorney by Applicants from Category I, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Application Form. **Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.**

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

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

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

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

Applications by provident funds, pension funds, superannuation funds and gratuity funds which are authorised to invest in the NCDs, for Allotment of the NCDs must be accompanied by certified true copies of: (i) any Act/rules under which they are incorporated; (ii) a power of attorney, if any, in favour of one or more trustees thereof, (ii) a board resolution authorising investments; (iii) such other documents evidencing registration thereof under applicable statutory/regulatory requirements; (iv) specimen signature of authorized person; (v) a certified copy of the registered instrument for creation of such fund/trust; and

(vi) any tax exemption certificate issued by Income Tax authorities. **Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason therefor.**

Applications by National Investment Funds

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

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

Applications cannot be made by:

(a) Minors without a guardian name* (A guardian may apply on behalf of a minor. However, the name of the guardian will also need to be mentioned on the Application Form);

(b) Foreign nationals;

(c) Persons resident outside India;

(d) Foreign Institutional Investors;

(e) Foreign Portfolio Investors;

(f) Non Resident Indians;

(g) Qualified Foreign Investors;

(h) Overseas Corporate Bodies;

(i) Foreign Venture Capital Funds; and

(j) Persons ineligible to contract under applicable statutory/ regulatory requirements.

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

In case of Applications for Allotment of the NCDs in dematerialised form, the Registrar to the Issue shall verify the above on the basis of the records provided by the Depositories based on the DP ID and Client ID provided by the Applicants in the Application Form and uploaded onto the electronic system of the Stock Exchanges by the Members of the Syndicate or the Trading Members, as the case may be.

Payment instructions

Payment mechanism for ASBA Applicants

An ASBA Applicant shall specify details of the ASBA Account Number in the Application Form and the relevant SCSB shall block an amount equivalent to the Application Amount in the ASBA Account specified in the Application Form. Upon receipt of an intimation from the Registrar to the Issue, the SCSBs shall, on the Designated Date, transfer such blocked amount from the ASBA Account to the Public Issue Account in terms of the Escrow Agreement. The balance amount remaining after the finalisation of the Basis of Allotment shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue to the respective SCSB within 12 (twelve) Working Days of the Issue Closing Date. The Application Amount shall remain blocked in the ASBA Account until transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the relevant Tranche Issue or until rejection of the ASBA Application, as the case may be.

Payment mechanism for non ASBA Applicants

We shall open Escrow Accounts with one or more Escrow Collection Banks in whose favour the Applicants (except for ASBA Applicants) shall draw cheques or demand drafts in respect of his or her Applications. All Applicants would be required to pay the full Application Amount at the time of the submission of the Application Form. Cheques or demand drafts for the Application Amount received from Applicants would be deposited by the Members of the Syndicate and Trading Members, as the case may be, in the Escrow Accounts.

Details of the branches of the Escrow Collection Banks where the Application Forms along with cheques/ demand drafts in respect of his or her submitted by a non-ASBA Applicants shall be deposited by the Members of the Syndicate and Trading Members are available on the website of the Lead Managers at www.akgroup.co.in, www.axisbank.com and www.edelweissfin.com. A link to the said web pages shall also be available on the website of NSE and BSE at www.nseindia.com and www.bseindia.com. A link shall also be provided to the above mentioned websites in the Application Form as well.

Each Applicant (except for ASBA Applicants) shall draw a cheque or demand draft for the Application Amount as per the following terms:

a) The payment instruments from the Applicants shall be payable into the Escrow Account drawn as specified in the relevant Tranche Prospectus.

b) Payments should be made by cheque, or a demand draft drawn on any bank (including a co-operative bank), which is situated at, and is a member of or sub-member of the bankers' clearing house located at the centre where the Application Form is submitted. Outstation cheques/bank drafts drawn on banks not participating in the clearing process will not be accepted and Applications accompanied by such cheques or bank drafts are liable to be rejected.

c) The monies deposited in the Escrow Account will be held for the benefit of the Applicants until the Designated Date.

d) On the Designated Date, the Escrow Collection Banks shall transfer the funds from the Escrow Account as per the terms of the Escrow Agreement and this Draft Shelf Prospectus into the Public Issue Account. The Escrow Collection Bank shall also, upon receipt of instructions from the Lead Managers and the Registrar, transfer all amounts payable to Applicants, who have not been allotted NCDs to the Refund Accounts.

Applications accompanied by non-CTS cheques are liable to be rejected, if the non-CTS cheque is not cleared within 6 working days of the closure of this Issue.

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

Please note that Applications accompanied by Application Amounts in cash/ stock invest/ money orders/ postal orders will not be accepted.

The Escrow Collection Banks will act in terms of the Shelf Prospectus and the relevant Tranche Prospectus and the Escrow Agreement. The Escrow Collection Banks shall not exercise any lien whatsoever over the monies deposited therein. It is mandatory for our Company to keep the proceeds of this Issue in an escrow account until the documents for creation of security as stated in this Draft Shelf Prospectus are executed.

On the Designated Date, the Escrow Collection Banks shall transfer the funds represented by Allotment of NCDs (other than in respect of Allotment to successful ASBA Applicants) from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account(s) provided that our Company will have access to such funds only after receipt of minimum subscription which is 75% of the Base Issue before the Issue Closing Date, receipt of final listing and trading approval from the Stock Exchanges and execution of the Debenture Trust Deed.

Additional information for Applicants

1. Application Forms submitted by Applicants whose beneficiary accounts are inactive shall be rejected.

2. For ASBA Applicants, no separate receipts will be issued for the money blocked on the submission of Application Form. However, the collection centre of the Members of the Syndicate or the SCSB or the Trading Member, as the case may be, will acknowledge the receipt of the Application Forms by stamping and returning to the Applicant the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Application Form for the records of the Applicant.

3. Applications should be submitted on the Application Form only. In the event that physical Application Forms do not bear the stamp of the Members of the Syndicate/ Trading Member or the relevant Designated Branch, they are liable to be rejected.

4. Application Forms submitted by Applicants shall be for allotment of NCDs only in dematerialized form.

Applicants are advised not to submit Application Forms to Escrow Collection Banks and the same will be rejected in such cases and the Applicants will not be entitled to any compensation whatsoever.

Filing of the Shelf Prospectus and Tranche Prospectus with ROC

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

Pre-Issue Advertisement

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

Instructions for completing the Application Form

(a) Applications must be made in the prescribed Application Form.

(b) Application Forms are to be completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained in this Draft Shelf Prospectus, the Shelf Prospectus, the Tranche Prospectus and the Application Form. Incomplete Application Forms are liable to be rejected. Applicants should note that the Members of the Syndicate, or the Trading Members, as appropriate, will not be liable for errors in data entry due to incomplete or illegible Application Forms.

(c) Applications are required to be for a minimum of such NCDs and in multiples of one NCD thereafter as specified in this Draft Shelf Prospectus.

(d) Thumb impressions and signatures other than in the languages specified in the Eighth Schedule in the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.

(e) Applications should be in single or joint names and not exceeding three names, and in the same order as their Depository Participant details and Applications should be made by Karta in case the Applicant is an HUF. Applicants are required to ensure that the PAN Details of the HUF are mentioned and not those of the Karta.

(f) Applicants applying for Allotment must provide details of valid and active DP ID, Client ID and PAN clearly and without error. On the basis of such Applicant's active DP ID, Client ID and PAN provided in the Application Form, and as entered into the electronic Application system of the Stock Exchanges by SCSBs, the Members of the Syndicate at the Syndicate ASBA Application Locations and the Trading Members, as the case may be, the Registrar to the Issue will obtain from the Depository the Demographic Details. Invalid accounts, suspended accounts or where such account is classified as invalid or suspended may not be considered for Allotment of the NCDs.

(g) ASBA Applicants must ensure that their Application Forms are:

  (i) made in a single name; and

  (ii) completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained in this Draft Shelf Prospectus, the relevant Tranche Prospectus and in the Application Form.

(h) If the ASBA Account holder is different from the ASBA Applicant, the Application Form should be signed by the ASBA Account holder also, in accordance with the instructions provided in the Application Form.

(i) All Applicants are required to tick the relevant column in the "Category of Investor" box in the Application Form.

(j) Applications for all the Options of the NCDs may be made in a single Application Form only.

(k) All Applicants are required to tick the relevant box of the "Mode of Application" in the Application Form, choosing either the ASBA or Non-ASBA mechanism.

Applicants should note that neither the Lead Managers, Trading Member of the Stock Exchanges, Escrow Collection Banks nor Designated Branches, as the case may be, will be liable for error in data entry due to incomplete or illegible Application Forms. Our Company would allot the NCDs, as specified in the relevant Tranche Prospectus to all valid Applications, wherein the Applicants have not indicated their choice of the relevant series of NCDs.

Applicants' PAN, Depository Account and Bank Account Details

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

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

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

These Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice and printing of bank particulars on the refund orders or for refunds through electronic transfer of funds, as applicable. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue except in relation to this Issue.

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

Refund orders/ Allotment Advice would be mailed by speed post or registered post at the address of the Applicants as per the Demographic Details received from the Depositories. Applicants may note that delivery of refund orders/ Allotment Advice may get delayed if the same once sent to the address obtained from the Depositories are returned undelivered. In such an event, the address and other details given by the Applicant (other than ASBA Applicants) in the Application Form would be used only to ensure dispatch of refund orders. Further, please note that any such delay shall be at such Applicants' sole risk and neither our Company, Escrow Collection Banks, Registrar to the Issue nor the Lead Managers shall be liable to compensate the Applicant for any losses caused to the Applicants due to any such delay or liable to pay any interest for such delay. In case of refunds through electronic modes as detailed in this Draft Shelf Prospectus, refunds may be delayed if bank particulars obtained from the Depository Participant are incorrect.

In case of Applications made under powers of attorney, our Company in its absolute discretion, reserves the right to permit the holder of a power of attorney to request the Registrar to the Issue that for the purpose of printing particulars on the refund order and mailing of the refund orders/Allotment Advice through speed post or registered post, the Demographic Details obtained from the Depository of the Applicant shall be used.

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

Electronic registration of Applications

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

(b) The Stock Exchanges will offer an electronic facility for registering Applications for this Issue. This facility will be available on the terminals of Members of the Syndicate, Trading Members and the SCSBs during the Issue Period. On the Issue Closing Date, the Members of the Syndicate, Trading Members and the Designated Branches of the SCSBs shall upload the Applications till such time as may be permitted by the Stock Exchanges. This information will be available with the Members of the Syndicate, Trading Members and the Designated Branches of the SCSBs on a regular basis. Applicants are cautioned that a high inflow of high volumes on the last day of the Issue Period may lead to some Applications received on the last day not being uploaded and such Applications will not be considered for allocation.

(c) Based on the aggregate demand for Applications registered on the electronic facilities of the Stock Exchanges, a graphical representation of consolidated demand for the NCDs, as available on the websites of the Stock Exchanges, would be made available at the Application centres as provided in the Application Form during the Issue Period.

(d) At the time of registering each Application, SCSBs, the Members of the Syndicate and Trading Members, as the case may be, shall enter the details of the Applicant, such as the Application Form number, PAN, Applicant category, DP ID, Client ID, number and Option(s) of NCDs applied, Application Amounts, details of payment instruments (for non – ASBA Applications) and any other details that may be prescribed by the online uploading platform of the Stock Exchanges.

(e) A system generated TRS will be given to the Applicant as a proof of the registration of his Application. It is the Applicant's responsibility to obtain the TRS from the SCSBs, Members of the Syndicate or the Trading Members, as the case may be. The registration of the Applications by the SCSBs, Members of the Syndicate or Trading Members does not guarantee that the NCDs shall be allocated/ Allotted by our Company. Such TRS will be non-negotiable and by itself will not create any obligation of any kind.

(f) The permission given by the Stock Exchanges to use their network and software of the online system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, and/or the Lead Managers are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Shelf Prospectus or the relevant Tranche Prospectus; nor does it warrant that the NCDs will be listed or will continue to be listed on the Stock Exchanges.

(g) In case of apparent data entry error by either the Members of the Syndicate or the Trading Members, in entering the Application Form number in their respective schedules, other things remaining unchanged, the Application Form may be considered as valid and such exceptions may be recorded in minutes of the meeting submitted to the Designated Stock Exchanges.

(h) Only Applications that are uploaded on the online system of the Stock Exchanges shall be considered for Allotment. The Members of the Syndicate, Trading Members and the Designated Braches of the SCSBs shall capture all data relevant for the purposes of finalizing the Basis of Allotment while uploading Application data in the electronic systems of the Stock Exchanges. In order that the data so captured is accurate the Members of the Syndicate, Trading Members and the Designated Braches of the SCSBs will be given up to one Working Day after the Issue Closing Date to modify/ verify certain selected fields uploaded in the online system during the Issue Period after which the data will be sent to the Registrar to the Issue for reconciliation with the data available with the NSDL and CDSL.

General Instructions

Do's

- **Check if you are eligible to apply as per the terms of this Draft Shelf Prospectus, the Shelf Prospectus, the relevant Tranche Prospectus and applicable law;**
- **Read all the instructions carefully and complete the Application Form;**
- Ensure that the details about Depository Participant and beneficiary account are correct and the beneficiary account is active;
- Applications are required to be in single or joint names (not more than three);
- In case of an HUF applying through its Karta, the Applicant is required to specify the name of an Applicant in the Application Form as 'XYZ Hindu Undivided Family applying through PQR', where PQR is the name of the Karta;
- Ensure that Applications are submitted to the Members of the Syndicate, Trading Members or the Designated Branches of the SCSBs, as the case may be, before the closure of application hours on the Issue Closing Date;
- Ensure that the Application Forms (for non-ASBA Applicants) are submitted at the collection centres provided in the Application Forms, bearing the stamp of a Member of the Syndicate or a Trading Members of the Stock Exchanges, as the case may be;

- Information provided by the Applicants in the Application Form will be uploaded on to the online platform of the Stock Exchanges by the Members of the Syndicate and Trading Members, as the case may be, and the electronic data will be used to make allocation/ Allotment. The Applicants should ensure that the details are correct and legible;

- Ensure that the Applicant's names (for Applications for the NCDs in dematerialised form) given in the Application Form is exactly the same as the names in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form;

- Ensure that you have funds equal to or more than the Application Amount in your ASBA Account before submitting the Application Form for ASBA Applications;

- Ensure that you mention your PAN in the Application Form. In case of joint applicants, the PAN of all the Applicants should be provided, and for HUFs, PAN of the HUF should be provided. Any Application Form without the PAN is liable to be rejected. Applicants should not submit the GIR Number instead of the PAN as the Application is liable to be rejected on this ground;

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

- Ensure that the Demographic Details as provided in the Application Form are updated, true and correct in all respects;

- Ensure that you request for and receive a TRS for all your Applications and an acknowledgement as a proof of having been accepted;

- Ensure that you have obtained all necessary approvals from the relevant statutory and/or regulatory authorities to apply for, subscribe to and/or seek Allotment of the NCDs;

- Ensure that signatures other than in the languages specified in the Eighth Schedule to the Constitution of India is attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;

- Ensure that your Application Form bears the stamp of the relevant SCSB, Trading Members or the Members of the Syndicate to whom the Application is submitted;

- In the event that you are submitting an Application Form to a Trading Member, ensure that he is located in a town/ city that has a designated branch of the Escrow Collection Banks (a list of such locations are available on the websites of Stock Exchanges, our Company and Lead Managers, a link for the same being available in the Application Form);

- Ensure that you receive a TRS from a designated branch of an SCSB, a Trading Member or from the Members of the Syndicate, as the case may be, for the submission and upload of your Application Form into the electronic platform of the Stock Exchanges;

- **Applicants (other than ASBA Applicants) are requested to write the sole/ first Applicant's name, his phone number and the Application number on the reverse of the instruments by which the payments are made;**

- All Applicants are requested to tick the relevant column "Category of Investor" in the Application Form; and

- Tick the Option of NCDs in the Application Form that you wish to apply for.

Dont's

- Do not apply for lower than the minimum Application size;

- Do not pay the Application amount in cash, by money order, postal order, stock invest;

- Do not send the Application Forms by post; instead submit the same to the Members of the Syndicate and Trading Members (as the case may be) only;

- Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground;

- Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar;

- Do not fill up the Application Form such that the NCDs applied for exceeds the size of this Issue and/or investment limit or maximum number of NCDs that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;

- Do not submit Applications on plain paper or on incomplete or illegible Application Forms;

- Do not submit an Application in case you are not eligible to acquire the NCDs under applicable law or your relevant constitutional documents or otherwise;

- Do not submit the Application Forms without the Application Amount; and

- Do not apply if you are not competent to contract under the Indian Contract Act, 1872.

Additional instructions specific for ASBA Applicants

Do's

- Before submitting the physical Application Form with the Member of the Syndicate at the Syndicate ASBA Application Locations ensure that the SCSB, whose name has been filled in the Application Form, has named a branch in that centre;

- For ASBA Applicants applying through Syndicate ASBA, ensure that your Application Form is submitted to the Members of the Syndicate at the Syndicate ASBA Application Locations and not to the Escrow Collection Banks (assuming that such bank is not a SCSB), to our Company, the Registrar to the Issue or Trading Members;

- For ASBA Applicants applying through the SCSBs, ensure that your Application Form is submitted at a Designated Branch of the SCSB where the ASBA Account is maintained, and not to the Escrow Collection Banks (assuming that such bank is not a SCSB), to our Company, the Registrar to the Issue or the Members of the Syndicate or Trading Members;

- Ensure that the Application Form is signed by the ASBA Account holder in case the ASBA Applicant is not the account holder;

- Ensure that you have mentioned the correct ASBA Account number in the Application Form;

- Ensure that you have funds equal to the Application Amount in the ASBA Account before submitting the Application Form to the respective Designated Branch, or to the Members of the Syndicate at the Syndicate ASBA Application Locations, or to the Trading Members, as the case may be;

- Ensure that you have correctly ticked, provided or checked the authorisation box in the Application Form, or have otherwise provided an authorisation to the SCSB *via* the electronic mode, for the Designated Branch to block funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form; and

- Ensure that you receive an acknowledgement from the Designated Branch or the concerned member of the Syndicate, or the Trading Member, as the case may be, for the submission of the Application Form.

Don'ts

- Do not make payment of the Application Amounts in any mode other than through blocking of the Application Amounts in the ASBA Accounts shall not be accepted under the ASBA process;

- Do not submit the Application Form with a Member of the Syndicate at a location other than the Syndicate ASBA Application Locations;

- Do not submit non-ASBA Application Forms to any of the collection centres of the Escrow Collection Banks or to the Registrar to the Issue or directly to our Company ;

- Do not send your physical Application Form by post. Instead submit the same with a Designated Branch or a member of the Syndicate at the Syndicate ASBA Application Locations, or a Trading Member, as the case may be; and

- Do not submit more than five Application Forms per ASBA Account.

The Members of the Syndicate and the Trading Members of the Stock Exchanges shall ensure they shall accept Application Forms only in such cities/ towns where the designated branches of the Escrow Collection Banks are available. Details of the branches of the Escrow Banks where the Application Form along with the cheque/ demand draft submitted by a Non ASBA applicant shall be deposited by the Members of the Syndicate and Trading Members are available on the website of the Lead Managers at www.akgroup.co.in, www.axisbank.com and www.edelweissfin.com. A link to the said web pages shall also be available on the website of NSE and BSE at www.nseindia.com and www.bseindia.com. A link shall also be provided to the above mentioned websites in the Application Forms as well.

Submission of Application Forms

For details in relation to the manner of submission of Application Forms, see "*Issue Procedure – Methods of Application*" on page 141 of this Draft Shelf Prospectus.

OTHER INSTRUCTIONS

Joint Applications

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

Additional/ Multiple Applications

An Applicant is allowed to make one or more Applications for the NCDs for the same or other Options of NCDs, as specified in the relevant Tranche Prospectus, subject to a minimum Application size as specified in the relevant Tranche Prospectus for each Application. Any Application for an amount below the aforesaid minimum Application size will be deemed as an invalid Application and shall be rejected. However, any Application made by any person in his individual capacity and an Application made by such person in his capacity as a Karta of an HUF and/or as joint Applicant (second or third applicant), shall not be deemed to be multiple Applications.

Depository Arrangements

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

(i) Tripartite Agreements dated August 24, 2018, between us, the Registrar to the Issue and CDSL and NSDL, respectively have been executed, for offering depository option to the Applicants.

(ii) An Applicant must have at least one beneficiary account with any of the Depository Participants (DPs) of NSDL or CDSL prior to making the Application.

(iii) NCDs Allotted to an Applicant in the electronic form will be credited directly to the Applicant's respective beneficiary account(s) with the DP.

(iv) Non-transferable Allotment Advice/ refund orders will be directly sent to the Applicant by the Registrar to this Issue.

(v) It may be noted that NCDs in electronic form can be traded only on stock exchanges having electronic connectivity with NSDL or CDSL. The Stock Exchanges have connectivity with NSDL and CDSL.

(vi) Interest or other benefits with respect to the NCDs held in dematerialised form would be paid to those NCD Holders whose names appear on the list of beneficial owners given by the Depositories to us as on Record Date. In case of those NCDs for which the beneficial owner is not identified by the Depository as on the Record Date/ book closure date, we would keep in abeyance the payment of interest or other benefits, till such time that the beneficial owner is identified by the Depository and conveyed to us, whereupon the interest or benefits will be paid to the beneficiaries, as identified, within a period of 30 days.

(vii) The trading of the NCDs on the floor of the Stock Exchanges shall be in dematerialized form in multiples of One NCD only.

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

For further information relating to Applications for Allotment of the NCDs in dematerialised form, see "*Issue Procedure*" beginning on page 139 of this Draft Shelf Prospectus respectively.

Communications

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

Applicants can contact our Compliance Officer as well as the contact persons of our Company/ Lead Managers or the Registrar to the Issue in case of any pre-Issue related problems. In case of post-Issue related problems such as non-receipt of Allotment Advice/ credit of NCDs in depository's beneficiary account/ refund orders, etc., applicants may contact our Compliance Officer as well as the contact persons of our Company/Lead Managers or Registrar. Please note that Applicants who have applied for the NCDs through Trading Members should contact the Stock Exchanges in case of any post-Issue related problems, such as non-receipt of Allotment Advice / credit of NCDs in depository's beneficiary account/ refund orders, etc.

Interest in case of Delay

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

Rejection of Applications

As set out below, or if all required information is not provided or the Application Form is incomplete in any respect, the Board of Directors and/or any committee of our Company reserves it's full, unqualified and absolute right to accept or reject any Application in whole or in part and in either case without assigning any reason thereof.

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

- Number of NCDs applied for being less than the minimum Application size;
- Applications not being signed by the sole/joint Applicants;
- Applications submitted without payment of the Application Amount. However, our Company may allot NCDs up to the value of application monies paid, if such application monies exceed the minimum application size as prescribed hereunder;
- Application Amount paid being higher than the value of NCDs Applied for. However, our Company may allot NCDs up to the number of NCDs Applied for, if the value of such NCDs Applied for exceeds the minimum Application size;
- Investor Category in the Application Form not being ticked;
- Date of Birth for first/sole Applicant for persons applying for Allotment not mentioned in the Application Form
- Applications where a registered address in India is not provided for the Applicant;
- Bank account details not provided in the Application Form;
- Submission of more than 5 (Five) ASBA Forms per ASBA Account;
- Applications by persons not competent to contract under the Indian Contract Act, 1872 including a minor without the name of a guardian;
- Minor Applicants (applying through the guardian) without mentioning the PAN of the minor Applicant;
- DP ID and Client ID not mentioned in the Application Form;
- Applications by stock invest or accompanied by cash/money order/postal order;
- For ASBA Applications, where an authorization to the SCSB for blocking funds in the ASBA Account has not been provided;
- Applications uploaded after the expiry of the allocated time on the Issue Closing Date, unless extended by the Stock Exchanges, as applicable;
- In case of partnership firms, NCDs may be applied for in the names of the individual partner(s) and no firm as such shall be entitled to apply for in its own name. However a Limited Liability Partnership firm can apply in its own name;

- ASBA Applications submitted to the Members of Consortium or Trading Members at locations other than the Syndicate ASBA Application Locations or at a Designated Branch of a SCSB where the ASBA Account is not maintained, and ASBA Applications submitted directly to an Escrow Collecting Bank (assuming that such bank is not a SCSB), to our Company or the Registrar;

- Applications made without mentioning the PAN of the Applicant, except for Applications by or on behalf of the Central or State Government and the officials appointed by the courts and by investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participants;

- GIR number mentioned in the Application Form instead of PAN;

- Application by OCBs;

- Applications for amounts greater than the maximum permissible amounts prescribed by applicable regulations;

- Applications by persons/entities who have been debarred from accessing the capital markets by SEBI;

- Applications by any persons outside India;

- For all Applications for Allotment the, DP ID, Client ID and PAN mentioned in the Application Form do not match with the Depository Participant ID, Client ID and PAN available in the records with the depositories;

- Applications by persons who are not eligible to acquire the NCDs in terms of applicable laws, rules, regulations, guidelines and approvals;

- Application Forms from ASBA Applicants not being signed by the ASBA Account holder, if the account holder is different from the Applicant or the signature of the ASBA Account holder on the Application Form does not match with the signature available on the Applicant’s bank records;

- Applications for an amount below the minimum Application size;

- ASBA Applications not having details of the ASBA Account to be blocked;

- With respect to ASBA Applications, inadequate funds in the ASBA Account to enable the SCSB to block the Application Amount specified in the Application Form at the time of blocking such Application Amount in the ASBA Account or no confirmation is received from the SCSB for blocking of funds;

- Applications where clear funds are not available in Escrow Accounts as per final certificates from Escrow Collection Banks;

- Applications by persons prohibited from buying, selling or dealing in shares, directly or indirectly, by SEBI or any other regulatory authority;

- Applications by Applicants seeking Allotment in dematerialised form whose demat accounts have been 'suspended for credit' pursuant to the circular issued by SEBI on July 29, 2010 bearing number CIR/MRD/DP/22/2010;

- Non- ASBA Applications accompanied by more than one payment instrument;

- Applications not uploaded on the terminals of the Stock Exchanges;

- Applications for the allotment of NCDs in dematerialized form providing an inoperative demat account number;

- Applications accompanied by Stock invest/ money order/ postal order/ cash;

- In case of Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not submitted along with the Application Form;

- Applications (except for ASBA Applications) where clear funds are not available in Escrow Accounts as per final certificates from the Escrow Collection Banks;

- With respect to ASBA Applications, the ASBA Account not having credit balance to meet the Application Amounts or no confirmation is received from the SCSB for blocking of funds;

- Applications not uploaded on the terminals of the Stock Exchanges;

- Application Forms submitted to the Members of Consortium, or Trading Members of the Stock Exchange does not bear the stamp of the relevant Members of the Consortium or Trading Member of the Stock Exchange, as the case may be. ASBA Applications submitted directly to the Designated Branches of the SCSBs does not bear the stamp of the SCSB and/or the Designated Branch and/or the Members of the Consortium, or Trading Members of the Stock Exchange, as the case may be;

- In case no corresponding record is available with the Depositories that matches three parameters namely, DP ID, Client ID and PAN or if PAN is not available in the Depository database;

- Applications by other persons who are not eligible to apply for NCDs under this Issue under applicable Indian or foreign statutory/regulatory requirements;

- Application Forms not delivered by the Applicant within the time prescribed as per the Application Form and this Draft Shelf Prospectus and as per the instructions in the Application Form, this Draft Shelf Prospectus and the relevant Tranche Prospectus;

- Where PAN details in the Application Form and as entered into the electronic system of the Stock Exchanges, are not as per the records of the Depositories;

- Applications tendered to the Trading Members of the Stock Exchanges at centers other than the centers mentioned in the Application Form;

- Application Form accompanied with more than one cheque;

- In case of cancellation of one or more orders (series) within an Application, leading to total order quantity falling under the minimum quantity required for a single Application; and

- Payment made through non-CTS cheques may be liable to be rejected due to any clearing delays to avoid any delay in the timelines in terms of the SEBI Circular No. CIR/CFD/DIL/1/2011 dated April 29, 2011.

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

Allotment Advice/ Refund Orders

In case of Applications other than those made through the ASBA process, the unutilised portion of the Application Amounts will be refunded to the Applicant within 12 (twelve) Working Days of the Issue Closing Date through any of the following modes:

(i) **Direct Credit** – Applicants having bank accounts with the Bankers to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne by us.

(ii) **NACH** – Payment of refund would be done through NACH for Applicants having an account at any of the centres specified by RBI, where such facility has been made available. This mode of payment of refunds would be subject to availability of complete bank account details including the MICR code as available from the Depositories. The payment of refunds through this mode will be done for Applicants having a bank account at any centre where NACH facility has been made available (subject to availability of all information for crediting the refund through NACH).

(iii) **NEFT** – Payment of refund shall be undertaken through NEFT wherever the Applicant's bank has been assigned the Indian Financial System Code ("**IFSC**"), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. In case of online payment or wherever the Investors have registered their nine digit MICR number and their bank account number with the depository participant while opening and operating the demat account, the MICR number and their bank account number will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Investors through this method.

(iv) **RTGS** – If the refund amount exceeds ₹ 2,00,000, Applicants have the option to receive refund through RTGS. Charges, if any, levied by the refund bank(s) for the same would be borne by us. Charges, if any, levied by the Applicant's bank receiving the credit would be borne by the Applicant.

(v) For all other Applicants (not being ASBA Applicants), refund orders will be despatched through speed post/ registered post only to Applicants that have provided details of a registered address in India. Such refunds will be made by cheques, pay orders or demand drafts drawn in favour of the sole/ first Applicants and payable at par.

In the case of Applicants other than ASBA Applicants, applying for the NCDs in dematerialised form, the Registrar to the Issue will obtain from the Depositories the Applicant's bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Applicants in their Application Forms. Accordingly, Applicants are advised to immediately update their details as appearing on the records of their Depository Participants. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay will be at the Applicant's sole risk and neither our Company, the Registrar, the Escrow Collection Banks, or the Members of the Syndicate, will be liable to compensate the Applicants for any losses caused to them due to any such delay, or liable to pay any interest for such delay.

In case of ASBA Applicants, the Registrar to the Issue shall instruct the relevant SCSB to unblock the funds in the relevant ASBA Account to the extent of the Application Amount specified in the Application Forms for withdrawn, rejected or unsuccessful or partially successful ASBA Applications within 12 (twelve) Working Days of the Issue Closing Date.

Our Company and the Registrar to the Issue shall credit the allotted NCDs to the respective beneficiary accounts/ dispatch the Letters of Allotment or letters of regret/ Refund Orders by registered post/speed post at the Applicant's sole risk, within 12 Working Days from the Issue Closing Date. We may enter into an arrangement with one or more banks in one or more cities for refund to the account of the applicants through Direct Credit/RTGS/NEFT.

Further,

(a) Allotment of NCDs in this Issue shall be made within the time period stipulated by SEBI;

(b) Credit to dematerialised accounts will be given within two Working Days from the Deemed Date of Allotment;

(c) Interest at a rate of 15% per annum will be paid if the Allotment has not been made and/or the refund orders have not been dispatched to the Applicants within 12 days from the Issue Closing Date, for the delay beyond 12 days in case of non-receipt of minimum subscription; and

(d) Our Company will provide adequate funds to the Registrar to the Issue / relevant banks for this purpose.

Retention of oversubscription

As specified in the relevant Tranche Prospectus for each Tranche Issue.

Grouping of Applications and allocation ratio

For the purposes of the basis of allotment:

A. *Applications received from Category I Applicants:* Applications received from Applicants belonging to Category I shall be grouped together, **("Institutional Portion")**;

B. *Applications received from Category II Applicants:* Applications received from Applicants belonging to Category II, shall be grouped together, **("Non-Institutional Portion")**.

C. *Applications received from Category III Applicants:* Applications received from Applicants belonging to Category III shall be grouped together, **("High Net-worth Individual Category Portion")**.

D. *Applications received from Category IV Applicants:* Applications received from Applicants belonging to Category IV shall be grouped together, **("Retail Individual Category Portion")**.

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

Basis of Allotment

As specified in the relevant Tranche Prospectus.

Allocation Ratio

As specified in the relevant Tranche Prospectus.

Under Subscription

As specified in the relevant Tranche Prospectus.

Retention of oversubscription

As specified in the relevant Tranche Prospectus.

Proportionate Allotments

As specified in the relevant Tranche Prospectus.

Applicant applying for more than one Options of NCDs

As specified in the relevant Tranche Prospectus.

Investor Withdrawals and Pre-closure

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

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

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

In the event of such early closure of this Issue, our Company shall ensure that public notice of such early closure is published on or before such early date of closure or the relevant Issue Closing Date of the relevant Tranche Issue, as applicable, through advertisement(s) in all those newspapers in which pre-Issue advertisement and advertisement for opening or closure of this issue have been given.

Withdrawal of Applications after the Issue Period

In case an Applicant wishes to withdraw the Application after the Issue Closing Date, the same can be done by submitting a withdrawal request to the Registrar to the Issue prior to the finalization of the Basis of Allotment.

Revision of Applications

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

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

Revision of Applications is not permitted after the expiry of the time for acceptance of Application Forms on Issue Closing Date. However, in order that the data so captured is accurate, the Consortium Member, Trading Members of the Stock Exchange and the Designated Branches of the SCSBs will be given up to one Working Day after the Issue Closing Date to modify/ verify certain selected fields uploaded in the online system during the Issue Period, after which the data will be sent to the Registrar to the Issue for reconciliation with the data available with the NSDL and CDSL.

Utilisation of Application Amounts

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

Utilisation of the proceeds of this Issue

- All monies received out of this Issue shall be credited / transferred to a separate bank account maintained with a Scheduled Bank as referred to in Section 40 of the Companies Act, 2013.

- The allotment letter shall be issued or application money shall be refunded within fifteen days from the closure of this Issue or such lesser time as may be specified by the SEBI, or else the application money shall be refunded to the applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period.

- Details of all monies unutilised out of the previous issues made by way of public offer, if any, shall be disclosed and continued to be disclosed under an appropriate separate head in our balance sheet till the time any part of the proceeds of such previous issue remains unutilized indicating the securities or other forms of financial assets in which such unutilized monies have been invested.

- Details of all monies utilised out of the previous issue made by way of public offer shall be disclosed and continued to be disclosed under an appropriate separate head in our balance sheet indicating the purpose for which such monies have been utilized.

- Details of all unutilised monies out of this Issue, if any, shall be disclosed and continued to be disclosed under an appropriate head in our balance sheet till the time any part of the proceeds of this Issue remains unutilized indicating the form in which such unutilised monies have been invested.

- We shall utilize proceeds of this Issue subsequent to (a) receipt of minimum subscription; (b) completion of Allotment and refund process in compliance with Section 40 of the Companies Act, 2013; (c) creation of security; and (d) obtaining Listing and Trading approval as stated in this Draft Shelf Prospectus in "*Issue Structure*" beginning on page 126 of this Draft Shelf Prospectus.

- Proceeds of this Issue shall not be utilized towards full or part consideration for the purchase or any other acquisition, *inter alia* by way of a lease, of any immovable property or in the purchase of any business or in the purchase of an interest in any business.

- Proceeds of this Issue shall not be utilized for providing loan to or acquisition of shares of any person who is part of the same group or who is under the same management.

Impersonation

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

"Any person who:

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

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

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

Listing

The NCDs proposed to be offered in pursuance of this Draft Shelf Prospectus, the Shelf Prospectus and the relevant Tranche Prospectus will be listed on NSE and BSE. Our Company has received an 'in-principle' approval from NSE by way of its letter bearing reference number [●] dated [●] and our Company has received an 'in-principle' approval from BSE by way of its letter bearing reference number [●] dated [●]. The application for listing of the NCDs will be made to the Stock Exchanges at an appropriate stage.

If permissions to deal in and for an official quotation of our NCDs are not granted by the Stock Exchanges, our Company will forthwith repay, without interest, all moneys received from the applicants in pursuance of this Draft Shelf Prospectus. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges are taken within 12 Working Days from Issue Closing Date.

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

Guarantee/Letter of Comfort

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

Undertaking by our Company

We undertake that:

a) the complaints received in respect of this Issue (except for complaints in relation to Applications submitted to Trading Members) shall be attended to by us expeditiously and satisfactorily;

b) we shall take necessary steps for the purpose of getting the NCDs listed within the specified time i.e. 12 Working Days from the Issue Closing Date;

c) the funds required for dispatch of refund orders/ allotment advice/ certificates by registered post/ speed post shall be made available to the Registrar to the Issue by our Company;

d) necessary cooperation to the credit rating agencies shall be extended in providing true and adequate information until the debt obligations in respect of the NCDs are outstanding;

e) we shall forward the details of utilisation of the funds raised through the NCDs duly certified by our statutory auditors, to the Debenture Trustee at the end of each half year;

f) we shall disclose the complete name and address of the Debenture Trustee in our annual report;

g) we shall provide a compliance certificate to the Debenture Trustee (on an annual basis) in respect of compliance with the terms and conditions of issue of NCDs as contained in this Draft Shelf Prospectus; and

h) we shall make necessary disclosures/ reporting under any other legal or regulatory requirement as may be required by our Company from time to time.

SECTION VI: LEGAL AND OTHER INFORMATION

PENDING PROCEEDINGS AND STATUTORY DEFAULTS

Except as disclosed below, there are no:

(a) *outstanding litigation involving our Company having implications on the financial position or credit quality which may materially affect our Company or the investor's decision to invest / continue to invest in the debt securities of our Company;*

(b) *outstanding litigations which are criminal in nature involving our Company, our Directors, our Promoter, the Tata Capital Group or any other person;*

(c) *outstanding litigations which are civil in nature involving our Company, our Directors, our Promoter, the Tata Capital Group, or any other person where the amount involved, to the extent quantifiable, is ₹ 2,500 lakh or more;*

(d) *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 five years immediately preceding the year of the issue of this Draft Shelf Prospectus and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action;*

(e) *pending proceedings initiated against our Company for economic offences and default;*

(f) *defaults and non-payment of statutory dues etc. on part of our Company; and*

(g) *inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013, or any previous companies law (including where there were any prosecutions filed) and fines imposed or compounding of offences by our Company in the last five years immediately preceding the year of issue of this Draft Shelf Prospectus against our Company.*

As on the date of this Draft Shelf Prospectus, there are no defaults in meeting statutory dues, institutional dues, and dues towards holders of instrument like debentures, and payment of arrears on cumulative preference shares, etc., by our Company.

Further from time to time, our Company has been and continues to be involved in legal proceedings filed by and against us, arising in the ordinary course of our business. These legal proceedings are both in the nature of civil and criminal proceedings. Our Company believes that the number of proceedings in which it is / was involved is not unusual for a company of our size doing business in India. Further, our Company is involved in certain matters which relate to claims by certain customers, for alleged misplacement of security related documentation, recovery of loan amount advanced and improper settlement of claims. Such matters are pending before various courts of various jurisdictions throughout India, such matters are not likely to affect operations and finances of our Company, nor will they have a material adverse effect on our Company.

Litigation against our Company

Criminal Litigation

1. Mr. Jaswinder Singh (the "**Complainant**") has filed a complaint against two of our employees, before the Chief Judicial Magistrate, Durgapur. The Complainant has alleged in his complaint that he had applied for a loan from our Company for the purpose of purchasing a property and that he had partly paid the sale consideration to the seller of the property. For the balance amount, the Complainant approached our Company for availing the loan facility. Further, the Complainant has stated that the employees of our Company had agreed to handover the cheques for the loan amount to the Complainant at the Registrar's office after registration of the Sale Deed with the Seller. It is alleged by the Complainant that our employees demanded bribe from the Complainant for handing over the cheques and when the Complainant refused, our employees physically assaulted him. A first information report ("**FIR**") was registered by the concerned police station. An application under section 482 of the Code of Criminal Procedure for quashing the FIR was moved by the said employees before Kolkata High Court ("**Court**"). The Court has granted interim stay on further proceedings in the matter.

2. Mr. Polanki Bharat (the "**Complainant**") has filed a criminal complaint before the Additional Chief Metropolitan Magistrate, Benguluru against certain persons including our Company. The Complainant alleged that he had agreed to purchase an under construction property from the developer and the developer assured him that they will assist him in availing a loan facility from a bank or non-bank financial institution. The Complainant further alleged that the

developer took signatures of the Complainant on various application forms and loan documents of different banks and obtained and transferred the sanctioned loan amount from 3 banks to their own bank account without the knowledge and consent of the Complainant. It is also alleged in the complaint that the developer has failed to execute the sale deed in favor of the Complainant. It is alleged that all persons named in the Complaint have committed an offence of cheating, criminal breach of trust and illegally knocking off the property of the Complainant. The Court has taken cognizance of the complaint. A first information report ("**FIR**") was registered by the concerned police station. The investigation is ongoing and our Company is in the process of filing an application under the Section 482 of the Code of Criminal Procedure for quashing the FIR.

3. Mrs. Shachi Jayaram & Mr. Ramananda S.G. (the "**Complainants**") along with five others have filed a complaint against certain persons including our Company before Bellandur Police Station, Benguluru. The Complainants have alleged that the developer named in the complaint has deceived a number of investors by doing multiple funding on their properties in its residential project. The Complainant also alleged in the complaint that there was an investment option in the project where the investors could self-fund and/or take loan from our Company or certain other banks and the investors would get a percentage of returns as profit. It is alleged that the developer has stopped reimbursing EMIs to the Complainants and he has also executed sale deeds in respect of the investor's property (which are mortgaged to our Company and other banks) with third parties. A first information report ("**FIR**") was registered by the concerned police station. An application under section 482 of the Code of Criminal Procedure, 1973 has been filed by our Company for quashing of the FIR, which is yet to be listed.

4. Mr. Dinesh Oswal (the "**Complainant**") has filed a complaint with the Commissioner of Police, Pune against certain persons including our Company alleging that the developer named in the complaint did not have sanction from Pune Municipal Corporation ("**PMC**") in respect of the project and developer has also demanded higher sale consideration than the agreed amount from the Complainant. Our Company had granted a housing loan to the Complainant. The Complainant has further alleged that the land and mortgaged property were already mortgaged with Tata Capital Financial Services Limited and the housing loan facility granted by our Company was without verifying the title documents. Our Company is yet to receive official notice/intimation from the police station.

5. Mr. Deepak Chudekar and two other persons (the "**Complainants**") have filed three different complaints against certain persons including our Company alleging that our Company has granted a housing loan to the Complainants without verifying the documents of the property. Three different first information reports were also filed against the Company. Our Company received two notices under section 91 of the Code of Criminal Procedure, 1973 and our Company has represented itself before the concerned police station through our employees including a credit manager who has obtained a bail in the matter. The matter is pending.

6. Mr. Sanjeev Kumar Kakkar (the "**Complainant**") has filed a complaint with the Economic Offences Wing, Mandirmarg, New Delhi ("**EOW**") alleging fraud committed by our Company against the Complainant in connivance with a direct selling agent of the Company in respect of a loan granted by our Company to the Complainant. Our Company has been served with a notice by the EOW under section 91 of the Code of Criminal Procedure, 1973 for production of documents and other information, which our Company has complied with. Our Company has also filed a complaint against the Complainant and others, before the Station House Officer, PS Lajpat Nagar, New Delhi, stating that they have cheated our Company by claiming that they have not received the loan amount disbursed by our Company and that they are not liable to make repayment of the same. The complaints are pending.

Litigation by our Company

Criminal Litigation

1. Our Company has filed various complaints under section 138 of the Negotiable Instruments Act, 1881 and section 25 of the Payment and Settlement Systems Act, 2007 on account of dishonour of cheques or other payment instruments issued by our borrowers. Our Company has also filed various police complaints against borrowers or third parties in its regular course of business for offences such cheating, misappropriation, forgery and criminal conspiracy (amongst others). As on the date of this Draft Shelf Prospectus, our Company has filed about 19 complaints which are of criminal nature and about 1,044 complaints under section 138 of the Negotiable Instruments Act, 1881 and/or section 25 of the Payment and Settlement Systems Act, 2007 which are currently pending where the aggregate amount claimed from all persons is approximately ₹ 15,000 lakh.

Inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013, or any previous companies law (including where there were any prosecutions filed) and fines imposed or compounding of offences by our Company in the last five years immediately preceding the year of issue of this Draft Shelf Prospectus against our

Company.

Our Company availed a refinance facility from the NHB *vide* letter agreement dated January 4, 2011 amounting to ₹50,00,00,000 ("**Letter Agreement**") which was valid till June 30, 2011. Subsequently, a revised letter agreement was executed dated June 1, 2011 which was also valid till June 30, 2011. The tenure of the Letter Agreement was extended upon request of our Company. However, our Company erroneously filed the Form 8 for creation of security. Our Company filed a petition dated February 23, 2013 before the Regional Director, Mumbai ("**Regional Director**") for condonation of delay and extension of time for filing the particulars of charge creation for ₹50,00,00,000, in favour of NHB.

Litigation against our Directors

Our Directors may, from time to time, become party to civil or criminal litigations, which are pending before various forums and are at different stages, by virtue of their past and current directorships and/or employment in companies other than our Company or the Tata Capital Group, or in their individual capacity. However, our Company believes that the outcome of such litigations will not have a material adverse effect on the position of our Company or the Issue in any manner whatsoever.

Litigation against Tata Capital Group

Tata Capital Financial Services Limited ("**TCFSL**")

Litigations against TCFSL

Criminal Litigation

1. Mr. Rudraiah Matapahi ("**Complainant**") filed a criminal complaint dated June 10, 2017 against TCFSL and nine officers and employees of TCFSL, including some of its and TCL's then existing directors viz. Mr. Ishaat Hussain, Mr. Janki Ballabh, Mr. Nalin Shah and Mr. Praveen P. Kadle under Sections 34, 379 and 420 of the Indian Penal Code ("**IPC**") alleging cheating and dishonestly inducing delivery of property owned by the Complainant, being a Maruti Swift Dzire, a laptop computer, certain land documents and an ATM card issued by Syndicate Bank ("**Complaint**").

   As part of the Complaint, the Complainant has alleged that he purchased a Maruti Swift Dzire on May 27, 2015 by availing a car loan amounting to ₹7,00,000 from TCFSL and agreeing to pay equal monthly instalments of ₹15,297 each. Due to certain financial problems, the Complainant was unable to pay the instalments regularly, pursuant to which the representatives of TCFSL took possession of the property mentioned above, on April 24, 2017. The Complainant has further alleged that even after payment of ₹64,927, the accused persons have not delivered possession of the property to the Complainant.

   As a consequence of the Complainant's inability to pay the instalment amounts on a regular basis, an arbitration proceeding was initiated by TCFSL against the Complainant. Pursuant to the order of the arbitral tribunal dated February 06, 2017, the arbitrator under Section 17 of Arbitration and Conciliation Act, 1996 ("**Arbitration Act**") directed TCFSL to take possession of the vehicle pursuant to which the vehicle has been seized by TCFSL. The matter is pending before the jurisdictional magistrate and has been disposed of on October 13, 2017 with a direction to put up after final report. TCFSL has filed CRLP 6174/2017 before the High Court of Bengaluru against the criminal case and interim stay has granted by the court. The petition is yet to be listed for final hearing.

Material Tax Litigation

1. The Deputy Commissioner of Income Tax ("**DCIT**") passed the assessment order dated March 13, 2016 under Section 143(3) of the IT Act for the assessment year 2013-14 by making a disallowance of an amount of ₹ 25,60,46,725 under Section 14A of the IT Act. Subsequently, TCFSL filed an appeal under Section 250 of the IT Act before the Commissioner of Income Tax (Appeals) on April 12, 2016 against the assessment order passed by the DCIT. The appeal was allowed and decided in favour of TCFSL vide order dated October 30, 2017. Pursuant to such order, the DCIT has filed an appeal before Income Tax Appellate Tribunal, Mumbai. The matter is currently pending before Tribunal and is posted for hearing on May 13, 2020.

Litigations by TCFSL

Material Civil Litigation

1. TCL has advanced a bill discounting facility amounting to ₹30,00,00,000 which was increased to ₹50,00,00,000 to Biotor Industries Limited ("**Biotor**"). Biotor defaulted in repayment of the facility and TCL invoked arbitration before a sole arbitrator. TCL filed claim against Biotor on December 09, 2009 claiming an amount of ₹42,50,00,000 with

further interest. In the said arbitration, Biotor filed counter claim of ₹205,00,00,000 for damages and alleging collusion and fraud. Biotor also filed an application under Section 16 of the Arbitration Act contending that on account of such fraud, the arbitral tribunal had no jurisdiction to entertain the disputes. The arbitration was finally argued and is reserved for passing of the award. Biotor has filed a suit against certain entities where TCL has also been impleaded as a defendant. While Biotor has claimed an amount of ₹309,58,60,000 from the other defendants, it has alleged fraud against TCL and its employees for colluding with the employees of Biotor and coercing Biotor to avail the said facility and the insurance coverage from TATA AIG General Insurance Company Limited and seeking only injunction relief against TCL. TCL has filed an application under Section 8 of the Arbitration Act to refer matter to arbitration and the same is pending. Pursuant to sanction of the Scheme of Arrangement, all securities, rights, obligations under security arrangements, collateral, etc. were transferred from TCL to TCFSL.

Allahabad Bank has filed proceedings before NCLT for corporate insolvency of Biotor and the petition has been admitted. TCFSL being one of the financial creditors has filed its claim for an amount of ₹80,41,00,000. The corporate insolvency proceedings in this regard are currently in progress.

2. TCFSL had initiated arbitration proceedings under Section 9 of the Arbitration Act against SVOGL Oil Gas and Energy Limited ("**SVOGL**") for default in re-payment of a sanctioned loan amount of ₹43,45,00,000, which has since then been withdrawn. Further, TCFSL has also filed an application dated May 11, 2017 under Section 7 of the Insolvency and Bankruptcy Code, 2016 ("**IBC Code**") with the National Company Law Tribunal, New Delhi principal bench for initiation of corporate insolvency proceedings. However, the application was dismissed by an order of the National Company Law Tribunal, New Delhi principal bench dated April 24, 2018 stating that since winding up proceedings had been initiated against the SVOGL Oil Gas and Energy Limited by Citicorp International Limited, an application under the IBC Code is not maintainable. In this matter, a provisional liquidator had already been appointed. The matter is currently pending before the provisional liquidator appointed by High Court of Delhi, who is in the process of taking possession of the assets of SVOGL.

3. The State Bank of India has filed an application under Section 7 of the IBC Code before the National Company Law Tribunal, Hyderabad bench for initiation of corporate insolvency proceedings against IVRCL Limited. In furtherance of such application, corporate insolvency resolution process was initiated pursuant to an order passed by the National Company Law Tribunal, Hyderabad bench dated February 23, 2018, TCFSL being a financial creditor has filed a proof of its claim for an amount of ₹86,95,00,768 as on February 23, 2018. The corporate insolvency proceedings in this regard are currently in progress.

4. The State Bank of India has filed an application under Section 7 of the IBC Code before the National Company Law Tribunal, Kolkata bench for initiation of corporate insolvency proceedings against Coastal Projects Limited. In furtherance of such application, corporate insolvency resolution process was initiated pursuant to an order passed by the National Company Law Tribunal, Kolkata bench dated January 05, 2018, TCFSL being a financial creditor has filed its claim for an amount of ₹130, 86,59,935 as on January 05, 2018. The corporate insolvency proceedings in this regard are currently pending.

5. TCL had sanctioned a term loan amount of ₹100,00,00,000 to Deccan Chronicle Holding Limited ("**Deccan**") in 2011. Deccan defaulted in the payment of the loan and TCL initiated arbitration proceedings against Deccan. Under Section 9 of the Arbitration Act, Court Receiver High Court of Bombay took physical possession of the mortgaged property at Mathuradas Mill Compound, Mumbai. The arbitrator passed an interim award dated April 16, 2014 in favour of TCFSL for ₹100,00,00,000 and a final award dated October 01, 2016 for the interest component. Deccan had challenged the Interim Award but did not succeed. Thereafter, Deccan has also challenged the final award for interest payment. TCFSL has also filed a suit in the Bombay High Court for enforcement of mortgage property by sale which is pending. TCFSL has also initiated SARFAESI proceedings against the mortgaged property and applied to the Court for handing over possession by Court Receiver to authorized officer of TCFSL which is pending. Canara Bank has initiated proceedings against Deccan under Section 7 of the IBC Code before the National Company Law Tribunal, Hyderabad bench. TCFSL being a financial creditor has filed its claim of ₹182,72,00,000 before the insolvency resolution professional. The corporate insolvency proceedings are pending.

6. TCFSL had advanced a loan amounting to ₹70,00,00,000 to Siva Ventures Ltd. in March 2012 and ₹130,00,00,000 to Siva Industries and Holdings Limited ("**Siva**") in June 2012 wherein SIG Event Management Enterprise ("**Guarantor**") had agreed to be a guarantor to ensure the repayment of the loan. Subsequently, on August 22, 2013, Siva Ventures Limited and the Guarantor merged into Siva, with Siva being the surviving entity and all obligations with respect to the loans availed and guarantees provided by the merging entities were assigned to Siva. The said loans were secured by pledge of 6,22,25,000 unlisted equity shares of Tata Teleservices Limited ("**TTSL**").

Pursuant to non-repayment of the outstanding amounts of ₹232,96,38,674, TCFSL invoked the pledge on May 23, 2014. Since there was a dispute between the parties in respect of the fair value of the shares, the dispute was referred to a conciliator, Mr. Tushad Cooper. Subsequently, a settlement agreement dated June 10, 2014 was arrived at between the parties whereunder, TCFSL acquired the pledged shares and a shareholders' agreement dated June 10, 2014 and a personal guarantee by Mr. C. Sivasankaran was executed. TCFSL invoked the put option under the shareholders' agreement which was not honoured by Siva and also by the guarantor, Mr. C. Sivasankaran. TCFSL, therefore, initiated pre arbitration negotiation in terms of the shareholders' agreement. However, such negotiations ultimately failed. TCFSL thereafter initiated arbitration proceedings against Siva and Mr. C Sivasankaran for claiming an amount of ₹343,00,00,000 along with interest. The Supreme Court of India pursuant to its order dated April 02, 2018 appointed a sole arbitrator for adjudicating the disputes between the parties. The matter is currently pending before the sole arbitrator wherein TCFSL has filed its statement of claim.

7. TCL had advanced a loan amounting to ₹50,00,00,000 to the Gupta Corporation Private Limited ("**Borrower**") for capex. Pursuant to sanction of the Scheme of Arrangement, all securities, rights, obligations under security arrangements, collateral, etc. were transferred from TCL to TCFSL. The Borrower subsequently defaulted in the repayment of the sanctioned loan amount and arbitration was initiated by TCFSL against the Borrower. Simultaneously, an application under Section 9 of the Arbitration Act was filed by TCFSL. The Borrower filed an application under Section 7 of the IBC Code before the National Company Law Tribunal, Mumbai bench for initiation of corporate insolvency proceedings. TCFSL being a financial creditor has filed a claim for an amount of ₹80,90,82,537.

8. Axis Trustee Services Limited ("**Claimant**") has initiated arbitration proceedings against Gammon India Limited. The Claimant was a Debenture Trustee in relation to issuance of Non-Convertible Debenture by Metropolitan Infrahousing Private Limited ("**Metropolitan**"), wherein 75 non-convertible debentures were issued to TCL worth ₹75,00,00,000. Gammon India Limited has provided a corporate guarantee in respect of payments under the non-convertible debentures issued by Metropolitan. Pursuant to sanction of the Scheme of Arrangement, all securities, rights, obligations, under security arrangements, collaterals, etc. were transferred from TCL to TCFSL. Additionally, the credit rating of the non-convertible debentures issued by Metropolitan was downgraded. While such downgrading was raised by the Claimant with Metropolitan, the non-convertible debentures matured. The Claimant has also filed a suit against Metropolitan before the Bombay High Court claiming an amount of ₹ 83,22,00,000 on behalf of TCFSL.

   Further, the immovable property provided as a security was sold by Metropolitan to Runwal Residency Private Limited ("**Runwal**"), but the amount was not deposited in the debenture redemption account. Subsequently, disputes arose between Metropolitan and Runwal and Runwal filed a suit against Metropolitan which was transferred to the Bombay High Court. Axis Trustee had filed an Intervention Application on behalf of TCFSL in the said suit which was allowed by the Bombay High Court. Subsequently, the parties have filed consent terms in both the aforesaid suits under which part payment has been received by TCFSL.

9. On March 29, 2010, Tulip Telecom Limited ("**Tulip**") issued 1,500 secured, redeemable and non-convertible debentures to ICICI Bank Limited which were subsequently purchased by TCL from ICICI Bank Limited. Pursuant to the Scheme of Arrangement, all securities, rights, obligations under security arrangements, collateral, etc. were transferred from TCL to TCFSL. Subsequently, due to non-repayment of redemption amounts by Tulip amounting to USD 97,001,000 (including non-repayment to TCFSL as well), Deutsche Bank initiated winding up proceedings under Section 466 of the Companies Act, 1956 against Tulip before the High Court of Delhi. The petition was admitted and allowed vide order dated February 12, 2015 and a provisional liquidator was appointed.

Criminal Litigation

TCFSL has filed various proceedings under Section 138 of the Negotiable Instruments Act, 1881 for recovering amounts due from various individuals and/or entities on account of dishonouring of cheques issued by such persons. As on the date of this Draft Shelf Prospectus, TCFSL has filed more than 32,000 cases which are currently outstanding where the aggregate amount claimed from all defaulters is approximately ₹ 1,21,000 lakh.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for this Issue

At the meeting of the Board of Directors of our Company, held on June 15, 2018, the Directors approved the public issue of Secured NCDs of face value ₹ 1,000 each and Unsecured NCDs of face value ₹ 1,000 each, aggregating up to ₹ 5,00,000 lakh.

This Draft Shelf Prospectus has been approved by the Board of Directors at its meeting held on August 27, 2018. The NCDs will be issued in one or more tranches up to the Shelf Limit, on terms and conditions as set out in the relevant tranche prospectus for any Tranche Issue, which issue is being made as decided by the Board of Directors.

Further, the present borrowing is within the borrowing limits of ₹ 30,00,000 lakh under Section 180(1)(c) of the Companies Act, 2013 duly approved by the shareholders by way of their resolution on March 20, 2018.

Additionally, NHB by way of its letter bearing reference number NHB(ND)/ROD/HFC/7018/2018, dated July 11, 2018, has granted its no-objection to our Company for undertaking the Issue, subject to certain conditions and is valid until January 31, 2019. Set forth are such conditions and the status of our Company's compliance in relation to such conditions:

1) The Issue would be made in strict adherence to the terms and conditions and clauses of our Company's Board Resolution regarding the issue of NCDs;

2) The Issue is not in violation of any covenants or restrictions imposed by the Memorandum of Agreement dated December 18, 2014 signed between NHB and our Company, and all subsequent loan agreements entered into between NHB and our Company;

3) The Issue would be in compliance with RBI/NHB guidelines, applicable laws and regulations, and will comply with all requirements of regulatory and other statutory bodies and Central and State Governments, etc.;

4) Any security arrangement under the Issue will not infringe upon the security arrangement for NHB refinance; and

5) The company will inform NHB, within 10 working days from completion of the Issue with complete details along with the declaration that none of the security clauses of NHB in respect of its refinance assistance are infringed upon.

Our Company has complied with the aforementioned point numbers 1 to 4 and noted for compliance point 5 herein above.

Prohibition by SEBI

Our Company, persons in control of our Company and/or our Promoter and/or the Directors have not been restrained, prohibited or debarred by SEBI from accessing the securities market or dealing in securities and no such order or direction is in force. Further, no member of our Promoter group has been prohibited or debarred by SEBI from accessing the securities market or dealing in securities due to fraud.

Disclaimer Clause of SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MERCHANT BANKERS, A. K. CAPITAL SERVICES LIMITED, AXIS BANK LIMITED AND EDELWEISS FINANCIAL SERVICES LIMITED HAVE CERTIFIED THAT DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE AND LISTING OF DEBT SECURITIES) REGULATIONS, 2008 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE LEAD MERCHANT BANKERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND

TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKERS, A. K. CAPITAL SERVICES LIMITED, AXIS BANK LIMITED AND EDELWEISS FINANCIAL SERVICES LIMITED CONFIRM THAT COMMENTS RECEIVED ON THE DRAFT SHELF PROSPECTUS WILL BE SUITABLY ADDRESSED BEFORE FILING THE SHELF PROSPECTUS AND TO THIS EFFECT, HAVE FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED [•], WHICH READS AS FOLLOWS:

[•]

Disclaimer Clause of BSE

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

A. WARRANT, CERTIFY OR ENDORSE THE CORRECTNESS OR COMPLETENESS OF ANY OF THE CONTENTS OF THIS OFFER DOCUMENT; OR

B. WARRANT THAT THIS COMPANY'S SECURITIES WILL BE LISTED OR WILL CONTINUE TO BE LISTED ON THE EXCHANGE; OR

C. TAKE ANY RESPONSIBILITY FOR THE FINANCIAL OR OTHER SOUNDNESS OF THIS COMPANY, ITS PROMOTERS, ITS MANAGEMENT OR ANY SCHEME OR PROJECT OF THIS COMPANY;

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

Disclaimer Clause of NSE

AS REQUIRED, A COPY OF THIS OFFER DOCUMENT HAS BEEN SUBMITTED TO NATIONAL STOCK EXCHANGE OF INDIA LIMITED (HEREINAFTER REFERRED TO AS NSE). NSE HAS GIVEN VIDE ITS LETTER REF.: [•] DATED [•] PERMISSION TO THE ISSUER TO USE THE EXCHANGE'S NAME IN THIS OFFER DOCUMENT AS ONE OF THE STOCK EXCHANGES ON WHICH THIS ISSUER'S SECURITIES ARE PROPOSED TO BE LISTED. THE EXCHANGE HAS SCRUTINIZED THIS DRAFT OFFER DOCUMENT FOR ITS LIMITED INTERNAL PURPOSE OF DECIDING ON THE MATTER OF GRANTING THE AFORESAID PERMISSION TO THIS ISSUER. IT IS TO BE DISTINCTLY UNDERSTOOD THAT THE AFORESAID PERMISSION GIVEN BY NSE SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE OFFER DOCUMENT HAS BEEN CLEARED OR APPROVED BY NSE; NOR DOES IT IN ANY MANNER WARRANT, CERTIFY OR ENDORSE THE CORRECTNESS OR COMPLETENESS OF ANY OF THE CONTENTS OF THIS OFFER DOCUMENT; NOR DOES IT WARRANT THAT THIS ISSUER'S SECURITIES WILL BE LISTED OR WILL CONTINUE TO BE LISTED ON THE EXCHANGE; NOR DOES IT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL OR OTHER SOUNDNESS OF THIS ISSUER, ITS PROMOTERS, ITS MANAGEMENT OR ANY SCHEME OR PROJECT OF THIS ISSUER. EVERY PERSON WHO DESIRES TO APPLY FOR OR OTHERWISE ACQUIRE ANY SECURITIES OF THIS ISSUER MAY DO SO PURSUANT TO INDEPENDENT INQUIRY, INVESTIGATION AND ANALYSIS AND SHALL NOT HAVE ANY CLAIM AGAINST THE EXCHANGE WHATSOEVER BY REASON OF ANY LOSS WHICH MAY BE SUFFERED BY SUCH PERSON CONSEQUENT TO OR IN CONNECTION WITH SUCH SUBSCRIPTION /ACQUISITION WHETHER BY REASON OF ANYTHING STATED OR OMITTED TO BE STATED HEREIN OR ANY OTHER REASON WHATSOEVER.

Track record of past public issues handled by the Lead Managers

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

Name of lead manager	Website
A. K. Capital Services Limited	www.akgroup.co.in

Axis Bank Limited	www.axisbank.com
Edelweiss Financial Services Limited	www.edelweissfin.com

Listing

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

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

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

Consents

Consents in writing of: (a) the Directors, (b) our Company Secretary and Compliance Officer, (c) Chief Financial Officer, (d) Lead Managers, (e) the Registrar to the Issue, (f) Legal Advisor to the Issue, (g) Credit Rating Agencies, (h) Bankers to our Company, (i) the consent of ICRA in relation to industry reports as obtained from them, (j) the Debenture Trustee, (k) Refund Banker in respective tranche, to act in their respective capacities, have been obtained and will be filed along with a copy of the Shelf Prospectus and Tranche Prospectus with the ROC.

The consent of the Statutory Auditors of our Company, B S R & Co. LLP, Chartered Accountants, Mumbai, for (a) inclusion of their names as the Statutory Auditors, (b) examination reports on Reformatted Summary Financial Statements in the form and context in which they appear in this Draft Shelf Prospectus along with the statement of tax benefits, have been obtained and has not withdrawn such consent and the same will be filed along with a copy of the Shelf Prospectus with the Registrar of Companies, Maharashtra.

Expert Opinion

Except for (i) the Statutory Auditors' report on Reformatted Summary Financial Statements issued by our Statutory Auditors dated August 27, 2018; and (ii) the statement of tax benefits issued by our Statutory Auditors dated August 27, 2018, our Company has not obtained any other expert opinion with respect to this Draft Shelf Prospectus.

Common form of Transfer

Our Company undertakes that there shall be a common form of transfer for the NCDs and the provisions of the Companies Act, 2013 applicable as on the date of this Draft Shelf Prospectus and all applicable laws shall be duly complied with in respect of all transfer of debentures and registration thereof.

Minimum Subscription

If our Company does not receive the minimum subscription of 75% of the Base Issue, prior to the Issue Closing Date, the entire subscription amount shall be refunded to the Applicants within 12 Days from the date of closure of this Issue. The refunded subscription amount shall be credited only to the account from which the relevant subscription amount was remitted. In the event, there is a delay, by our Company in making the aforesaid refund, our Company will pay interest at the rate of 15% per annum for the delayed period.

Under Section 39(3) of the Companies Act 2013 read with Rule 11(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 if the stated minimum subscription amount is not received within the specified period, the application money received is to be credited only to the bank account from which the subscription was remitted. To the extent possible, where the required information for making such refunds is available with our Company and/or Registrar, refunds will be made to the account prescribed. However, where our Company and/or Registrar to the Issue does not have the necessary information for making such refunds, our Company and/or Registrar to the Issue will follow the guidelines prescribed by SEBI in this regard including the Debt Application Circular and the circular regarding Strengthening the Guidelines and Raising Industry Standard for RTA, Issuer Companies and Banker to an Issue bearing no. HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018.

Filing of this Draft Shelf Prospectus

In terms of Regulation 7 of the SEBI Debt Regulation, a copy of this Draft Shelf Prospectus has been filed with the Designated Stock Exchange and BSE, for dissemination on their website and the website of SEBI.

Filing of the Shelf Prospectus and Tranche Prospectus with the RoC

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

Debenture Redemption Reserve

Section 71 of the Companies Act, 2013, read with Rule 18 of Companies (Share Capital and Debenture) Rules, 2014, requires that any company that intends to issue debentures must create a DRR for the purpose of redemption of debentures, in accordance with the following conditions: (a) the DRR shall be created out of the profits of our Company available for payment of dividend, (b) the DRR shall be equivalent to at least 25% of the value of the outstanding debentures issued through the public issue in accordance with the SEBI Debt Regulations. Accordingly, our Company is required to create a DRR of 25% of the value of the outstanding NCDs issued through this Issue. In addition, as per Rule 18 (7) (e) of Companies (Share Capital and Debenture) Rules, 2014, the amounts credited to DRR shall not be utilised by our Company except for the redemption of the NCDs. Every company required to create or maintain DRR shall on or before the 30th day of April of each year, deposit or invest, as the case may be, a sum which shall not be less than 15% of the amount of its debentures maturing during the year ending on the 31st day of March, of the next financial 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 utilised for any purpose other than for the repayment of debentures maturing during the year referred to above, provided that the amount remaining deposited or invested, as the case may be, shall not at any time fall below 15% of the amount of debentures maturing during the year ending on the 31st day of March of that year.

Issue Related Expenses

The expenses for each Tranche Issue include, *inter alia*, lead management fees and selling commission to the Lead Managers, Consortium Members, fees payable to debenture trustees, underwriters, the Registrar to the Issue, SCSBs' commission/ fees, printing and distribution expenses, legal fees, advertisement expenses and listing fees. The Issue expenses and listing fees will be paid by our Company.

The estimated breakdown of the total expenses for each Tranche Issue shall be as specified in the relevant Tranche Prospectus.

Underwriting

This Issue will not be underwritten.

Identification as wilful defaulter

Our Company or any of its directors or our Promoter has not been identified as willful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on willful defaulters issued by the RBI or any other governmental authority.

Reservation

No portion of this Issue has been reserved.

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

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

Previous Issue

Except as stated in "*Capital Structure*" and "*Disclosures on existing financial indebtedness*" beginning on pages 43 and 99 of this Draft Shelf Prospectus respectively, our Company has not made any other issue of non-convertible debentures.

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

Utilisation details of Previous Issues

Our Company has issued non-convertible debentures by way of various private placements, for which, our Company has utilised the proceeds from such issuances for general corporate purpose, to improve access to finance for affordable housing across the country, for refinancing existing term debt and augmenting long term working capital, for further details of such non-convertible debentures, see "*Disclosures on existing financial indebtedness*" beginning on page 99 of this Draft Shelf Prospectus.

Neither the Company nor any member of the Tata Capital Group has made any public issue of its debentures since incorporation of our Company, except TCL which had made a public issuance of listed secured redeemable non-convertible debentures of face value of ₹1,000 and ₹1,00,000 each, under various options, in 2009. The proceeds from the issue was utilised for the purposes as mentioned in the shelf prospectus dated January 21, 2009.

Further, Tata Capital Financial Services Limited (a member of the Tata Capital Group) ("**TCFSL**") on August 16, 2018 filed a draft shelf prospectus with BSE for receiving public comments and with SEBI in accordance with applicable law, with respect to a proposed public issue of secured, redeemable, non-convertible debentures of face value of ₹ 1,000 and unsecured, subordinated redeemable, non-convertible debentures eligible as Tier II capital of face value ₹1,000 each aggregating upto ₹ 7,50,000 lakh through one or more tranches (the "**TCFSL Issue**"). The proposed objects of the TCFSL Issue include, (i) onward lending, financing, and for repayment /prepayment of interest and principal of existing borrowings of TCFSL; and (ii) General Corporate Purposes.

Details regarding lending out of issue proceeds of Previous Issues

A. ***Lending Policy***

We are an HFC, registered with the NHB, the regulator for HFCs in India. The NHB stipulates prudential guidelines, directions and circulars in relation to HFCs. For further details, see "*Regulation and Policies*" beginning on page 174 of this Draft Shelf Prospectus. Within the NHB guidelines, directions and circulars, HFCs can establish their own credit approval processes. As such, once a company has obtained an HFC licence, the terms, credit levels, and interest rates of loans and any credit approvals would be based upon the HFCs established internal credit approval processes framed in accordance with applicable regulations by the NHB. Each HFC undergoes annual inspections by the NHB. The inspections are exhaustive and can last for a period of three to four weeks, during which the regulators review the HFCs adherence to regulatory guidelines, scrutinise the loan book and individual loan files (including security documents), review the functioning of the Board and its committees and our adherence to minutes of various internal meetings, review the NPAs and delinquent cases, review and evaluate the credit approval policies and credit assessment standards, review implementation of decisions and policies of the Board and review adherence to prescribed formats in the filing of regulatory reports. The lending policy of our Company broadly deals with product offerings of our Company which, *inter alia,* covers:

Home loans, Loan against property and Construction/ Builder finance:

a) Various parameters for grant of credit having regard to the risk associated with the borrower profile and nature of product;
b) Loan sanctioning authority and delegation; and
c) Exposure limits.

The purpose of the lending policies is:

a) To have a loan portfolio which adequately generates risk adjusted returns;
b) To ensure that business teams have a clear understanding of sourcing of customers and the incremental business; and
c) To define the size and nature of transactions which need to be brought to appropriate committee/ authorities for approval before disbursement.

Our Company shall also comply with the NHB guidelines in respect of single party exposure and group borrower exposure.

B. ***Loans given by our Company***

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

C. ***Types of loans***

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

S. No	Ticket size*	Percentage of AUM
1	Upto ₹ 2 lakh	0.14
2	₹ 2-5 lakh	1.14
3	₹ 5-10 lakh	6.53
4	₹ 10-25 lakh	28.54
5	₹ 25-50 lakh	22.28
6	₹ 50 lakh-1 crore	13.95
7	₹ 1-5 crore	16.96
8	₹ 5-25 crore	5.41
9	₹ 25-100 crore	5.05
10	> ₹ 100 crore	0.00
Total		100.00

**Ticket size has been bifurcated on basis of Finance amount*

Denomination of loans outstanding by LTV:

S. No	LTV	Percentage of AUM
1	Upto 40%	34.87
2	40-50%	13.80
3	50-60%	14.58
4	60-70%	16.10
5	70-80%	14.39
6	80-90%	4.89
7	>90%	1.37
Total		100.00

Geographical classification of borrowers as on March 31, 2018:

S. No.	Top 5 states / Region	Percentage of AUM
1	Maharashtra	24.47
2	Gujarat	15.65
3	Delhi	11.02
4	Karnataka	6.31
5	Telangana	5.89
Total		**63.34**

Types of loans according to sectoral exposure as on March 31, 2018 is as follows:

S. No	Segment- wise breakup of AUM	Percentage of AUM
1	**Retail**	
a	-Mortgages (home loans and loans against property)	89.34
b	-Gold loans	0.00
c	- Vehicle finance	0.00
d	-MFI	0.00
e	-M&SME	0.00
f	-Capital market funding (loans against shares, margin funding)	0.00
h	-Others	0.00
2	**Wholesale**	
a	-Infrastructure	0.00
b	-Real estate (including builder loans)	10.66
c	-Promoter funding	0.00
d	-Any other sector (as applicable)	0.00
e	-Others	0.00
Total		100.00

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

	Amount
Total Advances to twenty largest borrowers (in ₹ lakh)*	85,786
Percentage of Advances to twenty largest borrowers to Total Advances (in %)	4.19

**Includes loans and advances and interest accrued thereon.*

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

	Amount
Total exposure to twenty largest borrowers / customers (in ₹ lakh)*	1,05,882
Percentage of exposures to twenty largest borrowers / customers to total exposure on borrowers / customers **(**in %**)**	4.57

** Includes loans and advances, interest accrued thereon, investment in mutual funds and off balance sheet exposure.*

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

Movement of gross NPAs*	**Amount (in ₹ lakh)**
(a) Opening balance	15,553
(b) Additions during the year	18,784
(c) Reductions during the year	(9,486)
(d) closing balance	24,851

** Please see, "Our Business - Non-Performing Assets (NPAs)" beginning on page 71 of this Draft Shelf Prospectus for details on Gross NPA recognition Policy.*

Movement of provisions for NPAs	**Amount (in ₹ lakh)**
(a) Opening balance	7,732
(b) Provisions made during the year	13,351
(c) Write-off / write -back of excess provisions	(5,901)
(d) closing balance	15,182

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

S. No	**Segment- wise breakup of gross NPA**	**Gross NPA (%)**
1	**Retail**	
a	-Mortgages (home loans and loans against property)	96.33
b	-Gold loans	0.00
c	- Vehicle finance	0.00
d	-MFI	0.00
e	-M&SME	0.00
f	-Capital market funding (loans against shares, margin funding)	0.00
h	-Others	0.00
2	**Wholesale**	
a	**-**Infrastructure	0.00
b	**-**Real estate (including builder loans)	3.67
c	-Promoter funding	0.00
d	-Any other sector (as applicable)	0.00
e	-Others	0.00
Total		**100.00**

H. ***Classification of loans & advances as on March 31, 2018***

S. No	**Type of Borrowings**	**Amount (₹ in lakh)**	**Percentage**
1	Secured	20,43,939	100
2	Unsecured	0	0
Total		**20,43,939**	**100**

I. ***Promoter Shareholding***

Please see, "*Capital Structure*" beginning on page 43 for details with respect to Promoter shareholding in our Company as of this Draft Shelf Prospectus.

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

Particulars	**1 day to 30/31 days (one month)**	**Over one month to 2 months**	**Over 2 months to 3 months**	**Over 3 months to 6 months**	**Over 6 months to 1 year**	**Over 1 year to 3 years**	**Over 3 years to 5 years**	**Over 5 years**	**Total**
Assets									

Particulars	1 day to 30/31 days (one month)	Over one month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	-
Advances	28,373	12,895	12,815	40,160	85,654	3,14,023	2,33,370	13,01,466	20,28,756
Investments	-	-	-	-	-	-	-	-	-
Liabilities									
Borrowing	2,37,399	1,54,767	1,87,138	1,07,835	1,20,014	4,57,194	1,83,097	4,01,037	18,48,481
Foreign currency assets	-	-	-	-	-	-	-	-	-
Foreign currency liabilities	-	-	-	-	-	-	-	-	-

Material Agreements

Other than as stated in "*History and Main Objects – Material Agreements*", our Company has not entered into any material agreements other than in the ordinary course of its business.

Auditors' Remarks

The Statutory Auditors, confirm that there have been no reservations or qualifications or adverse remarks in the Reformatted Summary Financial Statements of our Company in the last five financial years immediately preceding the date of this Draft Shelf Prospectus.

Details of fraud committed against our Company

No acts of material frauds have been committed against our Company in the last five years.

Dividend

Our Company has no stated specific dividend policy. The declaration and payment of interim dividend on the Equity Shares and CCCPS will be declared by the Board and final dividend will be recommended by the Board and approved by the shareholders, at their discretion, and will depend on a number of factors, including but not limited to our profits, capital requirements and overall financial condition. For Fiscal 2018, our Company had paid dividend of ₹80,95,39,452 to its CCCPS holders and no dividend was paid by the Company to its equity shareholders. For the current financial year our Company has not declared any dividends.

Revaluation of assets

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

Mechanism for redressal of investor grievances

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

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

Registrar to the Issue

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

We estimate that the average time required by us or the Registrar to the Issue for the redressal of routine investor grievances will be 7 (seven) business days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

Mr. Jinesh Meghani has been appointed as the Compliance Officer of our Company for this issue. The contact details of Compliance Officer of our Company are as follows:

Mr. Jinesh Meghani
11th Floor, Tower A
Peninsula Business Park
Ganpatrao Kadam Marg
Lower Parel,
Mumbai - 400 013
Tel: (91 22) 6606 9000
Fax: (91 22) 6656 2699
Email: jinesh.meghani@tatacapital.com

Investors may contact the Registrar to the Issue or the Compliance Officer in case of any pre-issue or post Issue related issues such as non-receipt of Allotment Advice, demat credit, refund orders or interest on application money.

Change in Auditors of our Company during the last three years

Details of changes in the statutory auditor of our Company has been summarised below:

Name	Address	Date of Appointment / Resignation	Auditor of the Company since (in case of resignation)
B S R & Co. LLP Registration No. 101248W/W-100022	5th Floor, Lodha Excelus, Apollo Mills Compound, N. M. Joshi Marg, Mahalaxmi, Mumbai – 400011	Appointed with effect from August 21, 2017	-
Deloitte Haskins & Sells, LLP Registration No. 117366W/W-100018	Indiabulls Finance Centre, Tower 3, 32nd Floor, Elphinstone Mill Compound, Senapati Bapat Marg, Elphinstone (West), Mumbai 400 013	Resigned with effect from August 21, 2017	Appointed with effect from October 17, 2008

REGULATIONS AND POLICIES

The following is a summary of relevant regulations and policies prescribed by the Government and other regulatory bodies that are applicable to our Company's business. Taxation statutes such as the IT Act, the applicable goods and services tax statutes, labour regulations and statutes apply to us as they do to any other Indian company and therefore have not been detailed below. The information detailed below has been obtained from various legislations, including rules and regulations promulgated by regulatory bodies, and the bye-laws of the respective local authorities that are available in the public domain. The regulations set out below may not be exhaustive and are merely intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice.

The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which is subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

Investors shall carefully consider the information described below, together with the information set out in other sections of this Draft Shelf Prospectus including the financial statements before making an investment decision relating to the NCDs, as any changes in the regulations and policies could have a material adverse effect on our Company's business.

Laws in relation to housing finance companies

The National Housing Bank Act 1987 ("NHB Act")

The NHB Act was enacted to establish the National Housing Bank ("**NHB"**) to operate as the principal agency for the promotion of housing finance companies ("**HFCs**"), both at the local and regional levels, and to provide financial and other support to such institutions for matters connected therewith or incidental thereto. The role of NHB includes, among others:

- promoting, establishing, supporting or aiding in the promotion, establishment and support of HFCs;
- making loans and advances or other forms of financial assistance for housing activities of HFCs, scheduled banks, state co-operative agricultural and rural development banks or any other institution or class of institutions as may be notified by the central government;
- guaranteeing the financial obligations of HFCs and underwriting the issue of stocks, shares, debentures and other securities of HFCs;
- formulating one or more schemes for the purpose of mobilisation of resources and extension of credit for housing;
- providing guidelines to HFCs to ensure their growth on sound lines; and
- providing technical and administrative assistance to HFCs and exercising all powers and functions in the performance of duties entrusted to the NHB under the NHB Act or under any other law for the time being in force.

Under the terms of the NHB Act the NHB may, and on the direction of the RBI the NHB shall, cause an inspection of the book of accounts and other documents of any institution to which the NHB has provided a loan, advance or granted any other financial assistance. Further, the NHB is required to provide a copy of its report to such an institution. Also, the NHB in order to efficiently discharge its function, is empowered to direct and collect the credit information from any HFC, at any time.

The NHB may inspect any HFC in order to verify the correctness or completeness of any statement, information or particulars provided to the NHB, or for the purpose of obtaining any information or particulars which the HFC has failed to provide after being called upon to do so. If any HFC fails to comply with any direction given by the NHB, the NHB may take appropriate actions against the HFC.

The Housing Finance Companies (National Housing Bank) Directions 2010, as amended ("NHB Directions")

The objective of the NHB Directions is to consolidate and issue directions in relation to the prudential norms for income recognition, accounting standards, asset classification, provision for bad and doubtful assets, capital adequacy and concentration of credit/investments to be observed by HFCs and the matters to be included in the auditors' report by the auditors of HFCs.

Income Recognition

The NHB Directions require that income recognition should be based on recognised accounting principles. Income including interest, discount, hire charges, lease rentals or any other charges on non-performing assets ("**NPAs**") shall be recognized only when it is actually realised. Any such income recognised before the asset became non-performing and remaining unrealized shall be reversed. Further, income from dividend on shares of corporate bodies and units of mutual funds shall be taken into account on cash basis. However, the income from dividend on shares of corporate bodies may be taken into account on an accrual basis when such dividend has been declared by the corporate body in its annual general meeting and the right to receive payment is established.

Income from bonds and debentures of corporate bodies and from Government securities or bonds may be taken into account on an accrual basis provided that the interest rate on these instruments is pre-determined and interest is serviced regularly and is not in arrears. Income on securities of corporate bodies or public sector undertakings, the payment of interest and repayment of principal of which have been guaranteed by Central Government or a State Government, may be taken into account on accrual basis.

Asset Classification

The NHB Directions prescribe that every HFC shall, after taking into account the degree of well-defined credit weaknesses and extent of dependence on collateral security for realisation, classify its lease or hire purchase assets, loans and advances and any other forms of credit into standard assets; sub-standard assets; doubtful assets; and loss assets. An asset is classified as a non-performing asset under these directions when the interest on such asset has remained overdue for a period of more than ninety days. The class of assets shall not be upgraded merely as a result of rescheduling, unless it satisfies the conditions required for the upgrade.

Under the NHB Directions, standard assets are assets in respect of which no default in repayment of the principal or payment of interest is perceived and which does not disclose any problem, nor carry more than the normal risk attached to the business. Sub-standard assets are assets which have been classified as a non-performing asset for a period of up to 12 months. Assets in respect of which the terms of the agreement regarding interest or principal have been re-negotiated or rescheduled after release of any instalment of loan or an inter-corporate deposit which has been rolled over, shall be termed as sub-standard assets until the expiry of one year of satisfactory performance under the renegotiated or rescheduled terms. Doubtful assets are assets which are classified as sub-standard assets for a period of more than 12 months. Loss assets are assets which are classified as loss assets by an HFC, or by its internal or external auditor or by the NHB, to the extent it is not written off by the HFC. Assets which are adversely affected by a potential threat of being non-recoverable due to, among others, non-availability of security, either primary or collateral, in the case of secured loans and advances are also classified as loss assets.

Provisioning requirement

Every HFC, after taking into account the time lag between an account becoming non-performing, its recognition as such, the realisation of the security and the erosion over time in the value of the security charged, is required to make provision against sub-standard assets, doubtful assets and loss assets as provided under the NHB Directions.

The provisioning requirement in respect of loans, advances and other credit facilities including bills purchased and discounted are required to be:

(a) loss assets: the entire assets are required to be written off. If assets are permitted to remain in the books for any reason, then 100% of the outstanding amounts should be provided for;

(b) doubtful assets: 100% provision, to the extent to which the advance is not covered by the realisable value of the security, to which an HFC has valid recourse, shall be made, and in addition, depending upon the period for which the asset has remained doubtful, provision to the extent of 25% to 100% of the secured portion i.e. the estimated realisable value of the outstanding shall be made in the following manner: (i) 25% up to the period of one year; (ii) 40% for the period of one year to three years; and (iii) 100% for the period of more than three years;

(c) sub-standard assets: provision of 15% of the total outstanding amounts should be made without making any allowance for export credit guarantee, corporation guarantee and securities available; and

(d) standard assets:

standard assets with respect to housing loans at teaser/special rates – provision of 2% on the total outstanding amount of such loans and the provisioning of these loans to be reset after one year at the applicable rates from the date on which the rates are reset at higher rates if the accounts remain standard;

(a) standard assets in respect of Commercial Real Estates Residential Housing ("**CRE-RH**") consisting of loans to builders/developers for residential housing projects (except for captive consumption). Such projects do not include non-residential commercial real estate. However, integrated housing projects comprising of some commercial space (e.g. a shopping complex, a school etc.) can be classified as CRE-RH, provided that the commercial space in the residential housing project does not exceed 10% of the total floor space index ("**FSI**") of the project. In case the FSI of the commercial area in a predominantly residential housing complex exceeds the ceiling of the project loans, the entire loan should be classified as Commercial Real Estate ("**CRE**") (and not CRE-RH)) – provision of 0.75% on the total outstanding amount of such loans; (b) standard assets in respect of all other CRE (consisting of loans to builders/developers/others for office buildings, retail space, multipurpose commercial premises, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction etc., other than those covered in (a). Loans for a third dwelling unit onwards to an individual will also be treated as CRE exposure – provision of 1% on the total outstanding amount of such loans; and (c) standard assets in respect of all loans other than (a) and (b) – a general provision of 0.4 % of the total outstanding amount of loans which are standard assets is required to be made;

standard assets in respect of non-housing loans - a general provision of 0.40 % of the total outstanding amount of loans which are standard assets is required to be made. The NHB Directions also prescribe additional provisions for hire purchase and leased assets. Where amounts of hire charges or lease rentals are overdue for more than 12 months and up to 24 months, 10% of the net book value shall be provisioned for, when they are overdue for more than 24 months and up to 36 months 40% of the net book value shall be provisioned for, when they are overdue for more than 36 months and up to 48 months 70% of the net book value shall be provisioned for and when they are overdue for more 48 months 100% of the net book value shall be provisioned for. Nothing shall be provisioned for if the amounts of hire charges or lease rentals are overdue for up to 12 months; and

standard assets in respect of individual housing loans (booked after August 1, 2017) at the rate of 0.25 % and standard assets in respect of individual having loans (booked before August 1, 2017) at the rate of 0.40%.

Capital Adequacy

The NHB Directions require HFCs to maintain a minimum capital adequacy ratio, consisting of Tier I Capital and Tier II Capital not lower than 12%of its aggregate risk weighted assets and risk adjusted value of off-balance sheet items. Further the total Tier II Capital at any point of time shall not exceed 100 % of Tier I Capital. Other conditions have been imposed on HFCs by the NHB Directions, other directions of the NHB and circulars, including the following:

(e) No HFC may grant housing loans to individuals (a) of up to ₹ 30.00 lakh with a loan to value ratio ("**LTV**") exceeding 90%; (b) of between ₹ 30.00 lakh to ₹ 75.00 lakh with LTV exceeding 80%; and (c) above ₹ 75.00 lakh with LTV exceeding 75%.

(f) No HFC shall invest in land or buildings, except for its own use, an amount exceeding 20% of the aggregate of its Tier I Capital and Tier II Capital. Such investment over and above 10% of its owned funds is required to be made only in residential units.

(g) No HFC shall lend to any single borrower an amount exceeding 15% of its owned funds, and to any single group of borrowers, an amount exceeding 25% of its owned funds.

(h) The aggregate exposure of an HFC to the capital market in all forms should not exceed 40% of its net worth as on March 31 of the previous year. Within this overall ceiling, direct investment in shares, convertible bonds, debentures, units of equity-oriented mutual funds and all exposures to venture capital funds should not exceed 20% of its net worth.

(i) All HFCs must ensure that disbursement of housing loans sanctioned to individuals should be closely linked to the stages of construction of the housing projects/houses and upfront disbursal should not be made in cases of incomplete/under-construction/greenfield housing projects/ houses.

(j) HFCs are eligible to issue non-convertible debentures only if it has net owned funds of ₹ 1,000 lakh as per their last audited balance sheets.

Refinance Scheme for Housing Finance Companies 2015, as amended (Refinance Scheme)

Pursuant to the Refinance Scheme and the clarification provided by the NHB by way of the circular NHB (ND)/ROD/HFC/Refinance Circular 1/2015-16 and the refinance booklet issued by NHB with effect from July 1, 2015, HFCs registered with the NHB if they fulfil the following criteria:

(a) The HFCs are required to provide long-term finance for purchase, construction, repair and upgrading of dwelling units by home-seekers;

(b) At least 51% of the total tangible assets less cash & bank balance should be utilized for individual housing loans;

(c) The HFC should have a net owned fund ("**NOF**") of not less than ₹1,000 lakh (Rupees Thousand Lakh Only). NOF will carry the same meaning as defined in the NHB Directions;

(d) The HFC should comply with the provisions of the NHB Act and NHB Directions, as amended from time to time;

(e) The Net Non-Performing Assets ("**NNPA**") of the HFC should not be more than 3.5 % of the Net Advances. NPA shall carry the same meaning as defined in the NHB Directions. NNPA means 'NPA less provision'. **Net Advances** shall mean 'Advances less provision'. 'Advances' shall, apart from housing loans, include mortgage loans, lease transactions, hire purchase assets, bills of exchange, inter-corporate deposits and unquoted debentures; and

(f) The HFC should have completed at least three years of operations (i.e. the HFC should be able to furnish three years' audited financial statements).

The HFCs are also required to have specific levels of capital employed and net owned funds to be eligible to avail refinance facilities under the Refinance Scheme. The financial assistance can be drawn by HFCs in respect of loans already advanced by them and also for prospective disbursements. The security for refinance from the NHB may generally be secured by a charge on the book debts of a HFC. If at any time NHB is of the opinion that the security provided by the HFC has become inadequate to cover the outstanding refinance, it may advise the HFC to furnish such additional security as may be acceptable to NHB to cover such deficiency.

Guidelines for Asset Liability Management System for HFCs dated October 11, 2010, as amended ("ALM Guidelines")

The ALM Guidelines lay down broad guidelines in respect of systems for the management of liquidity and interest rate risks. The ALM Guidelines provide that the board of directors of an HFC should have overall responsibility for the management of risks and should decide the risk management policy and set limits for liquidity, interest rate, exchange rate and equity price risks. Additionally, an asset-liability committee is required to be constituted, consisting of the HFCs senior management including the chief executive officer, for ensuring adherence to the limits set by the board as well as for deciding the business strategy of the HFC (on the assets and liabilities sides) in line with the HFCs budget and decided risk management objectives. Asset-liability management support groups to be constituted of operating staff are responsible for analysing, monitoring and reporting the risk profiles to the asset-liability committee.

The ALM Guidelines also recommended the classification of various components of assets and liabilities into different time buckets for preparation of gap reports (liquidity and interest rate sensitive). The gap is the difference between rate sensitive assets and rate sensitive liabilities for each time bucket. In accordance with the ALM Guidelines, HFCs which are better equipped to reasonably estimate the behavioural pattern of various components of assets and liabilities on the basis of past data or empirical studies could classify them in the appropriate time buckets, subject to approval by the asset-liability committee/board of the HFC.

Guidelines on Fair Practices Code for HFCs dated July 2, 2018 ("Fair Practices Code")

The Fair Practices Code was issued by the NHB to bring more clarity and transparency and to cover all aspects of loan sanctioning, disbursal and repayment issues. The Fair Practices Code seeks to promote good and fair practices by setting minimum standards in dealing with customers, increasing transparency, encouraging market forces, promoting fair and cordial relationship between customers and HFCs and fostering confidence in the housing finance system.

The Fair Practices Code provides for regular and appropriate updates to the customer, prompt resolution of grievances and confidentiality of customer information. The HFCs are required to disclose information on interest rates, common fees and charges through notices etc. and ensure that all advertising and promotional materials are clear and not misleading and that privacy and confidentiality of the customers' information is maintained. Furthermore, whenever loans are given, HFCs should explain the repayment process to the customer by way of amount, tenure and periodicity of repayment. However if the customer does not adhere to the repayment schedule, a defined process in accordance with the laws of the land shall be followed for the recovery of dues. The process will involve reminding the customer by sending him/her a notice or by making personal visits and/or repossession of security, if any.

Guidelines for Recovery Agents Engaged by HFCs dated July 14, 2008 ("Recovery Agents Guidelines")

The Recovery Agents Guidelines were issued by the NHB in relation to the practices and procedures regarding the engagement of recovery agents by the HFCs. Under the Recovery Agents Guidelines, HFCs are required to have a due diligence process in place for the engagement of recovery agents, which should cover, *inter alia*, individuals involved in the recovery process. HFCs are required to ensure that the agents engaged by them in the recovery process carry out verification of the backgrounds of their employees, which may include pre-employment police verification as a matter of caution. HFCs can decide the periodicity at which re-verification should be resorted to. They are required to ensure that the recovery agents are properly trained to handle their responsibilities with care and sensitivity, in particular, aspects like hours of calling and privacy of customer information, among others. They are also required to inform the borrower of the details of recovery agency firms or companies while forwarding default cases to the recovery agency.

Under the Recovery Agents Guidelines, any person authorised to represent an HFC in a collection and/or security repossession should follow guidelines which ordinarily include contacting the customer at the place of his/her choice, interaction with the customer in a civil manner and assistance to resolve disputes or differences regarding dues in a mutually acceptable and orderly manner. Each HFC should have a mechanism whereby the borrower's grievances with regard to the recovery process can be addressed. The details of the mechanism should also be provided to the borrower. HFCs have been advised to constitute grievance redressal machinery within our Company and give wide publicity about it through electronic and print media.

HFCs are required, at least on an annual basis, to review the financial and operational condition of the service providers to assess their ability to continue to meet their outsourcing obligations. Such due diligence reviews, which can be based on all available information about the service provider, should highlight any deterioration or breach in performance standards, confidentiality and security, and in business continuity preparedness.

Model Code of Conduct for Direct Selling Agents (DSAs) / Direct Marketing Agents (DMAs) ("Code of Conduct")

The Code of Conduct was issued by the NHB with the objective of safeguarding the interest of the housing finance industry and public at large. The Code of Conduct applies to any person or legal entity involved in marketing and distribution of any loan or other financial products or services of HFCs. The DSAs or DMAs or/and their employees and representatives are required to abide by the Code of Conduct prior to undertaking any direct marketing operation and distribution on behalf of the HFC. Under the Code of Conduct, HFCs shall not engage DSAs or DMAs who do not have any valid registration certificate from the Department of Telecommunication, Government of India as telemarketers. As per the Code of Conduct, the DSAs and DMAs can contact a prospect by telephone between 09:30 hours and 19:00 hours. The DSAs and DMAs or/and their employees and representatives are required to respect a prospect's privacy and his/her interest may normally be discussed only with the prospect and with any other individual/family member such as prospect's accountant/secretary/ spouse only when authorized to do so by the prospect. The DSAs and DMAs shall not mislead the prospect on any product or service offered by a HFC, shall not falsely represent themselves as a HFCs employees and shall not make any false commitment on behalf of a HFC. The Code of Conduct specifies that the terms and conditions governing the contract between the HFC and the service provider should be carefully defined in written agreements and vetted by HFCs legal counsel on their legal effect and enforceability. Every such agreement is required to address the risks and risk mitigation strategies. The agreement should be sufficiently flexible to allow the HFC to retain an appropriate level of control over the outsourcing and the right to intervene with appropriate measures to meet legal and regulatory obligations.

Guidelines on Know Your Customer and Anti-Money Laundering measures for Housing Finance Companies dated April 23, 2015 ("NHB KYC Guidelines")

The Know Your Customer ("**KYC**") Guidelines issued by NHB mandate the KYC policies and anti-money laundering measures for HFCs to have certain key elements, including *inter alia* a customer acceptance policy, customer identification procedures, monitoring of transactions and risk management, adherence to NHB KYC Guidelines and the exercise of due diligence by the HFC, including its brokers and agents.

Guidelines on Wilful Defaulters dated December 31, 2015 ("Wilful Defaulters Guidelines")

Pursuant to the advice of the RBI and recommendations of the Puri Committee Report, the NHB under the Wilful Defaulters Guidelines has laid down the mechanism for identification and reporting requirements of wilful defaulters by the HFCs. Every instance above the ₹ 25 lakh limit of siphoning or diversion of funds along with all instances of default by wilful defaulters above this threshold shall merit a disclosure and intimation to all credit information companies ("**CIC**") on a monthly basis or more frequent basis, latest by 15th of the subsequent month. The penal provisions envisaged under the Wilful Defaulters Guidelines include: (a) restriction of any further facilities being advanced to a listed wilful defaulter; (b) legal proceedings for recovery along with foreclosure for recovery of dues to be initiated expeditiously along with pursuing criminal proceedings wherever necessary; (c) a proactive approach towards seeking a change of management of a wilful defaulter entity; and (d) a covenant to be included in the lending terms restricting any entity to whom financing is provided, to refrain from inducting a listed wilful defaulter on its board. The HFCs are required to put in place transparent mechanisms so that the penal provisions are not misused and timely intimation to the CICs may be made as required.

Norms for Excessive Interest Rates

The NHB pursuant to its circular on Excessive Interest Charged by Housing Finance Companies on Housing Loans dated June 2, 2009 has advised all HFCs to revisit internal policies in determining interest rates, fees and other charges. According to this notification, the board of each HFC is required to revisit its policies on interest rate determination, fees and other charges, including margins and risk premiums charged to different categories of borrowers and approve the same. HFCs are advised to put in place an internal mechanism to monitor the process and operations in relation to the disclosure of interest rates and charges in view of the guidelines indicated in the Fair Practices Code to ensure transparency in communications with borrowers.

Guidelines on Corporate Governance

The NHB issued the Housing Finance Companies – Corporate Governance (National Housing Bank) Directions, 2016 dated July 2, 2018 on corporate governance covering constitution of committees of the board of an HFC, fit and proper criteria for the appointment of directors, disclosure and transparency in annual reporting, rotation of partners of statutory auditors and framing of internal guidelines on corporate governance.

Auditor's Report (National Housing Bank) Directions, 2016

The NHB pursuant to its circular dated July 2, 2018 issued the Housing Finance Companies – Auditor's Report (National

Housing Bank) Directions, 2016 which mandate that in addition to the report made by the auditor under the Companies Act, the auditor performing an audit in connection with HFCs shall also make a separate report to the board of directors of the company containing details of non-compliances and unfavorable statements, indicating such facts together with reasons thereof. Furthermore, it shall be the obligation of the auditor to make a report containing the details of such unfavourable or qualified statements and/or about the non-compliance, as the case may be, in respect of the housing finance company to the Department of Regulation & Supervision, NHB, New Delhi.

Housing Finance Companies – Approval of Acquisition or Transfer of Control (National Housing Bank) Directions, 2016 (Transfer of Control Directions)

The NHB pursuant to its circular dated July 2, 2018 issued the Transfer of Control Directions. The provisions of the Transfer of Control Directions are applicable on all HFCs registered under NHB Act, unless otherwise directed by the NHB, for any takeover or acquisition or control, any change in the shareholding or any change in the management occurring henceforth. The Transfer of Control Directions replace the provisions contained under Paragraph 19 of the Housing Finance Companies (NHB) Directions, 2010. In accordance with the Transfer of Control Directions, prior approval of the NHB is required in the following circumstances: (i) any takeover or acquisition of control of an HFC, which may or may not result in change of management; where, the definition of control is as assigned to it under clause (e) of sub-regulation (1) of regulation 2 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (ii) any change in the shareholding of an HFC, including progressive increases over time, which would result in acquisition / transfer of shareholding of 26% or more of the paid up equity capital of the HFC; and (iii) any change in the management of the HFC which would result in change in more than 30% of the directors, excluding independent directors.

Implementation of Indian Accounting Standards (Ind AS)

Pursuant to the NHB circular dated April 16, 2018, every HFC shall follow the provisions of paragraph 24 of the NHB Directions on Accounting Standards, in terms of the accounting standards and guidance notes issued by the Institute of Chartered Accountants of India to implement the Indian Accounting Standards.

Information Technology Framework for HFCs

Pursuant to the NHB circular dated June 15, 2018, HFCs not accepting public deposit with asset size of ₹100 crore and above, as per the last audited balance sheet, needs to form IT Strategy Committee, adopt IT Policy, Information Security Policy, Information System Audit policy and Business Continuity Plan and IT Service Outsourcing Policy.

Laws related to money laundering

The Prevention of Money Laundering Act 2002 ("PMLA")

The PMLA was enacted to prevent money laundering and to provide for the confiscation of property derived from and involved in money laundering. In terms of the PMLA, every financial institution, including housing finance institutions, are required to maintain records of all transactions, including the value and nature of such transactions, provide information of such transactions to the director defined under the PMLA, and verify and maintain the records of the identity of all of its clients, in such a manner as may be prescribed. The PMLA also provides for a power of summons, searches and seizures to the authorities under the PMLA. In terms of the PMLA, whosoever directly or indirectly attempts to indulge, knowingly assists, knowingly is a party to or is actually involved in any process or activity connected with the proceeds of crime and projecting it as untainted property shall be guilty of the offence of money laundering.

Laws in relation to securing and recovering debts

Registration of a charge

Under the Companies Act 2013, our Company is required to register a charge on its property or assets or any of its undertakings, whether tangible or otherwise by filing the relevant form with the relevant registrar of companies along with the instrument creating this charge within 30 days of its creation by paying a prescribed fee. No charge created by a company will be taken into account by the liquidator or any other creditor unless it is duly registered and a certificate of registration of such charge is given by the relevant registrar of companies. If the particulars of a charge are not filed within the aforesaid period but filed within a period of 300 days of such creation or modification, an additional fee shall be levied. Further, our Company is required to keep at its Registered Office a register of charges and enter therein particulars of all the charges registered with the relevant registrar of companies on any of the property, assets or undertakings of our Company as well as particulars of any modification of a charge and satisfaction of charge. The entries in the register of charges of our Company shall be made forthwith after the creation, modification or satisfaction of charge, as the case may be. Where a charge is registered with the relevant registrar of companies, they will issue a certificate of registration of such charge to the person in whose favour the charge is created.

The Central Government has issued the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest (Central Registry) Rules, 2011 ("**CERSAI Rules**") under the Securitisation and Reconstruction of Financial Assets and

Enforcement Act ("**SARFAESI Act**"). Pursuant to the CERSAI Rules, all charges created by our Company in the form of mortgages, or hypothecation of assets are required to be registered with the Central Registry of Securitisation Asset Reconstruction and Security Interest of India (**CERSAI**). Further upon non-compliance with the CERSAI Rules, our Company and every officer of our Company who is in default may be liable to a penalty, which may extend to ₹5000 for every day during which the penalty continues.

The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act 2002 ("SARFAESI Act")

The SARFAESI Act regulates the securitisation and reconstruction of financial assets of banks and financial institutions. The SARFAESI Act provides for measures in relation to enforcement of security interests and rights of the secured creditor in the case of default.

The SARFAESI Act also provides for the acquisition of financial assets by a securitisation company or reconstruction company from any bank or financial institution on such terms and conditions as may be agreed upon between them. A securitisation company or reconstruction company having regard to the guidelines framed by the RBI may, for the purposes of asset reconstruction, provide for measures such as the proper management of the business of the borrower by change in or takeover of the management of the business of the borrower, the sale or lease of a part or whole of the business of the borrower and certain other measures, such as rescheduling of payment of debts payable by the borrower and enforcement of security.

Additionally, under the provisions of the SARFAESI Act, any securitisation company or reconstruction company may act as an agent for any bank or financial institution for the purpose of recovering its dues from the borrower on payment of such fees or charges as may be mutually agreed between the parties.

Enforcement of Security Interest and Recovery of Debts Laws and Miscellaneous Provisions (Amendment) Act, 2016

The objective of SARFAESI Act was amended by Enforcement of Security Interest and Recovery of Debts Laws and Miscellaneous Provisions (Amendment) Act, 2016 to include the SARFAESI Act regulating securitisation and reconstruction of financial assets and enforcement of security interest and providing for a central database of security interests created over property rights.

Insolvency and Bankruptcy Code, as amended (the Code)

The Code consolidates laws relating to insolvency, reorganization, liquidation and bankruptcy of all persons, including companies, individuals, partnership firms and Limited Liability Partnerships ("**LLPs**"). The Code has established an Insolvency and Bankruptcy Board of India (IBBI) to function as the regulator for all matters pertaining to insolvency and bankruptcy. The Code prescribes a timeline of 180 days for the insolvency resolution process, which begins from the date the application is admitted by the National Company Law Tribunal. During this period, the creditors and the debtor shall negotiate and finalize a resolution plan (accepted by 66%. of the financial creditors) and in the event they fail, the debtor is placed in liquidation and the moratorium lifted. On June 6, 2018, certain provisions of the Bankruptcy Code, 2016 was amended *vide* the Insolvency and Bankruptcy (Second) Amendment Act, 2018 ("**Amendment Act**") which entitles the homebuyers to be on the seat of committee of creditors and could initiate recovery proceedings against a debtor.

The Code stipulates an interim-moratorium period which would commence after filing of the application for a fresh start process and shall cease to exist after elapse of a period of 180 days from the date of application. During such period, all legal proceedings against such debtor should be stayed and no fresh suits, proceedings, recovery or enforcement action may be initiated against such debtor. However, the Code has also imposed certain restrictions on the debtor during the moratorium period such as the debtor shall not be permitted to act as a director of any company or be involved in the promotion or management of a company during the moratorium period.

Laws Relating to Employment

Shops and Establishments legislation in various states

The provisions of various shops and establishments legislation, as applicable, regulate the conditions of work and employment in shops and commercial establishments and generally prescribe obligations in respect of *inter alia* registration, opening and closing hours, daily and weekly working hours, holidays, leave, health and safety measures and wages for overtime work.

Labour Laws

Our Company is subject to various labor laws that regulate the conditions of work and employment, work hours, safety, protection, working condition, employment terms and welfare of laborers and/or employees. Our Company is, *inter alia*, subject to the applicable shops and establishments legislations, the Employees State Insurance Act, 1948, the Employees (Provident Fund and Miscellaneous Provisions) Act, 1952, the Payment of Gratuity Act, 1972, the Minimum Wages Act, 1948, the

Payment of Wages Act, 1936, the Payment of Bonus Act, 1965, the Maternity Benefit Act, 1961, the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, and the Equal Remuneration Act, 1976.

Laws relating to Intellectual Property

The Trade Marks Act, 1999 and the Indian Copyright Act, 1957 *inter alia* govern the law in relation to intellectual property, including brand names, trade names and service marks and research works. In addition to the above, our Company is required to comply with the provisions of the Companies Act, 2013, the Foreign Exchange Management Act, 1999, various tax related legislation and other applicable statutes.

Laws in relation to external commercial borrowing

External Commercial Borrowings

Pursuant to the RBI Master Direction on "External Commercial Borrowings, Trade Credit, Borrowing and Lending in Foreign Currency by Authorised Dealers and Persons other than Authorised Dealers" dated January 1, 2016, as amended, HFCs are eligible to avail external commercial borrowings ("**ECB**") for financing low cost affordable housing units. In order to avail ECB, (a) the minimum NOF of HFCs for the past three fiscals should not be less than ₹ 30,000 lakh; (b) borrowing through ECB should be within overall borrowing limit of 16 times of their NOF and the net NNPA should not exceed 2.5 % of the net advances; (c) the maximum loan amount sanctioned to the individual buyer will be capped at ₹ 25.00 lakh subject to the condition that the cost of the individual housing unit shall not exceed ₹ 30.00 lakh; and (d) HFCs while making the applications, shall submit a certificate from NHB that the availing of ECB is for financing prospective owners of individual units for the low cost affordable housing and ensure that the interest rate spread charged by them to the ultimate buyer is reasonable. Pursuant to the amendment dated April 27, 2018, HFCs, regulated by the NHB, have been included as eligible borrowers to avail of ECBs under all tracks, for purposes other than for affordable housing as well. Therefore, HFCs, regulated by the NHB, as eligible borrowers can now avail of ECBs under all tracks (I, II and III). Such entities are however required to have a board approved risk management policy and keep their ECB exposure hedged 100 % at all times for ECBs raised under Track I.

Disclaimer Clause of NHB

Our Company has a valid Certificate of Registration dated April 2, 2009 bearing registration no. 04.0073.09 issued by the NHB under Section 29A of the NHB Act, 1987. However, the NHB does not accept any responsibility or guarantee about the present position as to the financial soundness of our Company or for the correctness of any of the statements or representations made or opinions expressed by our Company and for repayment of deposits/ discharge of liabilities by our Company.

SUMMARY OF SIGNIFICANT DIFFERENCES BETWEEN INDIAN GAAP AND INDAS

The audited financial statements of the Issuer included in this Shelf Prospectus are presented in accordance with Indian GAAP, which differs from Indian Accounting Standards (**Ind AS**) in certain respects. The Ministry of Corporate Affairs (**MCA**), in its press release dated 18 January 2016, issued a roadmap for implementation of Ind AS converged with IFRS for non-banking financial companies, scheduled 50 commercial banks, insurers, and insurance companies, which was subsequently confirmed by the RBI through its circular dated 11 February 2016. MCA via its notification dated 30 March 2016, has included Housing Finance Companies in the definition of a "Non-Banking Financial Company" (**NBFCs**). The notification further explains that NBFCs having a net worth of ₹ 50,000 lakh or more as of 31 March 2016, shall comply with Ind AS for accounting periods beginning on or after 1 April 2018, with comparatives for the periods ending on 31 March 2018. Therefore, the Issuer would be subject to this notification.

National Housing Bank vide its policy Circular No.88/2017-18 dated 16 April 2018 has clarified that HFCs are advised to be guided by the extant provisions of Ind-AS, including the date of implementation i.e. 1 April 2018. HFCs are also required to follow the extant directions on Prudential Norms, including on asset classification, provisioning etc. issued by the National Housing Bank with regards to the implementation of Ind-AS.

"Summary of Significant Differences among Indian GAAP and Ind AS", does not present all differences between Indian GAAP and Ind AS which are relevant to the Issuer. Consequently, there can be no assurance that those are the only differences in the accounting principles that could have a significant impact on the financial information included in this Shelf Prospectus. Furthermore, the Issuer has made no attempt to identify or quantify the impact of these differences or any future differences between Indian GAAP and Ind AS which may result from prospective changes in accounting standards. The Issuer has not considered matters of Indian GAAP presentation and disclosures, which also differ from Ind AS. In making an investment decision, investors must rely upon their own examination of the Issuer's business, the terms of the offerings and the financial information included in this Shelf Prospectus. Potential investors should consult with their own professional advisors for a more thorough understanding of the differences between Indian GAAP and Ind AS and how those differences might affect the financial information included in this Shelf Prospectus. The Issuer cannot assure that it has completed a comprehensive analysis of the effect of Ind AS on future financial information or that the application of Ind AS will not result in a materially adverse effect on the Issuer's future financial information.

Summary of Significant Differences among Indian GAAP and Ind AS:

Sr.No.	Particulars	Treatment as per Indian GAAP	Treatment as per Ind-As
1.	Presentation of Financial Statements	Other Comprehensive Income: There is no concept of 'Other Comprehensive Income' under Indian GAAP. Extraordinary items: Under Indian GAAP, extraordinary items are disclosed separately in the statement of profit and loss and are included in the determination of net profit or loss for the period. Items of income or expense to be disclosed as extraordinary should be distinct from the ordinary activities and are determined by the nature of the event or transaction in	Other Comprehensive Income: Ind AS 1 introduces the concept of other Comprehensive Income (**OCI**). Other comprehensive income comprises items of income and expense (including reclassification adjustments) that are not recognized in profit or loss as required or permitted by other Ind AS. Extraordinary items: Under Ind AS, presentation of any items of income or expense as extraordinary is prohibited

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

Sr.No.	Particulars	Treatment as per Indian GAAP	Treatment as per Ind-As
	and contingent assets	Also, discounting of provisions to present value is not permitted	the provisions to present value, if the effect of time value of money is material
6.	Share based payments	Under Indian GAAP, company has an option to account for share based payments on the basis of intrinsic value or fair value. The company followed the intrinsic value method and gave a disclosure for the fair valuation.	Under Ind AS, the share based payments have to be mandatorily accounted basis the fair value and the same has to be recorded in the Statement of Profit or Loss over the vesting period. The fair valuation of the unvested options as on the transition date have to be adjusted against retained earnings
7.	The pooling of interests and purchase method	Amalgamations in the nature of purchase are accounted for by recording the identifiable assets and liabilities of the acquiree either at the fair values or at book values. Amalgamations in the nature of merger are accounted under the pooling of interests method.	All business combinations, other than those between entities under common control, are accounted for using the purchase method. An acquirer is identified for all business combinations, which is the entity that obtains control of the other combining entity. Business combination transactions between entities under common control should be accounted for using the 'pooling of interests' method.
8.	Presentation and classification of Financial Instruments and subsequent measurement	Currently, under Indian GAAP, the financial assets and financial liabilities are recognised at the transaction value. The Company classifies all its financial assets and liabilities as short term or long term. Long term investments are carried at cost less any permanent diminution in the value of such investments determined on a specific identification basis. Current investments are carried at lower of cost and fair value. Financial liabilities are carried at their transaction values. Disclosures under Indian GAAP are limited. Currently under Indian GAAP, loan processing fees and/or fees of similar nature are recognized upfront in the Statement of Profit and Loss.	Ind AS 109 requires all financial assets and financial liabilities to be recognised on initial recognition at fair value. Financial assets have to be either classified as measured at amortized cost or measured at fair value on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset. Where assets are measured at fair value, gains and losses are either recognized entirely in profit or loss (FVTPL) or recognized in other comprehensive income (FVOCI). Financial assets include equity and debts investments, security receipts, interest free deposits, loans, trade receivables etc. Assets classified at amortized cost and FVOCI and the related revenue (including processing fees and fees of similar nature) net of related costs have to be measured using the Effective Interest Rate (EIR) method. There are two measurement categories for financial liabilities - FVTPL and amortized cost. Liabilities classified at amortized cost and the related expenses (processing cost & fees) have to be

Sr.No.	Particulars	Treatment as per Indian GAAP	Treatment as per Ind-As
			measured using the Effective Interest Rate (EIR) method. Financial liabilities include Cumulative Redeemable Preference Shares, Compulsorily Convertible Cumulative Preference Shares and Cumulative Convertible Preference Shares (other than having a fixed for fixed conversion term), loans, security deposits and trade payables etc. Fair value adjustment on transition shall be adjusted against opening retained earnings on the date of transition. Disclosures under Ind AS are extensive.
9.	Financial Instruments - Impairment and standard asset provisioning	Under Indian GAAP, the Company assesses the provision for doubtful debts at each reporting period, which in practice, is based on relevant information like past experience, financial position of the debtor, cash flows of the debtor, guidelines issued by the regulator etc. Under Indian GAAP, the Company assesses the standard asset provision on outstanding loan balances.	The impairment model in Ind AS is based on expected credit losses and it applies equally to loans and advances debt instruments measured at amortized cost or FVOCI, lease receivables, contract assets within the scope of Ind AS 109 and certain written loan commitments and financial guarantee contracts. Under Ind-AS, the Company shall be required to assess the standard asset provision on exposures.
10.	Conflicts or prescriptive approach in regulations	Under Indian GAAP, there are settled positions or accepted practices to deal with conflicts, if any, that may arise,	Under Ind-AS, regulatory clarity is awaited and positions or accepted practices to deal with conflicts, if any, are yet to be established including those relating to income recognition, asset classification and provisioning.

SUMMARY OF KEY PROVISIONS OF ARTICLES OF ASSOCIATION

The main provisions of the AoA relating to issue of securities and matters incidental hereto have been set out below. Please note that each provision herein below is numbered as per the corresponding AoA. All defined terms used herein shall have the meaning ascribed them in the AoA. Any reference to the term "Article" hereunder means the corresponding article forming part of the AoA.

Article Number	Description of the Article
1	The regulations contained in Table A under the First Schedule to the Companies Act, 1956 ("1956 Act"), shall not apply to this Company, but the regulations for the management of the Company and for the observance of the Members thereof and their representatives shall, subject to any exercise of the statutory powers of the Company in reference to the repeal or alteration of, or addition to, its regulations by Special Resolution, as prescribed by 1956 Act, be such as are contained in these Articles.
4	**AUTHORIZED SHARE CAPITAL**
	The authorised share capital of the Company is ₹ 45,00,00,00,000 (Rupees Four Thousand Five Hundred Crore) in accordance with Clause V(a) of the Memorandum of Association of the Company. The paid up share capital of the Company shall be, at any point of time, minimum of ₹ 5,00,000/- (Rupees Five Lakh Only), or such other higher amount, as may be prescribed under the 1956 Act as applicable to a public company.
78	(i) **Dematerialisation of Securities** Notwithstanding anything contained in the 1956 Act, as amended or these Articles, the Board of Directors are empowered without any prior sanction of the members to dematerialise and rematerialise the securities of the Company and issue/allot fresh securities in dematerialised form in pursuance of the Depositories Act, 1996.
	(iii) Options for Investors Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a depository. Such a person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by the law, in respect of any security in the manner provided by the Depositories Act, 1996 and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required Certificate of Securities. If a person opts to hold his security with a depository, the Company shall intimate such depository the details of allotment of the security, and on receipt of the information, the depository shall enter, in its record, the name of the allottee as the beneficial owner of the security.
	(iv) All securities held by a depository shall be dematerialised and be in fungible form.
	(vii) Transfer of Securities Nothing contained in Section 108 of the 1956 Act or these Articles shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.
	(viii) Allotment of Securities dealt with in a Depository Notwithstanding anything in the 1956 Act or these Articles, where securities are dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.
	DIRECTORS
129	**First Directors** Mr Praveen P Kadle Mr Govind Sankaranarayanan Mr S H Rajadhyaksha
128	Until otherwise determined by a general meeting, the number of directors shall not be less than 3 or more than 12.
131	Notwithstanding anything contained to the contrary in the Articles, so long as any Debentures issued by the

Article Number	Description of the Article
	Company remain outstanding the holders of such Debentures shall, in accordance with the provisions of the Trust Deed securing such Debentures, have a right to appoint and nominate from time to time any person or persons as a Director or Directors on the Board of the Company and to remove and reappoint any person or persons in his or their place or places. A Director so appointed under this Article is herein referred to as "the Debenture Director" and the term "Debenture Director" means a Director for the time being in office under this Article. The Board of Directors of the Company shall have no power to remove from office the Debenture Director. The Debenture Director shall have all the rights and privileges as any other Director of the Company other than a Managing or Wholetime Director.
132	The Debenture Director shall not be liable to retirement by rotation subject however to the provisions of the Trust Deed securing such Debentures.
130	Notwithstanding anything to the contrary contained in these Articles, so long as any moneys by way of loans/privately placed debentures remain owing by the Company to any financial institution as defined under the 1956 Act, the financial institutions shall jointly have a right to appoint such number of nominees as directors on the Board of the Company (hereinafter described as Financial Institutions' Directors), as may be agreed to by the Directors. Such appointment or removal shall be by notice in writing to the Company. The Board of Directors of the Company shall have no power to remove such nominee or nominees from office. Each such nominee shall be entitled to the same rights, privileges and obligations as any other Director of the Company, and shall also be entitled to attend any general meeting of the Company. The Company shall pay to such Directors normal fees and reimbursement of expenses to which the other Directors are entitled. The Company shall also pay or reimburse any expenses that may be incurred by financial institutions or such directors in connection with their appointment. Such Directors as well as financial institutions shall be entitled to receive all notices and other communications (including agenda) relating to meetings of the Board and its committees and general meetings of the Company and the minutes of all such meetings.
133	The Board of Directors of the Company may appoint an Alternate Director to act for a Director (hereinafter called "the original Director") during his absence for a period of not less than three months from the State in which the meetings are generally held and such appointment shall have effect and such appointee, whilst he holds office as an Alternate Director shall be entitled to notice of meetings of the Directors and to attend and vote thereat accordingly. An Alternate Director appointed under this Article shall not hold office as such for a period longer than that permissible to the original Director in whose place he has been appointed and shall vacate office if and when the original Director returns to the said state. If the term of office of the original Director is determined before he so returns to the said state, any provision in the 1956 Act or in these Articles for the automatic re-appointment of retiring Directors in default of another appointment shall apply to the original Director and not to the Alternate Director.
	Retirement of Director
147	(1) Not less than two-thirds of the total number of Directors of the Company shall be persons whose period of office is liable to determination by retirement by rotation and save and otherwise expressly provided in the 1956 Act and these Articles, be appointed by the Company in General Meeting. (2) The remaining directors shall be appointed in accordance with the provisions of these Articles and the 1956 Act.
	Removal of Director
155	(1) The Company may (subject to the provisions of Section 284 and other applicable provisions of the 1956 Act and these articles) remove any director before the expiry of his period of office. (2) Special notice as provided by Article 96 or Section 190 of the 1956 Act shall be given of any resolution to remove a Director under this Article or to appoint some other person in place of a Director so removed at the meeting at which he is removed
136	The Directors shall not be required to hold any qualification shares in the Company.
137	(2) Subject to the relevant provisions of the 1956 Act, the Directors who is not a *bona fide* resident of the place where a meeting is to be held shall be paid fair compensation for travelling expenses, in addition to his fee for attending such meeting as above specified, and the Directors may from time to time fix the remuneration to be paid to any member or members of their body constituting a committee appointed by the Directors in terms of these Articles, and may pay the same.

Article Number	Description of the Article
	KEY POSITIONS
177	**Managing Director** Subject to the provisions of the 1956 Act, the Directors may, from time to time, appoint one or more of their body to be a Managing Director or Managing Directors (in which expression shall include a Joint Managing Director) or Whole-time Director or Whole- time Directors of the Company for such term not exceeding five years at a time as they may think fit, to manage the affairs and business of the Company and may, from time to time, (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from such office and appoint another or others in his or their place or places.
161	Appointment of Chairman, Deputy Chairman and Vice-Chairman (A) The Directors may elect a Chairman of their meetings and determine the period for which he is to hold office; and (B) The Directors may appoint a Deputy Chairman or a Vice Chairman of the Board of Directors to preside at meetings of the Directors at which the Chairman shall not be present.
157	Meetings of Directors. (a) The Directors may meet together as a Board for the dispatch of business from time to time and shall so meet at least once in every three months and at least four such meetings shall be held every year and they may adjourn and otherwise regulate their meetings and proceedings as they deem fit. The provisions of this Article shall not be deemed to be contravened merely by reason of the fact that a meeting of the Board which had been called in compliance with the terms herein mentioned could not be held for want of a quorum.
	Board Meeting through video/audio (b) In terms of the 1956 Act or other applicable laws, to permit the participation of Directors in meetings of the Board otherwise through physical presence, the Board or its members, may from time to time decide to conduct discussions through audio conferencing, video conferencing or net conferencing and directors shall be allowed to participate from multiple locations through modern communication equipments for ascertaining the views of such Directors as have indicated their willingness to participate by audio conferencing, video conferencing or net conferencing, as the case may be.
159	**Quorum** Subject to the provisions of Section 287 and other applicable provisions (if any) of the 1956 Act the quorum for a meeting of the Board of Directors shall be one-third of the total strength of the Board of Directors (excluding Directors, if any, whose places may be vacant at the time and any fraction contained in that one-third being rounded off as one) or two Directors, whichever is higher; Provided that where at any time the number of interested Directors exceeds or is equal to two-thirds of the total strength, the number of the remaining Directors, that is to say, the number of Directors who are not interested and are present at the meeting, not being less than two shall be the quorum during such time. A meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretion by or under the 1956 Act or the Articles of the Company, for the time being vested in or exercisable by the Board of Directors generally.
160	Adjournment of meeting for want of quorum. If a meeting of the Board cannot be held for want of a quorum then the meeting shall stand adjourned to such day, time and place as the Director or Directors present at the meeting may fix.
164	**Committees of the Board** Subject to the provisions of Section 292 of the 1956 Act and Article 172, the Director may delegate any of their powers to Committees consisting of such member or members of their body as they think fit and they may from time to time revoke and discharge any such Committee either wholly or in part, and either as to persons or purposes; but every Committee so formed shall, in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Directors. All acts done by any

Article Number	Description of the Article
	such Committee in conformity with such regulations, and in fulfilment of the purposes of their appointment but not otherwise shall have the like force and effect as if done by the Board. Subject to the provisions of the 1956 Act the Board may from time to time fix the remuneration to be paid to any member or members of their body constituting a Committee appointed by the Board in terms of these Articles, and may pay the same.
	GENERAL MEETINGS
86	Annual General Meetings The Company shall, in addition to any other meetings, hold a general meeting (herein called an "Annual General Meeting") every year at the intervals and in accordance with the provisions herein specified. The Annual General Meeting of the Company shall be held within six months after the expiry of each financial year; Provided however, that if the Registrar of Companies (ROC) shall have for any special reason extended the time within which any Annual General Meeting shall be held by a further period not exceeding three months, the Annual General Meeting may be held within the additional time fixed by the ROC. Except in the cases where the ROC has given an extension of time as aforesaid for holding any Annual General Meeting and not more than fifteen months shall elapse between the date of one Annual General Meeting and that of the next. However, subject to the provisions of Sections 166 and 210 of the 1956 Act, the First Annual General Meeting may be held within 18 months from the date of Incorporation of the Company.
90	Notice of meeting (1) A general meeting of the Company may be called by giving not less than 21 days' notice in writing.
91	Contents of Notice (1) Every notice of a meeting of the Company shall specify the place, the date and hour of the meeting, and shall contain a statement of the business to be transacted thereat.
97	Quorum at General Meeting 5 (Five) members entitled to vote and present in person shall be a quorum for a general meeting and no business shall be transacted at any General Meeting unless the quorum requisite be present at the commencement of the business thereof.
98	Proceedings when quorum not present. If within half an hour after the time appointed for the holding of a General Meeting a quorum be not present the meeting if convened on the requisition of shareholders shall be dissolved and in every other case shall stand adjourned to the same day in the next week at the same time and place or such other day, time and place as the Directors may by notice to the shareholders appoint. If at such adjourned meeting a quorum be not present those members present shall be a quorum and may transact the business for which the meeting was called.
	INCREASE, REDUCTION AND ALTERATION IN CAPITAL
68	Increase of Capital (a) The Company may from time to time in general meeting increase its share capital by the issue of new shares of such amount as it thinks expedient. (b) Subject to the provisions of the 1956 Act, the new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as by the general meeting creating the same shall be directed and if no direction be given as the Directors shall determine; and in particular such shares may be issued with a preferential or qualified right to dividends and in distribution of assets of the Company and any Preference shares may be issued on the terms that they are or at the option of the Company are to be liable to be redeemed.
69	Rights of shareholders to further issue of capital Where it is proposed to increase the subscribed capital of the Company by allotment of further shares, then such further shares shall be offered to the persons who, at the date of the offer, are holders of the shares

Article Number	Description of the Article
	of the Company, in proportion, as nearly as circumstances admit, to the capital paid up on those shares at that date, and such offer shall be made in accordance with the provisions of Section 81 of the 1956 Act.
73	Reduction of capital The Company may from time to time by Special Resolution reduce its share capital in any way authorised by law and in particular may pay off any paid up share capital upon the footing that it may be called up again or otherwise and may if and so far as is necessary alter its Memorandum by reducing the amount of its share capital and of its shares accordingly.
	BORROWING POWER
79	Power to Borrow Subject to the provisions of the 1956 Act and these Articles and without prejudice to the other powers conferred by these Articles the Directors shall have the power from time to time at their discretion to borrow any sum or sums of money for the purposes of the Company provided that the total amount borrowed at any time together with the money already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) shall not, without the consent of the Company in General Meeting, exceed the aggregate of the paid up capital of the Company and its free reserves that is to say reserves not set apart for any specific purpose.
80	Conditions on which money may be borrowed Subject to the provisions of the 1956 Act and these Articles, the Directors may raise and secure the payment of such sum or sums in such manner and upon such terms and conditions in all respects as they think fit and in particular by the issue of bonds, perpetual or redeemable debentures or debenture-stock, or any mortgage or charge or other security on the undertaking or the whole or any part of the property of the Company (both present and future) including its uncalled capital for the time being.
	THE SEAL
174	The seal, its custody and use The Directors shall provide a Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof, and the Directors shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by or under the authority of the Directors or a Committee of Directors previously given.
72	Buy-Back of Shares Notwithstanding anything contained in these Articles, in the event it is permitted by law for a company to purchase its own shares or securities, the Board of Directors may, when and if thought fit, buy back such of the Company's own shares or securities as it may think necessary, subject to such limits, upon such terms and conditions, and subject to such approvals, as may be permitted by the provisions, as may be applicable, of the 1956 Act or the Rules made thereunder.
	SECRECY CLAUSE
204	Every Director, Manager, Auditor, Treasurer, Trustee, member of a committee, officer, servant, agent, accountant or other person employed in the business of the Company, shall, if so required by the Directors, before entering upon his duties, sign a declaration pledging himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained.

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts which are or may be deemed material have been entered or are to be entered into by our Company. These contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company from 10:00 a.m. to 5:00 p.m. on any Working Day during which this Issue is open for public subscription under the respective Tranche Prospectus.

A. ***Material Contracts***

1. Issue Agreement dated August 27, 2018 between our Company and the Lead Managers.
2. Registrar Agreement dated August 23, 2018 between our Company and the Registrar to the Issue.
3. Debenture Trustee Agreement dated August 22, 2018 executed between our Company and the Debenture Trustee.
4. Tripartite agreement between our Company, Registrar to the Issue and CDSL dated August 24, 2018.
5. Tripartite agreement between our Company, Registrar to the issue and NSDL dated August 24, 2018.

B. ***Material Documents***

1. Certificate of incorporation of our Company dated October 15, 2008 issued by Registrar of Companies, Maharashtra.
2. Memorandum of Association and Articles of Association of our Company.
3. The certificate of registration dated April 2, 2009, bearing registration number 04.0073.09 by the National Housing Bank to carry on the business of a housing finance institution without accepting public deposits in accordance with Section 29A of the National Housing Bank Act.
4. Credit rating letter dated August 21, 2018 from CRISIL assigning a rating of "CRISIL AAA/Stable" to the NCDs.
5. Credit rating letter dated August 23, 2018 from India Ratings assigning a rating of 'IND AAA'/Outlook Stable to the NCDs.
6. Credit rating letter dated August 24, 2018 from ICRA assigning a rating of "[ICRA]AAA(stable)" to the NCDs.
7. Copy of the resolution passed at a meeting of Board of Directors held on June 15, 2018 approving this Issue.
8. Copy of resolution passed at a meeting of the Board of Directors held on August 27, 2018 approving this Draft Shelf Prospectus.
9. Copy of the resolution passed by the Board of Directors of our Company, held on June 15, 2018, approving the public issue of Secured NCDs of face value ₹ 1,000 each and Unsecured NCDs of face value ₹ 1,000 each, aggregating up to ₹ 5,00,000 lakh.
10. Resolution passed by the Shareholders of our Company, pursuant to Section 180 (1)(c) of the Companies Act, 2013, at the EGM held on March 20, 2018, approving the overall borrowing limit of our Company.
11. Consents of the Directors, Lead Managers to the Issue, Chief Financial Officer of our Company, Company Secretary and Compliance Officer of our Company, Debenture Trustee, Credit Rating Agencies for this Issue, Lenders, Bankers to our Company, Legal Advisor to the Issue, and the Registrar to the Issue, to include their names in this Draft Shelf Prospectus in their respective capacity.
12. The consent of the Statutory Auditors of our Company, namely B S R & Co. LLP., for inclusion of: (a) their names as the Statutory Auditors, (b) examination reports on Reformatted Summary Financial Statements; and (c) the statement of tax benefits available to the debenture holders in the form and context in which they appear in this Draft Shelf Prospectus.
13. The examination report of the Statutory Auditors dated August 27, 2018 in relation to the Reformatted Summary Financial Statements included herein.
14. Statement of tax benefits dated August 27, 2018 issued by our Statutory Auditors.
15. Annual Reports of our Company for the last five Financial Years.
16. Due diligence certificate dated [●] filed by the Lead Managers with SEBI.

17. In-principle approval dated [●] for this Issue issued by BSE.

18. In-principle approval dated [●] for this Issue issued by NSE.

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

DECLARATION

We, the Directors of our Company, hereby certify and declare that all applicable legal requirements in connection with the Issue including relevant provisions of the Companies Act, 2013, the guidelines or regulations issued by the Government of India, the guidelines or circulars issued by the National Housing Bank, the Securities Contracts (Regulation) Act, 1956, and the regulations, guidelines, circulars or rules promulgated by the Securities and Exchange Board of India including, the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent applicable, as the case may be, have been complied with and no statement made in this Draft Shelf Prospectus is contrary to the relevant provisions of applicable law.

Furthermore, we certify that all disclosures and statements in this Draft Shelf Prospectus are in compliance with all applicable legal requirements and are true, accurate and correct in all material respects and do not omit disclosure of any material fact which may make the statements made therein, in light of circumstances under which they were made, false or misleading and that this Draft Shelf Prospectus does not contain any misstatements.

Signed by the Board of Directors:

Rajiv Sabharwal
Non – Executive Director and Chairman

Mehernosh B. Kapadia :
Independent Director

Anuradha E. Thakur :
Independent Director

Ankur Verma :
Non – Executive Director

Anil Kaul :
Managing Director

Date: August 27, 2018
Place: Mumbai

ANNEXURE A

FINANCIAL INFORMATION

(This page has been left intentionally blank)

B S R & Co. LLP
Chartered Accountants

5th Floor, Lodha Excelus,
Apollo Mills Compound
N. M. Joshi Marg, Mahalaxmi
Mumbai - 400 011
India

Telephone +91 (22) 4345 5300
Fax +91 (22) 4345 5399

To

The Board of Directors
Tata Capital Housing Finance Limited
11th Floor, Tower A, Peninsula Business Park
Ganpatrao Kadam Marg, Lower Parel
Mumbai 400013

27 August 2018

Dear Sirs

1. We have examined the Reformatted Financial Information (defined subsequently) of Tata Capital Housing Finance Limited ('the Company'), which comprise of Reformatted Statements of Assets and Liabilities, the Reformatted Statements of Profit and Loss and Notes forming part thereof and the Reformatted Statements of Cash Flows for each of the years ended 31 March 2018, 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and the Summary of Significant Accounting Policies (together referred to as "Reformatted Financial Information") annexed to this report for the purpose of inclusion in the Draft Shelf Prospectus and/or Shelf Prospectus and/or Tranche Prospectus(es), and an Abridged Prospectus and any amendments and supplements thereto (collectively the "**Offering Documents**") to be filed by the Company in connection with its proposed public issue by the Company of senior, secured, rated, listed, redeemable, non-convertible debentures of face value of Rs. 1,000 each ("Secured NCDs") and unsecured, subordinated, rated, listed, redeemable, non-convertible debentures eligible for inclusion in Tier II capital of face value of Rs. 1,000 each ("Unsecured NCDs") aggregating upto Rs. 5,00,000 lakhs through one or more tranches (the "Issue"), which has been approved by the Board of Directors of the Company by taking into consideration the requirements of :

   a. section 26(1)(b)(i) of the Companies Act 2013 read with provisions of the Companies (Prospectus and Allotment of Securities) Rules, 2014; and

   b. the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended ('the SEBI Debt Regulations') issued by Securities and Exchange Board of India ('SEBI').

Management's Responsibility

2. The preparation of Reformatted Financial Information is the responsibility of the Company's Management. Management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of Reformatted Financial Information. The Management is also responsible for identifying and ensuring that the Company complies with the requirements of Section 26(1)(b)(i) of the Companies Act, 2013 read with provisions of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the SEBI Debt Regulations.

B S R & Co (a partnership firm with Registration No. BA61223) converted into B S R & Co. LLP (a Limited Liability, Partnership with LLP Registration No. AAB-8181) with effect from October 14, 2013

Registered Office:
5th Floor, Lodha Excelus
Apollo Mills Compound
N. M. Joshi Marg, Mahalaxmi
Mumbai - 400 011. India

3. The Reformatted Financial Information have been extracted by the management from the audited standalone financial statements of the Company for the years ended 31 March 2018, 31 March 2017, 31 March 2016, 31 March 2015 and 31 March 2014, which were approved by the Board of Directors of the Company dated 30 April 2018; 28 April 2017; 2 May 2016; 21 April 2015 and 5 May 2014 respectively.

Auditor's Responsibility

4. We have examined the Reformatted Financial Information taking into consideration:

   a. the terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 22 June 2018 in connection with the Issue;

   b. requirements of Section 26(1)(b)(i) of the Companies Act, 2013 read with provisions of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the SEBI Debt Regulations; and

   c. Guidance Note on Reports or Certificates for Special Purposes and Guidance Note on Reports in Company Prospectuses (Revised 2016) issued by the Institute of Chartered Accountants of India (ICAI) ("The Guidance Note"). The Guidance Note requires, *inter alia,* that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

   We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC 1), Quality Control of Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Service Engagements.

5. As stated in our audit report referred to in paragraph 3 above, we conducted our audit for the year ended 31 March 2018 in accordance with the Standards on Auditing specified under Section 143 (10) of the Companies Act, 2013 issued by the Institute of Chartered Accountants of India, as applicable. Those Standards require we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation and fair presentation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

B S R & Co LLP
5th Floor
Lodha Excelus
Apollo Mills Compound
N. M. Joshi Marg,
Mahalaxmi,
Mumbai-400011,
India
Chartered Accountants

The audit of the standalone financial statements of the Company for the financial years ended 31 March 2017, 31 March 2016, 31 March 2015 and 31 March 2014 were conducted and reported upon by the previous auditors Deloitte Haskins & Sells LLP, Chartered Accountants, and accordingly reliance has been placed on the Reformatted Financial Information examined by them for the years ended 31 March 2017, 31 March 2016, 31 March 2015 and 31 March 2014. The Financial report included for these years, i.e. years ended 31 March 2017, 31 March 2016, 31 March 2015 and 31 March 2014 are based solely on the report dated 27 August 2018 submitted by Deloitte Haskins & Sells LLP, Chartered Accountants.

Opinion

6. In accordance with the requirements of section 26(1)(b)(i) of the Companies Act 2013 read with provisions of the Companies (Prospectus and Allotment of Securities) Rules, 2014, the SEBI Regulations, the Guidance note and the terms of our engagement agreed with you, we report that:

   The Reformatted Financial Information of the Company as at and for the years ended 31 March 2018 examined by us and for each of the years ended 31 March 2017, 31 March 2016, 31 March 2015 and 31 March 2014 examined by previous auditors Deloitte Haskins & Sells LLP, Chartered Accountants and accordingly, reliance has been placed on the Reformatted Financial Information examined by them, as set out in Annexure I to III to this report are accurately extracted from the audited standalone financial statements of the Company for the years ended 31 March 2018, 31 March 2017, 31 March 2016, 31 March 2015 and 31 March 2014.

7. Based on our examination as above, we further report that:
   a. the Reformatted Financial Information have to be read in conjunction with the notes given in Annexure IV;
   b. the figures of earlier years have been regrouped (but not restated retrospectively for changes in accounting policies), wherever necessary, to conform primarily to the requirements of the Schedule III to the Companies Act, 2013; and
   c. in the preparation and presentation of Reformatted Financial Information based on audited standalone financial statements as referred to in paragraph 3 and 5 above, no adjustments have been made for any events occurring subsequent to dates of the audit reports specified in paragraph 3 above.
8. The examination report of the previous auditor for the year ended 31 March 2015 states that 'Our report on the financial statements of the Company for the year ended 31 March 2015, included an emphasis of matter paragraph which describes the accounting treatment used by the Company in creating the Deferred Tax Liability on Special Reserve under section 36(1)(viii) of the Income Tax Act, 1961 as at 1 April 2014, which is in accordance with the National Housing Bank's Circular No. NHB (ND)/DRS/Pol. Circular No. 62/2014 dated 27 May 2014. The opinion of the previous auditor was not modified in respect of this matter.

B S R & Co. LLP
5th Floor, Lodha Excelus, Apollo Mills Compound, N M Joshi Marg, Mahalaxmi, Mumbai-400011 India
Chartered Accountants

Other Financial Information

9. At the Company's request, we have also examined the following financial information proposed to be included in the Offer Documents prepared by management and approved by the Board of Directors of the Company and annexed to this report relating to the Company for the years ended 31 March 2018 and for each of the years ended 31 March 2017, 31 March 2016, 31 March 2015 and 31 March 2014 examined by previous auditors Deloitte Haskins & Sells LLP, Chartered Accountants and accordingly, reliance has been placed on the Reformatted Financial Information examined by them:
   a) Statement of accounting ratio, as appearing in Annexure V
   b) Statement of dividend paid, as appearing in Annexure VI
   c) Statement of capitalisation, as appearing in Annexure VII

10. In our opinion and based on report issued by previous auditor, the Reformatted Financial Information and other financial information as disclosed in the Annexures to this report read with the significant accounting policies and notes disclosed in Annexure IV has been prepared in accordance with the requirements of section 26(1)(b)(i) of the Companies Act 2013 read with rule 4(1) of the Companies (Prospectus and Allotment of Securities) Rules, 2014, the SEBI Regulations and the Guidance Note.

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

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

Restrictions of use

13. This report is intended solely for use of the management for inclusion in the Offer Documents to be filed with Securities and Exchange Board of India, National Stock Exchange of India Limited and Registrar of Companies, Maharashtra (RoC), as applicable, prepared in connection with the Issue of the Company. Our report should not be used, referred to or distributed for any other purpose without our prior written consent.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Manoj Kumar Vijai
Partner
Membership No: 046882

TATA CAPITAL HOUSING FINANCE LIMITED

REFORMATTED STATEMENT OF ASSETS AND LIABILITIES

PARTICULARS	Note No.	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
		Rs. in Lakh	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh
I. EQUITY AND LIABILITIES						
1. **Shareholders' funds**						
(a) Share Capital	3	1,37,833	1,07,733	91,233	66,733	50,733
(b) Reserves and surplus	4	39,437	27,713	17,882	12,160	9,509
		1,77,270	**1,35,446**	**1,09,115**	**78,893**	**60,242**
2 **Non-current liabilities**						
(a) Long-term borrowings	5	10,41,115	8,65,745	7,86,688	5,30,675	3,74,658
(b) Other long-term liabilities	6	213	92	3,738	2,445	2,953
(c) Long-term provisions	7	23,956	15,809	9,662	5,944	3,530
		10,65,284	**8,81,646**	**8,00,087**	**5,39,064**	**3,81,141**
3 **Current liabilities**						
(a) Short-term borrowings	8	5,40,745	3,57,918	2,56,753	1,33,369	1,01,506
(b) Trade payables	9					
(i) Total outstanding dues of micro enterprises and small enterprises		-	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		4,914	3,769	3,308	2,849	1,411
(c) Other current liabilities	10	2,74,552	3,39,027	1,46,047	1,65,510	99,437
(d) Short-term provisions	11	4,113	2,759	2,050	1,663	2,205
		8,24,324	**7,03,473**	**4,08,158**	**3,03,391**	**2,04,559**
TOTAL		**20,66,878**	**17,20,565**	**13,17,361**	**9,21,347**	**6,45,942**
II. ASSETS						
1. **Non-Current assets**						
(a) Property, plant and equipment	12					
(i) Tangible assets		1,897	1,396	1,176	621	192
(ii) Intangible assets		-	-	-	-	-
(iii) Capital work-in-progress		174	138	59	74	32
(iv) Intangible assets under development		725	326	124	-	-
(b) Non-current Investments	13	257	245	-	-	-
(c) Deferred tax assets (net)	14	4,192	1,754	1,686	1,131	1,321
(d) Long-term loans and advances - financing activity	15	18,59,197	15,86,515	12,14,808	8,53,778	5,95,178
(e) Long-term loans and advances - others	16	153	377	461	695	144
(f) Other non-current assets	17	4,234	4,369	3,888	3,442	3,029
		18,70,829	**15,95,120**	**12,22,202**	**8,59,740**	**5,99,896**
2. **Current assets**						
(a) Current investments		-	-	-	-	-
(b) Trade receivables	18	396	5	115	133	-
(c) Cash and bank balances	19	6,931	8,303	3,131	2,463	2,502
(d) Short-term loans and advances - financing activity	15	1,84,742	1,13,807	89,178	56,886	42,088
(e) Short-term loans and advances - others	20	1,198	454	347	285	173
(f) Other current assets	21	2,782	2,876	2,388	1,839	1,283
		1,96,049	**1,25,445**	**95,159**	**61,606**	**46,046**
TOTAL		**20,66,878**	**17,20,565**	**13,17,361**	**9,21,347**	**6,45,942**
See accompanying notes forming a part of the financial statements	1-38					

In terms of our report attached

For and on behalf of the Board of Directors

For B S R & Co. LLP
Chartered Accountants
Firms Registration No – 101248W/W-100022

Rajiv Sabharwal
(Chairman)

Mehernosh B. Kapadia
(Director)

Anuradha E. Thakur
(Director)

Ankur Verma
(Director)

Anil Kaul
(Managing Director)

Manoj Kumar Vijai
Partner
Membership No: 046882

Mumbai
Date : August 27, 2018

TATA CAPITAL HOUSING FINANCE LIMITED

REFORMATTED STATEMENT OF PROFIT AND LOSS

	PARTICULARS	**Note No.**	**For the Year ended March 31, 2018**	**For the Year ended March 31, 2017**	**For the Year ended March 31, 2016**	**For the Year ended March 31, 2015**	**For the Year ended March 31, 2014**
			Rs in Lakh	**Rs in Lakh**	**Rs. in Lakh**	**Rs. in Lakh**	**Rs in Lakh**
I	Revenue from operations	22	1,94,690	1,70,696	1,25,330	90,371	63,862
II	Investment income	23	192	95	173	387	382
III	Other income	24	3,473	1,527	1,053	260	11
IV	**Total Revenue (I + II + III)**		**1,98,355**	**1,72,318**	**1,26,556**	**91,018**	**64,255**
V	**Expenses :**						
	Finance costs	25	1,24,664	1,13,743	86,263	64,768	45,592
	Employee benefit expenses	26	11,416	10,431	7,359	4,899	3,066
	Other operating expenses	27	28,179	19,935	14,987	10,508	6,984
	Depreciation and amortisation	12	418	272	176	109	40
	Amortisation of expenses	21 (a)	746	615	468	404	264
	Total Expenses		**1,65,423**	**1,44,996**	**1,09,253**	**80,689**	**55,946**
VI	**Profit before tax (IV - V)**		**32,932**	**27,322**	**17,303**	**10,330**	**8,309**
VII	**Tax expense:**						
	(1) Current tax	14.1	13,950	9,573	6,597	3,973	3,022
	(2) Deferred tax	14.2	(2,438)	(68)	(555)	(436)	(541)
	Net tax expense		**11,512**	**9,505**	**6,042**	**3,537**	**2,481**
VIII	**Profit for the year (VI - VII)**		**21,420**	**17,817**	**11,261**	**6,793**	**5,828**
IX	**Earnings per equity share:**						
	(1) Basic (in Rupees)		4.61	3.89	2.26	1.29	1.60
	(2) Diluted (in Rupees)		4.61	3.89	2.26	1.29	1.60
	Face value of share (in Rupees)		10	10	10	10	10
	See accompanying notes forming a part of the financial statements	1-38					

In terms of our report attached

For and on behalf of the Board of Directors

For B S R & Co. LLP
Chartered Accountants
Firms Registration No – 101248W/W-100022

Rajiv Sabharwal
(Chairman)

Mehernosh B. Kapadia
(Director)

Anuradha E. Thakur
(Director)

Manoj Kumar Vijai
Partner
Membership No: 046882

Ankur Verma
(Director)

Anil Kaul
(Managing Director)

Mumbai
Date : August 27, 2018

TATA CAPITAL HOUSING FINANCE LIMITED

REFORMATTED STATEMENT OF CASH FLOW STATEMENT

PARTICULARS	For the Year ended March 31, 2018	For the Year ended March 31, 2017	For the Year ended March 31, 2016	For the Year ended March 31, 2015	For the Year ended March 31, 2014
	Rs. In Lakh	Rs. In Lakh	Rs. In Lakh	Rs. In Lakh	Rs. In Lakh
1 CASH FLOW USED IN OPERATING ACTIVITIES					
Profit before taxes	32,932	27,322	17,303	10,330	8,309
Adjustments for :					
Amortisation of debenture issue expenses/loan processing expenses	746	615	468	404	264
Profit on sale of mutual fund investments (current investment non-trade)	(192)	(95)	(173)	(387)	(382)
Discounting charges on commercial paper	18,710	22,047	10,752	10,654	7,318
Discounting charges on zero coupon bond	-	-	-	163	598
Depreciation and amortisation	418	272	176	109	40
Provision for employee benefits	173	200	100	76	41
Contingent provision against standard assets	962	2,539	2,110	1,374	1,085
Provision for doubtful debts	11,870	4,501	1,942	1,206	476
Interest income	(1,85,025)	(1,63,356)	(1,20,111)	(86,591)	(61,137)
Interest expenses	1,05,954	91,696	75,511	53,951	37,676
Operating Loss before working capital changes and adjustment for interest received and interest paid	**(13,452)**	**(14,259)**	**(11,922)**	**(8,711)**	**(5,712)**
Adjustments for :					
Increase in loans and advances - financing activity	(3,46,730)	(3,93,763)	(3,91,130)	(2,71,698)	(2,11,736)
Increase in loans and advances - others	(964)	(840)	(1,104)	(1,215)	(919)
(Increase) / Decrease in Trade receivables	(391)	110	20	(128)	-
Increase in current liabilities and provisions	451	4,938	1,020	1,635	(127)
Cash used in operations before adjustment for interest received and interest paid	**(3,61,086)**	**(4,03,814)**	**(4,03,116)**	**(2,80,117)**	**(2,18,495)**
Interest received	1,81,898	1,60,857	1,18,417	87,527	59,927
Interest paid	(1,34,847)	(1,06,554)	(72,646)	(62,077)	(40,748)
Cash used in operations	**(3,14,035)**	**(3,49,511)**	**(3,57,345)**	**(2,54,667)**	**(1,99,316)**
Taxes paid	(12,678)	(9,429)	(6,062)	(3,510)	(3,070)
NET CASH USED IN OPERATING ACTIVITIES	**(3,26,713)**	**(3,58,940)**	**(3,63,407)**	**(2,58,177)**	**(2,02,386)**
2 CASH FLOW FROM INVESTING ACTIVITIES					
Proceeds from sale of fixed assets	9	15	5	7	-
Purchase of fixed assets (including capital advances)	(1,369)	(783)	(585)	(853)	(97)
Purchase of mutual fund units	(8,64,512)	(4,03,945)	(5,45,400)	(10,61,300)	(9,49,000)
Proceeds from redemption of mutual fund units	8,64,692	4,03,795	5,45,573	10,61,687	9,49,382
Fixed deposits with banks having maturity over 3 months	(25)	-	-	-	-
NET CASH USED IN INVESTING ACTIVITIES	**(1,205)**	**(918)**	**(407)**	**(458)**	**285**
3 CASH FLOW FROM FINANCING ACTIVITIES					
Issue of Compulsorily Convertible Cumulative Preference share capital	30,100	16,500	24,500	16,000	14,900
Share issue expenses	(11)	(17)	(26)	(16)	(16)
Interim dividend paid on preference shares (including dividend distribution tax)	(9,685)	(7,959)	(9,054)	(1,779)	-
Proceeds from long-term borrowings	5,21,353	5,99,687	4,82,770	3,62,699	2,73,285
Repayment of long-term borrowings	(4,00,492)	(3,40,584)	(2,55,401)	(1,50,301)	(91,484)
Debenture issue / loan processing expenses	(271)	(861)	(394)	(255)	(960)
Proceeds from short-term borrowings having maturity period greater than 3 month	3,81,626	2,45,344	1,37,668	81,149	48,016
Repayment of short-term borrowings having maturity period greater than 3 month	(2,39,620)	(2,32,244)	(86,855)	(95,932)	(18,912)
Net proceeds from short- term borrowings having maturity period less than or equal to 3 month	43,546	85,164	71,275	44,134	-25,189
NET CASH FROM FINANCING ACTIVITIES	**3,26,546**	**3,65,030**	**3,64,483**	**2,55,699**	**1,99,640**
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	**(1,372)**	**5,172**	**668**	**(2,937)**	**(2,461)**
CASH AND CASH EQUIVALENTS AS AT THE BEGINNING OF THE YEAR (Refer Note No 19)	**8,303**	**3,131**	**2,463**	**5,400**	**4,963**
CASH AND CASH EQUIVALENTS AS AT THE END OF THE YEAR (Refer Note No 19)	**6,931**	**8,303**	**3,131**	**2,463**	**2,502**
See accompanying notes forming a part of the financial statements					

In terms of our report attached

For and on behalf of the Board of Directors

For B S R & Co. LLP
Chartered Accountants
Firms Registration No – 101248W/W-100022

Rajiv Sabharwal
(Chairman)

Mehernosh B. Kapadia
(Director)

Anuradha E. Thakur
(Director)

Manoj Kumar Vijai
Partner
Membership No: 046882

Ankur Verma
(Director)

Anil Kaul
(Managing Director)

Mumbai
Date : August 27, 2018

Notes forming part of the Reformatted Financial Statements

1 CORPORATE INFORMATION

Tata Capital Housing Finance Limited (the “Company”) was incorporated on October 15, 2008. The Company obtained the certificate of registration under the National Housing Bank ("NHB") as required under Section 29A of the NHB Act, 1987 on April 4, 2009. The Company is a wholly owned subsidiary of Tata Capital Limited. The main objects of the Company, inter alia are to carry out the business of providing long term finance to individuals, companies, corporations, societies or association of persons for purchase / construction / repair and renovation of new / existing flats / houses for residential purposes and provide property related services.

2 SIGNIFICANT ACCOUNTING POLICIES

i BASIS FOR PREPARATION OF ACCOUNTS

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 (the "Act") read with rule 7 of the companies (Accounts) Rules, 2014 and the relevant provisions of the Act, as applicable, the National Housing Bank Act, 1987 and the Housing finance companies, (NHB) Directions, 2010. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

ii USE OF ESTIMATES

The preparation of financial statements require the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenses for the reporting period. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in the current and future periods. Example of such estimates includes provision for non - performing loans, provision for employee benefit plans and provision for income taxes.

iii REVENUE RECOGNITION

Interest income on loans

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable, except that no income is recognised on non-performing assets as per the prudential norms for income recognition issued by the NHB for Housing Finance Companies (the "HFC's"). Interest income on such assets is recognised on receipt basis.
Repayment of housing loans is generally by way of Equated Monthly Installments (EMIs) comprising principal and interest. Generally EMIs commence once the entire loan is disbursed. Pending commencement of EMIs, pre-EMI interest is payable every month. Interest on loans is computed on a monthly rest basis, unless otherwise specified in contracting documents.

Upfront / Loan Processing fees collected from the customer are primarily towards documentation charges. Such fees are accounted as income when the amount becomes due provided recovery thereof is not uncertain.

Income from Current and Long-term Investments

Income from sale of units of mutual funds is accounted when the units of mutual funds are actually sold.

Income from dividend on shares of corporate bodies and units of mutual funds is accounted on accrual basis when the Company’s right to receive dividend is established.

iv PROVISION ON NON PERFORMING / STANDARD LOANS AND DOUBTFUL DEBTS

Loans are initially recorded at the disbursed principal amounts and are subsequently adjusted for recoveries and any unearned income.

A loan is recognised as non-performing asset (“NPA”) at the earlier of the date it has been individually provided for when the Company is no longer reasonably assured of the timely collection of the full amount of principal and interest and a loan where the repayment of any installment or interest has been in arrears for 90 days.

The provision on Standard and Non Performing Loans is made as per the prudential norms prescribed in the Housing Finance Companies (NHB) Directions, 2010 as amended. In addition to the abovementioned provisioning norms as prescribed by NHB, the Company also fully provides for/ writes off the entire receivables as per the Guidelines approved by the Board of Directors from time to time, where any of the installments are overdue for a period exceeding 27 months for home loans, loan against property and builder loans.

Provisions are established on a collective basis against loan assets classified as “Standard” to absorb credit losses on the aggregate exposures in each of the Company’s loan portfolios based on the NHB Directions.

v SECURITISATION / ASSIGNMENT

Securitised/ Assigned assets are derecognised, if and only if, the Company looses control of the contractual rights that comprise the corresponding pools or mortgages transferred. Transfers of pools of mortgages under the current programs involve transfer of proportionate shares in the pools of mortgages. Such transfers result in de-recognition only of that proportion of the mortgages that meet the de-recognition criteria. The portion retained by the Company continues to be accounted for as loans as described above.

As stated in the Guidance Note on Accounting for Securitisation issued by the Institute of Chartered Accountants of India, on de-recognition, the difference between the book value of the securitised/ assigned asset and consideration received is recognised as gain arising on securitization/ assignment in the Statement of Profit and Loss over the balance maturity period of the pool transferred. Losses, if any, arising from such transactions, are recognised immediately in the Statement of Profit and Loss.

vi INVESTMENTS

Investments are classified into non-current and current investments. Investment are accounted for on trade date basis.

a. Non-current investments

Non-current investments are investments intended to be held for a period of more than a year. Non-current investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments.

b. Current investments

Current investments are investments intended to be held for a period of less than a year. Current investments are stated at the lower of cost and market value, determined on an individual investment basis.

vii Property, plant and equipment

a. Tangible:

Tangible property, plant and equipment are stated at cost of acquisition including any cost attributable for bringing asset to its working condition, which comprises of purchase consideration and other directly attributable costs of bringing the assets to their working condition for their intended use less accumulated depreciation.

b. Intangible:

Acquired intangible assets other than Goodwill are measured at cost less amortisation.

Expenses on software support and maintenance are charged to the Statement of Profit and Loss during the year in which such costs are incurred.

c. Capital work-in-progress:

Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

d. Intangible assets under development:

Expenditure on development eligible for capitalisation are carried as Intangible assets under development where such assets are not yet ready for their intended use.

viii DEPRECIATION

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible property, plant and equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of Buildings, Plant & Machinery, Computer Equipment and Vehicles, where the life of the assets has been assessed based on the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement etc.

All capital assets with individual value less than Rs. 5,000 are depreciated fully in the year in which they are purchased.

Estimated useful life considered by the Company are:

Asset	Estimated Useful Life	As per Schedule II
Building	25 Years	60 Years
Office Equipment	5 Years	5 Years
Vehicles	4 Years	6 Years
Plant & Machinery	10 Years	15 Years
Furniture & Fixtures	10 Years	10 Years
Leasehold improvements	Lease Period	Lease Period
Computer Equipment	4 Years	3 Years

ix IMPAIRMENT OF ASSETS

At each Balance Sheet date, the Company reviews, whether there is any indication of impairment of an asset. If any such condition exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss (if any).

Recoverable amount of the asset is the higher of an asset's net selling price and value in use. In assessing the value in use, the estimated future cash flow expected from continuing use of the asset and from its disposal is discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risk specific to the asset. If the recoverable amount of an asset is estimated to be less than the carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss. After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life. A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased above the lower of recoverable amount and the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

x TAXATION

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Deferred tax corresponds to the net effect of tax on all timing differences, which occur as a result of items being allowed for income tax purposes during a year different from when they were recognised in the financial statements.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

Current and deferred tax relating to items directly recognised in reserves are recognised in reserves and not in the Statement of Profit and Loss.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which 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.

xi GOODS AND SERVICES TAX INPUT CREDIT

Goods & Service tax input credit is accounted for in the books in the year in which the underlying goods or service are received and paid and there is reasonable certainty in availing / utilizing the credits.

xii OPERATING CYCLE

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

xiii SHARE ISSUE EXPENSES

Share issue expenses are adjusted against the Securities Premium Account as permissible under Section 52 of the Companies Act, 2013, to the extent any balance is available for utilisation in the Securities Premium Account. Share issue expenses in excess of the balance in the Securities Premium Account is expensed in the Statement of Profit and Loss.

xiv BORROWING COSTS

Ancillary costs in the nature of loan processing charges and debenture issue expenses are amortised on straight line method over the tenor of the loan/debenture from the month in which the Company has incurred the expenditure.

xv LOAN SOURCING COST

Loan sourcing cost is amortised over a period of 84 / 60 / 18 months for Home loan, Home equity and Builder loan respectively based on the expected tenure of the loan. The expected tenure of the loan is reviewed periodically.

xvi PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions are recognised when the Company has present obligations, as result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made for the amount of obligation. Contingent liabilities are not recognised but disclosed in the financial statements. A Contingent asset is neither recognised nor disclosed in the financial statements.

xvii CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

xviii EARNINGS PER SHARE

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

xix EMPLOYEE BENEFITS

Employee benefits include provident fund, superannuation fund, employee state insurance scheme, gratuity fund, compensated absences, long service awards and post-employment medical benefits.

Defined-contribution plans

The eligible employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary of which Company's contribution of 12% is recognised as an expense in the Statement of Profit and Loss in the year in which they occur. The contributions as specified under the law are paid to the provident fund set up as irrevocable trust by the Company. The Company is generally liable for annual contributions and any deficiency in interest cost compared to interest computed based on the rate of interest declared by the Central Government under the Employee Provident Scheme, 1952 is recognised as an expense in the year in which it is determined.

The Company's contribution to superannuation fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense in the Statement of Profit and Loss based on the amount of contribution required to be made and when services are rendered by the employees.

Defined-benefit plans

For defined benefit plans in the form of gratuity, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the year in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the year in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under :

(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

(b) in case of non-accumulating compensated absences, when the absences occur.

Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the year in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date less the fair value of the plan assets out of which the obligations are expected to be settled. Long Service Awards are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date.

xx Foreign currency transactions and translations

Initial recognition :-

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Measurement at the Balance Sheet date :-

Foreign currency monetary items (other than derivative contracts) of the Company, outstanding at the Balance Sheet date are restated at the year-end rates. Non-monetary items of the Company are carried at historical cost.

The exchange differences arising on settlement / restatement of long-term foreign currency monetary items are capitalised as part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets.

xxi SEGMENT REPORTING

The Company is engaged in the business of providing loans for purchase, construction, repairs and renovation etc., of houses/ flats to individuals and corporate bodies and has it's operations within India. There being only one 'business segment' and 'geographical segment', the segment information is not provided.

xxii DIVIDEND (INCLUDING DIVIDEND DISTRIBUTION TAX)

Interim dividend declared to equity and / or preference shareholders, if any, is recognised as liability in the period in which the said dividend has been declared by the Directors. Final proposed dividend declared to equity and / or preference shareholders, if any, is recognised in the period in which the said dividend has been approved by the shareholders.

3 SHARE CAPITAL

PARTICULARS	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh
AUTHORISED					
2,500,000,000 (as at March 31,2017: 2,500,000,000, as at March 31,2016: 1,400,000,000, as at March 31,2015: 1,400,000,000, as at March 31,2014: 750,000,000) Equity shares of Rs.10 each	2,50,000	2,50,000	1,40,000	1,40,000	75,000
2,000,000,000 (as at March 31,2017: 2,000,000,000, as at March 31,2016: 1,100,000,000, as at March 31,2015: 1,100,000,000, as at March 31,2014: 500,000,000) Compulsorily Convertible Cumulative Preference shares of Rs.10 each	2,00,000	2,00,000	1,10,000	1,10,000	50,000
	4,50,000	**4,50,000**	**2,50,000**	**2,50,000**	**1,25,000**
ISSUED, SUBSCRIBED & PAID UP					
253,333,332 (as at March 31, 2017: 253,333,332, as at March 31, 2016: 253,333,332, as at March 31, 2015: 253,333,332, as at March 31, 2014: 253,333,332) Equity shares of Rs.10 each fully paid up	25,333	25,333	25,333	25,333	25,333
824,000,000 (as at March 31, 2017: 824,000,000, as at March 31, 2016: 659,000,000, as at March 31, 2015: 414,000,000, as at March 31, 2014: 254,000,000) 9% Compulsorily Convertible Cumulative Preference shares of Rs.10 each fully paid up	82,400	82,400	65,900	41,400	25,400
301,000,000 (as at March 31, 2017: Nil, as at March 31, 2016: Nil, as at March 31, 2015: Nil, as at March 31, 2014: Nil) 8.5% Compulsorily Convertible Cumulative Preference shares of Rs.10 each fully paid up	30,100	-	-	-	-
Total	**1,37,833**	**1,07,733**	**91,233**	**66,733**	**50,733**

Note : All the equity shares & preference shares are held by the holding company, Tata Capital Limited and its nominees.

3.1 Reconciliation of number of shares outstanding

Particulars	No. of shares	Rs. in Lakh
Equity Shares, Face Value Rs. 10 fully paid up		
- Opening balance as on April 01, 2013	25,33,33,332	25,333
- Additions during the year	-	-
- Closing balance as on March 31, 2014	25,33,33,332	25,333
- Additions during the year	-	-
- Closing balance as on March 31, 2015	25,33,33,332	25,333
- Additions during the year	-	-
- Closing balance as on March 31, 2016	25,33,33,332	25,333
- Additions during the year	-	-
- Closing balance as on March 31, 2017	25,33,33,332	25,333
- Additions during the year	-	-
- Closing balance as on March 31, 2018	**25,33,33,332**	**25,333**
9% Compulsorily Convertible Cumulative Preference shares, Face Value of Rs.10 fully paid up		
- Opening balance as on April 01, 2013	10,50,00,000	10,500
- Additions during the year	14,90,00,000	14,900
- Closing balance as on March 31, 2014	25,40,00,000	25,400
- Additions during the year	16,00,00,000	16,000
- Closing balance as on March 31, 2015	41,40,00,000	41,400
- Additions during the year	24,50,00,000	24,500
- Closing balance as on March 31, 2016	65,90,00,000	65,900
- Additions during the year	16,50,00,000	16,500
- Closing balance as on March 31, 2017	82,40,00,000	82,400
- Additions during the year	-	-
- Closing balance as on March 31, 2018	**82,40,00,000**	**82,400**

Particulars	No. of shares	Rs. in Lakh
8.5% Compulsorily Convertible Cumulative Preference shares, Face Value of Rs.10 fully paid up		
- Opening balance as on April 01, 2013	-	-
- Additions during the year	-	-
- Closing balance as on March 31, 2014	-	-
- Additions during the year	-	-
- Closing balance as on March 31, 2015	-	-
- Additions during the year	-	-
- Closing balance as on March 31, 2016	-	-
- Additions during the year	-	-
- Closing balance as on March 31, 2017	-	-
- Additions during the year	30,10,00,000	30,100
- Closing balance as on March 31, 2018	**30,10,00,000**	**30,100**
Share Capital		
- Opening balance as on April 01, 2013	35,83,33,332	35,833
- Additions during the year	14,90,00,000	14,900
- Closing balance as on March 31, 2014	50,73,33,332	50,733
- Additions during the year	16,00,00,000	16,000
- Closing balance as on March 31, 2015	66,73,33,332	66,733
- Additions during the year	24,50,00,000	24,500
- Closing balance as on March 31, 2016	91,23,33,332	91,233
- Additions during the year	16,50,00,000	16,500
- Closing balance as on March 31, 2017	1,07,73,33,332	1,07,733
- Additions during the year	30,10,00,000	30,100
- Closing balance as on March 31, 2018	**1,37,83,33,332**	**1,37,833**
Total	**1,37,83,33,332**	**1,37,833**

3.2 Rights, preferences and restrictions attached to shares

Equity Shares: The Company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Preference Shares: The Company has issued 824,000,000 (Mar 17 - 824,000,000, Mar 16 - 659,000,000, Mar 15 - 414,000,000, Mar 14 - 254,000,000) @ 9% and 301,000,000 (Mar 17 - NIL, Mar 16 - NIL, Mar 15 - NIL, Mar 14 - NIL) @ 8.5%, Compulsorily Convertible Cumulative Preference Shares ("CCCPS") of face value Rs. 10/- each, which are convertible into equity shares after the completion of 9 years from the date of allotment. However, CCCPS holders have an option to convert all or any part of the holding, into equity shares at any time, prior to the completion of 9 years. Conversion of CCCPS into equity shares will be based on the fair value to be determined by an independent valuer closer to the conversion date. The CCCPS holders have a right to receive dividend, prior to the Equity Shareholders. The dividend proposed by the Board of Directors on the CCCPS is subject to the approval of the shareholders at an Annual General Meeting, except in case of interim dividend. In the event of liquidation, the CCCPS holders will carry a preferential right over the holder of equity shares for payment of dividend and for payment of capital, in proportion to their shareholding.

Tranche wise due date details for Compulsorily Convertible Cumulative Preference Shares ("CCCPS")

(Rs. in Lakh)

Allotment Date	Conversion Date	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014	
		No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
21-Mar-18	21-Mar-27	19,00,00,000	19,000	-	-	-	-	-	-	-	-
31-Jul-17	31-Jul-26	11,10,00,000	11,100	-	-	-	-	-	-	-	-
22-Nov-16	22-Nov-25	10,00,00,000	10,000	10,00,00,000	10,000	-	-	-	-	-	-
30-Sep-16	30-Sep-25	3,50,00,000	3,500	3,50,00,000	3,500	-	-	-	-	-	-
30-Jun-16	30-Jun-25	3,00,00,000	3,000	3,00,00,000	3,000	-	-	-	-	-	-
23-Mar-16	23-Mar-25	10,00,00,000	10,000	10,00,00,000	10,000	10,00,00,000	10,000	-	-	-	-
30-Nov-15	30-Nov-24	5,70,00,000	5,700	5,70,00,000	5,700	5,70,00,000	5,700	-	-	-	-
25-May-15	25-May-24	7,80,00,000	7,800	7,80,00,000	7,800	7,80,00,000	7,800	-	-	-	-
30-Apr-15	30-Apr-24	1,00,00,000	1,000	1,00,00,000	1,000	1,00,00,000	1,000	-	-	-	-
31-Mar-15	31-Mar-24	2,00,00,000	2,000	2,00,00,000	2,000	2,00,00,000	2,000	2,00,00,000	2,000	-	-
30-Jan-15	30-Jan-24	3,00,00,000	3,000	3,00,00,000	3,000	3,00,00,000	3,000	3,00,00,000	3,000	-	-

Allotment Date	Conversion Date	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014	
		No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
28-Nov-14	28-Nov-23	2,50,00,000	2,500	2,50,00,000	2,500	2,50,00,000	2,500	2,50,00,000	2,500	-	-
28-Nov-14	28-Nov-23	1,00,00,000	1,000	1,00,00,000	1,000	1,00,00,000	1,000	1,00,00,000	1,000	-	-
29-Sep-14	29-Sep-23	1,00,00,000	1,000	1,00,00,000	1,000	1,00,00,000	1,000	1,00,00,000	1,000	-	-
28-Aug-14	28-Aug-23	1,50,00,000	1,500	1,50,00,000	1,500	1,50,00,000	1,500	1,50,00,000	1,500	-	-
30-Jun-14	30-Jun-23	2,00,00,000	2,000	2,00,00,000	2,000	2,00,00,000	2,000	2,00,00,000	2,000	-	-
29-May-14	29-May-23	3,00,00,000	3,000	3,00,00,000	3,000	3,00,00,000	3,000	3,00,00,000	3,000	-	-
26-Mar-14	26-Mar-23	2,00,00,000	2,000	2,00,00,000	2,000	2,00,00,000	2,000	2,00,00,000	2,000	2,00,00,000	2,000
6-Feb-14	6-Feb-23	2,90,00,000	2,900	2,90,00,000	2,900	2,90,00,000	2,900	2,90,00,000	2,900	2,90,00,000	2,900
2-Dec-13	2-Dec-22	2,00,00,000	2,000	2,00,00,000	2,000	2,00,00,000	2,000	2,00,00,000	2,000	2,00,00,000	2,000
20-Sep-13	20-Sep-22	2,00,00,000	2,000	2,00,00,000	2,000	2,00,00,000	2,000	2,00,00,000	2,000	2,00,00,000	2,000
8-Aug-13	8-Aug-22	2,00,00,000	2,000	2,00,00,000	2,000	2,00,00,000	2,000	2,00,00,000	2,000	2,00,00,000	2,000
30-Jul-13	30-Jul-22	2,00,00,000	2,000	2,00,00,000	2,000	2,00,00,000	2,000	2,00,00,000	2,000	2,00,00,000	2,000
28-Jun-13	28-Jun-22	1,00,00,000	1,000	1,00,00,000	1,000	1,00,00,000	1,000	1,00,00,000	1,000	1,00,00,000	1,000
4-Jun-13	4-Jun-22	1,00,00,000	1,000	1,00,00,000	1,000	1,00,00,000	1,000	1,00,00,000	1,000	1,00,00,000	1,000
28-Mar-13	28-Mar-22	2,50,00,000	2,500	2,50,00,000	2,500	2,50,00,000	2,500	2,50,00,000	2,500	2,50,00,000	2,500
4-Jan-13	4-Jan-22	3,00,00,000	3,000	3,00,00,000	3,000	3,00,00,000	3,000	3,00,00,000	3,000	3,00,00,000	3,000
3-Dec-12	3-Dec-21	2,40,00,000	2,400	2,40,00,000	2,400	2,40,00,000	2,400	2,40,00,000	2,400	2,40,00,000	2,400
12-Nov-12	12-Nov-21	2,60,00,000	2,600	2,60,00,000	2,600	2,60,00,000	2,600	2,60,00,000	2,600	2,60,00,000	2,600
Total		**1,12,50,00,000**	**1,12,500**	**82,40,00,000**	**82,400**	**65,90,00,000**	**65,900**	**41,40,00,000**	**41,400**	**25,40,00,000**	**25,400**

3.3 Investment by Tata Capital Limited (Holding Company)

(Rs. in Lakh)

Name of Company	Particulars of Issue	No. of Shares	Amount
Tata Capital Limited (Holding Company)			
Equity Shares	Opening Balance as on April 1, 2013	25,33,33,326	25,333
	Closing Balance as on March 31, 2014	25,33,33,326	25,333
	Closing Balance as on March 31, 2015	25,33,33,326	25,333
	Closing Balance as on March 31, 2016	25,33,33,326	25,333
	Closing Balance as on March 31, 2017	25,33,33,326	25,333
	Closing Balance as on March 31, 2018	**25,33,33,326**	**25,333**
9% Compulsorily Convertible Cumulative	Opening Balance as on April 1, 2013	10,50,00,000	10,500
Preference Shares	"Rights" issue during the FY 2013-14	14,90,00,000	14,900
	Closing Balance as on March 31, 2014	25,40,00,000	25,400
	"Rights" issue during the FY 2014-15	16,00,00,000	16,000
	Closing Balance as on March 31, 2015	41,40,00,000	41,400
	"Rights" issue during the FY 2015-16	24,50,00,000	24,500
	Closing Balance as on March 31, 2016	65,90,00,000	65,900
	"Rights" issue during the FY 2016-17	16,50,00,000	16,500
	Closing Balance as on March 31, 2017	82,40,00,000	82,400
	"Rights" issue during the FY 2017-18	-	-
	Closing Balance as on March 31, 2018	**82,40,00,000**	**82,400**
8.5% Compulsorily Convertible Cumulative	Opening Balance as on April 1, 2013	-	-
Preference Shares	"Rights" issue during the FY 2013-14	-	-
	Closing Balance as on March 31, 2014	-	-
	"Rights" issue during the FY 2014-15	-	-
	Closing Balance as on March 31, 2015	-	-
	"Rights" issue during the FY 2015-16	-	-
	Closing Balance as on March 31, 2016	-	-
	"Rights" issue during the FY 2016-17	-	-
	Closing Balance as on March 31, 2017	-	-
	"Rights" issue during the FY 2017-18	30,10,00,000	30,100
	Closing Balance as on March 31, 2018	**30,10,00,000**	**30,100**

4 RESERVES AND SURPLUS

PARTICULARS	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh
(a) Securities Premium Account					
Opening Balance	2,240	2,267	2,267	2,267	2,267
Less : Share issue expenses written-off (Refer Note No. 35)	11	27	-	-	-
Closing Balance	**2,229**	**2,240**	**2,267**	**2,267**	**2,267**
(b) Statutory Reserve Account					
(As per Section 29C of National Housing Bank Act,1987)					
Opening Balance	10,735	5,535	3,282	1,922	742
Add: Transfer from surplus in the Statement of Profit and Loss (Refer Note No. 4.1 & 4.2 below)	4,284	5,200	2,253	1,360	1,180
Closing Balance	**15,019**	**10,735**	**5,535**	**3,282**	**1,922**
(c) Surplus in Statement of Profit and Loss					
Opening Balance	14,738	10,080	6,611	5,320	2,451
Less : Adjustment of Deferred Tax Liability on Special Reserve u/s 36(1) (viii)	-	-	-	626	-
Add : Profit for the year	21,420	17,817	11,261	6,793	5,828
Amount available for Appropriations	**36,158**	**27,897**	**17,872**	**11,487**	**8,279**
Less : Appropriations					
-Transfer to Special Reserve Account (Refer Note No. 4.1 & 4.2 below)	4,284	5,200	2,253	1,360	1,180
-Interim Dividend on Preference Shares (Refer Note No. 4.3 below)	8,047	6,613	4,602	2,627	-
-Dividend distribution tax on Interim Dividend (Refer Note No. 4.3 below)	1,638	1,346	937	525	-
-Proposed Dividend on Preference Shares	-	-	-	302	1,521
-Dividend distribution tax on Proposed Dividend	-	-	-	62	258
Closing Balance	**22,189**	**14,738**	**10,081**	**6,611**	**5,320**
Total	**39,437**	**27,713**	**17,882**	**12,160**	**9,509**

4.1 As required by Section 29C of National Housing Bank Act 1987,and Section 36 (1) (viii) of the Income Tax Act,1961, the Company has transferred an amount of Rs.4,284 Lakh (Mar 17 Rs.5,200 Lakh , Mar 16 Rs. 2,253 Lakh, Mar 15 Rs. 1,360 Lakh, Mar 14 Rs. 1,180) to Special Reserve.
In accordance with the National Housing Bank circular no. NHB(ND)/ DRS/ Pol.Circular.61/ 2013-14 dated April 7,2014 following disclosure is made.

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh
Balance at the beginning of the year					
a) Statutory Reserve as per Section 29C of National Housing Bank Act, 1987 (Refer Note No 4.4 below)	2,944	970	147	112	32
b) Amount of Special Reserve u/s 36 (1) (viii) of Income Tax Act,1961 taken into account for the purposes of Statutory Reserve under section 29C of NHB Act, 1987 (Refer Note No 4.4 below)	7,791	4,565	3,135	1,810	710
Total (A)	**10,735**	**5,535**	**3,282**	**1,922**	**742**
Addition / Appropriation / withdrawal during the year					
Add: a) Amount transferred u/s 29C of the NHB Act,1987 (Refer Note No 4.4 below)	545	1,974	28	35	80
b) Amount of Special Reserve u/s 36 (1) (viii) of Income Tax Act,1961 taken into account for the purposes of Statutory Reserve under section 29C of NHB Act, 1987 (Refer Note No 4.4 below)	3,739	3,226	2,225	1,325	1,100
Less: a) Amount appropriated from the Statutory Reserve u/s 29 C of the NHB Act 1987	-	-	-	-	-
b) Amount withdrawn from the Special Reserve u/s 36 (1) (viii) of Income Tax Act,1961 which has been taken into account for the purpose of provision u/s 29C of NHB Act, 1987	-	-	-	-	-
Total (B)	**4,284**	**5,200**	**2,253**	**1,360**	**1,180**
Balance at the end of the year					
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987 (Refer Note No 4.4 below)	3,489	2,944	175	147	112
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987 (Refer Note No 4.4 below)	11,530	7,791	5,360	3,135	1,810
Total (A+B)	**15,019**	**10,735**	**5,535**	**3,282**	**1,922**

4.2 The Company has transferred an amount of Rs.3,739 Lakh (Mar 17 Rs.3,226 Lakh, Mar 16 Rs.2,225 Lakh, Mar 15 Rs. 1,325 Lakh, Mar 14 Rs. 1,100 Lakh, refer note no 4.4 below) to Special Reserve Account in terms of section 36(1)(viii) of the Income Tax Act, 1961, which has also been considered as a transfer of profit to a reserve fund for the purpose of compliance with section 29 C (i) of the National Housing Bank Act 1987 (The Company is required to transfer at least 20% of net profits every year to a reserve).

4.3 During the year ended March 31, 2018, the Company has declared and paid, an interim / final dividend for financial year 2017-18 on Compulsorily Convertible Cumulative Preference Shares aggregating to Rs. 8,047 lakh (Mar 17 Rs. 6,613 lakh, Mar 16 Rs. 4,602 Lakh, Mar 15 Rs. 2,929 Lakh, Mar 14 Rs. 1,521 Lakh) and dividend distribution tax thereon of Rs. 1,638 lakh (Mar 17 Rs. 1,346 lakh, Mar 16 Rs.937 Lakh, Mar 15 Rs.587 Lakh, Mar 14 Rs.258 Lakh).

4.4 The excess amount transferred to Special Reserve created u/s 36 (1) (viii) of Income Tax Act,1961 as on March 31, 2017 has been reclassified and appropriated against Statutory Reserve created u/s 29C of National Housing Bank Act, 1987

5 LONG TERM BORROWINGS

PARTICULARS	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh
(a) Debentures					
Secured					
(i) Privately Placed Non-Convertible Debentures (Refer Note No. 5.1 below)	3,11,890	3,17,920	3,10,320	1,69,490	99,720
Unsecured					
(i) Non-Convertible Subordinated Debentures (Refer Note No. 5.2 below)	64,870	64,870	44,870	24,870	20,070
(b) Term loans					
Secured					
(i) From Banks (Refer Note No. 5.3 (a) below)	88,667	1,19,806	1,76,944	2,15,049	1,53,333
(ii) From National Housing Bank (Refer Note No. 5.4 below)	5,10,688	3,13,149	1,59,554	91,266	31,535
Unsecured					
(i) From Banks (Refer Note No. 5.3 (b) below)	65,000	50,000	95,000	30,000	70,000
Total	**10,41,115**	**8,65,745**	**7,86,688**	**5,30,675**	**3,74,658**

5.1 Coupon rate of "NCDs" outstanding as on March 31, 2018 varies from 7.40% to 10.25% (as on March 31, 2017 varies from 7.59% to 10.25%, as on March 31, 2016 varies from 8.40% to 10.70%, as on March 31, 2015 varies from 8.72% to 10.70%, as on March 31, 2014 varies from 8.98% to 10.75%).

5.2 Coupon rate of above outstanding as on March 31, 2018 varies from 8.92% to 10.25% (as on March 31, 2017 varies from 8.92% to 10.25%, as on March 31, 2016 varies from 8.99% to 10.25%, as on March 31, 2015 varies from 8.72% to 10.70%, as on March 31, 2014 varies from 9.30% to 10.25%).

5.3 (a) Loans and advances from banks are secured by pari passu charge on the book debt of the Company.

(b) Loans and advances from bank are repayable at maturity ranging between 3 month to 5 years (as on March 31, 2017 ranging between 2 years to 5 years, as on March 31, 2016 ranging between 3 years to 5 years, as on March 31, 2015 ranging between 3 years to 5 years, as on March 31, 2014 ranging between 3 years to 5 years) from the date of loan taken. Rate of Interest payable on Term Loans varies between 7.35% to 8.90% (as on March 31, 2017 varies between 8.05% to 9.15%, as on March 31, 2016 varies between 9.30% to 10.00%, as on March 31, 2015 varies between 10.00% to 10.25%, as on March 31, 2014 varies between 10.00% to 10.70%).

5.4 Loan from National Housing Bank is secured by way of hypothecation of book debt and guarantee / Letter of comfort from Tata Capital Limited and is repayable in 28-60 (as on March 31, 2017 is repayable in 28-60, as on March 31, 2016 is repayable in 28-60, as on March 31, 2015 is repayable in 28-60, as on March 31, 2014 is repayable in 28-60) quarterly installments. Rate of Interest payable on Term loan varies between 4.61% to 9.25% (as on March 31, 2017 varies between 6.12% to 9.25%, as on March 31, 2016 varies between 6.12% to 9.50%, as on March 31, 2015 varies between 7.10% to 10.00%, as on March 31, 2014 varies between7.35% to 10.00%).

6 OTHER LONG-TERM LIABILITIES

PARTICULARS	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh
(a) Interest accrued but not due on borrowings	213	92	3,738	2,445	2,953
Total	**213**	**92**	**3,738**	**2,445**	**2,953**

7 LONG-TERM PROVISIONS

PARTICULARS	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh
(a) Provision for Leave Encashment	193	173	98	81	48
(b) Provision for Gratuity	-	-	71	7	19
(c) Provision for Long Term Service Award	48	43	22	13	7
(d) Contingent provision against standard assets (Refer Note No. 34 & 15.1 below)	9,057	8,382	6,019	4,080	2,781
(e) Provision for Doubtful loans - housing loan (Refer Note No. 15.1 below)	12,002	5,340	2,745	1,205	416
(f) Provision for Doubtful loans - non housing loan (Refer Note No. 15.1 below)	2,656	1,871	707	559	259
Total	**23,956**	**15,809**	**9,662**	**5,944**	**3,530**

8 SHORT-TERM BORROWINGS

PARTICULARS	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh
(a) Loans repayable on demand					
Secured					
From Banks					
(i) Cash Credit (Refer Note No. 5.3 (a) above & 8.2 below)	1,21,132	10,087	42,309	51,492	19,334
(ii) Working capital demand loan (Refer Note No. 5.3 (a) above & 8.2 below)	20,000	7,000	7,500	-	-
Unsecured					
From Banks					
(i) Bank overdraft	36,740	30,140	35,535	15,569	12,863
(b) Term loans					
Secured					
(i) From Banks (Refer Note No. 5.3 (a) above)	19,500	-	-	-	-
Unsecured					
(i) From Banks (Refer Note No. 5.3 (b) above)	40,000	-	-	-	-
(c) Loans and advances from Related Parties					
Unsecured					
(i) Inter-Corporate Deposits (Refer Note No. 31 (B) (2) below)	-	10,000	21,220	-	-
(d) Other loans and advances					
(i) Commercial Paper (Net of unamortised discount)	3,03,373	3,00,691	1,50,189	66,308	69,309
Total	**5,40,745**	**3,57,918**	**2,56,753**	**1,33,369**	**1,01,506**

8.1 Discount on Commercial Paper varies between 6.79% to 7.98% (as on March 31, 2017 varies between 6.68% to 8.62%, as on March 31, 2016 varies between 8.45% to 9.68%, as on March 31, 2015 varies between 8.73% to 9.90%, as on March 31, 2014 varies between 10.25% to 10.95%).

8.2 Rate of Interest payable on CC/OD & WCDL varies between 7.60% to 9.10% (as on March 31, 2017 varies between 8.00% to 9.55%, as on March 31, 2016 varies between 9.10% to 9.95%, as on March 31, 2015 varies between 9.45% to 11.00%, as on March 31, 2014 varies between 10.25% to 10.95%).

9 TRADE PAYABLES

PARTICULARS	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh
(a) Others					
(i) Accrued expenses	4,388	2,744	3,072	1,813	999
(ii) Payable to related parties	-	235	1	-	72
(iii) Payable to dealers/vendors	356	576	155	143	104
(iv) Others	170	214	80	893	236
Total	**4,914**	**3,769**	**3,308**	**2,849**	**1,411**

Note: The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. The amount of principal and interest outstanding during the year is given below :

9(a) Total outstanding dues of micro enterprises and small enterprises

PARTICULARS	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh
(a) Amounts outstanding but not due as at year end	-	-	-	-	-
(b) Amounts due but unpaid as at year end	-	-	-	-	-
(c) Amounts paid after appointed date during the year	-	-	-	-	-
(d) Amount of interest accrued and unpaid as at year end	-	-	-	-	-
(e) The amount of further interest due and payable even in the succeeding year	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**

10 OTHER CURRENT LIABILITIES

PARTICULARS	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh
(a) Current maturities of long-term debt					
(i) Debentures					
Secured					
-Privately Placed Non-Convertible Debentures (Refer Note No. 5.1 above)	1,15,530	1,87,340	84,020	79,260	30,030
-Zero coupon Debenture (Refer Note No. 5.1 above)	-	-	1,100	2,700	31,437
(ii) Term Loan					
Secured					
-From Banks (Refer Note No. 5.3 (a) above)	50,389	59,639	11,389	25,784	17,502
-From National Housing Bank (Refer Note No. 5.4 above)	56,687	35,136	20,560	12,969	5,201
Unsecured					
-From Banks (Refer Note No. 5.3 (b) above)	20,000	15,000	-	25,000	5,000
(b) Interest accrued but not due on borrowings	23,802	31,381	23,447	12,418	8,995
(c) Income received in advance	2,636	4,458	4,090	3,348	630
(d) Interim dividend payable	-	-	-	2,627	-
(e) Tax payable on interim dividend	-	-	-	525	-
(d) Other payables					
(i) Statutory dues	964	509	528	286	225
(ii) Payable for capital expenditure	10	10	13	10	3
(iii) Advances from customers	594	148	64	31	-
(iv) Amounts payable - Assigned Loan (Refer Note No. 15.5 below)	2,543	3,916	-		-
(v) Accrued employee benefit expenses	935	1,009	661	505	404
(vi) Payable to customers	-	223	-	-	-
(vii) Others	462	258	175	46	10
Total	**2,74,552**	**3,39,027**	**1,46,047**	**1,65,510**	**99,437**

11 SHORT-TERM PROVISIONS

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh
(a) Provision for Leave Encashment	64	45	29	21	11
(b) Provision for Long Term Service Award	6	4	2	2	1
(c) Contingent provision against Standard Assets (Refer Note No. 34 & 15.1 below)	905	618	442	271	197
(d) Provision for proposed dividend	-	-	-	302	1,521
(e) Provision for dividend distribution tax on proposed dividend	-	-	-	62	258
(f) Provision for Doubtful loans - housing loan (Refer Note No. 15.1 below)	345	446	61	33	9
(g) Provision for Doubtful loans - non housing loan (Refer Note No. 15.1 below)	180	75	11	25	10
(h) Provision for Income tax [Net of Advance Tax Rs.10,414 Lakh, (as on Mar 17 Rs.8,002 Lakh, Mar 16 Rs.5,090 Lakh, Mar 15 Rs.3,026 Lakh, Mar 14 Rs.2,870 Lakh)]	2,613	1,571	1,506	947	198
Total	**4,113**	**2,759**	**2,050**	**1,663**	**2,205**

12 PROPERTY, PLANT AND EQUIPMENT

(Rs. in Lakh)

Particulars	Gross Block				Accumulated depreciation				Net Carrying Value
	Opening balance as at April 1, 2017	Additions / Adjustments	Deletions	Closing balance as at March 31, 2018	Opening balance as at April 1, 2017	Depreciation/ Amortisation for the year	Deletions/ Adjustments	Closing balance as at March 31, 2018	As at March 31, 2018
TANGIBLE ASSETS									
Building	582	159	-	741	60	27	-	87	654
Office Equipment	261	69	-	330	106	71	-	177	153
Vehicles	83	-	15	68	30	18	6	42	26
Plant and Machinery	94	50	-	144	21	15	-	36	108
Furniture and Fixtures	158	87	-	245	71	44	-	115	130
Leasehold Improvements	473	190	-	663	171	102	-	273	390
Computer Equipment	296	373	-	669	92	141	-	233	436
Tangible Asset - Total	**1,947**	**928**	**15**	**2,860**	**551**	**418**	**6**	**963**	**1,897**
Capital Work In Progress									**174**
Intangible assets under development									**725**
Total									**2,796**

12 **PROPERTY, PLANT AND EQUIPMENT**

(Rs. in Lakh)

Particulars	Gross Block				Accumulated depreciation				Net Carrying Value
	Opening balance as at April 1, 2016	Additions / Adjustments	Deletions	Closing balance as at March 31, 2017	Opening balance as at April 1, 2016	Depreciation/ Amortisation for the year	Deletions/ Adjustments	Closing balance as at March 31, 2017	As at March 31, 2017
TANGIBLE ASSETS									
Building	582	-	-	582	37	23	-	60	522
Office Equipment	158	106	3	261	61	46	1	106	155
Vehicles	81	34	32	83	40	18	28	30	53
Plant & Machinery	71	27	4	94	13	10	2	21	73
Furniture & Fixtures	115	49	6	158	45	31	5	71	87
Leasehold Improvements	342	156	25	473	110	80	19	171	302
Computer Equipment	161	135	-	296	28	64	-	92	204
Tangible Asset - Total	**1,510**	**507**	**70**	**1,947**	**334**	**272**	**55**	**551**	**1,396**
Capital Work In Progress									**138**
Intangible assets under development									**326**
Total									**1,860**

12 PROPERTY, PLANT AND EQUIPMENT

(Rs. in Lakh)

Particulars	Gross Block				Accumulated depreciation				Net Block
	Opening balance as at April 1, 2015	Additions	Disposals	Closing balance as at March 31, 2016	Opening balance as at April 1, 2015	Depreciation/ Amortisation for the Year	Disposals	Closing balance as at March 31, 2016	As at March 31, 2016
TANGIBLE FIXED ASSETS									
Building	313	269	-	582	15	22	-	37	545
Office Equipment	94	65	1	158	34	27	0	61	97
Vehicles	72	24	15	81	36	18	14	40	41
Plant & Machinery	41	31	1	71	6	7	0	13	58
Furniture & Fixtures	74	42	1	115	26	19	0	45	70
Leasehold Improvements	200	144	2	342	56	55	1	110	232
Computer	-	161	-	161	-	28	-	28	133
Tangible Asset - Total	**794**	**736**	**20**	**1,510**	**173**	**176**	**15**	**334**	**1,176**
Add: Capital Work In Progress									**59**
Add: Intangible assets under development									**124**
Total									**1,359**

12 PROPERTY, PLANT AND EQUIPMENT

(Rs. in Lakh)

Particulars	Gross Block				Accumulated depreciation				Net Block
	Opening balance as at April 1, 2014	Additions	Disposals	Closing balance as at March 31, 2015	Opening balance as at April 1, 2014	Depreciation/ Amortisation for the Year	Disposals	Closing balance as at March 31, 2015	As at March 31, 2015
TANGIBLE FIXED ASSETS									
Building	48	265	-	313	7	8	-	15	298
Office Equipment	49	45	-	94	9	25	-	34	60
Vehicles	69	25	22	72	35	16	15	36	36
Plant & Machinery	12	29	-	41	2	4	-	6	35
Furniture & Fixtures	22	52	-	74	5	21	-	26	48
Leasehold Improvements	73	129	2	200	23	35	2	56	144
INTANGIBLE FIXED ASSETS	-	-	-	-	-	-	-	-	-
Tangible Asset - Total	**273**	**545**	**24**	**794**	**81**	**109**	**17**	**173**	**621**
Add: Capital Work In Progress									**74**
Total									**695**

12 PROPERTY, PLANT AND EQUIPMENT

(Rs. in Lakh)

Particulars	Gross Block				Accumulated depreciation				Net Block
	Opening balance as at April 1, 2013	Additions	Disposals	Closing balance as at March 31, 2014	Opening balance as at April 1, 2013	Depreciation/ Amortisation for the year	Disposals	Closing balance as at March 31, 2014	As at March 31, 2014
TANGIBLE FIXED ASSETS									
Building	48	-	-	48	5	2	-	7	41
Office Equipment	32	17	-	49	4	5	-	9	40
Vehicles	59	10	-	69	20	15	-	35	34
Plant & Machinery	9	3	-	12	1	1	-	2	10
Furniture & Fixtures	16	**6**	-	22	2	3	-	5	17
Leasehold Improvements	44	29	-	73	9	14	-	23	50
Tangible Asset - Total	**208**	**65**	**-**	**273**	**41**	**40**	**-**	**81**	**192**
Add: Capital Work In Progress									**32**
Total									**224**

13 INVESTMENTS

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh
Non-Current Investments					
Investment in Mutual Fund (Unquoted)					
- Tata Money Market Fund (in lieu of leave encashment)	257	245	-	-	-
Total	**257**	**245**	**-**	**-**	**-**

13.1 Scrip-wise details of Investments:

Particulars	Face value Per Unit	No. of Units	As at March 31, 2018	No. of Units	As at March 31, 2017	No. of Units	As at March 31, 2016
	in Rs.		Rs. in Lakh		Rs. in Lakh		Rs. in Lakh
Investment in Others							
Unquoted :							
Investment in Mutual Fund							
Tata Money Market Fund	1,000	10,300	257	9,848	245	-	-
Total			**257**		**245**		**-**

Particulars	Face value Per Unit	No. of Units	As at March 31, 2015	No. of Units	As at March 31, 2014
	in Rs.		Rs. in Lakh		Rs. in Lakh
Investment in Others					
Unquoted :					
Investment in Mutual Fund					
Tata Money Market Fund	-	-	-	-	-
Total			**-**		**-**

13.2 Investments

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh
Value of Investments					
(i) Gross value of Investments	257	245	-	-	-
(a) In India	257	245	-	-	-
(b) Outside India	-	-	-	-	-
(ii) Provisions for Depreciation	-	-	-	-	-
(a) In India	-	-	-	-	-
(b) Outside India	-	-	-	-	-
(iii) Net value of Investments	257	245	-	-	-
(a) In India	257	245	-	-	-
(b) Outside India	-	-	-	-	-
Movement of provisions held towards depreciation on investments					
(i) Opening balance	-	-	-	-	-
(ii) Add: Provisions made during the year	-	-	-	-	-
(iii) Less: Write-off / Written-bank of excess provisions during the year	-	-	-	-	-
(iv) Closing balance	-	-	-	-	-

14 DEFERRED TAX ASSET

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh
Deferred Tax Asset (net)	4,192	1,754	1,686	1,131	1,321

The major components of deferred tax assets and deferred tax liabilities arising out of timing differences are as under:

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh
Deferred Tax Assets :-					
(a) Employee benefits	89	75	44	38	44
(b) Provision for non-performing asset	4,561	2,166	1,216	628	236
(c) Provision for standard assets	3,448	3,115	2,236	1,506	1,012
(d) Disallowance u/s 40(a)	25	22	21	17	29
(e) Timing difference in respect of depreciation on fixed assets	61	31	24	27	-
Deduction u/s 36(1)(viii)					
Deferred Tax Liability :-					
(a) Special Reserve u/s 36(1) (viii)	(3,992)	(3,655)	(1,855)	(1,085)	-
Net Deferred Tax Assets	**4,192**	**1,754**	**1,686**	**1,131**	**1,321**

14.1 CURRENT TAX

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh
(a) For current year	13,028	9,573	6,597	3,973	3,022
(b) For previous year	922	-	-	-	-
Total	**13,950**	**9,573**	**6,597**	**3,973**	**3,022**

14.2 Deferred Tax

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh
(a) For current year	(1,516)	(68)	(555)	(436)	(541)
(b) For previous year	(922)	-	-	-	-
Total	**(2,438)**	**(68)**	**(555)**	**(436)**	**(541)**

15 LOANS AND ADVANCES - FINANCING ACTIVITY-SECURED UNLESS OTHERWISE STATED

PARTICULARS	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh
NON-CURRENT					
(a) Housing Loans					
(i) Considered good	14,45,416	12,94,975	9,82,832	7,08,549	4,82,982
(ii) Considered doubtful	12,002	5,340	2,745	1,205	416
	14,57,418	**13,00,315**	**9,85,577**	**7,09,754**	**4,83,398**
(b) Non Housing Loans					
(i) Considered good	3,94,532	2,78,742	2,28,524	1,43,465	1,11,521
(ii) Considered doubtful	2,656	1,871	707	559	259
(ii) Retained interest under assignment transactions (Refer Note No 15.5 below)	4,591	5,587	-	-	-
	4,01,779	**2,86,200**	**2,29,231**	**1,44,024**	**1,11,780**
Total	**18,59,197**	**15,86,515**	**12,14,808**	**8,53,778**	**5,95,178**
CURRENT					
(a) Housing Loans					
(i) Considered good	1,41,114	88,821	72,789	47,144	33,087
(ii) Considered doubtful	345	446	61	33	9
	1,41,459	**89,267**	**72,850**	**47,177**	**33,096**
(b) Non Housing Loans					
(i) Considered good	42,565	23,669	16,317	9,684	8,982
(ii) Considered doubtful	180	75	11	25	10
(ii) Retained interest under assignment transactions (Refer Note No 15.5 below)	538	796	-	-	-
	43,283	**24,540**	**16,328**	**9,709**	**8,992**
Total	**1,84,742**	**1,13,807**	**89,178**	**56,886**	**42,088**
Total - Loans and advances - Financing Activities	**20,43,939**	**17,00,322**	**13,03,986**	**9,10,664**	**6,37,266**

* Includes interest accrued but not due and charges o/s.

15.1 Housing and non-housing loans and provision in respect thereof on account of standard, sub standard, doubtful and loss assets are recorded in accordance with the guidelines on prudential norms as specified by National Housing Bank are as follows:

(Rs. in Lakh)

Category	Standard Assets		Sub-Standard Assets		Doubtful Assets		Loss Assets		Total	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Housing Loan										
Gross Portfolio	15,79,888	13,78,333	14,041	6,443	4,621	2,956	327	1,850	15,98,877	13,89,582
Provision	7,105	6,595	8,818	1,980	3,201	1,956	327	1,850	19,451	12,381
Net Portfolio	15,72,783	13,71,738	5,223	4,463	1,420	1,000	-	-	15,79,426	13,77,201
Non Housing Loan										
Gross Portfolio	4,39,200	3,06,436	4,033	3,279	1,829	615	-	410	4,45,062	3,10,740
Provision	2,857	2,405	1,702	985	1,134	551	-	410	5,693	4,351
Net Portfolio	4,36,343	3,04,031	2,331	2,294	695	64	-	-	4,39,369	3,06,389
Total										
Gross Portfolio	20,19,088	16,84,769	18,074	9,722	6,450	3,571	327	2,260	20,43,939	17,00,322
Provision	9,962	9,000	10,520	2,965	4,335	2,507	327	2,260	25,144	16,732
Net Portfolio	20,09,126	16,75,769	7,554	6,757	2,115	1,064	-	-	20,18,795	16,83,590

(Rs. in Lakh)

Category	Standard Assets		Sub-Standard Assets		Doubtful Assets		Loss Assets		Total	
	As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015
Housing Loan										
Gross Portfolio	10,50,390	7,52,524	4,772	3,413	2,371	541	894	453	10,58,427	7,56,931
Provision	4,989	3,571	722	514	1,189	270	894	453	7,794	4,808
Net Portfolio	10,45,401	7,48,953	4,050	2,899	1,182	271	-	-	10,50,633	7,52,123
Non Housing Loan										
Gross Portfolio	2,44,150	1,52,569	668	571	247	189	494	404	2,45,559	1,53,733
Provision	1,472	780	101	86	124	95	494	404	2,191	1,365
Net Portfolio	2,42,678	1,51,789	567	485	123	94	-	-	2,43,368	1,52,368
Total										
Gross Portfolio	12,94,540	9,05,093	5,440	3,984	2,618	730	1,388	857	13,03,986	9,10,664
Provision	6,461	4,351	823	600	1,313	365	1,388	857	9,985	6,173
Net Portfolio	12,88,079	9,00,742	4,617	3,384	1,305	365	-	-	12,94,001	9,04,491

(Rs. in Lakh)

Category	Standard Assets	Sub-Standard Assets	Doubtful Assets	Loss Assets	Total
	As at March 31, 2014	As at March 31, 2014	As at March 31, 2014	As at March 31, 2014	As at March 31, 2014
Housing Loan					
Gross Portfolio	5,14,833	1,180	465	16	5,16,493
Provision	2,485	177	232	16	2,910
Net Portfolio	5,12,348	1,003	233	-	5,13,583
Non Housing Loan					
Gross Portfolio	1,19,923	454	389	7	1,20,772
Provision	492	68	194	7	761
Net Portfolio	1,19,430	386	195	-	1,20,011
Total					
Gross Portfolio	6,34,755	1,634	854	23	6,37,266
Provision	2,977	245	426	23	3,671
Net Portfolio	6,31,778	1,389	428	-	6,33,595

15.2 Categories of Doubtful Assets are as follows as on March 31, 2018:

(Rs. in Lakh)

Category	Doubtful 1	Doubtful 2	Doubtful 3	Total
Housing Loan				
Gross Portfolio	4,317	304	-	4,621
Provision	2,897	304	-	3,201
Net Portfolio	1,420	-	-	1,420
Non Housing Loan				
Gross Portfolio	1,756	73	-	1,829
Provision	1,061	73	-	1,134
Net Portfolio	695	-	-	695
Total				
Gross Portfolio	6,073	377	-	6,450
Provision	3,958	377	-	4,335
Net Portfolio	2,115	-	-	2,115

15.3 Loans granted by the company are secured against hypothecation of mortgage of property.

15.4 The company has reported frauds aggregating Rs. 326 Lakh (Mar 17 Rs.NIL, Mar 16 Rs. 36 Lakh, Mar 15 Rs.NIL, Mar 14 Rs. 7 Lakh) based on management reporting to risk committee and to the NHB through prescribed returns.

15.5 The Company has securitized / assigned pool of certain non housing loans and managed servicing of such loan accounts. The balance outstanding in the pool, as at the March 31, 2018 aggregates to Rs. 45,974 lakh (Mar 17 Rs. 54,087 lakh, Mar 16 Rs. NIL, Mar 15 Rs. NIL, Mar 14 Rs, NIL). These assets have been de-recognised in the books of the Company. The Company is responsible for collecting and servicing of these loan portfolio on behalf of buyers / investors.

16 LONG-TERM LOANS AND ADVANCES - OTHERS (UNSECURED CONSIDERED GOOD)

PARTICULARS		As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
		Rs. in Lakh	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh
(a)	Capital advances	7	1	6	265	-
(b)	Loan To TCL Employee Welfare Trust	66	66	66	66	66
(c)	Advance payment of Income tax [Net of Provision for Tax Rs.26,253 Lakh, (March 2017 Rs.15,757 Lakh, Mar 16 Rs. 9,161 Lakh, Mar 15 Rs.5,187 Lakh, Mar 14 Rs.4,377 Lakh)]	80	310	389	364	78
Total		**153**	**377**	**461**	**695**	**144**

17 OTHER NON-CURRENT ASSETS

PARTICULARS		As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
		Rs. in Lakh	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh
(a)	Deferred revenue expenditure (to the extent not written off or adjusted) (Refer Note No 21(a) below)	286	508	470	589	709
(b)	Unamortised loan sourcing costs	3,888	3,792	3,418	2,853	2,320
(c)	Gratuity Asset (Net)	35	69	-	-	-
(d)	Fixed deposit with maturity more than 12 months	25	-	-	-	-
Total		**4,234**	**4,369**	**3,888**	**3,442**	**3,029**

18 TRADE RECEIVABLES

PARTICULARS		As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
		Rs. in Lakh	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh
(a)	Over six months (from the date due for payment)					
	(i) Secured, considered good	-	-	-	-	-
	(ii) Unsecured, considered good	-	-	-	-	-
	(iii) Doubtful	-	-	-	-	-
		-	-	-	-	-
	Less: Provision for trade receivables	-	-	-	-	-
		-	-	-	-	-
(b)	Others					
	(i) Secured, considered good			-	-	-
	(ii) Unsecured, considered good	396	5	115	133	-
	(iii) Doubtful	-	-	-	-	-
		396	5	115	133	-
	Less: Provision for trade receivables	-	-	-	-	-
		396	5	115	133	-
Total		**396**	**5**	**115**	**133**	**-**

19 CASH AND BANK BALANCES

PARTICULARS		As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
		Rs. in Lakh	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh
(a)	Cash on hand	73	67	92	82	44
(b)	Cheques on hand	2,430	1,746	932	568	1,084
(c)	Balances with banks					
	- In current accounts	4,428	6,490	2,107	1,813	1,374
Total		**6,931**	**8,303**	**3,131**	**2,463**	**2,502**

19.1 Of the above, the balances that meet the definition of Cash and Cash Equivalents as per AS 3 Cash Flow Statements is Rs.6,931 Lakh. (as on Mar 17 Rs.8,303 Lakh, as on Mar 16 Rs. 3,131 Lakh, as on Mar 15 Rs. 2,463 Lakh, as on Mar 14 Rs. 2,502 Lakh).

19.2 Balance in deposit accounts with Banks have an original maturity exceeding 3 months but balance maturity of under 12 months from the Balance Sheet date.

19.3 The disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from 8th November 2016 to 30th December 2016 have not been made since they do not pertain to the financial year ended 31 March 2018.

19.4 The details of the Specific Bank Notes (SBN) held and transacted during the period 08/11/2016 to 30/12/2016 are as below (as per MCA Notification G.S.R. 307 (E) dated 30th March 2017) :

(Rs. in Lakh)

PARTICULARS	SBN's	Other Denomination Notes	Total
Opening Cash on hand as on 08/11/2016	24	1	25
(+) Permitted receipts	-	175	175
(-) Permitted payments	-	-	-
(-) Amounts deposited in Banks (deposited before 11/11/2016	24	164	188
Closing Cash on hand as on 30/12/2016	**-**	**12**	**12**

20 SHORT-TERM LOANS AND ADVANCES - OTHERS (UNSECURED CONSIDERED GOOD)

PARTICULARS	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
	Rs. in Lakh	**Rs. in Lakh**	**Rs. in Lakh**	**Rs. in Lakh**	**Rs. in Lakh**
(a) Deposits	227	199	146	120	87
(b) Prepaid expenses	442	159	70	82	1
(c) Others	529	96	131	83	85
Total	**1,198**	**454**	**347**	**285**	**173**

21 OTHER CURRENT ASSETS

PARTICULARS	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
	Rs. in Lakh	**Rs. in Lakh**	**Rs. in Lakh**	**Rs. in Lakh**	**Rs. in Lakh**
(a) Deferred Revenue Expenditure (to the extent not written off or adjusted) (Refer Note No 21(a) below)	285	538	340	268	282
(b) Unamortised loan sourcing costs	2,491	2,328	2,024	1,558	1,001
(c) Interest Accrued but not due on fixed deposit	1	-	-	-	-
(d) Other Receivables	5	10	24	13	-
Total	**2,782**	**2,876**	**2,388**	**1,839**	**1,283**

21(a) DEFERRED REVENUE EXPENDITURE (to the extent not written off or adjusted)

PARTICULARS	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
	Rs. in Lakh	**Rs. in Lakh**	**Rs. in Lakh**	**Rs. in Lakh**	**Rs. in Lakh**
(a) Unamortised share issue expenses					
Opening balance	-	10	23	40	92
Add: expenses incurred during the year	-	-	26	16	16
Less: share issue expenses written off through securities premium account (Refer Note No 35)	-	10	-	-	
Less: written off during the year through Statement of Profit and Loss	-	-	39	33	68
Closing balance	-	-	10	23	40
(b) Unamortised debenture issue expenses					
Opening balance	712	310	165	148	152
Add: expenses incurred during the year	239	827	373	207	166
Less: written off during the year	539	425	228	190	170
Closing balance	412	712	310	165	148
(C) Unamortised loan processing charges					
Opening balance	334	490	669	803	35
Add: expenses incurred during the year	32	34	22	47	794
Less: written off during the year	207	190	201	181	26
Closing balance	159	334	490	669	803
Total	**571**	**1,046**	**810**	**857**	**991**

PARTICULARS	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016	
	Current	**Non-Current**	**Current**	**Current**	**Current**	**Non-Current**
	Rs. in Lakh	**Rs. in Lakh**	**Rs. in Lakh**	**Rs. in Lakh**	**Rs. in Lakh**	**Rs. in Lakh**
(a) Unamortised share issue expenses	-	-	-	-	8	2
(a) Unamortised debenture issue expenses	126	286	350	362	156	154
(b) Unamortised loan processing charges	159	-	188	146	176	314
Total	**285**	**286**	**538**	**508**	**340**	**470**
Grand Total		**571**		**1,046**		**810**

PARTICULARS	As at March 31, 2015		As at March 31, 2014	
	Current	**Non-Current**	**Current**	**Current**
	Rs. in Lakh	**Rs. in Lakh**	**Rs. in Lakh**	**Rs. in Lakh**
(a) Unamortised share issue expenses	12	11	30	10
(a) Unamortised debenture issue expenses	73	92	82	66
(b) Unamortised loan processing charges	183	486	170	633
Total	**268**	**589**	**282**	**709**
Grand Total		**857**		**991**

22 REVENUE FROM OPERATIONS

PARTICULARS	For the Year ended March 31, 2018	For the Year ended March 31, 2017	For the Year ended March 31, 2016	For the Year ended March 31, 2015	For the Year ended March 31, 2014
	Rs in Lakh	Rs in Lakh	Rs. in Lakh	Rs. in Lakh	Rs in Lakh
(a) Interest Income	1,85,025	1,63,356	1,20,111	86,591	61,137
(b) Income from Financing activity (Refer note below)	9,665	7,340	5,219	3,780	2,725
Total	**1,94,690**	**1,70,696**	**1,25,330**	**90,371**	**63,862**

Note : Income from Financing activity includes loan processing fees and other charges

23 INVESTMENT INCOME

PARTICULARS	For the Year ended March 31, 2018	For the Year ended March 31, 2017	For the Year ended March 31, 2016	For the Year ended March 31, 2015	For the Year ended March 31, 2014
	Rs in Lakh	Rs in Lakh	Rs. in Lakh	Rs. in Lakh	Rs in Lakh
(a) Profit on sale of current investments	192	95	173	387	382
Total	**192**	**95**	**173**	**387**	**382**

24 OTHER INCOME

PARTICULARS	For the Year ended March 31, 2018	For the Year ended March 31, 2017	For the Year ended March 31, 2016	For the Year ended March 31, 2015	For the Year ended March 31, 2014
	Rs in Lakh	Rs in Lakh	Rs. in Lakh	Rs. in Lakh	Rs in Lakh
(a) Advertisement Income	3,363	1,415	1,025	250	-
(b) Miscellaneous Income	110	112	28	10	10
(C) Interest on income tax refund	-	-	-	-	1
Total	**3,473**	**1,527**	**1,053**	**260**	**11**

25 FINANCE COST

PARTICULARS	For the Year ended March 31, 2018	For the Year ended March 31, 2017	For the Year ended March 31, 2016	For the Year ended March 31, 2015	For the Year ended March 31, 2014
	Rs in Lakh	Rs in Lakh	Rs. in Lakh	Rs. in Lakh	Rs in Lakh
(a) Interest expense	1,05,954	91,696	75,511	53,951	37,676
(b) Discounting charges					
(i) On zero coupon debentures	-	-	-	163	598
(i) On commercial paper	18,710	22,047	10,752	10,654	7,318
Total	**1,24,664**	**1,13,743**	**86,263**	**64,768**	**45,592**

26 EMPLOYEE BENEFIT EXPENSES

PARTICULARS	For the Year ended March 31, 2018	For the Year ended March 31, 2017	For the Year ended March 31, 2016	For the Year ended March 31, 2015	For the Year ended March 31, 2014
	Rs in Lakh	Rs in Lakh	Rs. in Lakh	Rs. in Lakh	Rs in Lakh
(a) Salaries, wages and bonus	10,368	9,569	6,770	4,473	2,833
(b) Contribution to provident fund and other funds (Refer Note No. 30)	489	556	357	244	136
(c) Staff welfare expenses	559	306	232	182	97
Total	**11,416**	**10,431**	**7,359**	**4,899**	**3,066**

27 OTHER OPERATING EXPENSES

PARTICULARS	For the Year ended March 31, 2018		For the Year ended March 31, 2017		For the Year ended March 31, 2016		For the Year ended March 31, 2015		For the Year ended March 31, 2014	
	Rs in Lakh		Rs in Lakh		Rs in Lakh		Rs in Lakh		Rs in Lakh	
(a) Advertisement and publicity		332		278		335		142		280
(b) Brand equity and business promotion		543		539		322		241		141
(c) Incentive commission & brokerage		2,809		2,710		2,227		1,724		1,062
(d) Directors' Remuneration		58		54		26		16		11
(e) Facility management and office upkeep charges		-		-		-		-		38
(f) Insurance charges		207		172		135		6		2
(g) Information technology expenses		2,762		1,942		2,099		1,286		930
(h) Legal and professional fees		1,120		1,086		735		734		401
(i) Loan processing charges		2,011		1,989		1,667		1,165		780
(j) Postage and courier expenses		-		-		-		-		18
(k) Printing and stationery		154		149		124		82		45
(l) Provision for doubtful loans		11,870		4,501		1,942		1,206		476
(m) Write off - Loans and advances	4,418		294		244		81		45	
Less : Provision reversal on write off	(4,418)	-	(294)	-	(244)	-	(81)		(45)	-
(n) Provision for standard assets - housing loan (Refer Note Nos. 27.1, 27.2 & 34 below)		510		1,606		1,418		1,086		922
(o) Provision for standard assets - non housing loan (Refer Note Nos. 27.1, 27.2 & 34 below)		452		933		692		288		163
(p) Rates and taxes		17		13		6		7		6
(q) Record management charges		-		-		-		-		15
(r) Rent		1,427		1,083		1,001		974		681
(s) Repairs and maintenance expenses		18		73		21		11		8
(t) Stamping charges		16		45		31		18		10
(u) Service providers charges		1,586		1,244		905		659		502
(v) Telephone, telex and leased line		129		138		102		75		56
(w) Travelling and conveyance		609		448		514		366		272
(x) Training & Recruitment		266		146		65		112		-
(y) Corporate social responsibility (Refer Note No. 27.6 below)		450		286		178		107		-
(z) Power and fuel		117		89		56		32		22
(aa) Others (Refer Note No. 27.3 below)		716		411		386		172		143
Total		**28,179**		**19,935**		**14,987**		**10,508**		**6,984**

27.1 The Company has made a standard asset provision of Rs.962 Lakh (Mar 17 Rs.2,539 Lakh, Mar 16 Rs. 2,110, Mar 15 Rs, 1,374, Mar 14 Rs, 1,085 Lakh) being 0.25% / 0.40% / 0.75% / 1% of the Standard Housing / Non Housing loans as specified by the National Housing Bank circular No. NHB(ND)/DRS/DIR-3/CMD/2011 dated August 5,2011 and as amended from time to time.

27.2 National Housing Bank (NHB) has issued circular No. NHB.HFC./CMD/2013 dated September 6, 2013 for provision on Standard Asset relating to Commercial Real Estate Loans. Accordingly the Company is required to make general provision (i) at the rate of 1% on Commercial Real Estate and (ii) at the rate of 0.75% on Commercial Real Estate-Residential. The Company has made provision of Rs. 191 Lakhs on all commercial real estate loans and Rs. 128 Lakhs on Commercial Real Estate - Residential.

27.3 The National Housing Bank had, vide Notification No. NHB.HFC.DIR.18/MD&CEO/2017 dated August 2, 2017, amended Paragraph 28 of Master Circular - The Housing Finance Companies (NHB) Directions, 2010 by revising the provision on Standard Assets in respect of Individual Housing Loans from 0.40% to 0.25%. As per the Notification, the revised provisioning would be effective prospectively but the provisions held at present, towards Individual Housing Loans should not be reversed. However, in future, if by applying the revised provisioning norms, any provisions are required over and above the level of provisions currently held for the standard category of such loans, these should be duly provided for. During the year, the Company has complied with the said Notification.

27.4 Other expenses includes Audit Fee (excluding GST/Service Tax) as below.

PARTICULARS	For the Year ended March 31, 2018	For the Year ended March 31, 2017	For the Year ended March 31, 2016	For the Year ended March 31, 2015	For the Year ended March 31, 2014
	Rs in Lakh	Rs in Lakh	Rs in Lakh	Rs in Lakh	Rs in Lakh
(i) Audit fees	40	35	35	22	22
(ii) Tax audit fees	4	5	5	2	2
(iii) Other services	4	6	3	2	2
Total	**48**	**46**	**43**	**26**	**26**

27.5 Expenditure in foreign currency

PARTICULARS	For the Year ended March 31, 2018	For the Year ended March 31, 2017	For the Year ended March 31, 2016	For the Year ended March 31, 2015	For the Year ended March 31, 2014
	Rs in Lakh	Rs in Lakh	Rs in Lakh	Rs in Lakh	Rs in Lakh
(i) Information technology expenses	610	-	-	-	-
(ii) Legal and professional fees	119	45	-	-	-
(iii) Travelling, conveyance and accommodation	-	-	5	10	-
Total	**729**	**45**	**5**	**10**	**-**

27.6 Corporate social responsibility expenses

(a) Gross amount required to be spent by the company during the year was Rs. 450 Lakh (Mar 17 Rs. 286 lakh, Mar 16 Rs. 178 Lakh, Mar 15 Rs. 107 Lakh).

(b) Amount spent and paid during the year on:

PARTICULARS	For the Year ended March 31, 2018	For the Year ended March 31, 2017	For the Year ended March 31, 2016	For the Year ended March 31, 2015	For the Year ended March 31, 2014
	Rs in Lakh	Rs in Lakh	Rs in Lakh	Rs in Lakh	Rs in Lakh
(i) Construction/acquisition of any asset	-	-	-	-	-
(ii) On purposes other than (i) above	450	286	178	107	-
Total	**450**	**286**	**178**	**107**	**-**

(c) Details of related party transactions Rs. Nil (Mar 17 Rs. Nil, Mar 16 Rs. Nil, Mar 15 Rs. Nil, Mar 14 Rs. Nil).

28 Contingent Liabilities and Commitments:

(a) Contingent Liabilities Rs. Nil (as on Mar 17 Rs. Nil, as on Mar 16 Rs. Nil, as on Mar 15 Rs. Nil, as on Mar 14 Rs. Nil).

(b) Capital Commitments: Estimated amount of contracts remaining to be executed on capital account and not provided for.

- Tangible: Rs. 435 Lakh (as on Mar 17 Rs. 348 Lakh, as on Mar 16 Rs. 844 Lakh)
- Intangible: Rs. 21 Lakh (as on Mar 17 Rs. 311 Lakh, as on Mar 16 Rs. 382 Lakh)
- Tangible & Intangible capital commitment as on Mar 15 Rs. 113 Lakh and as on Mar 14 Rs. 72 Lakh.

(c) Undrawn Commitment given to Borrowers

- As on March 31, 2018 Rs. 2,69,346 lakh (as on Mar 17: Rs. 2,38,427 lakh) (as on March 31, 2016, March 31, 2015 and March 31, 2014 the above disclosure was not applicable)

29 Employee Stock Purchase/Option Scheme

Employees of the Company may be entitled to Stock Purchase / Stock Options Scheme offered by Tata Capital Limited.

30 Employee benefits

Defined Contribution Plans

The Company makes Provident Fund and Superannuation Fund contributions to defined contribution retirement benefit plans for eligible employees. Under the schemes, the Company is required to contribute a specified percentage of payroll costs to fund the benefits. The contributions as specified under the law are paid to the provident fund set up as a Trust by the Company. The Company is generally liable for annual contributions and any deficiency in interest cost compared to interest computed based on the rate of interest declared by the Central Government under the employee provident scheme, 1952 is recognised as an expense in the year in which it is determined.

The Company recognised a charge of Rs. 386 Lakh (FY 2016-17 Rs.342 Lakh, FY 2015-16 Rs. 253, FY 2014-15 Rs. 170, FY 2013-14 Rs. 102 Lakh) towards provident fund and family pension fund contribution and Rs.21 Lakh (FY 2016-17 Rs.15 Lakh, FY 2015-16 Rs. 15 Lakh, FY 2014-15 Rs. 15 Lakh, FY 2013-14 Rs. 13 Lakh) towards contribution to superannuation fund in the Statement of Profit and Loss during the current year.

The provident fund set up as a Trust by the Holding Company, Tata Capital Limited, manages the contributions from the Company and other participating fellow subsidiaries. As of March 31, 2018, the accumulated members' corpus of the Company is Rs. 2,926 lakh (as on Mar 17 Rs. 2,277 Lakh, as on Mar 16 Rs. 1,536 Lakh, as on Mar 15 Rs. 1,042 Lakh, as on Mar 14 was NA)whereas the total fair value of the assets of the fund and the total accumulated members’ corpus is Rs. 21,026 lakh (as on Mar 17 Rs. 16,858 Lakh, as on Mar 16 Rs. 14,169 lakh, as on Mar 15 Rs. 12,871 Lakh, as on Mar 14 was NA) and Rs. 20,658 lakh (as on Mar 17 Rs. 16,969 Lakh, as on Mar 16 Rs. 13,695 Lakh, as on Mar 15 Rs. 11,904, as on Mar 14 was NA) respectively. In accordance with an actuarial valuation, there is no deficiency in the interest cost as the present value of the expected future earnings on the fund is greater than the expected amount to be credited to the individual members based on the expected guaranteed rate of interest of 8.55%. The actuarial assumptions include discount rate of 7.70%.

Defined Benefits Plans

The Company offers its employees defined-benefit plans in the form of a gratuity scheme (a lump sum amount), (Included as part of contribution to provided fund, superannuation fund and other funds as referred in Note 26 of Employee Benefit Expenses). Benefits under the defined benefit plans are typically based on years of service and the employee’s compensation (generally immediately before retirement). The gratuity scheme covers substantially all regular employees. Commitments are actuarially determined at year-end. These commitments are valued at the present value of the expected future payments, with consideration for calculated future salary increases, using a discount rate corresponding to the interest rate estimated by the actuary having regard to the interest rate on government bonds with a remaining term that is almost equivalent to the average balance working period of employees. On adoption of the Accounting Standard (AS 15) on “Employee Benefits”, actuarial valuation is done based on “Projected Unit Credit” method. Gains and losses of changed actuarial assumptions are charged to the Statement of Profit and Loss.

Reconciliation of Benefit Obligations and Plan Assets

(Rs. in Lakh)

Particulars	2017-18	2016-17	2015-16	2014-15	2013-14
Change in Defined Benefit Obligation					
Opening Defined Benefit Obligation	597	328	238	153	118
Current Service Cost	137	77	54	30	12
Interest Cost	43	26	18	14	9
Acquisition Cost / (Credit)	34	41	15	13	6
Actuarial Losses / (Gain)	(44)	153	23	36	9
Benefits Paid	(45)	(28)	(20)	(8)	(1)
Closing Defined Benefit Obligation	**721**	**597**	**328**	**238**	**153**
Change in the Fair Value of Assets					
Opening Fair Value of Plan Assets	666	257	232	134	103
Acquisition adjustment	34	41	17	15	6
Expected Return on Plan Assets	53	33	19	13	9
Contributions by Employer	-	310	7	63	15
Actuarial Gains / (Losses)	3	25	(18)	7	1
Benefits paid	-	-	-	-	-
Closing Fair Value of Plan Assets	**756**	**666**	**257**	**232**	**134**
Reconciliation of present Value of the obligation and the Fair value of the Plan Assets					
Fair Value of plan assets at the end of the year	756	666	257	232	134
Present value of the defined obligations at the end of the year	721	597	328	238	153
Funded status [Surplus / (Deficit)]	35	69	(71)	(6)	(19)
Net Asset /(Liability) recognised in the balance sheet	**35**	**69**	**(71)**	**(6)**	**(19)**
Net Gratuity cost					
Service Cost	137	77	54	30	12
Interest on Defined benefit Obligation	43	26	18	14	10
Expected return on plan assets	(53)	(33)	(19)	(13)	(9)
Net actuarial loss recognised in the year	(44)	129	36	29	8
Net Gratuity Cost included in Employee Benefit Expenses (Refer Note No 26)	**82**	**199**	**89**	**60**	**21**
Actual contribution and benefit payments for the year					
Actual benefit payments	45	28	20	8	1
Actual contributions	-	310	7	63	15

Categorisation of plan assets is as follows					
Investment Pattern	**2017-18**	**2016-17**	**2015-16**	**2014-15**	**2013-14**
Government Bonds	44%	33%	44%	40%	40%
Equity mutual funds	12%	16%	23%	17%	19%
Bonds / Debentures	43%	41%	24%	35%	32%
Others (Including assets under Schemes of Insurance)	1%	10%	9%	8%	9%
	100%	**100%**	**100%**	**100%**	**100%**

Assumptions					
Discount Rate	7.70%	7.50%	8.20%	7.80%	9.30%
Expected Rate of Return on Plan Assets	8.00%	8.00%	8.00%	8.00%	8.00%
Salary Escalation Rate	7.50% p.a for first 5 years and 6% thereafter.	7.50% p.a for first 5 years and 6% thereafter.	7.50% p.a for first 5 years and 5% thereafter.	7.50% p.a for first 5 years and 5% thereafter.	7.50% p.a for first 5 years and 5% thereafter.
Mortality table	Indian Assured Lives Mortality (2006-08) (modified) Ultimate	Indian Assured Lives Mortality (2006-08) (modified) Ultimate	Indian Assured Lives Mortality (2006-08) (modified) Ultimate	Indian Assured Lives Mortality (2006-08) (modified) Ultimate	Indian Assured Lives (1994-96) (modified) Ultimate
Withdrawal rate	0 – 2 years:10%	0 – 2 years:10%	0 – 2 years:10%	0 – 2 years:10%	0 – 2 years:10%
	3 – 4 years: 5%	3 – 4 years: 5%	3 – 4 years: 5%	3 – 4 years: 5%	3 – 4 years: 5%
	5 – 9 years: 2.5%	5 – 9 years: 2.5%	5 – 9 years: 2.5%	5 – 9 years: 2.5%	5 – 9 years: 2.5%
	10 and more: 1%	10 and more: 1%	10 and more: 1%	10 and more: 1%	10 and more: 1%

The estimate of future salary increase, considered in the actuarial valuation, take account of inflation, seniority, promotion, and other relevant factors. The above information is certified by the actuary.

(Rs. in Lakh)

Experience History	**2017-18**	**2016-17**	**2015-16**	**2014-15**	**2013-14**
Defined Benefit Obligation	(721)	(597)	(328)	(238)	(153)
Plan Assets	756	666	257	232	134
Funded Status	35	69	(71)	(7)	(19)
Experience Gain/ (Loss) Adjustment :					
- On Plan Liabilities	34	(53)	(32)	(3)	(26)
- On Plan Assets	3	25	(18)	7	1
Actuarial Gain / (Loss) due to change in assumptions	10	(99)	10	(34)	17

The Company expects to contribute approximately Rs. NIL (FY 2017-18 Rs. 135 Lakh, FY 2016-17 Rs. 71 Lakh, FY 2015-16 Rs. 6 Lakh, FY 2014-15 Rs. 19 Lakh) to the gratuity fund for the FY 2018-19.

Long Term Service Awards :
Long Term Service award is an employee benefit in recognition for their loyalty and continuity of service for five years and above, the same is actuarially valued (Unfunded). The Long Term Service awards expense for financial year 2017-18 is Rs. 7 Lakh (FY 2016-17 Rs. 24 Lakh, FY 2015-16 Rs. 8 Lakh, FY 2014-15 Rs. 7 Lakh, FY 2013-14 Rs. 3 Lakh) and the provision as at Mar 2018 is Rs. 54 Lakh (FY 2016-17 Rs. 47 Lakh, FY 2015-16 Rs. 23 Lakh, FY 2014-15 Rs. 15 Lakh, FY 2013-14 Rs. 8 Lakh).

31 Disclosure as required by Accounting Standard (AS) – 18 on "Related Party Disclosures" notified under Section 133 of the Companies Act 2013

A. List of related parties and relationship:

Ultimate holding Company	Tata Sons Limited
Holding Company	Tata Capital Limited
Fellow Subsidiaries (with which the company had transactions)	TC Travel and Services Limited (Ceased to be related party wef October 30, 2017) Tata Securities Limited Tata Capital Financial Services Limited Tata Cleantech Capital Limited Tata Capital Forex Limited (Ceased to be related party wef October 30, 2017) Tata Capital Plc Limited
Subsidiaries of ultimate holding company (with which the company had transactions)	Tata Consultancy Services Limited Conneqt Business Solutions Limited (formerly known as Tata Business Support Services Limited) Tata AIA Life Insurance Company Limited Tata AIG General Insurance Company Limited Infiniti Retail Limited Tata Teleservices Maharashtra Limited Tata Teleservices Limited
Key Management Personnel	Mr.R.Vaithianathan (Managing Director)

B. Transactions carried out with related parties referred in "A" above:

(Rs. in Lakh)

Sr. No.	**Party Name**	**Nature of transaction**	**2017-18**	**2016-17**	**2015-16**	**2014-15**	**2013-14**
1	Tata Sons Limited	a) Expenses					
		- Brand equity and business promotion	543	539	322	241	160
		- Legal and professional fees	-	7	-	-	-
		- Staff Welfare *	0	-	-	-	-
		- Training Expenses *	0	1	-	-	-
		b) Balance payable	543	495	327	241	160

2	Tata Capital Limited	a) Amount raised by issue of Compulsorily Convertible Cumulative Preference Shares	30,100	16,500	24,500	16,000	14,900
		b) Inter-Corporate Deposit accepted / repaid					
		- Inter-Corporate Deposit received during year	2,05,185	3,37,357	3,53,190	99,320	57,605
		- Inter-Corporate Deposit repaid during year	2,15,185	3,48,577	3,31,970	99,320	61,655
		c) Interest expense on					
		-Inter-Corporate Deposit	611	1,629	1,437	230	102
		-Debentures	-	77	340	338	338
		d) Reimbursement of expenses to TCL	8	9	1	30	1
		e) Service providers charges	1,037	713	464	312	325
		f) Dividend paid on Preference Shares	8,047	6,613	7,531	1,521	227
		g) Receipt of Security Deposit	3	-	-	-	-
		h) Repayment of Security Deposit	3	-	-	-	-
		i) Security deposit payable	-	-	-	1	-
		j) Balance Outstanding					
		- Expenses Payable	120	127	59	30	33
		- Borrowings (Inter-Corporate Deposit)	-	10,000	21,220	-	-
		- Borrowings (Subordinated Debenture)		-	3,300	-	-
		- Dividend Payable		-	-	2,627	-
3	Tata Capital Financial Services Limited	a) Transfer from					
		-Fixed Assets *	14	15	0	-	-
		-Employee Loan	-	-	1	-	-
		-Salary *	0	2	1	8	-
		-Employee Loan	-	-	-	-	2
		b) Transfer to					
		-Fixed Assets / CWIP *	0	1	2	-	
		-Security Deposit	-	-	14	-	
		c) Expenses					
		-Reimbursement of expenses	53	195	130	151	180
		-Rent expenses	1,057	780	747	870	536
		-Guest house expenses	15	9	11	-	-
		-Loan sourcing fee	1	77	-	392	106
		d) Income					
		-Loan sourcing fee	1	6	-	3	10
		-Rent recovery	23	29	28	58	-
		-Guest House Recovery	9	6	8	-	-
		-Reimbursement of expenses	-	4	3	2	-
		e) NCD Issued		-	3,000	-	-
		f) Consideration received towards sale of right in property		-	-	290	-
		g) Balance payable	141	235	104	718	36
4	Conneqt Business Solutions Limited (formerly known as Tata Business Support Services Limited)	a) Expenses					
		- Service provider charges	1,384	1,337	1,066	811	439
		b) Balance payable	-	73	174	89	96
5	TC Travel and Services Limited	a) Expenses					
		- Travel related services	135	83	85	92	52
		b) Balance payable	-	-	-	3	8
6	Tata Consultancy Services Limited	a) Expenses					
		- Information technology expenses	2,040	1,609	2,064	1,283	876
		b) Balance payable	647	1,178	1,240	466	345
7	Tata Securities Limited	a) Income					
		- Reimbursement *	-	-	0	-	-
		b) Expenses					
		- DMA Commission	-	-	1	-	-
		c) Asset Transfer from TSL					
		- Salary Advance*	-	0	-	-	-
8	Tata AIA Life Insurance Company Limited	a) Expenses					
		- Insurance Expense for Employees	12	8	7	-	-
		b) Premium paid on behalf of customer	-	2	338	-	-
		c) Claims received	-	187	168	-	-
		d) Advance given	11	-	-	-	-
		e) Balance payable	-	-	-	160	82
9	Tata AIG General Insurance Company Limited	a) Expenses					
		- Insurance expenses	1	2	2	5	1
		b) Advertisement Income	80	275	465	-	-
		c) Advance given	1	1	1	-	-
		d) Balance receivable	-	-	115	-	-
10	Infiniti Retail Limited	a) Fixed Asset purchased *	1	1	0	-	-
		b) Gift Expenses *	0	1	-	-	-
		c) Advance given *	0	0	0	-	-
11	Tata Cleantech Capital Limited	a) Reimbursement of Expenses *	0	1	0	-	-
		b) Guest House Income*	0	0	-	-	-
		c) Outstanding Receivable*	-	0	-	-	-
12	Tata Capital Plc Limited	a) Expenses					
		-travelling expenses	-	-	-	10	-
13	Tata Teleservices Limited	a) Telephone, telex and leased line	18	11	-	-	-
		b) Advance given *	0	-	-	-	-
14	Tata Teleservices Maharashtra Limited	a) Telephone, telex and leased line	27	9	-	-	-
15	Tata Capital Forex Limited	a) Travelling and conveyance *	0	-	-	-	-
16	Key Management Personnel	a) Remuneration	219	193	181	163	157
		b) Employee loan O/s *	-	-	0	-	-

*Less than Rs.50,000/-

32 Earnings per Share (EPS):

Particulars		2017-18	2016-17	2015-16	2014-15	2013-14
Profit after tax	Rs. in Lakh	21,420	17,817	11,261	6,793	5,828
Less: Preference dividend (including dividend distribution tax)	Rs. in Lakh	9,743	7,959	5,539	3,516	1,779
Profit after tax for Basic EPS	Rs. in Lakh	11,677	9,858	5,722	3,277	4,049
Weighted average number of Equity shares used in computing Basic EPS	Nos	25,33,33,332	25,33,33,332	25,33,33,332	25,33,33,332	25,33,33,332
Face value of equity shares	Rupees	10	10	10	10	10
Basic earnings per share	Rupees	**4.61**	**3.89**	**2.26**	**1.29**	**1.60**
Profit after tax for Basic EPS	Rs. in Lakh	11,677	9,858	5,722	3,277	4,049
Add: Preference dividend on Compulsorily Convertible Cumulative Preference shares (including dividend distribution tax)	Rs. in Lakh	9,743	7,959	5,539	3,516	1,779
Profit after tax for Diluted EPS		21,420	17,817	11,261	6,793	5,828
Weighted average number of Equity Shares used in computing Basic earnings per share	Nos	25,33,33,332	25,33,33,332	25,33,33,332	25,33,33,332	25,33,33,332
Add: Potential weighted average number of Equity shares that could arise on conversion of preference shares	Nos	17,10,36,664	18,28,23,370	14,00,86,084	9,86,13,533	8,89,27,181
Weighted average number of shares in computing Diluted earnings per share	Nos	42,43,69,996	43,61,56,702	39,34,19,416	35,19,46,865	34,22,60,513
Face value of equity shares	Rupees	10	10	10	10	10
Diluted earnings per share (Anti dilutive)	Rupees	**5.05**	**4.09**	**2.86**	**1.93**	**1.70**
Diluted earnings per share	Rupees	**4.61**	**3.89**	**2.26**	**1.29**	**1.60**

33 Lease Payments

The company avails time to time cancellable long term leases for office premises. The total of future minimum lease payment that the company is committed to make is:

(Rs. in Lakh)

Lease Payments	2017-18	2016-17	2015-16	2014-15	2013-14
-Within one year	-	-	-	195	99
-Later than one year and not later than five years	-	-	-	673	314
-Later than five years	-	-	-	295	38

The amount charged towards lease rental as part of Rent expenditure is Rs. 1,427 Lakh (FY 2016-17 Rs.1,083 Lakh, FY 2015-16 Rs. 1,001 Lakh, FY 2014-15 Rs. 974 Lakh, FY 2013-14 Rs. 681 Lakh)

34 Movement in provisions against standard assets during the year is as under:

(Rs. in Lakh)

Particulars	2017-18	2016-17	2015-16	2014-15	2013-14
Opening Balance	9,000	6,461	4,351	2,977	1,892
Additions during the year	962	2,539	2,110	1,374	1,085
Utilised during the year	-	-	-	-	-
Closing Balance	**9,962**	**9,000**	**6,461**	**4,351**	**2,977**

35 During the year ended March 31, 2017, the Company changed its accounting policy with respect to amortization of deferred revenue expenditure for share issue expenses. The Company now charges off the share issue expenses against amount standing to the credit of the Securities Premium Account. Prior to this change, the Company amortized the said share issue expenses over a period of 36 months from the month in which the expenses were incurred. The change in accounting policy is in accordance with the provisions of Section 52 of the Companies Act 2013, and it would result in a more appropriate presentation of financial statements of the Company.

On account of the change in the accounting policy, the profit before tax of the company is higher by Rs. 12 lakh (net of taxes, as applicable) for the year ended on March 31, 2017 and deferred revenue expenditure is lower by Rs. 15 lakh (net of taxes, as applicable) as on March 31, 2017.

36 Disclosure of details as required under notification issued by NHB dated February 09, 2017, NHB.HFC.CG-DIR.1/MD&CEO/2016.

36.1 Capital

(Rs. In Lakh)

Particulars		2017-18	2016-17	2015-16	2014-15	2013-14
(i)	CRAR (%)	17.22%	16.01%	16.17%	13.60%	15.14%
(ii)	CRAR – Tier I Capital (%)	12.10%	10.19%	10.72%	9.69%	10.65%
(iii)	CRAR – Tier II Capital (%)	5.12%	5.82%	5.45%	3.91%	4.49%
(iv)	Amount of subordinated debt raised as Tier- II Capital	-	20,000	20,000	NA	NA
(v)	Amount raised by issue of Perpetual Debt Instruments	-	-	-	-	NA

36.2 Derivative transaction entered by Company is Rs. Nil (FY 2016-17 Rs. Nil, FY 2015-16 Rs. Nil, FY 2014-15 was NA, FY 2013-14 was NA).

36.3 There were no unhedged foreign currency transactions during current year (FY 2016-17 Rs. Nil, FY 2015-16 Rs. Nil, FY 2014-15 was NA, FY 2013-14 was NA).

36.4 The Company has not done any Securitisation during the financial year (FY 2016-17 Rs. Nil, FY 2015-16 Rs. Nil, FY 2014-15 was NA, FY 2013-14 was NA).

36.5 Details of Assignment transactions undertaken by HFCs:

(Rs. In Lakh)

Particulars		2017-18	2016-17	2015-16	2014-15	2013-14
(i)	No. of accounts	521	2,270	-	NA	NA
(ii)	Aggregate value (net of provisions) of accounts sold *	19,254	57,424	-	NA	NA
(iii)	Aggregate consideration	19,254	57,424	-	NA	NA
(iv)	Additional consideration realized in respect of accounts transferred in earlier years	Nil	Nil	-	NA	NA
(v)	Aggregate gain / loss over net book value	Nil	Nil	-	NA	NA

* Total value of the Loans sold under direct assignment route as on 31st Mar 18 is Rs. 85,197 Lakh (as on Mar 17 Rs 63,804 Lakh, as on Mar 16 Rs. Nil, as on Mar 15 Rs. Nil, as on Mar 14 Rs. Nil). Company has retained 10% interest in the Loans sold.

36.6 The Company does not have purchase / sale transaction of non-performing financial asset (as on Mar 17 Rs. Nil, as on Mar 16 Rs. Nil, as on Mar 15 was NA, as on Mar 14 was NA).

36.7 Asset Liability Management

Maturity pattern of certain items of Assets and Liabilities as per NHB format

For the year 2017-18

(Rs. In Lakh)

Particulars	Liabilities			Assets		
	Borrowings from Banks	Market Borrowings	Foreign Currency Liabilities	Advances	Investments	Foreign Currency Assets
1 day to 30/31 days (One month)	1,77,656	59,743	-	28,373	-	-
Over One month to 2 months	40,000	1,14,767	-	12,895	-	-
Over 2 months unto 3 months	27,920	1,59,218	-	12,815	-	-
Over 3 months to 6 months	48,916	58,919	-	40,160	-	-
Over 6 months to 1 year	70,240	49,774	-	85,654	-	-
Over 1 year to 3 years	2,63,641	1,93,553	-	3,14,023	-	-
Over 3 years to 5 years	97,347	85,750	-	2,33,370	-	-
Over 5 to 7 years	95,368	46,920	-	2,32,968	-	-
Over 7 to 10 years	1,11,599	50,750	-	3,56,145	-	-
Over10 years	96,400	-	-	7,12,353	-	-
Total	**10,29,087**	**8,19,394**	**-**	**20,28,756**	**-**	**-**

Assets and liabilities bifurcation into various buckets is based on NHB guidelines.

For the year 2016-17

(Rs. In Lakh)

Particulars	Liabilities			Assets		
	Borrowings from Banks	Market Borrowings	Foreign Currency Liabilities	Advances	Investments	Foreign Currency Assets
1 day to 30/31 days (One month)	40,365	1,52,105	-	18,880	-	-
Over One month to 2 months	7,000	1,28,861	-	7,714	-	-
Over 2 months puts 3 months	14,944	64,396	-	7,662	-	-
Over 3 months to 6 months	19,944	72,011	-	24,695	-	-
Over 6 months to 1 year	74,887	1,11,899	-	53,769	-	-
Over 1 year to 3 years	2,39,364	1,74,962	-	2,72,685	-	-
Over 3 years to 5 years	59,524	88,820	-	1,95,963	-	-
Over 5 to 7 years	52,711	28,550	-	2,03,882	-	-
Over 7 to 10 years	67,404	90,550	-	3,06,783	-	-
Over10 years	63,952	-	-	6,00,557	-	-
Total	**6,40,095**	**9,12,155**	**-**	**16,92,590**	**-**	**-**

For the year 2015-16

(Rs. In Lakh)

Particulars	Liabilities			Assets		
	Borrowings from Banks	Market Borrowings	Foreign Currency Liabilities	Advances	Investments	Foreign Currency Assets
1 day to 30/31 days (One month)	85,417	42,130	-	14,741	-	-
Over One month to 2 months	-	66,218	-	6,436	-	-
Over 2 months puts 3 months	7,362	75,031	-	6,198	-	-
Over 3 months to 6 months	7,362	38,764	-	19,149	-	-
Over 6 months to 1 year	17,224	57,760	-	42,357	-	-
Over 1 year to 3 years	2,90,293	2,16,108	-	1,94,918	-	-
Over 3 years to 5 years	60,138	38,200	-	1,46,965	-	-
Over 5 to 7 years	24,670	29,950	-	1,58,516	-	-
Over 7 to 10 years	32,059	74,670	-	2,44,353	-	-
Over10 years	24,338	-	-	4,66,828	-	-
Total	**5,48,863**	**6,38,831**	**-**	**13,00,461**	**-**	**-**

For the year 2014-15

(Rs. In Lakh)

Particulars	Liabilities			Assets		
	Borrowings from Banks	Market Borrowings	Foreign Currency Liabilities	Advances	Investments	Foreign Currency Assets
1 day to 30/31 days (One month)	67,062	22,936	-	10,116	-	-
Over One month to 2 months	-	53,277	-	4,110	-	-
Over 2 months puts 3 months	3,242	6,584	-	3,968	-	-
Over 3 months to 6 months	19,909	15,071	-	12,277	-	-
Over 6 months to 1 year	40,601	50,400	-	26,201	-	-
Over 1 year to 3 years	1,68,159	1,10,190	-	1,10,289	-	-
Over 3 years to 5 years	1,28,054	16,400	-	96,220	-	-
Over 5 to 7 years	15,339	7,500	-	1,09,257	-	-
Over 7 to 10 years	12,724	56,870	-	1,66,747	-	-
Over10 years	12,040	3,400	-	3,69,657	-	-
Total	**4,67,130**	**3,42,628**	**-**	**9,08,842**	**-**	**-**

For the year 2013-14

(Rs. In Lakh)

Particulars	Liabilities			Assets		
	Borrowings from Banks	Market Borrowings	Foreign Currency Liabilities	Advances	Investments	Foreign Currency Assets
1 day to 30/31 days (One month)	34,697	25,185	-	7,758	-	-
Over One month to 2 months	-	40,365	-	3,441	-	-
Over 2 months puts 3 months	1,300	4,897	-	3,333	-	-
Over 3 months to 6 months	12,967	18,161	-	9,395	-	-
Over 6 months to 1 year	10,935	42,169	-	18,044	-	-
Over 1 year to 3 years	1,21,236	91,720	-	70,287	-	-
Over 3 years to 5 years	1,22,799	2,500	-	64,163	-	-
Over 5 to 7 years	6,821	1,000	-	73,869	-	-
Over 7 to 10 years	2,217	24,570	-	1,18,943	-	-
Over10 years	1,795	-	-	2,67,339	-	-
Total	**3,14,767**	**2,50,567**	**-**	**6,36,572**	**-**	**-**

36.8 Exposure

36.8.1 Exposure to Real Estate Sector

(Rs. In Lakh)

Category	2017-18	2016-17	2015-16	2014-15	2013-14
a) Direct Exposure					
(i) Residential Mortgages - Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented:					
(i) Individual housing loans up to Rs. 15 Lakh	3,38,230	2,55,089	1,73,662	1,10,002	64,073
(ii) Other housing loans	18,57,209	13,43,594	10,45,294	7,47,357	5,39,325
(ii) 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 includes non-fund based (NFB) limits.	1,22,822	95,461	78,804	49,214	30,912
(iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -					
a. Residential	-	-	-	-	-
b. Commercial Real Estate	-	-	-	-	-
b) Indirect Exposure					
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	-	-	-	-	-
Total	**23,18,261**	**16,94,144**	**12,97,760**	**9,06,573**	**6,34,310**

Note : Exposure to Real Estate Sector Includes accrued interest.

36.8.2 Exposure to Capital Market

(Rs. In Lakh)

Particulars	2017-18	2016-17	2015-16	2014-15	2013-14
(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;	-	-	-	NA	NA
(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;	-	-	-	NA	NA
(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;	-	-	-	NA	NA
(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;	-	-	-	NA	NA
(v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-	-	NA	NA
(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;	-	-	-	NA	NA
(vii) Bridge loans to companies against expected equity flows / issues;	-	-	-	NA	NA
(viii) All exposures to Venture Capital Funds (both registered and unregistered)	-	-	-	NA	NA
Total Exposure to Capital Market	**-**	**-**	**-**	**NA**	**NA**

36.8.3 No Parent Company products were financed during the year (FY 2016-17 Rs. Nil, FY 2015-16 Rs. Nil, FY 2014-15 was NA, FY 2013-14 was NA).

36.8.4 The Exposure to a single borrower and group of borrower does not exceed the limit stipulated by the NHB prudential norms applicable to HFC (FY 2016-17 Rs. Nil, FY 2015-16 Rs. Nil, FY 2014-15 was NA, FY 2013-14 was NA).

36.8.5 The Exposure to Unsecured Advances is Rs. Nil Lakh (as on Mar 17 Rs. Nil, as on Mar 16 Rs. Nil, as on Mar 15 was NA, as on Mar 14 was NA).

36.9 Miscellaneous

36.9.1 The Company has following Registrations effective as on March 31, 2018:

Issuing Authority	Registration No., if any	Date of registration	Valid upto	Registered as
National Housing Bank	04.0073.09	04-Apr-09	-	Housing finance institution without permission to accept public deposits.

36.9.2 No penalties has been imposed on the Company during the year (FY 2016-17 Rs. Nil, FY 2015-16 Rs. Nil, FY 2014-15 was NA, FY 2013-14 was NA).

36.9.3 Ratings assigned by credit rating agencies and migration of ratings during the year.

(i)	Rating Assigned to	Short Term Debt, Long Term Debt, Tier II Debt
(ii)	Date of Rating	ICRA- 13th September 2017, CRISIL- 29th March, 2018
(iii)	Rating Valid up to	Till the Date of reaffirmation
(iv)	Name of the Rating Agency	ICRA Limited (ICRA), CRISIL Limited (CRISIL),
(v)	Rating of products	
	(a) Commercial Paper	ICRA A1+, CRISIL A1+
	(b) Debentures	Secured/Unsecured Non Convertible Debentures ICRA AA+, CRISIL AA+
		Tier II Debentures ICRA AA+, CRISIL AA+
	(c) Others	Long Term Bank Loans : CRISIL AA+

There has been no change in the Credit Rating's of the instruments of the Company during the year ended March 31, 2018. However, the Company has obtained ICRAA1+ rating for Commercial Paper during the year ended March 31, 2018.

36.10 Additional Disclosures

36.10.1 Provisions and Contingencies

(Rs. In Lakh)

	Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	2017-18	2016-17	2015-16	2014-15	2013-14
(i)	Provisions for depreciation on investment	-	-	-	NA	NA
(ii)	Provision made towards income tax	11,512	9,505	6,042	NA	NA
(iii)	Provision towards NPA	11,870	4,501	1,942	NA	NA
(iv)	Provision for standard assets (Refer Note No. 27.2)	962	2,539	2,110	NA	NA
(v)	Provision for depreciation on fixed assets	418	272	176	NA	NA
(vi)	Provision for gratuity	82	199	89	NA	NA
(vii)	Provision for leave encashment	166	176	91	NA	NA
(viii)	Provision for long term service benefit	7	24	9	NA	NA

The Group has assessed its obligations arising in the normal course of business, proceedings pending with tax authorities and other contracts including derivative and long term contracts. In accordance with the provisions of Accounting Standard - 29 on 'Provisions, Contingent Liabilities and Contingent Assets', the Group recognises a provision for material foreseeable losses when it has a present obligation as a result of a past event 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. In cases where the available information indicates that the loss on the contingency is reasonably possible but the amount of loss cannot be reasonably estimated, a disclosure to this effect is made as contingent liabilities in the financial statements. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.

36.10.2 Company has not made any drawdown of reserves during the year (FY 2016-17 Rs. Nil, FY 2015-16 Rs. Nil, FY 2014-15 was NA, FY 2013-14 was NA).

36.10.3 The disclosure of the Concentration of Deposits taken is not applicable as the Company carries on the business of a housing finance institution without accepting public deposits (FY 2016-17 Rs. Nil, FY 2015-16 Rs. Nil, FY 2014-15 was NA, FY 2013-14 was NA).

36.10.4 Concentration of Loans & Advances

(Rs. In Lakh)

Particulars	2017-18	2016-17	2015-16	2014-15	2013-14
Total Loans & Advances to twenty largest borrowers #	85,786	66,998	58,513	NA	NA
Percentage of Loans & Advances to twenty largest borrowers to Total Advances of the HFC	4.19%	3.95%	4.51%	NA	NA

Includes Loans & Advances and interest accrued thereon.

36.10.5 Concentration of all Exposure (including off-balance sheet exposure)

(Rs. In Lakh)

Particulars	2017-18	2016-17	2015-16	2014-15	2013-14
Total Exposure to twenty largest borrowers / customers #	1,05,882	86,106	77,708	NA	NA
Percentage of Exposure to twenty largest borrowers / customers to Total Exposure of the HFC on borrowers / customers	4.57%	4.46%	5.38%	NA	NA

Includes Loans & Advances and interest accrued thereon and investment in Mutual Funds.

36.10.6 Concentration of NPAs

(Rs. In Lakh)

Particulars	2017-18	2016-17	2015-16	2014-15	2013-14
Total Exposure to top ten NPA accounts	3,530	4,359	4,189	NA	NA

36.10.7 Sector-wise NPAs

Sr. No.	Sector	Percentage of NPAs to Total Advances in that sector	Percentage of NPAs to Total Advances in that sector	Percentage of NPAs to Total Advances in that sector	Percentage of NPAs to Total Advances in that sector	Percentage of NPAs to Total Advances in that sector
		2017-18	2016-17	2015-16	2014-15	2013-14
A.	**Housing**	**1.19%**	**0.81%**	**NA**	**NA**	**NA**
1.	Individuals	1.26%	0.82%	NA	NA	NA
2.	Builders/Project	0.49%	0.62%	NA	NA	NA
3.	Corporates	4.00%	1.68%	NA	NA	NA
4.	Others (specify)	0.00%	0.00%	NA	NA	NA
B.	**Non-Housing**	**1.32%**	**1.39%**	**NA**	**NA**	**NA**
1.	Individuals	1.02%	1.25%	NA	NA	NA
2.	Builders/Project	0.00%	0.00%	NA	NA	NA
3.	Corporates	5.09%	3.56%	NA	NA	NA
4.	Others (specify)	0.00%	0.00%	NA	NA	NA

36.10.8 Movement of NPAs

(Rs. In Lakh)

Particulars	2017-18	2016-17	2015-16	2014-15	2013-14
(I) Net NPAs to Net Advances (%)	0.48%	0.46%	0.46%	NA	NA
(II) Movement of NPAs (Gross)					
a) Opening balance	15,553	9,446	5,564	NA	NA
b) Additions during the year	18,784	9,888	5,348	NA	NA
c) Reductions during the year	(9,486)	(3,781)	(1,466)	NA	NA
d) Closing balance	24,851	15,553	9,446	NA	NA
(III) Movement of Net NPAs					
a) Opening balance	7,821	5,922	3,749	NA	NA
b) Additions during the year	5,434	4,185	3,283	NA	NA
c) Reductions during the year	(3,586)	(2,286)	(1,110)	NA	NA
d) Closing balance	9,669	7,821	5,922	NA	NA
(IV) Movement of provisions for NPAs (excluding provisions on standard assets)					
a) Opening balance	7,732	3,524	1,815	NA	NA
b) Additions during the year	13,351	5,703	2,065	NA	NA
c) Reductions during the year	(5,901)	(1,495)	(356)	NA	NA
d) Closing balance	15,182	7,732	3,524	NA	NA

Note: The movement of Gross NPA, Provisions for NPA and Net NPA presented above excludes NPA identified and regularized in the same financial year.

36.10.9 The company does not have overseas asset as on March 31st 2018 (as on Mar 17 Rs. Nil, as on Mar 16 Rs. Nil, as on Mar 15 was NA, as on Mar 14 was NA).

36.10.10 The Company has not sponsored any SPVs. Accordingly there is no disclosure applicable (FY 2016-17 Rs. Nil, FY 2015-16 Rs. Nil, FY 2014-15 was NA, FY 2013-14 was NA).

36.11 Customers Complaints

Particulars	2017-18	2016-17	2015-16	2014-15	2013-14
a) No. of complaints pending at the beginning of the year	145	30	19	NA	NA
b) No. of complaints received during the year	6185	2380	1363	NA	NA
c) No. of complaints redressed during the year	6309	2265	1352	NA	NA
d) No. of complaints pending at the end of the year	21	145	30	NA	NA

37 The figures for the year ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 were audited by previous statutory auditors.

38 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

In terms of our report attached

For and on behalf of the Board of Directors

For B S R & Co. LLP
Chartered Accountants
Firms Registration No – 101248W/W-100022

Rajiv Sabharwal
(Chairman)

Mehernosh B. Kapadia
(Director)

Anuradha E. Thakur
(Director)

Manoj Kumar Vijai
Partner
Membership No: 046882

Ankur Verma
(Director)

Anil Kaul
(Managing Director)

Mumbai
Date : August 27, 2018

ANNEXURE B

CRISIL RATING LETTER

APPENDED OVERLEAF

CONFIDENTIAL

TCFSL/205349/RB/08212018
August 21, 2018

Mr. Kiran Joshi
Head - Treasury
Tata Capital Housing Finance Limited
Tower A 1101, Penisula Business Park
Ganpatrao Kadam Marg
Lower Parel,
Mumbai - 400013

Dear Mr. Kiran Joshi,

Re: CRISIL Rating for the Rs.5000 Crore Retail Bonds* of Tata Capital Housing Finance Limited

We refer to your request for a rating for the captioned Debt issue.

CRISIL has, after due consideration, assigned its "**CRISIL AAA/Stable**" (pronounced as CRISIL triple A rating with Stable outlook) rating for the captioned debt issue. Instruments with this rating are considered to have the **highest** degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk.

For the purpose of issuance of the captioned debt issue, this letter is valid for 180 calendar days from the date of the letter. In the event of your company not placing the above instrument within this period, or in the event of any change in the size/structure of your proposed issue, the rating shall have to be reviewed and a letter of revalidation shall have to be issued to you. Once the instrument is issued, the above rating is valid throughout the life of the captioned debt instrument.

As per our Rating Agreement, CRISIL would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. CRISIL reserves the right to withdraw or revise the ratings assigned to the captioned instrument at any time, on the basis of new information, or unavailability of information or other circumstances, which CRISIL believes, may have an impact on the rating.

As per the latest SEBI circular (reference number: CIR/IMD/DF/17/2013; dated October 22, 2013) on centralized database for corporate bonds/debentures, you are required to provide international securities identification number (ISIN; along with the reference number and the date of the rating letter) of all bond/debenture issuances made against this rating letter to us. The circular also requires you to share this information with us within 2 days after the allotment of the ISIN. We request you to mail us all the necessary and relevant information at debtissue@crisil.com. This will enable CRISIL to verify and confirm to the depositories, including NSDL and CDSL, the ISIN details of debt rated by us, as required by SEBI. Feel free to contact us for any clarifications you may have at debtissue@crisil.com

Should you require any clarifications, please feel free to get in touch with us.

With warm regards,

Yours sincerely,

Ajit Velonie
Director– CRISIL Ratings

Nivedita Shibu
Associate Director - CRISIL Ratings

**Includes Non-Convertible Debentures and Subordinated Debt*

CRISIL Limited
Corporate Identity Number: L67120MH1987PLC042363

CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai - 400076. Phone: +91 22 3342 3000 | Fax: +91 22 4040 5800
www.crisil.com

Details of the Rs.5000 Crore Retail Bonds of
Tata Capital Housing Finance Limited

	1st tranche		*2nd tranche*		*3rd tranche*	
Instrument Series:						
Amount Placed:						
Maturity Period:						
Put or Call Options (if any):						
Coupon Rate:						
Interest Payment Dates:						
Principal Repayment Details:	Date	Amount	Date	Amount	Date	Amount
Investors:						
Trustees:						

In case there is an offer document for the captioned Debt issue, please send us a copy of it.

CRISIL RATING RATIONALE

APPENDED OVERLEAF

Ratings

CRISIL
An S&P Global Company

Rating Rationale

August 21, 2018 | Mumbai

Tata Capital Housing Finance Limited

'CRISIL AAA/Stable' assigned to Retail bond

Rating Action

Total Bank Loan Facilities Rated	**Rs.8000 Crore**
Long Term Rating	**CRISIL AAA/Stable (Reaffirmed)**

Rs.5000 Crore Retail Bond#	**CRISIL AAA/Stable (Assigned)**
Non Convertible Debentures Aggregating Rs.7108.2 Crore	**CRISIL AAA/Stable (Reaffirmed)**
Subordinated Debt Aggregating Rs.1148.70 Crore	**CRISIL AAA/Stable (Reaffirmed)**
Rs.8000 Crore Commercial Paper Programme	**CRISIL A1+ (Reaffirmed)**

1 crore = 10 million
Refer to annexure for Details of Instruments & Bank Facilities
#Includes Non-Convertible Debentures and Subordinated Debt

Detailed Rationale

CRISIL has assigned its **'CRISIL AAA/Stable'** rating to the Rs 5000 crore retail bonds of Tata Capital Housing Finance Limited (TCHFL) CRISIL has also reaffirmed its ratings on the company's other debt instruments and bank facilities at 'CRISIL AAA/Stable/CRISIL A1+'.

On August 15, 2018, CRISIL upgraded its long-term rating on the bank facilities and debt instruments of Tata Capital Ltd (TCL) and its subsidiaries, including TCHFL, collectively referred to herein as the TCL group to 'CRISIL AAA/Stable' from 'CRISIL AA+/Stable'. The rating on commercial paper was reaffirmed at 'CRISIL A1+'.

The rating action was driven by the increased strategic importance of the financial services business to Tata Sons Limited (Tata Sons; rated 'CRISIL AAA/FAAA/Stable/CRISIL A1+'). This is in line with the Tata group's focus on domestic consumption as a key theme in their growth philosophy. The TCL group, as the principal vehicle for non-captive lending, plays a key role through which this strategy will be implemented.

Tata Sons has already infused Rs 1250 crore of equity capital in fiscal 2019 till date and is committed to infuse additional Rs 1250 crore by March 2019. This equity capital infusion in fiscal 2019 is almost equal to the Rs 2800 crore of total equity capital infused from inception till March 31, 2018, and is a strong indicator of the focus on the lending business.

The rating action also factors in the strong support by the parent Tata Sons demonstrated by articulation of its intention to (i) to maintain majority shareholding in the TCL group, (ii) to assist TCL group in organizing for any shortfall in maintaining capital adequacy as per applicable regulations and (iii) to conduct the business of TCL group in a manner that would enable TCL group to perform its obligations to all lenders and debt holders in full and timely manner.

TCL group's business performance has also improved, with significant scale-up and diversification in its portfolio over the past few years. Asset quality and earnings are also on an improving trend, with the group discontinuing businesses which have posed asset quality challenges in recent years. The TCL group is also further strengthening its risk function- both in people and in processes, which should hold it in good stead. Capital position will remain comfortable, with continued capital infusion from Tata Sons.

Analytical Approach

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of TCL and its subsidiaries TCHFL, Tata Capital Financial Services Limited (TCFSL), and Tata Cleantech Capital Limited (TCCL). They have significant operational and management linkages, and operate under the common Tata Capital brand. Furthermore, most of TCL's earnings (on a consolidated basis; excluding one-offs) are accounted for by its two main subsidiaries TCHFL and TCFSL.

Key Rating Drivers & Detailed Description
Strengths
*** Strategic importance to, and expectation of strong support from the ultimate parent, Tata Sons**

CRISIL's ratings on debt instruments of TCL group continue to be based on the expectation of strong support that the group is expected to receive from the ultimate parent, Tata Sons. This is due to Tata Sons' majority ownership in the TCL group, coupled with the increasing importance of the financial services business to the Tata group.

Tata Sons directly owns 93.22% of TCL's equity shares and most of the remaining stake is held by the other Tata group companies and trusts. TCL in turn holds 100% stake in its two main subsidiaries- TCFSL and TCHFL. Tata Sons also has personnel from its senior management on TCL's board. Tata Sons has infused equity capital of around Rs.4050 crore in TCL since TCL's inception; Rs 1250 crore of this has been infused just in fiscal 2019 till date indicating the intent of the group to step up its focus on the lending business.

TCL group, as the Tata group's non-captive lending vehicle, is the primary financial services arm, and remains critical to the group, given the growth opportunities in this sector over the medium to long term. TCL group is also strategically important to the Tata group because it caters to the funding requirements of various entities associated with the group, such as its suppliers, vendors, and dealers. The shared brand and infrastructural synergies with various Tata group companies strengthen the integration of the TCL group with the overall Tata group. Business synergies are set to increase further as TCL taps into the Tata group ecosystem as part of its growth strategy. CRISIL believes that Tata Sons will continue to have majority ownership in, and management control of TCL and its subsidiaries, over the medium term.

*** Comfortable capitalization to support medium term growth plans, supported by regular infusion from parent**
TCL group has comfortable capitalisation, with absolute networth (on a consolidated basis) of Rs 6647 crore as March 31, 2018 (Rs 6044 crore as on March 31, 2017). The capital infusion in fiscal 2019 will further strengthen the networth. As on March 31, 2018, both TCFSL and TCHFL remained adequately capitalised with overall capital adequacy ratio of 16.68% and 17.22% respectively (16.07% and 16.01% respectively as on March 31, 2017 respectively) The gearing of TCFSL and TCHFL stood at 6.3 times and 10.3 times respectively as on March 31, 2018 (6.7 times and 11.9 times respectively as on March 31, 2017). TCL group's consolidated gearing stood at 8.0 times as on March 31, 2018. CRISIL believes that TCL group is adequately capitalised to absorb asset-side risks. CRISIL also believes that despite its significant growth plans, TCL group's capitalisation is expected to remain comfortable, given Tata Sons' commitment to support growth in the financial services business.

*** Diversified resource profile**
TCL group also has access to funding from a diverse base of lenders; the funding profile is fairly balanced with a mix of non-convertible debentures, bank borrowings, and short-term debt. As on March 31, 2018, overall market borrowings stood at about 60% of total borrowings. TCL and its subsidiaries have the ability to mobilize debt at competitive costs, given their association with the Tata group.

Weakness
*** Average asset quality; expected to improve with strengthened risk management systems and processes**
Asset quality is expected to improve going ahead with the group exiting segments such as infrastructure lending in which they have faced asset quality challenges in the past, as well as the strengthening of the risk management infrastructure.

On a consolidated basis, TCL group's gross non-performing assets (NPAs) and net NPAs stood at 2.4% and 0.7% respectively as on March 31, 2018, lower than the 3.4% and 0.9% respectively as on March 31, 2017. In case of TCFSL, gross NPAs have come down to 3.3% as on March 31, 2018 from 4.9% in March 2017 and 5.3% in March 2016; a large part of this has been driven by write-offs in discontinued businesses. Asset quality in the continuing businesses is better and with the enhanced focus on risk management, is expected to improve going ahead. However, the impact of seasoning as well as the ability to manage the unsecured loan book, whose share is expected to increase, will need to be seen over time.

TCHFL's gross NPA, while remaining low, has inched up to 1.2% March 31, 2018 from 0.9% as on March 31, 2017 and 0.7% as on March 31, 2016. However, excluding proactive early recognition of a large account, gross NPA would have been 0.9% as on March 31, 2018, in line with industry average. Given TCHFL's strong growth, the impact of seasoning will be visible only over the medium term. TCCL had no gross NPAs as on March 31, 2018.

CRISIL will monitor the ability of these companies to maintain low delinquency levels across asset classes over economic cycles.

*** Moderate, though improving earnings profile**
TCL group's profitability has been subdued in the past due to high credit costs. Net interest margins (based on total income) have been relatively stable at over 5% for the past 3 years. Reduction in credit costs in fiscal 2018, though partially offset by an increase in operating expenses, has led to an increase in the consolidated RoA to 1.3% in fiscal 2018 from 0.9% (reported; excluding impact of one-time write-offs through reserves) in fiscal 2017. TCFSL's RoA in fiscal 2018 improved to 1.3% as compared to 0.7% (reported) last year while TCHFL's RoA stood at 1.1%, almost unchanged from 1.2% last year.

With expected improvement in asset quality, earnings metrics are also expected to move up. The healthy CRISIL-adjusted provision coverage ratio (PCR), at around 73% for TCFSL and 61% for TCHFL, also support profitability. CRISIL will continue to monitor TCL group's profitability, especially credit costs and operating efficiencies over the medium term.

Outlook: Stable
CRISIL believes that TCL group will remain highly strategically important to Tata Sons, and continue to benefit from the strong parent support over the medium term. The outlook may be revised to 'Negative' in case of a decline in Tata Sons' credit quality or in CRISIL's view, a diminution in expected support to TCL group. The outlook may also be revised to 'Negative' in case of significant pressure on the TCL group's asset quality, impacting the group's earnings.

About the Company
TCHFL, a wholly owned subsidiary of TCL, was incorporated in 2008-09 to expand Tata Capital's existing product line in the mortgage finance (home loans and loans against property) and construction finance segments. The company commenced lending operations in July 2009. With change in the holding structure of its financial services businesses, TCHFL has become a wholly owned subsidiary of TCL.

As on March 31, 2018 TCHFL, on a standalone basis, had a net worth of Rs.1772 crore and 75 branches in India. End March 2018, the company's assets under management stood at Rs 21,000 crore, up 16.7% Y-o-Y from Rs 17993 crore previous year.

TCL is the holding company for several of the financial services businesses of the Tata group and is registered with the Reserve Bank of India as a systemically important, non-deposit-taking, core investment company. Tata Capital has a diversified product portfolio with a presence in both the wholesale and retail finance segments. It had sizeable AUM of Rs 61445 crore as on March 31, 2018 (Rs 51,847 crore as on March 31, 2017). The fund-based products and services are primarily offered by TCFSL (both wholesale and retail finance segments), TCHFL (mortgage finance), and TCCL (infrastructure finance). The fee-based services ' distribution of mutual funds and insurance products, stock broking, and investment banking ' are offered through the wholly owned subsidiary, Tata Securities Ltd.

Key Financial Indicators -TCHFL

As On/For the year ended March 31	Unit	2018	2017
Total Assets	Rs. Cr.	20,669	17,128
Total income (net of interest expenses)	Rs. Cr.	737	586
Profit after tax	Rs. Cr.	214	178
Gross NPA	%	1.2	0.9

Return on assets	%	1.1	1.2
Gearing	Times	10.3	11.9

Any other information: Not applicable

Note on complexity levels of the rated instrument:
CRISIL complexity levels are assigned to various types of financial instruments. The CRISIL complexity levels are available on www.crisil.com/complexity-levels. Users are advised to refer to the CRISIL complexity levels for instruments that they consider for investment. Users may also call the Customer Service Helpdesk with queries on specific instruments.

Annexure - Details of Instrument(s)

ISIN	Instrument	Date of issuance	Coupon rate (%)	Maturity Date	Issue Size (in Crore)	Rating assigned with Outlook
NA	Retail bonds#^	NA	NA	NA	5000	CRISIL AAA/Stable
NA	Debentures^	NA	NA	NA	1800	CRISIL AAA/Stable
INE033L07074	Debentures	18-Nov-11	10.25%	18-Nov-18	10	CRISIL AAA/Stable
INE033L07413	Debentures	18-May-12	10.10%	18-May-22	10	CRISIL AAA/Stable
INE033L07462	Debentures	03-Oct-12	10.05%	03-Oct-19	10	CRISIL AAA/Stable
INE033L07520	Debentures	28-Dec-12	9.60%	28-Dec-22	10	CRISIL AAA/Stable
INE033L07538	Debentures	18-Jan-13	9.50%	18-Jan-23	5	CRISIL AAA/Stable
INE033L07538	Debentures	18-Jan-13	9.50%	18-Jan-23	5	CRISIL AAA/Stable
INE033L07538	Debentures	18-Jan-13	9.50%	18-Jan-23	5	CRISIL AAA/Stable
INE033L07561	Debentures	12-Mar-13	9.50%	10-Mar-23	10	CRISIL AAA/Stable
INE033L07611	Debentures*	23-Apr-13	9.30%	23-Apr-18	10	CRISIL AAA/Stable
INE033L07728	Debentures	20-Jan-14	9.95%	18-Jan-19	5	CRISIL AAA/Stable
INE033L07918	Debentures*	13-Jun-14	9.45%	02-May-17	54.4	CRISIL AAA/Stable
INE033L07918	Debentures*	13-Jun-14	9.45%	02-May-17	5.6	CRISIL AAA/Stable
INE033L07926	Debentures	13-Jun-14	9.55%	13-Jun-19	5	CRISIL AAA/Stable
INE033L07926	Debentures	13-Jun-14	9.55%	13-Jun-19	5	CRISIL AAA/Stable
INE033L07934	Debentures*	13-Jun-14	9.45%	13-Jun-17	5	CRISIL AAA/Stable
INE033L07934	Debentures*	13-Jun-14	9.45%	13-Jun-17	10	CRISIL AAA/Stable
INE033L07934	Debentures*	13-Jun-14	9.45%	13-Jun-17	10	CRISIL AAA/Stable
INE033L07942	Debentures*	22-Jul-14	9.50%	21-Jul-17	10	CRISIL AAA/Stable
INE033L07959	Debentures	22-Jul-14	9.60%	22-Jul-19	10	CRISIL AAA/Stable
INE033L07975	Debentures*	07-Aug-14	9.60%	07-Aug-17	20	CRISIL AAA/Stable
INE033L07AA7	Debentures*	22-Aug-14	9.65%	22-Aug-17	40	CRISIL AAA/Stable
INE033L07AA7	Debentures*	22-Aug-14	9.65%	22-Aug-17	20	CRISIL AAA/Stable
INE033L07AB5	Debentures	22-Aug-14	9.65%	22-Aug-19	10	CRISIL AAA/Stable
INE033L07AF6	Debentures	22-Oct-14	9.60%	22-Oct-19	5	CRISIL AAA/Stable
INE033L07AF6	Debentures	22-Oct-14	9.60%	22-Oct-19	25	CRISIL AAA/Stable
INE033L07AF6	Debentures	22-Oct-14	9.60%	22-Oct-19	15	CRISIL AAA/Stable
INE033L07AF6	Debentures	22-Oct-14	9.60%	22-Oct-19	10	CRISIL AAA/Stable
INE033L07AK6	Debentures*	07-Nov-14	9.35%	13-Nov-17	12	CRISIL AAA/Stable
INE033L07AL4	Debentures*	11-Nov-14	9.25%	01-Nov-17	10	CRISIL AAA/Stable
INE033L07AO8	Debentures*	14-Nov-14	9.11%	24-Nov-17	15	CRISIL AAA/Stable
INE033L07AP5	Debentures*	18-Nov-14	9.10%	21-Nov-17	7	CRISIL AAA/Stable
INE033L07AQ3	Debentures*	20-Nov-14	9.07%	22-Nov-17	18	CRISIL AAA/Stable
INE033L07AU5	Debentures	09-Dec-14	9.22%	09-Dec-24	50	CRISIL AAA/Stable
INE033L07AU5	Debentures	09-Dec-14	9.22%	09-Dec-24	15	CRISIL AAA/Stable
INE033L07AU5	Debentures	09-Dec-14	9.22%	09-Dec-24	10	CRISIL AAA/Stable
INE033L07AU5	Debentures	09-Dec-14	9.22%	09-Dec-24	10	CRISIL AAA/Stable
INE033L07AU5	Debentures	09-Dec-14	9.22%	09-Dec-24	10	CRISIL AAA/Stable
INE033L07AU5	Debentures	09-Dec-14	9.22%	09-Dec-24	15	CRISIL AAA/Stable
INE033L07AU5	Debentures	09-Dec-14	9.22%	09-Dec-24	25	CRISIL AAA/Stable
INE033L07AU5	Debentures	09-Dec-14	9.22%	09-Dec-24	25	CRISIL AAA/Stable
INE033L07AU5	Debentures	09-Dec-14	9.22%	09-Dec-24	5	CRISIL AAA/Stable
INE033L07AU5	Debentures	09-Dec-14	9.22%	09-Dec-24	5	CRISIL AAA/Stable
INE033L07AU5	Debentures	09-Dec-14	9.22%	09-Dec-24	25	CRISIL AAA/Stable
INE033L07AU5	Debentures	09-Dec-14	9.22%	09-Dec-24	5	CRISIL AAA/Stable
INE033L07AX9	Debentures*	14-Jan-15	9.05%	10-Jan-18	16.2	CRISIL AAA/Stable
INE033L07AY7	Debentures*	20-Jan-15	8.92%	24-Jan-18	19	CRISIL AAA/Stable
INE033L07AZ4	Debentures	23-Jan-15	9.05%	23-Jan-25	15	CRISIL AAA/Stable

INE033L07AZ4	Debentures	23-Jan-15	9.05%	23-Jan-25	35	CRISIL AAA/Stable
INE033L07AZ4	Debentures	23-Jan-15	9.05%	23-Jan-25	10	CRISIL AAA/Stable
INE033L07AZ4	Debentures	23-Jan-15	9.05%	23-Jan-25	25	CRISIL AAA/Stable
INE033L07AZ4	Debentures	23-Jan-15	9.05%	23-Jan-25	10	CRISIL AAA/Stable
INE033L07AZ4	Debentures	23-Jan-15	9.05%	23-Jan-25	25	CRISIL AAA/Stable
INE033L07AZ4	Debentures	23-Jan-15	9.05%	23-Jan-25	15	CRISIL AAA/Stable
INE033L07AZ4	Debentures	23-Jan-15	9.05%	23-Jan-25	15	CRISIL AAA/Stable
INE033L07BB3	Debentures*	27-Jan-15	8.95%	14-Feb-18	8	CRISIL AAA/Stable
INE033L07BD9	Debentures*	04-Feb-15	8.90%	02-Feb-18	15	CRISIL AAA/Stable
INE033L07BE7	Debentures	12-Feb-15	9.05%	12-Feb-20	10	CRISIL AAA/Stable
INE033L07BF4	Debentures*	16-Feb-15	9.04%	12-Feb-18	7.5	CRISIL AAA/Stable
INE033L07BH0	Debentures*	05-Mar-15	9.0346%p.a. Annual Compounding	10-Apr-17	10	CRISIL AAA/Stable
INE033L07BJ6	Debentures*	10-Mar-15	9.00%	09-Mar-18	50	CRISIL AAA/Stable
INE033L07BJ6	Debentures*	10-Mar-15	9.00%	09-Mar-18	10	CRISIL AAA/Stable
INE033L07BK4	Debentures*	16-Mar-15	8.9964%p.a. Annual Compounding	17-Apr-17	9	CRISIL AAA/Stable
INE033L07BL2	Debentures*	16-Mar-15	9.00%	12-Mar-18	4.3	CRISIL AAA/Stable
INE033L07BL2	Debentures*	16-Mar-15	9.00%	12-Mar-18	0.7	CRISIL AAA/Stable
INE033L07BM0	Debentures*	26-Mar-15	8.98%	10-Apr-18	34	CRISIL AAA/Stable
INE033L07BN8	Debentures*	10-Apr-15	8.90%	19-Apr-17	5	CRISIL AAA/Stable
INE033L07BO6	Debentures*	10-Apr-15	8.90%	24-Apr-17	18	CRISIL AAA/Stable
INE033L07BP3	Debentures*	10-Apr-15	8.90%	10-Apr-18	53.5	CRISIL AAA/Stable
INE033L07BP3	Debentures*	10-Apr-15	8.90%	10-Apr-18	1.7	CRISIL AAA/Stable
INE033L07BQ1	Debentures*	10-Apr-15	8.90%	20-Apr-17	21	CRISIL AAA/Stable
INE033L07BQ1	Debentures*	10-Apr-15	8.90%	20-Apr-17	33.5	CRISIL AAA/Stable
INE033L07BR9	Debentures*	10-Apr-15	8.90%	26-Apr-17	67.6	CRISIL AAA/Stable
INE033L07BR9	Debentures*	10-Apr-15	8.90%	26-Apr-17	2.4	CRISIL AAA/Stable
INE033L07BS7	Debentures*	10-Apr-15	8.90%	25-Apr-17	4	CRISIL AAA/Stable
INE033L07BS7	Debentures*	10-Apr-15	8.90%	25-Apr-17	4.2	CRISIL AAA/Stable
INE033L07BS7	Debentures*	10-Apr-15	8.90%	25-Apr-17	6.3	CRISIL AAA/Stable
INE033L07BS7	Debentures*	10-Apr-15	8.90%	25-Apr-17	14	CRISIL AAA/Stable
INE033L07BS7	Debentures*	10-Apr-15	8.90%	25-Apr-17	15.5	CRISIL AAA/Stable
INE033L07BS7	Debentures*	10-Apr-15	8.90%	25-Apr-17	21.5	CRISIL AAA/Stable
INE033L07BS7	Debentures*	10-Apr-15	8.90%	25-Apr-17	48	CRISIL AAA/Stable
INE033L07BT5	Debentures*	15-Apr-15	8.8416%p.a. Annual Compounding	13-Apr-17	9	CRISIL AAA/Stable
INE033L07BT5	Debentures*	15-Apr-15	8.8416%p.a. Annual Compounding	13-Apr-17	2.7	CRISIL AAA/Stable
INE033L07BU3	Debentures*	17-Apr-15	8.8062%p.a. Annual Compounding	04-Apr-17	2	CRISIL AAA/Stable
INE033L07BU3	Debentures*	17-Apr-15	8.8062%p.a. Annual Compounding	04-Apr-17	2.5	CRISIL AAA/Stable
INE033L07BV1	Debentures*	17-Apr-15	8.8072%p.a. Annual Compounding	27-Apr-17	5	CRISIL AAA/Stable
INE033L07BV1	Debentures*	17-Apr-15	8.8072%p.a. Annual Compounding	27-Apr-17	12	CRISIL AAA/Stable
INE033L07BV1	Debentures*	17-Apr-15	8.8072%p.a. Annual Compounding	27-Apr-17	70	CRISIL AAA/Stable
INE033L07BW9	Debentures*	17-Apr-15	8.85%	10-Apr-18	9	CRISIL AAA/Stable
INE033L07BX7	Debentures*	21-Apr-15	8.7738%p.a. Annual Compounding	03-Apr-17	2.5	CRISIL AAA/Stable
INE033L07BX7	Debentures*	21-Apr-15	8.7738%p.a. Annual Compounding	03-Apr-17	15.5	CRISIL AAA/Stable
INE033L07BY5	Debentures*	21-Apr-15	8.8126%p.a. Annual Compounding	21-Apr-17	16	CRISIL AAA/Stable

INE033L07BZ2	Debentures*	23-Apr-15	8.7129%p.a. Annual Compounding	03-Apr-17	1	CRISIL AAA/Stable
INE033L07BZ2	Debentures*	23-Apr-15	8.7129%p.a. Annual Compounding	03-Apr-17	28	CRISIL AAA/Stable
INE033L07BZ2	Debentures*	23-Apr-15	8.7129%p.a. Annual Compounding	03-Apr-17	18	CRISIL AAA/Stable
INE033L07CA3	Debentures*	23-Apr-15	8.7614%p.a. Annual Compounding	25-Apr-17	2	CRISIL AAA/Stable
INE033L07CA3	Debentures*	23-Apr-15	8.7614%p.a. Annual Compounding	25-Apr-17	11	CRISIL AAA/Stable
INE033L07CA3	Debentures*	23-Apr-15	8.7614%p.a. Annual Compounding	25-Apr-17	4	CRISIL AAA/Stable
INE033L07CA3	Debentures*	23-Apr-15	8.7614%p.a. Annual Compounding	25-Apr-17	2.5	CRISIL AAA/Stable
INE033L07CA3	Debentures*	23-Apr-15	8.7614%p.a. Annual Compounding	25-Apr-17	4.1	CRISIL AAA/Stable
INE033L07CB1	Debentures*	23-Apr-15	8.7442%p.a. Annual Compounding	01-Jun-17	60	CRISIL AAA/Stable
INE033L07CC9	Debentures*	27-Apr-15	8.78% p.a.	27-Apr-18	21	CRISIL AAA/Stable
INE033L07CD7	Debentures*	06-May-15	8.7772%p.a Annual Compounding	25-Apr-17	5.1	CRISIL AAA/Stable
INE033L07CE5	Debentures*	06-May-15	8.7738%p.a Annual Compounding	18-Apr-17	8.8	CRISIL AAA/Stable
INE033L07CF2	Debentures*	06-May-15	8.7815%p.a Annual Compounding	04-May-17	7.5	CRISIL AAA/Stable
INE033L07CF2	Debentures*	06-May-15	8.7815%p.a Annual Compounding	04-May-17	9.2	CRISIL AAA/Stable
INE033L07CG0	Debentures*	08-May-15	8.7996%p.a Annual Compounding	02-May-17	16	CRISIL AAA/Stable
INE033L07CG0	Debentures*	08-May-15	8.7996%p.a Annual Compounding	02-May-17	17	CRISIL AAA/Stable
INE033L07CG0	Debentures*	08-May-15	8.7996%p.a Annual Compounding	02-May-17	7	CRISIL AAA/Stable
INE033L07CH8	Debentures*	13-May-15	8.89%	24-May-17	3.4	CRISIL AAA/Stable
INE033L07CH8	Debentures*	13-May-15	8.89%	24-May-17	0.9	CRISIL AAA/Stable
INE033L07CH8	Debentures*	13-May-15	8.89%	24-May-17	17.7	CRISIL AAA/Stable
INE033L07CI6	Debentures*	13-May-15	8.89%	27-Apr-17	2.6	CRISIL AAA/Stable
INE033L07CI6	Debentures*	13-May-15	8.89%	27-Apr-17	6.4	CRISIL AAA/Stable
INE033L07CJ4	Debentures*	28-May-15	8.80%	27-Apr-17	1	CRISIL AAA/Stable
INE033L07CJ4	Debentures*	28-May-15	8.80%	27-Apr-17	2.8	CRISIL AAA/Stable
INE033L07CJ4	Debentures*	28-May-15	8.80%	27-Apr-17	11.2	CRISIL AAA/Stable
INE033L07CK2	Debentures*	28-May-15	8.80%	20-Jun-17	6.9	CRISIL AAA/Stable
INE033L07CK2	Debentures*	28-May-15	8.80%	20-Jun-17	15	CRISIL AAA/Stable
INE033L07CO4	Debentures*	01-Jun-15	9.00%	01-Jun-18	10	CRISIL AAA/Stable
INE033L07CO4	Debentures*	01-Jun-15	9.00%	01-Jun-18	10	CRISIL AAA/Stable
INE033L07CO4	Debentures*	01-Jun-15	9.00%	01-Jun-18	40	CRISIL AAA/Stable
INE033L07CO4	Debentures*	01-Jun-15	9.00%	01-Jun-18	200	CRISIL AAA/Stable
INE033L07CP1	Debentures*	01-Jun-15	8.84%	02-Jan-18	11.4	CRISIL AAA/Stable
INE033L07CQ9	Debentures*	01-Jun-15	9.00%	29-May-18	35	CRISIL AAA/Stable
INE033L07CR7	Debentures*	01-Jun-15	9.00%	20-Jun-18	9.3	CRISIL AAA/Stable
INE033L07CR7	Debentures*	01-Jun-15	9.00%	20-Jun-18	15.7	CRISIL AAA/Stable
INE033L07CS5	Debentures*	04-Jun-15	8.90%	04-Jun-18	10	CRISIL AAA/Stable
INE033L07CU1	Debentures*	12-Jun-15	8.87%	12-Jun-18	22.1	CRISIL AAA/Stable
INE033L07CU1	Debentures*	12-Jun-15	8.87%	12-Jun-18	25	CRISIL AAA/Stable
INE033L07CV9	Debentures*	12-Jun-15	8.83%	07-Jun-17	24	CRISIL AAA/Stable
INE033L07CW7	Debentures	16-Jun-15	8.85%	16-Jun-25	20	CRISIL AAA/Stable

INE033L07CX5	Debentures*	24-Jun-15	8.90%	18-Jun-18	11.5	CRISIL AAA/Stable
INE033L07CY3	Debentures*	24-Jun-15	8.90%	19-Jun-18	20	CRISIL AAA/Stable
INE033L07CZ0	Debentures	24-Jun-15	8.89%	07-Jan-19	5	CRISIL AAA/Stable
INE033L07DB9	Debentures*	30-Jun-15	8.86%	20-Jun-17	18	CRISIL AAA/Stable
INE033L07DA1	Debentures*	30-Jun-15	8.86%	26-Jun-17	18	CRISIL AAA/Stable
INE033L07DC7	Debentures*	03-Jul-15	8.86%	28-Jun-17	13	CRISIL AAA/Stable
INE033L07DF0	Debentures*	07-Jul-15	8.99%	23-Jun-17	25	CRISIL AAA/Stable
INE033L07DE3	Debentures*	07-Jul-15	8.99%	07-Jul-17	5	CRISIL AAA/Stable
INE033L07DG8	Debentures	09-Jul-15	8.95%	09-Jul-20	10	CRISIL AAA/Stable
INE033L07DI4	Debentures*	14-Jul-15	8.92%	14-Jul-17	50	CRISIL AAA/Stable
INE033L07DJ2	Debentures*	16-Jul-15	8.92%	26-Jul-18	44	CRISIL AAA/Stable
INE033L07DK0	Debentures*	24-Jul-15	8.90%	19-Jul-18	20	CRISIL AAA/Stable
INE033L07DL8	Debentures	29-Jul-15	8.99%	29-Jul-22	75	CRISIL AAA/Stable
INE033L07DM6	Debentures*	31-Jul-15	8.86%	21-Aug-18	4.6	CRISIL AAA/Stable
INE033L07DM6	Debentures*	31-Jul-15	8.86%	21-Aug-18	17.1	CRISIL AAA/Stable
INE033L07DN4	Debentures*	31-Jul-15	8.86%	23-Jul-18	6	CRISIL AAA/Stable
INE033L07DN4	Debentures*	31-Jul-15	8.86%	23-Jul-18	10	CRISIL AAA/Stable
INE033L07DN4	Debentures*	31-Jul-15	8.86%	23-Jul-18	10	CRISIL AAA/Stable
INE033L07DO2	Debentures	07-Aug-15	8.86%	07-Aug-20	30	CRISIL AAA/Stable
INE033L07DP9	Debentures	17-Aug-15	8.85%	17-Aug-20	60	CRISIL AAA/Stable
INE033L07DP9	Debentures	17-Aug-15	8.85%	17-Aug-20	20	CRISIL AAA/Stable
INE033L07DP9	Debentures	17-Aug-15	8.85%	17-Aug-20	10	CRISIL AAA/Stable
INE033L07DP9	Debentures	17-Aug-15	8.85%	17-Aug-20	10	CRISIL AAA/Stable
INE033L07DQ7	Debentures	20-Aug-15	8.85%	20-Aug-20	10	CRISIL AAA/Stable
INE033L07DR5	Debentures	24-Aug-15	8.80%	24-Aug-18	5	CRISIL AAA/Stable
INE033L07DS3	Debentures*	24-Aug-15	8.80%	20-Aug-18	35	CRISIL AAA/Stable
INE033L07DT1	Debentures*	26-Aug-15	8.85%	16-Aug-18	14.1	CRISIL AAA/Stable
INE033L07DT1	Debentures*	26-Aug-15	8.85%	16-Aug-18	1.3	CRISIL AAA/Stable
INE033L07DT1	Debentures*	26-Aug-15	8.85%	16-Aug-18	0.4	CRISIL AAA/Stable
INE033L07DU9	Debentures	31-Aug-15	8.87%	29-Aug-25	20	CRISIL AAA/Stable
INE033L07DW5	Debentures	08-Oct-15	8.70%	08-Oct-25	7	CRISIL AAA/Stable
INE033L07DW5	Debentures	08-Oct-15	8.70%	08-Oct-25	0.5	CRISIL AAA/Stable
INE033L07DX3	Debentures	14-Oct-15	8.70%	14-Oct-20	20	CRISIL AAA/Stable
INE033L07DY1	Debentures	16-Oct-15	8.70%	16-Oct-20	25	CRISIL AAA/Stable
INE033L07DY1	Debentures	16-Oct-15	8.70%	16-Oct-20	25	CRISIL AAA/Stable
INE033L07DZ8	Debentures*	21-Oct-15	8.60%	20-Oct-17	10	CRISIL AAA/Stable
INE033L07EA9	Debentures	26-Oct-15	8.65%	26-Oct-18	13	CRISIL AAA/Stable
INE033L07EB7	Debentures	02-Nov-15	8.65%	02-Nov-18	12	CRISIL AAA/Stable
INE033L07EC5	Debentures	06-Nov-15	8.60%	06-Nov-25	25	CRISIL AAA/Stable
INE033L07EC5	Debentures	06-Nov-15	8.60%	06-Nov-25	10	CRISIL AAA/Stable
INE033L07ED3	Debentures	06-Nov-15	8.60%	06-Nov-20	5	CRISIL AAA/Stable
INE033L07EE1	Debentures*	07-Dec-15	8.65%	07-Dec-17	15	CRISIL AAA/Stable
INE033L07EF8	Debentures*	23-Dec-15	8.65%	22-Dec-17	20	CRISIL AAA/Stable
INE033L07EG6	Debentures	12-Jan-16	8.70%	12-Jan-23	15	CRISIL AAA/Stable
INE033L07EH4	Debentures	12-Jan-16	8.70%	12-Jan-24	15	CRISIL AAA/Stable
INE033L07EI2	Debentures	18-Jan-16	8.70%	18-Jan-19	100	CRISIL AAA/Stable
INE033L07EJ0	Debentures	20-Jan-16	8.70%	18-Jan-19	10	CRISIL AAA/Stable
INE033L07EK8	Debentures	22-Jan-16	8.70%	22-Jan-21	10	CRISIL AAA/Stable
INE033L07EK8	Debentures	22-Jan-16	8.70%	22-Jan-21	10	CRISIL AAA/Stable
INE033L07EL6	Debentures	02-Mar-16	8.93%	16-May-19	20	CRISIL AAA/Stable
INE033L07EL6	Debentures	02-Mar-16	8.93%	16-May-19	1.9	CRISIL AAA/Stable
INE033L07EL6	Debentures	02-Mar-16	8.93%	16-May-19	0.1	CRISIL AAA/Stable
INE033L07EM4	Debentures	30-Mar-16	8.78%	30-Mar-26	5	CRISIL AAA/Stable
INE033L07EM4	Debentures	30-Mar-16	8.78%	30-Mar-26	5	CRISIL AAA/Stable
INE033L07EM4	Debentures	30-Mar-16	8.78%	30-Mar-26	5	CRISIL AAA/Stable
INE033L07EN2	Debentures	30-Mar-16	8.79%	18-Apr-19	10	CRISIL AAA/Stable
INE033L07EO0	Debentures	12-Apr-16	8.73%	12-Apr-21	100	CRISIL AAA/Stable
INE033L07EO0	Debentures	12-Apr-16	8.73%	12-Apr-21	20	CRISIL AAA/Stable
INE033L07EP7	Debentures	18-Apr-16	8.70%	18-Apr-19	15	CRISIL AAA/Stable

INE033L07EQ5	Debentures*	22-Apr-16	8.68%	20-Mar-18	71	CRISIL AAA/Stable
INE033L07EQ5	Debentures*	22-Apr-16	8.68%	20-Mar-18	24	CRISIL AAA/Stable
INE033L07ER3	Debentures*	29-Apr-16	8.67%	20-Mar-18	60	CRISIL AAA/Stable
INE033L07ES1	Debentures	04-May-16	8.63%	04-May-23	20	CRISIL AAA/Stable
INE033L07ET9	Debentures*	11-May-16	8.63%	11-May-18	15	CRISIL AAA/Stable
INE033L07EU7	Debentures	10-Jun-16	8.75%	24-Jun-19	2	CRISIL AAA/Stable
INE033L07EV5	Debentures	10-Jun-16	8.7233%p.a Annual Compounding	23-Dec-19	13	CRISIL AAA/Stable
INE033L07EW3	Debentures	14-Jun-16	8.75%	14-Jun-19	5	CRISIL AAA/Stable
INE033L07EX1	Debentures*	15-Jun-16	8.71%	15-Mar-18	25	CRISIL AAA/Stable
INE033L07EY9	Debentures	30-Jun-16	8.70%	30-Jun-26	10	CRISIL AAA/Stable
INE033L07EZ6	Debentures	05-Jul-16	8.70%	05-Jul-21	10	CRISIL AAA/Stable
INE033L07EZ6	Debentures	05-Jul-16	8.70%	05-Jul-21	10	CRISIL AAA/Stable
INE033L07FA6	Debentures*	07-Jul-16	8.69%	08-Jan-18	25	CRISIL AAA/Stable
INE033L07FA6	Debentures*	07-Jul-16	8.69%	08-Jan-18	5	CRISIL AAA/Stable
INE033L07FB4	Debentures	14-Jul-16	8.66%	12-Jul-19	10	CRISIL AAA/Stable
INE033L07FC2	Debentures	29-Jul-16	8.62%	29-Jul-19	10	CRISIL AAA/Stable
INE033L07FD0	Debentures*	02-Aug-16	8.62%	02-Aug-18	100	CRISIL AAA/Stable
INE033L07FE8	Debentures	08-Aug-16	8.42%	08-Aug-19	25	CRISIL AAA/Stable
INE033L07FF5	Debentures*	18-Aug-16	8.20%	16-Aug-18	130	CRISIL AAA/Stable
INE033L07FG3	Debentures	30-Aug-16	8.16%	30-Aug-19	25	CRISIL AAA/Stable
INE033L07FH1	Debentures	31-Aug-16	8.16%	31-Aug-18	25	CRISIL AAA/Stable
INE033L07FI9	Debentures	15-Sep-16	8.20%	15-Sep-21	10	CRISIL AAA/Stable
INE033L07FJ7	Debentures*	10-Oct-16	7.76%	28-Mar-18	200	CRISIL AAA/Stable
INE033L07FJ7	Debentures*	10-Oct-16	7.76%	28-Mar-18	115	CRISIL AAA/Stable
INE033L07FJ7	Debentures*	10-Oct-16	7.76%	28-Mar-18	60	CRISIL AAA/Stable
INE033L07FJ7	Debentures*	10-Oct-16	7.76%	28-Mar-18	25	CRISIL AAA/Stable
INE033L07FK5	Debentures	17-Nov-16	7.80%	16-Nov-18	25	CRISIL AAA/Stable
INE033L07FL3	Debentures	28-Dec-16	7.59%	28-Dec-21	408	CRISIL AAA/Stable
INE033L07FM1	Debentures	10-Feb-17	7.77%	07-Feb-20	51.4	CRISIL AAA/Stable
INE033L07FN9	Debentures	17-Mar-17	7.60%	17-Mar-20	300	CRISIL AAA/Stable
NA	Debentures^	NA	NA	NA	255.6	CRISIL AAA/Stable
INE033L08015	Subordinated debt	29-Jul-11	10.17%	29-Jul-21	15	CRISIL AAA/Stable
INE033L08015	Subordinated debt	29-Jul-11	10.17%	29-Jul-21	5	CRISIL AAA/Stable
INE033L08015	Subordinated debt	29-Jul-11	10.17%	29-Jul-21	5	CRISIL AAA/Stable
INE033L08023	Subordinated debt	29-Sep-11	10.00%	29-Sep-21	5	CRISIL AAA/Stable
INE033L08023	Subordinated debt	29-Sep-11	10.00%	29-Sep-21	1	CRISIL AAA/Stable
INE033L08023	Subordinated debt	29-Sep-11	10.00%	29-Sep-21	0.8	CRISIL AAA/Stable
INE033L08023	Subordinated debt	29-Sep-11	10.00%	29-Sep-21	0.4	CRISIL AAA/Stable
INE033L08023	Subordinated debt	29-Sep-11	10.00%	29-Sep-21	2.5	CRISIL AAA/Stable
INE033L08023	Subordinated debt	29-Sep-11	10.00%	29-Sep-21	0.1	CRISIL AAA/Stable
INE033L08023	Subordinated debt	29-Sep-11	10.00%	29-Sep-21	0.2	CRISIL AAA/Stable
INE033L08023	Subordinated debt	29-Sep-11	10.00%	29-Sep-21	0.5	CRISIL AAA/Stable
INE033L08023	Subordinated debt	29-Sep-11	10.00%	29-Sep-21	2.5	CRISIL AAA/Stable
INE033L08023	Subordinated debt	29-Sep-11	10.00%	29-Sep-21	5	CRISIL AAA/Stable

INE033L08023	Subordinated debt	29-Sep-11	10.00%	29-Sep-21	2.3	CRISIL AAA/Stable
INE033L08023	Subordinated debt	29-Sep-11	10.00%	29-Sep-21	5	CRISIL AAA/Stable
INE033L08031	Subordinated debt	28-Oct-11	10.00%	28-Oct-21	0.5	CRISIL AAA/Stable
INE033L08031	Subordinated debt	28-Oct-11	10.00%	28-Oct-21	0.1	CRISIL AAA/Stable
INE033L08031	Subordinated debt	28-Oct-11	10.00%	28-Oct-21	0.5	CRISIL AAA/Stable
INE033L08049	Subordinated debt	04-Nov-11	10.00%	04-Nov-21	10	CRISIL AAA/Stable
INE033L08049	Subordinated debt	04-Nov-11	10.00%	04-Nov-21	0.1	CRISIL AAA/Stable
INE033L08056	Subordinated debt	25-Jan-12	10.15%	25-Jan-22	8.5	CRISIL AAA/Stable
INE033L08056	Subordinated debt	25-Jan-12	10.15%	25-Jan-22	5	CRISIL AAA/Stable
INE033L08064	Subordinated debt	12-Mar-12	10.15%	12-Mar-22	10	CRISIL AAA/Stable
INE033L08064	Subordinated debt	12-Mar-12	10.15%	12-Mar-22	0.2	CRISIL AAA/Stable
INE033L08072	Subordinated debt	10-May-12	10.00%	10-May-22	1	CRISIL AAA/Stable
INE033L08098	Subordinated debt	30-May-12	10.00%	30-May-22	0.3	CRISIL AAA/Stable
INE033L08080	Subordinated debt	30-May-12	10.05%	30-May-22	20	CRISIL AAA/Stable
INE033L08080	Subordinated debt	30-May-12	10.05%	30-May-22	10	CRISIL AAA/Stable
INE033L08106	Subordinated debt	22-Aug-12	10.25%	22-Aug-22	33	CRISIL AAA/Stable
INE033L08114	Subordinated debt	28-Mar-13	9.75%	28-Mar-23	10	CRISIL AAA/Stable
INE033L08114	Subordinated debt	28-Mar-13	9.75%	28-Mar-23	5	CRISIL AAA/Stable
INE033L08122	Subordinated debt	15-Apr-13	9.70%	15-Apr-23	10	CRISIL AAA/Stable
INE033L08122	Subordinated debt	15-Apr-13	9.70%	15-Apr-23	5	CRISIL AAA/Stable
INE033L08122	Subordinated debt	15-Apr-13	9.70%	15-Apr-23	0.5	CRISIL AAA/Stable
INE033L08122	Subordinated debt	15-Apr-13	9.70%	15-Apr-23	1.3	CRISIL AAA/Stable
INE033L08122	Subordinated debt	15-Apr-13	9.70%	15-Apr-23	8.2	CRISIL AAA/Stable
INE033L08130	Subordinated debt	23-Apr-13	9.70%	23-Apr-23	1.6	CRISIL AAA/Stable
INE033L08130	Subordinated debt	23-Apr-13	9.70%	23-Apr-23	0.5	CRISIL AAA/Stable
INE033L08148	Subordinated debt	20-May-13	9.30%	19-May-23	1	CRISIL AAA/Stable
INE033L08155	Subordinated debt	10-Jan-14	10.00%	10-Jan-24	5	CRISIL AAA/Stable
INE033L08155	Subordinated debt	10-Jan-14	10.00%	10-Jan-24	2	CRISIL AAA/Stable
INE033L08155	Subordinated debt	10-Jan-14	10.00%	10-Jan-24	0.7	CRISIL AAA/Stable
INE033L08163	Subordinated debt	18-Mar-14	10.00%	18-Mar-24	0.4	CRISIL AAA/Stable
INE033L08171	Subordinated debt	26-Sep-14	10.15%	26-Sep-24	41	CRISIL AAA/Stable
INE033L08171	Subordinated debt	26-Sep-14	10.15%	26-Sep-24	7	CRISIL AAA/Stable
INE033L08189	Subordinated debt	28-Apr-15	9.25%	28-Apr-25	20	CRISIL AAA/Stable

INE033L08189	Subordinated debt	28-Apr-15	9.25%	28-Apr-25	10	CRISIL AAA/Stable
INE033L08189	Subordinated debt	28-Apr-15	9.25%	28-Apr-25	10	CRISIL AAA/Stable
INE033L08197	Subordinated debt	22-Jul-15	9.25%	22-Jul-25	35	CRISIL AAA/Stable
INE033L08205	Subordinated debt	16-Sep-15	9.20%	16-Sep-25	10	CRISIL AAA/Stable
INE033L08213	Subordinated debt	21-Sep-15	9.20%	19-Sep-25	15	CRISIL AAA/Stable
INE033L08221	Subordinated debt	04-Nov-15	8.99%	04-Nov-25	13	CRISIL AAA/Stable
INE033L08221	Subordinated debt	04-Nov-15	8.99%	04-Nov-25	13	CRISIL AAA/Stable
INE033L08221	Subordinated debt	04-Nov-15	8.99%	04-Nov-25	2	CRISIL AAA/Stable
INE033L08221	Subordinated debt	04-Nov-15	8.99%	04-Nov-25	1	CRISIL AAA/Stable
INE033L08221	Subordinated debt	04-Nov-15	8.99%	04-Nov-25	1	CRISIL AAA/Stable
INE033L08239	Subordinated debt	15-Dec-15	9.00%	15-Dec-25	22	CRISIL AAA/Stable
INE033L08239	Subordinated debt	15-Dec-15	9.00%	15-Dec-25	1	CRISIL AAA/Stable
INE033L08239	Subordinated debt	15-Dec-15	9.00%	15-Dec-25	1	CRISIL AAA/Stable
INE033L08239	Subordinated debt	15-Dec-15	9.00%	15-Dec-25	1	CRISIL AAA/Stable
INE033L08247	Subordinated debt	17-Dec-15	9.00%	17-Dec-25	25	CRISIL AAA/Stable
INE033L08254	Subordinated debt	15-Mar-16	9.00%	13-Mar-26	15	CRISIL AAA/Stable
INE033L08254	Subordinated debt	15-Mar-16	9.00%	13-Mar-26	3	CRISIL AAA/Stable
INE033L08254	Subordinated debt	15-Mar-16	9.00%	13-Mar-26	1	CRISIL AAA/Stable
INE033L08254	Subordinated debt	15-Mar-16	9.00%	13-Mar-26	1	CRISIL AAA/Stable
INE033L08262	Subordinated debt	04-Aug-16	8.92%	04-Aug-26	100	CRISIL AAA/Stable
INE033L08262	Subordinated debt	04-Aug-16	8.92%	04-Aug-26	100	CRISIL AAA/Stable
NA	Subordinated debt^	NA	NA	NA	500	CRISIL AAA/Stable
NA	Commercial Paper	NA	NA	7-365 days	8,000	CRISIL A1+
NA	Cash Credit and Working Capital Demand Loan	NA	NA	NA	3445	CRISIL AAA/Stable
NA	Long term bank facility	NA	NA	NA	2606	CRISIL AAA/Stable
NA	Proposed Long Term Bank Loan Facility	NA	NA	NA	1949	CRISIL AAA/Stable

^Rated but unutlised
#Includes Non-Convertible Debentures and Subordinated Debt
**Outstanding as of 31st March 2018. CRISIL is awaiting independent confirmation of redemption before withdrawing ratings on these facility.*

Annexure - Rating History for last 3 Years

	Current			2018 (History)		2017		2016		2015		Start of 2015
Instrument	Type	Outstanding Amount	Rating	Date	Rating	Date	Rating	Date	Rating	Date	Rating	Rating
Commercial Paper	ST	8000.00	CRISIL A1+	15-08-18	CRISIL A1+	10-10-17	CRISIL A1+	08-12-16	CRISIL A1+	23-09-15	CRISIL A1+	CRISIL A1+
				02-07-18	CRISIL A1+	09-10-17	CRISIL A1+	11-08-16	CRISIL A1+	25-08-15	CRISIL A1+	
				28-05-18	CRISIL A1+	28-07-17	CRISIL A1+	17-06-16	CRISIL A1+	29-07-15	CRISIL A1+	
				29-03-18	CRISIL A1+	30-05-17	CRISIL A1+	08-06-16	CRISIL A1+	06-05-15	CRISIL A1+	
						29-03-17	CRISIL	27-05-16	CRISIL	26-03-15	CRISIL	

							A1+		A1+		A1+	
								13-04-16	CRISIL A1+	13-02-15	CRISIL A1+	
								19-01-16	CRISIL A1+	20-01-15	CRISIL A1+	
Non Convertible Debentures	LT	7108.20 21-08-18	CRISIL AAA/Stable	15-08-18	CRISIL AAA/Stable	10-10-17	CRISIL AA+/Stable	08-12-16	CRISIL AA+/Stable	23-09-15	CRISIL AA+/Stable	CRISIL AA+/Stable
				02-07-18	CRISIL AA+/Stable	09-10-17	CRISIL AA+/Stable	11-08-16	CRISIL AA+/Stable	25-08-15	CRISIL AA+/Stable	
				28-05-18	CRISIL AA+/Stable	28-07-17	CRISIL AA+/Stable	17-06-16	CRISIL AA+/Stable	29-07-15	CRISIL AA+/Stable	
				29-03-18	CRISIL AA+/Stable	30-05-17	CRISIL AA+/Stable	08-06-16	CRISIL AA+/Stable	06-05-15	CRISIL AA+/Stable	
						29-03-17	CRISIL AA+/Stable	27-05-16	CRISIL AA+/Stable	26-03-15	CRISIL AA+/Stable	
								13-04-16	CRISIL AA+/Stable	13-02-15	CRISIL AA+/Stable	
								19-01-16	CRISIL AA+/Stable	20-01-15	CRISIL AA+/Stable	
Retail Bond	LT	5000.00 21-08-18	CRISIL AAA/Stable		--		--		--		--	--
Subordinated Debt	LT	1148.70 21-08-18	CRISIL AAA/Stable	15-08-18	CRISIL AAA/Stable	10-10-17	CRISIL AA+/Stable	08-12-16	CRISIL AA+/Stable	23-09-15	CRISIL AA+/Stable	CRISIL AA+/Stable
				02-07-18	CRISIL AA+/Stable	09-10-17	CRISIL AA+/Stable	11-08-16	CRISIL AA+/Stable	25-08-15	CRISIL AA+/Stable	
				28-05-18	CRISIL AA+/Stable	28-07-17	CRISIL AA+/Stable	17-06-16	CRISIL AA+/Stable	29-07-15	CRISIL AA+/Stable	
				29-03-18	CRISIL AA+/Stable	30-05-17	CRISIL AA+/Stable	08-06-16	CRISIL AA+/Stable	06-05-15	CRISIL AA+/Stable	
						29-03-17	CRISIL AA+/Stable	27-05-16	CRISIL AA+/Stable	26-03-15	CRISIL AA+/Stable	
								13-04-16	CRISIL AA+/Stable	13-02-15	CRISIL AA+/Stable	
								19-01-16	CRISIL AA+/Stable	20-01-15	CRISIL AA+/Stable	
Fund-based Bank Facilities	LT/ST	8000.00	CRISIL AAA/Stable	15-08-18	CRISIL AAA/Stable	10-10-17	CRISIL AA+/Stable	08-12-16	CRISIL AA+/Stable/ CRISIL A1+	23-09-15	CRISIL AA+/Stable	CRISIL AA+/Stable/ CRISIL A1+
				02-07-18	CRISIL AA+/Stable	09-10-17	CRISIL AA+/Stable	11-08-16	CRISIL AA+/Stable/ CRISIL A1+	25-08-15	CRISIL AA+/Stable	
				28-05-18	CRISIL AA+/Stable	28-07-17	CRISIL AA+/Stable	17-06-16	CRISIL AA+/Stable/ CRISIL A1+	29-07-15	CRISIL AA+/Stable	
				29-03-18	CRISIL AA+/Stable	30-05-17	CRISIL AA+/Stable	08-06-16	CRISIL AA+/Stable/ CRISIL A1+	06-05-15	CRISIL AA+/Stable	
						29-03-17	CRISIL AA+/Stable	27-05-16	CRISIL AA+/Stable/ CRISIL A1+	26-03-15	CRISIL AA+/Stable	
								13-04-16	CRISIL AA+/Stable/ CRISIL A1+	13-02-15	CRISIL AA+/Stable/ CRISIL A1+	
								19-01-16	CRISIL AA+/Stable	20-01-15	CRISIL AA+/Stable/ CRISIL A1+	

All amounts are in Rs.Cr.

Links to related criteria

CRISILs Bank Loan Ratings - process, scale and default recognition

Rating Criteria for Finance Companies

CRISILs Criteria for Consolidation

CRISILs Criteria for rating short term debt

Criteria for Notching up Stand Alone Ratings of Companies based on Parent Support

For further information contact:

Media Relations

Saman Khan
Media Relations
CRISIL Limited
D: +91 22 3342 3895
B: +91 22 3342 3000
saman.khan@crisil.com

Analytical Contacts

Krishnan Sitaraman
Senior Director - CRISIL Ratings
CRISIL Limited
D:+91 22 3342 8070
krishnan.sitaraman@crisil.com

Customer Service Helpdesk

Timings: 10.00 am to 7.00 pm
Toll free Number:1800 267 1301

For a copy of Rationales / Rating Reports:
CRISILratingdesk@crisil.com

Naireen Ahmed
Media Relations
CRISIL Limited
D: +91 22 3342 1818
B: +91 22 3342 3000
naireen.ahmed@crisil.com

Ajit Velonie
Director - CRISIL Ratings
CRISIL Limited
D:+91 22 4097 8209
ajit.velonie@crisil.com

Shubha Bhanu
Rating Analyst - CRISIL Ratings
CRISIL Limited
D:+91 22 4254 4058
Shubha.Bhanu@crisil.com

For Analytical queries:
ratingsinvestordesk@crisil.com

Note for Media:
This rating rationale is transmitted to you for the sole purpose of dissemination through your newspaper / magazine / agency. The rating rationale may be used by you in full or in part without changing the meaning or context thereof but with due credit to CRISIL. However, CRISIL alone has the sole right of distribution (whether directly or indirectly) of its rationales for consideration or otherwise through any media including websites, portals etc.

About CRISIL Limited

CRISIL is a leading agile and innovative, global analytics company driven by its mission of making markets function better. We are India's foremost provider of ratings, data, research, analytics and solutions. A strong track record of growth, culture of innovation and global footprint sets us apart. We have delivered independent opinions, actionable insights, and efficient solutions to over 1,00,000 customers.

We are majority owned by S&P Global Inc., a leading provider of transparent and independent ratings, benchmarks, analytics and data to the capital and commodity markets worldwide.

For more information, visit www.crisil.com

Connect with us: TWITTER | LINKEDIN | YOUTUBE | FACEBOOK

About CRISIL Ratings

CRISIL Ratings is part of CRISIL Limited ("CRISIL"). We pioneered the concept of credit rating in India in 1987. CRISIL is registered in India as a credit rating agency with the Securities and Exchange Board of India ("SEBI"). With a tradition of independence, analytical rigour and innovation, CRISIL sets the standards in the credit rating business. We rate the entire range of debt instruments, such as, bank loans, certificates of deposit, commercial paper, non-convertible / convertible / partially convertible bonds and debentures, perpetual bonds, bank hybrid capital instruments, asset-backed and mortgage-backed securities, partial guarantees and other structured debt instruments. We have rated over 24,500 large and mid-scale corporates and financial institutions. CRISIL has also instituted several innovations in India in the rating business, including rating municipal bonds, partially guaranteed instruments and microfinance institutions. We also pioneered a globally unique rating service for Micro, Small and Medium Enterprises (MSMEs) and significantly extended the accessibility to rating services to a wider market. Over 1,10,000 MSMEs have been rated by us.

CRISIL PRIVACY

CRISIL respects your privacy. We may use your contact information, such as your name, address, and email id to fulfil your request and service your account and to provide you with additional information from CRISIL.For further information on CRISIL's privacy policy please visit www.crisil.com.

DISCLAIMER

This disclaimer forms part of and applies to each credit rating report and/or credit rating rationale that we provide (each a "Report"). For the avoidance of doubt, the term "Report" includes the information, ratings and other content forming part of the Report. The Report is intended for the jurisdiction of India only. This Report does not constitute an offer of services. Without limiting the generality of the foregoing, nothing in the Report is to be construed as CRISIL providing or intending to provide any services in jurisdictions where CRISIL does not have the necessary licenses and/or registration to carry out its business activities referred to above. Access or use of this Report does not create a client relationship between CRISIL and the user.

We are not aware that any user intends to rely on the Report or of the manner in which a user intends to use the Report. In preparing our Report we have not taken into consideration the objectives or particular needs of any particular user. It is made abundantly clear that the Report is not intended to and does not constitute an investment advice. The Report is not an offer to sell or an offer to purchase or subscribe for any investment in any securities, instruments, facilities or solicitation of any kind or otherwise enter into any deal or transaction with the entity to which the Report pertains. The Report should not be the sole or primary basis for any investment decision within the meaning of any law or regulation (including the laws and regulations applicable in the US).

Ratings from CRISIL Rating are statements of opinion as of the date they are expressed and not statements of fact or recommendations to purchase, hold, or sell any securities / instruments or to make any investment decisions. Any opinions expressed here are in good faith, are subject to change without notice, and are only current as of the stated date of their issue. CRISIL assumes no obligation to update its opinions following publication in any form or format although CRISIL may disseminate its opinions and analysis. CRISIL rating contained in the Report is not a substitute for the skill, judgment and experience of the user, its management, employees, advisors and/or clients when making investment or other business decisions. The recipients of the Report should rely on their own judgment and take their own professional advice before acting on the Report in any way.

Neither CRISIL nor its affiliates, third party providers, as well as their directors, officers, shareholders, employees or agents (collectively, "CRISIL Parties") guarantee the accuracy, completeness or adequacy of the Report, and no CRISIL Party shall have any liability for any errors, omissions, or interruptions therein, regardless of the cause, or for the results obtained from the use of any part of the Report. EACH CRISIL PARTY DISCLAIMS ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY, SUITABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE. In no event shall any CRISIL Party be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs) in connection with any use of any part of the Report even if advised of the possibility of such damages.

CRISIL Ratings may receive compensation for its ratings and certain credit-related analyses, normally from issuers or underwriters of the instruments, facilities, securities or from obligors. CRISIL's public ratings and analysis as are required to be disclosed under the regulations of the Securities and Exchange Board of India (and other applicable regulations, if any) are made available on its web sites, www.crisil.com (free of charge). Reports with more detail and additional information may be available for subscription at a fee – more details about CRISIL ratings are available here: www.crisilratings.com.

CRISIL and its affiliates do not act as a fiduciary. While CRISIL has obtained information from sources it believes to be reliable, CRISIL does not perform an audit and undertakes no duty of due diligence or independent verification of any information it receives and / or relies in its Reports. CRISIL keeps certain activities of its business units separate from each other in order to preserve the independence and objectivity of the respective activity. As a result, certain business units of CRISIL may have information that is not available to other CRISIL business units. CRISIL has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process. CRISIL has in place a ratings code of conduct and policies for analytical firewalls and for managing conflict of interest. For details please refer to: https://www.crisil.com/en/home/our-businesses/ratings/regulatory-disclosures/highlighted-policies.html

CRISIL's rating criteria are generally available without charge to the public on the CRISIL public web site, www.crisil.com. For latest rating information on any instrument of any company rated by CRISIL you may contact CRISIL RATING DESK at CRISILratingdesk@crisil.com, or at (0091) 1800 267 1301.

This Report should not be reproduced or redistributed to any other person or in any form without a prior written consent of CRISIL.

ANNEXURE C

INDIA RATINGS RATING LETTER

APPENDED OVERLEAF

India Ratings & Research

Fitch Group

Mr. Kiran Joshi
Head-Treasury,
Tata Capital Housing Finance Limited
Tower A, 1101 (11th Floor) Peninsula Business Park,
GK Marg, Lower Parel,
Mumbai – 400013

August 23, 2018

Dear Mr. Joshi,

Re: Tata Capital Housing Finance Limited (TCHFL)

India Ratings (see definition below) assigns the following debt rating to TCHFL:-

- INR50bn Retail bonds (combination of non-convertible debentures and subordinated bonds): 'IND AAA'/Outlook Stable

TCHFL has Long-Term Issuer Rating of 'IND AAA' with a Stable Outlook.

In issuing and maintaining its ratings, India Ratings relies on factual information it receives from issuers and underwriters and from other sources India Ratings believes to be credible. India Ratings conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security or in a given jurisdiction.

The manner of India Ratings' factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in the jurisdiction in which the rated security is offered and sold and/or the issuer is located, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors.

Users of India Ratings' ratings should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information India Ratings relies on in connection with a rating will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to India Ratings and to the market in offering documents and other reports. In issuing its ratings India Ratings must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings can be affected by future events or conditions that were not anticipated at the time a rating was issued or affirmed.

India Ratings seeks to continuously improve its ratings criteria and methodologies, and periodically updates the descriptions on its website of its criteria and methodologies for securities of a given type. The criteria and methodology used to determine a rating action are those in effect at the time the rating action is taken, which for public ratings is the date of the related rating action commentary. Each rating action commentary provides information about the criteria and methodology used to arrive at the stated rating,

u

which may differ from the general criteria and methodology for the applicable security type posted on the website at a given time. For this reason, you should always consult the applicable rating action commentary for the most accurate information on the basis of any given public rating.

Ratings are based on established criteria and methodologies that India Ratings is continuously evaluating and updating. Therefore, ratings are the collective work product of India Ratings and no individual, or group of individuals, is solely responsible for a rating. All India Ratings reports have shared authorship. Individuals identified in an India Ratings report were involved in, but are not solely responsible for, the opinions stated therein. The individuals are named for contact purposes only.

Ratings are not a recommendation or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan or security or any issuer. Ratings do not comment on the adequacy of market price, the suitability of any investment, loan or security for a particular investor (including without limitation, any accounting and/or regulatory treatment), or the tax-exempt nature or taxability of payments made in respect of any investment, loan or security. India Ratings is not your advisor, nor is India Ratings providing to you or any other party any financial advice, or any legal, auditing, accounting, appraisal, valuation or actuarial services. A rating should not be viewed as a replacement for such advice or services. Investors may find India Ratings' ratings to be important information, and India Ratings notes that you are responsible for communicating the contents of this letter, and any changes with respect to the rating to investors.

It is important that you promptly provide us with all information that may be material to the ratings so that our ratings continue to be appropriate. Ratings may be raised, lowered, withdrawn, or placed on Rating Watch at any time due to changes in, additions to, accuracy of or the inadequacy of information or for any other reason India Ratings deems sufficient.

Nothing in this letter is intended to or should be construed as creating a fiduciary relationship between India Ratings and you or between India Ratings and any user of the ratings.

In this letter, "India Ratings" means India Ratings & Research Pvt. Ltd. and any successor in interest.

We are pleased to have had the opportunity to be of service to you. If we can be of further assistance, please contact us at +91 22 4000 1700.

Sincerely,

India Ratings

Sandeep Singh
Senior Director

Prakash Agarwal
Prakash Agarwal
Director

INDIA RATINGS RATING RATIONALE

APPENDED OVERLEAF

Login

India-Ratings Assigns Tata Capital Housing Finance 'IND AAA'/Stable

22

AUG 2018

By Siddharth Goel

India Ratings and Research (Ind-Ra) has assigned Tata Capital Housing Finance Limited (TCHFL) a Long-Term Issuer Rating of 'IND AAA' with a Stable Outlook. The instrument-wise rating action is rated as follows:

Instrument Type	Date of Issuance	Coupon Rate	Maturity Date	Size of Issue (billion)	Rating/Outlook	Rating Action
Retail bonds*	-	-	-	INR50	IND AAA/Stable	Assigned
Long-term bank loans	-	-	-	INR15	IND AAA/Stable	Assigned

*Unutilised; combination of non-convertible debentures and subordinated bonds

Ind-Ra has taken a consolidated view of Tata Capital Limited (TCL; 'IND AAA'/Stable) and its operating subsidiaries including TCHFL (100% held by TCL) for assigning the ratings, given the financial and operational flexibilities that the consolidated platform offers.

KEY RATING DRIVERS

Core to Ultimate Parent; Could Play Important Role in Group's Strategy: The ratings reflect the strong credit profile of TCL's 93% parent, Tata Sons Limited (TSL). TCL's business is core and integral to TSL's strategy and is likely to be one of the key growth and value drivers for it. TSL maintains strategic linkages, management oversight and control over, and majority shareholding in TCL, which will continue on an ongoing basis. TSL has expressed its commitment to (a) provide support to TCL group to meet the latter's healthy long-term growth plans and (b) assist TCL to meet all obligations to its lenders in the event of extreme stress scenario. The support has been demonstrated by way of a committed capital infusion of INR25 billion into TCL in FY19 (INR12.5 billion already received in July 2018), which is 38% of TCL's net worth at FYE18.

Although TCL's consolidated profitability share is modest, Ind-Ra expects financial services contribution to increase significantly in the long run. This is in line with TSL's investment strategy, aiming to generate a more diversified income profile.

TCL's Increasing Granularity in Loan Portfolio; Focus on Group Ecosystem: TCL's sizeable franchise has a fairly diversified portfolio across subsidiaries including Tata Capital Financial Services Limited ('IND AAA'/Stable), TCHFL and Tata Capital Cleantech Limited. There has been increased focus of the group on financial services business. TCL's senior management team has been strengthened with experienced industry professionals being brought to manage the financial services business. The company plans to increase the proportion of granular retail and semi wholesale loans (60% of consolidated loan book, mainly housing and SME business loans).

Penetration in Tata Group to Increase: TCL plans to expand its presence in Tata Group companies, benefiting from the synergies of group. It targets to penetrate extensively into the group's ecosystem which would include lending to vendors, customers and employees of Tata group's (employee base of over 300,000). Ind-Ra expects this would enable TCL to improve its customer longevity and reduce business generation as well as credit costs.

High Growth Focus: TCHFL's loans form 34% of the total consolidated loans of TCL at FYE18. This proportion is likely to increase as TCHFL is targeted by the management to grow at a faster rate than TCFSL. TCHFL has an individual home loans (HL) proportion of 70% in its loans portfolio, while loan against property (LAP) and construction funding (CF) form 20% and 10% of the loans, respectively. The affordable housing financing segment forms 25% of HLs. Ind-Ra expects an increase in the proportion of LAP and CF loans which would improve the yield profile of TCHFL.

Improving Operational Performance: TCHFL's pre-provisioning operating profitability as a proportion to earning assets increased to an average 2.2% during FY16-FY18 from average 1.7% in the preceding two years, led by a rising net interest margin and reducing operating costs. The net interest margin rose due to an increase in the affordable financing and LAP proportion. While the profitability lags behind the industry peers', an improvement is likely as management focuses on improving efficiencies in operational and credit processes, customer centricity, portfolio quality, and collection capability. TCHFL's gross non-performing asset ratio increased to 1.2% in FY18 (FY17: 0.9%) due to higher delinquencies in the HL segment, while those in the LAP and CF segments remained controlled. LAP loans booked in TCHFL are much granular with an average ticket size of INR270 million. TCHFL's pre-provisioning operating profitability buffer (FY18: 3.3x) is adequate to absorb its credit costs.

Capitalisation to Improve: TCHFL plans to improve its tangible equity to assets ratio from 8.5% at FYE18, owing to an equity infusion in FY19. Management has indicated the debt-equity ratio would remain in line with industry peers' in the long-run.

Funding Mismatches in Short Tenor: TCHFL has cumulative asset-liability mismatches in the short-term buckets which were high at FYE18. The refinancing risk however is mitigated with TSL's commitment to TCL and its subsidiaries to assist them in meeting their obligations to lenders in the event of extreme stress scenarios. The availability of undrawn bank lines provides additional comfort.

RATING SENSITIVITIES

Future developments that could, individually or collectively, lead to a negative rating action include:

- dilution of support expectations in Ind-Ra's opinion, either on account of inability to manage asset quality especially in view of the high loan growth strategy, resulting in higher-than-expected losses or diminished business prospects, materially weakened financial parameters, or decreased importance of TCHFL or TCL to TSL, or otherwise
- lack of timely support in terms of equity capital for growth or a liquidity event
- any deterioration in the credit profile of TSL

COMPANY PROFILE

TCHFL is a housing finance company and is wholly owned subsidiary of TCL. It houses the mortgage related lending products of TCL. The company had a balance sheet size of INR206.7 billion at end-March 2018. The company has a pan-India presence with more than 40 branches.

FINANCIAL SUMMARY

Particulars	**FY18**	**FY17**
Total tangible assets (INR million)	203,681.6	170,207.9
Total tangible equity (INR million)	17,235.3	13,369.2
Net income (INR million)	2,142.0	1,781.7
Return on average assets (%)	1.1	1.2
Teir-I capital adequacy ratio (%)	12.1	10.2
Tangible equity/assets (%)	8.5	7.9
Source: TCHFL		

NON-COOPERATION WITH PREVIOUS RATING AGENCY

For details on the complexity level of the instruments, please visit https://www.indiaratings.co.in/complexity-indicators.

SOLICITATION DISCLOSURES

Additional information is available at www.indiaratings.co.in. The ratings above were solicited by, or on behalf of, the issuer, and therefore, India Ratings has been compensated for the provision of the ratings.

Ratings are not a recommendation or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan or security or any issuer.

ABOUT INDIA RATINGS AND RESEARCH

About India Ratings and Research: India Ratings and Research (Ind-Ra) is India's most respected credit rating agency committed to providing India's credit markets accurate, timely and prospective credit opinions. Built on a foundation of independent thinking, rigorous analytics, and an open and balanced approach towards credit research, Ind-Ra has grown rapidly during the past decade, gaining significant market presence in India's fixed income market.

Ind-Ra currently maintains coverage of corporate issuers, financial institutions (including banks and insurance companies), finance and leasing companies, managed funds, urban local bodies and project finance companies.

Headquartered in Mumbai, Ind-Ra has seven branch offices located in Ahmedabad, Bengaluru, Chennai, Delhi, Hyderabad, Kolkata and Pune. Ind-Ra is recognised by the Securities and Exchange Board of India, the Reserve Bank of India and National Housing Bank.

India Ratings is a 100% owned subsidiary of the Fitch Group.

For more information, visit www.indiaratings.co.in.

DISCLAIMER

ALL CREDIT RATINGS ASSIGNED BY INDIA RATINGS ARE SUBJECT TO CERTAIN LIMITATIONS AND DISCLAIMERS. PLEASE READ THESE LIMITATIONS AND DISCLAIMERS BY FOLLOWING THIS LINK: HTTPS://WWW.INDIARATINGS.CO.IN/RATING-DEFINITIONS. IN ADDITION, RATING DEFINITIONS AND THE TERMS OF USE OF SUCH RATINGS ARE AVAILABLE ON THE AGENCY'S PUBLIC WEBSITE WWW.INDIARATINGS.CO.IN. PUBLISHED RATINGS, CRITERIA, AND METHODOLOGIES ARE AVAILABLE FROM THIS SITE AT ALL TIMES. INDIA RATINGS' CODE OF CONDUCT, CONFIDENTIALITY, CONFLICTS OF INTEREST, AFFILIATE FIREWALL, COMPLIANCE, AND OTHER RELEVANT POLICIES AND PROCEDURES ARE ALSO AVAILABLE FROM THE CODE OF CONDUCT SECTION OF THIS SITE.

Applicable Criteria

Financial Institutions Rating Criteria
Non-Bank Finance Companies Criteria

Analyst Names

Primary Analyst

Siddharth Goel

Associate Director
India Ratings and Research Pvt Ltd Wockhardt Towers, 4th floor, West Wing Plot C-2, G Block.
Bandra Kurla Complex Bandra (East), Mumbai 400051
+91 22 40001760

Secondary Analyst

Jinay Gala

Senior Analyst
+91 22 40356138

Committee Chairperson

Prakash Agarwal

Director and Head Financial Institutions
+91 22 40001753

Media Relation

Namita Sharma

Manager – Corporate Communication

+91 22 40356121

ANNEXURE D

ICRA RATING LETTER

APPENDED OVERLEAF

ICRA

ICRA Limited

CONFIDENTIAL

Ref: 2018-19/MUM/0778
August 24, 2018

Mr. Kiran Joshi
Tata Capital Housing Finance Limited
Tower A 1101 Peninsula Business Park
Ganpatrao Kadam Marg,
Lower Parel
Mumbai 400 013

Dear Sir/ Madam,

Re: **ICRA Credit Rating for the Rs. 5,000 crore Retail Bonds Programme (including non-convertible debentures and subordinated debt) of Tata Capital Housing Finance Limited**

Please refer to the Rating Agreement dated **August 23, 2018** for carrying out the rating of the aforesaid debt programme. The Rating Committee of ICRA, after due consideration, has assigned a "**[ICRA]AAA**" (pronounced as ICRA Triple A) rating to the captioned debt programme. The Outlook on the long-term rating is **Stable**. Instruments with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk. In any of your publicity material or other document wherever you are using our above rating, it should be stated as **"[ICRA]AAA(stable)"**.

We would appreciate if you can sign the acknowledgement and send it to us latest by **August 31, 2018** as acceptance on the assigned rating. The rationale for assigning the above rating will be sent to you on receipt of your acceptance on rating, as above In case you do not communicate your acceptance/non acceptance of the assigned credit rating, or do not appeal against the assigned credit rating by the aforesaid date, the credit rating will be treated by us as non accepted and shall be disclosed on ICRA's website accordingly. This is in accordance with requirements prescribed in the circular dated June 30, 2017 on ***'Monitoring and Review of Ratings by Credit Rating Agencies (CRAs)'*** issued by the Securities and Exchange Board of India.

Any intimation by you about the above rating to any Banker/Lending Agency/Government Authorities/Stock Exchange would constitute use of this rating by you and shall be deemed acceptance of the rating.

This rating is specific to the terms and conditions of the proposed issue as was indicated to us by you and any change in the terms or size of the issue would require the rating to be reviewed by us. If there is any change in the terms and conditions or size of the instrument rated, as above, the same must be brought to our notice before the issue of the instrument. If there is any such change after the rating is assigned by us and accepted by you, it would be subject to our review and may result in change in the rating assigned. ICRA reserves the right to review and/or, revise the above at any time on the basis of new information or unavailability of information or such other circumstances, which ICRA believes, may have an impact on the rating assigned to you.

The rating, as aforesaid, however, should not be treated as a recommendation to buy, sell or hold the bonds, debentures and/ or other instruments of like nature to be issued by you.

As mentioned above and in accordance with the aforesaid circular issued by SEBI, you are requested to furnish a monthly *'No Default Statement (NDS)'* (in the format enclosed) on the first working day of every month, confirming the timeliness of payment of all obligations against the rated debt programme. You are also requested to forthwith inform us about any default or delay in repayment of interest or principal amount of the instrument rated, as above, or any other debt instruments/ borrowing and keep us informed of any other developments which may have a direct or indirect impact on the debt servicing capability of the company including any proposal for re-schedulement or postponement of the repayment programmes of the dues/ debts of the company with any lender(s) / investor(s). Further, you are requested to inform us immediately as and when the borrowing limit for the instrument rated, as above, or as prescribed by the regulatory authority(ies) is exceeded.

Enclosed herewith is a copy of the rationale of the assigned rating for your reference. Please respond with your comments if any within the aforesaid timeline of **August 31, 2018**.

We thank you for your kind cooperation extended during the course of the rating exercise. Should you require any clarification, please do not hesitate to get in touch with us. We look forward to your communication and assure you of our best services.

With kind regards,
For ICRA Limited

A. J.

SUBRATA RAY
Senior Group Vice President
subrata@icraindia.com

AKSHAY JAIN
Analyst
akshay.jain@icraindia.com

Electric Mansion, 3rd Floor
Appasaheb Marathe Marg
Prabhadevi, Mumbai 400025

Tel. : +91.22.61693300
CIN : L74999DL1991PLC042749

Website : www.icra.in
Email : info@icraindia.com
Helpdesk : +91.124.2866928

Registered Office : 1105, Kailash Building, 11th Floor, 26 Kasturba Gandhi Marg, New Delhi - 110001. Tel. : +91.11.23357940-45

RATING • RESEARCH • INFORMATION 5078

ICRA RATING RATIONALE

APPENDED OVERLEAF

Tata Capital Housing Finance Limited

August 24, 2018

Summary of rated instruments

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Retail Bonds (including non-convertible debentures and subordinated debt)	-	5,000.00	[ICRA]AAA(stable); assigned
Commercial Paper Programme	8,000.00	8,000.00	[ICRA]A1+; reaffirmed
Non-Convertible Debentures Programme	2,400.00	2,400.00	[ICRA]AAA(stable); upgraded from [ICRA]AA+(stable)
Subordinated Debt Programme	1,100.00	1,100.00	[ICRA]AAA(stable); upgraded from [ICRA]AA+(stable)
Total	**11,500.00**	**16,500.00**	

*Instrument details are provided in Annexure-1

Rating action

ICRA has assigned a rating of [ICRA]AAA (pronounced ICRA triple A) to the Rs. 5,000 retail bond programme (including non-convertible debentures and subordinated debt) of Tata Capital Housing Finance Limited (TCHFL)[1]. ICRA has also upgraded the long-term rating outstanding for the Rs. 2,400 crore non-convertible debentures programme and Rs. 1,100 crore subordinated debt programme of TCHFL from [ICRA]AA+ (pronounced ICRA double A plus) to [ICRA]AAA. ICRA has also reaffirmed the short-term rating outstanding of [ICRA]A1+ (pronounced ICRA A one plus) for the Rs. 8,000 crore commercial paper programme of TCHFL. The outlook on the long-term ratings is Stable.

For the purpose of these ratings, ICRA has analysed the business and financial risk profiles of Tata Capital Limited (TCL, rated [ICRA]A1+) and its key subsidiaries TCHFL, Tata Capital Financial Services Limited (TCFSL rated [ICRA]AAA(stable)/[ICRA]A1+), and Tata Cleantech Capital Limited (TCCL, rated [ICRA]A1+) together as these entities have significant operational and management linkages and operate under the common Tata Capital brand. Furthermore, a significant proportion of TCL's earnings (on a consolidated basis) are accounted for by its three main subsidiaries TCFSL, TCHFL and TCCL.

Rationale

The ratings for TCHFL derives significant strength from TCHFL's ultimate parent Tata Sons Limited (TSL, rated [ICRA]AAA(stable)/[ICRA]A1+). TCHFL is a 100% subsidiary of TCL, which in turn is 93.22% owned by TSL. Over the years, the strategic importance of the financial services businesses (housed in TCL and its subsidiaries) has increased for TSL and consequently the extent and likelihood of further support from TSL to TCL has gone up. The same has also been demonstrated by the recent equity infusion of Rs. 1,250 crore by TSL into TCL, with another Rs. 1250 crore committed to be infused in the current fiscal and hence the rating upgrade. ICRA believes the prudent capitalisation levels is one the key mitigant against the delinquencies and other credit risks associated with lending business. ICRA also expects that the support from TSL would be available to TCL at all times, which would enable TCL to meet all its obligations in the timely manner, in case there were to be any shortfalls. In addition to the capital support, the company also benefits from the Tata Group's strong franchise and close board supervision and its access to TCL's infrastructure, marketing and loans origination teams which has enabled it to grow its business volumes. The synergies within the Tata group are expected to

[1] *For complete rating scale and definitions, please refer to ICRA's website (www.icra.in) or other ICRA rating publications*

improve further the TCL group focusing on the Tata ecosystem for business growth. Further, TCHFL enjoys healthy financial flexibility to mobilise long term funding at competitive rates on account of its strong parentage.

The rating also factors in the company's steady growth in business volumes (~32% CAGR in portfolio over the last three years), moderate profitability (average ROE of ~13% over the last three years) and good asset quality through business cycles (gross NPAs of 1.22% as on March 31, 2018) despite the high proportion of lending to the relatively riskier self-employed segment. The company's ability to maintain good asset quality while expanding its scale of operations and any dilution in the significance of TCHFL to its parent would be key rating sensitivities. Further, ICRA has taken note that the company's ALM profile exhibits some mismatches in short term buckets, however these are adequately backed by unutilised banks lines. Given the company's parentage, ICRA expects the company to be able to refinance the asset liability gaps and also expects support to be forthcoming from the parent, as and when required.

Outlook: Stable

In ICRA's opinion, TCHFL will continue to enjoy support from its ultimate parent, TSL, helping it maintain a comfortable capitalisation and liquidity profile. The outlook may be revised to Negative in case there is a deterioration in the company's asset quality or solvency indicators. Any dilution in importance to the parent or a change in the expected level of support would also remain a key rating sensitivity.

Key rating drivers

Credit strengths

Strong parentage and strategic importance to the Group - TSL has a 93.22% stake in TCL, which in turn has a 100% ownership in TCHFL. ICRA views the housing finance segment as an important extension to the existing bouquet of financial products offered by TCL, making TCHFL strategically important for the parent. With increased focus on the financial services business, the importance of the company has further increased. Additionally, the company also benefits from the Tata Group's strong franchise and close board supervision and its access to TCL's infrastructure and marketing and loans origination teams which has enabled it to grow its business volumes. TCHFL also enjoys good financial flexibility as a result of being part of the Tata Group, with access to funds at competitive rates of interest. However, any dilution in the expected level of support to TCL or change in the credit profile of its parent would be a key rating sensitivity.

Robust growth in advances over the past few years - TCHFL has grown it portfolio at a CAGR of ~32% over the last three years to Rs. 21,090 crore as on March 31, 2018 of which 70% was in the home loan segment, 20% in the LAP and 10% in the builder and construction finance segment. The share of LAP in the overall portfolio is likely to increase following the relaxation in NHB guidelines, which had earlier restricted it to 25% for the HFC to be eligible for NHB refinance. The company intends to expand its operations to Tier II and Tier III cities to tap the growing affordable housing market, which currently accounts for ~6% of the total portfolio. Given the increase in the supply in the housing market and demand holding up, ICRA expects the growth prospects to remain good for the company.

Good asset quality notwithstanding the risky borrower profile - TCHFL's gross NPAs increased marginally to 1.22% as on March 31, 2018 from 0.91% as on March 31, 2017. Nevertheless, the asset quality remains comfortable when compared to its peers especially given the company's relatively high share of self-employed borrowers (~ 50% of the retail portfolio). During FY2018, TCHFL increased its provision cover ratio to 61% as on March 31, 2018 resulting in stable net NPAs of 0.48% as on March 31, 2018 as compared to 0.46% as on March 31, 2017. The company's builder loan portfolio has shown lower delinquencies as compared to the other segments; the gross NPAs for builder loan segment stood at 0.47%, followed by home loan at 1.34% and LAP at 1.49% as on March 31, 2018. Going forward, the company's ability to maintain a control over its asset quality as it continues to expand will be an important rating consideration.

Diverse borrowing profile – TCHFL enjoys good financial flexibility by virtue of being a part of Tata Group, with access to funds at competitive rates of interest. The funding mix remains dominated by of long term market borrowings (NCD/subordinate-debt) (27% as on March 31, 2018 vis-a-vis 37% as on March 31, 2017) and NHB refinance (31% as on March 31, 2018 vis-a-vis 23% as on March 31, 2017) with the proportion shifting in favour on NHB refinance during FY2018. TCHFL also has a high reliance on commercial paper borrowings (17% as on March 31, 2018 vis-a-vis 20% as on March 31, 2017) though it has reduced in FY2018. However, ICRA takes comfort from the support from the company's policy of maintaining adequate unutilised bank facilities as liquidity backup. The liquidity profile is also supported by the good financial flexibility of the group and the expectation of support from parent to be forthcoming as and when required.

Credit challenges

Need for capital likely to remain high given the pace of growth and modest internal capital generation - TCHFL has grown it portfolio at a CAGR of ~32% over the last three years to Rs. 21,090 crore as on March 31, 2018. Since TCHFL's pace of growth has been higher than internal capital generation, the need for external capital has remained high. The company's capitalisation has been supported by regular capital infusions from the parent (Rs. 165 crore in FY2017 and Rs. 301 crore in FY2018). Notwithstanding TCHFL's ability to raise equity and the high level of support from the parent, its gearing levels were relatively high at 10.3 times as on March 31, 2018 (though it has declined from 11.2 times as on March 31, 2017). The company's capital adequacy with its Tier 1 and CRAR improved to 12.10% and 17.22% respectively as on March 31, 2018 as compared to 10.19% and 16.01% respectively as on March 31, 2017. On a consolidated basis across the lending entities (TCFSL, TCHFL and TCCL), the leverage was moderate at 7.3 times as on March 31, 2018 and is expected to remain at similar levels over the medium term. ICRA believes the prudent capitalisation levels is one the key mitigant against the delinquencies and other credit risks associated with lending business and expects the company to remain adequately capitalised as it continues to expand its portfolio given the strong capital commitment from its parent.

Moderate profitability – TCHFL's net interest margins declined marginally to 3.2% in FY2018 from 3.3% in FY2017. The company's operating expenses moderated to 1.47% of ATA in FY2018 from 1.60% in FY2017 owing to improved operating efficiencies following business growth. However, its credit provisions increased to 0.68% of ATA in FY2018 from 0.46% in FY2017, with some slippages in the loan book. Consequently, its return of assets declined to 1.13% in FY2018 from 1.17% in FY2017. The company reported a moderate return on equity of 13.70% in FY2018 (14.57% in FY2017) as compared to its peers.

Relatively high ALM gaps; however, adequate unutilised bank lines results in a comfortable liquidity profile - TCHFL's reliance on short-term funds, while resulting in a lower cost of funds, results in relatively high asset liability maturity (ALM) gaps. ICRA takes comfort from the company's policy of maintaining adequate unutilised bank facilities to cover these mismatches. ICRA expects the company to be able to refinance the asset liability gaps and also expects the support to be forthcoming from the parent as and when required.

Analytical approach: For arriving at the ratings, ICRA has applied its rating methodologies as indicated below.

Links to applicable criteria:

Rating Methodology for Housing Finance Companies

About the company:

Tata Capital Housing Finance Limited (TCHFL) is a 100% subsidiary of Tata Capital Limited (TCL) and was incorporated for providing long-term housing finance. The company's incorporation was an integral part of TCL's plan to augment its existing product pipeline in the retail segment. TCHFL is registered with the National Housing Bank as a housing finance company. The company commenced its lending operations in July 2009 and had a total portfolio of around Rs. 21,090 crore as on March 31, 2018.

For FY2018, the company reported a profit after tax of Rs. 214.20 crore (vis-à-vis Rs. 178.17 crore in FY2017) on a total income of Rs. 1,983.55 crore in FY2018 (vis-à-vis Rs. 1,723.07 crore in FY2017). The company's total net worth stood at Rs. 1,772.70 crore as on March 31, 2018.

About Tata Capital Limited:

TCL is a subsidiary of Tata Sons Limited, which holds 93.22% of TCL. TCL is registered as a core investment company and is the holding company for various financial services of the Group including TCFSL, Tata Capital Housing Finance Limited and Tata Securities Limited. TCL also holds strategic and private equity investments. For FY2018, the company reported a net profit of Rs. 201.78 crore on a total asset base of Rs. 7,278.34 crore against a net profit of Rs. 180.16 crore on a total asset base of Rs. 6,703.04 crore in FY2017.

About Tata Sons Limited:

Tata Sons Limited (TSL), founded in 1917 by Tata Group's founder, Shri J N Tata, is the principal holding company for Tata Group and the owner of the Tata brand and associated Tata trademarks. Charitable trusts, including those endowed by the late Sir Dorabji Tata, own 66% of TSL's shares. While income from dividends and profit generated on sale of investments constitute the principal revenue source for the company, it also earns royalty fees from Group companies for using the Tata brand. Currently, TSL's equity investments are spread across seven major industry segments and include investments in Tata Consultancy Services Limited, Tata Steel Limited, Tata Power Company Limited, Tata Motors Limited, Tata Chemicals Limited, Tata Teleservices Limited, and Tata Global Beverages Limited.

Key Financial Indicators (Audited)

	FY 2017	FY 2018
Net interest income	469	576
Profit before tax	273	329
Profit after tax	178	214
Portfolio	17,343	21,090
Total assets	17,206	20,669
% Tier 1	10.19%	12.10%
% CRAR	16.01%	17.22%
Gearing	11.23	10.29
% Net profit/Average total assets	1.17%	1.13%
% Return on net worth	14.57%	13.70%
% Gross NPAs	0.91%	1.22%
% Net NPAs	0.46%	0.48%
Net NPA/Net worth	5.77%	5.45%

Amount is Rs. crore

Source: TCHFL; ICRA research

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for last three years:

	Instrument	Current Rating (FY2019)					Chronology of Rating History for the past 3 years					
							FY2018		FY2017		FY2016	
		Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	Aug 2018	May 2018	Sep 2017	April 2017	Jan 2017	May 2016	Feb 2016	Sep 2015
1	Commercial Paper Programme	Short Term	8,000.00	-	[ICRA] A1+	[ICRA]A1+	[ICRA] A1+	-	-	withdrawn	[ICRA] A1+	[ICRA] A1+
2	Non-Convertible Debenture Programme	Long Term	2,400.00	2,044.50	[ICRA] AAA (Stable)	[ICRA]AA+ (Stable)	[ICRA] AA+ (Stable)	[ICRA] AA+ (Stable)	[ICRA] AA+ (Stable)	[ICRA] AA+ (Stable)	[ICRA] AA+ (Stable)	[ICRA] AA+ (Stable)
3	Subordinated Debt Programme	Long Term	1,100.00	597.50	[ICRA] AAA (Stable)	[ICRA]AA+ (Stable)	[ICRA] AA+ (Stable)	[ICRA] AA+ (Stable)	[ICRA] AA+ (Stable)	[ICRA] AA+ (Stable)	[ICRA] AA+ (Stable)	[ICRA] AA+ (Stable)
4	Retail Bond programme	Long Term	5000	-	[ICRA]AAA (Stable)	-	-	-	-	-	-	-

Complexity level of the rated instrument:

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website www.icra.in

Annexure-1: Instrument Details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Retail Bonds Programme (including non-convertible debentures and subordinated debt)	NA	NA	NA	5,000.00^	[ICRA]AAA(Stable)
NA	Non-Convertible Debentures Programme	NA	NA	NA	355.50^	[ICRA]AAA(Stable)
INE033L07AU5	Non-Convertible Debentures Programme	09-Dec-14	9.22%	09-Dec-24	200.00	[ICRA]AAA(Stable)
INE033L07AZ4	Non-Convertible Debentures Programme	23-Jan-15	9.05%	23-Jan-25	150.00	[ICRA]AAA(Stable)
INE033L07DP9	Non-Convertible Debentures Programme	17-Aug-15	8.85%	17-Aug-20	100.00	[ICRA]AAA(Stable)
INE033L07DU9	Non-Convertible Debentures Programme	31-Aug-15	8.87%	29-Aug-25	20.00	[ICRA]AAA(Stable)
INE033L07DW5	Non-Convertible Debentures Programme	08-Oct-15	8.70%	08-Oct-25	7.50	[ICRA]AAA(Stable)
INE033L07EL6	Non-Convertible Debentures Programme	02-Mar-16	8.93%	16-May-19	22.00	[ICRA]AAA(Stable)
INE033L07EW3	Non-Convertible Debentures Programme	14-Jun-16	8.75%	14-Jun-19	5.00	[ICRA]AAA(Stable)
INE033L07EY9	Non-Convertible Debentures Programme	30-Jun-16	8.70%	30-Jun-26	10.00	[ICRA]AAA(Stable)
INE033L07EZ6	Non-Convertible Debentures Programme	05-Jul-16	8.70%	05-Jul-21	20.00	[ICRA]AAA(Stable)
INE033L07FI9	Non-Convertible Debentures Programme	15-Sep-16	8.20%	15-Sep-21	10.00	[ICRA]AAA(Stable)
INE033L07FP4	Non-Convertible Debentures Programme	17-Apr-17	7.68%	17-Apr-19	175.00	[ICRA]AAA(Stable)
INE033L07FQ2	Non-Convertible Debentures Programme	20-Apr-17	7.71%	29-Apr-20	5.00	[ICRA]AAA(Stable)
INE033L07FR0	Non-Convertible Debentures Programme	30-May-17	7.77%	30-May-19	25.00	[ICRA]AAA(Stable)
INE033L07FS8	Non-Convertible Debentures Programme	07-Jun-17	7.75%	30-Jun-20	5.00	[ICRA]AAA(Stable)
INE033L07FT6	Non-Convertible Debentures Programme	14-Jun-17	7.70%	15-Jun-20	55.00	[ICRA]AAA(Stable)
INE033L07FU4	Non-Convertible Debentures Programme	13-Jul-17	7.60%	12-Jul-19	100.00	[ICRA]AAA(Stable)
INE033L07FV2	Non-Convertible Debentures Programme	21-Jul-17	7.54%	19-Jul-19	125.00	[ICRA]AAA(Stable)
INE033L07FW0	Non-Convertible Debentures Programme	31-Aug-17	7.40%	31-Aug-20	350.00	[ICRA]AAA(Stable)
INE033L07FX8	Non-Convertible Debentures Programme	30-May-18	8.60% XIRR	30-Jul-19	90.00	[ICRA]AAA(Stable)
INE033L07FY6	Non-Convertible Debentures Programme	20-Jul-18	8.7589%	30-Sep-19	570.00	[ICRA]AAA(Stable)

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Subordinated Debt Programme	NA	NA	NA	502.50^	[ICRA]AAA(Stable)
INE033L08023	Subordinated Debt Programme	29-Sep-11	10.00%	29-Sep-21	25.30	[ICRA]AAA(Stable)
INE033L08031	Subordinated Debt Programme	28-Oct-11	10.00%	28-Oct-21	1.10	[ICRA]AAA(Stable)
INE033L08049	Subordinated Debt Programme	04-Nov-11	10.00%	04-Nov-21	10.10	[ICRA]AAA(Stable)
INE033L08056	Subordinated Debt Programme	25-Jan-12	10.15%	25-Jan-22	13.50	[ICRA]AAA(Stable)
INE033L08064	Subordinated Debt Programme	12-Mar-12	10.15%	12-Mar-22	10.20	[ICRA]AAA(Stable)
INE033L08072	Subordinated Debt Programme	10-May-12	10.00%	10-May-22	1.00	[ICRA]AAA(Stable)
INE033L08098	Subordinated Debt Programme	30-May-12	10.00%	30-May-22	0.30	[ICRA]AAA(Stable)
INE033L08080	Subordinated Debt Programme	30-May-12	10.05%	30-May-22	30.00	[ICRA]AAA(Stable)
INE033L08106	Subordinated Debt Programme	22-Aug-12	10.25%	22-Aug-22	33.00	[ICRA]AAA(Stable)
INE033L08122	Subordinated Debt Programme	15-Apr-13	9.70%	15-Apr-23	25.00	[ICRA]AAA(Stable)
INE033L08171	Subordinated Debt Programme	26-Sep-14	10.15%	26-Sep-24	48.00	[ICRA]AAA(Stable)
INE033L08189	Subordinated Debt Programme	28-Apr-15	9.25%	28-Apr-25	40.00	[ICRA]AAA(Stable)
INE033L08197	Subordinated Debt Programme	22-Jul-15	9.25%	22-Jul-25	35.00	[ICRA]AAA(Stable)
INE033L08205	Subordinated Debt Programme	16-Sep-15	9.20%	16-Sep-25	10.00	[ICRA]AAA(Stable)
INE033L08213	Subordinated Debt Programme	21-Sep-15	9.20%	19-Sep-25	15.00	[ICRA]AAA(Stable)
INE033L08221	Subordinated Debt Programme	04-Nov-15	8.99%	04-Nov-25	30.00	[ICRA]AAA(Stable)
INE033L08239	Subordinated Debt Programme	15-Dec-15	9.00%	15-Dec-25	25.00	[ICRA]AAA(Stable)
INE033L08247	Subordinated Debt Programme	17-Dec-15	9.00%	17-Dec-25	25.00	[ICRA]AAA(Stable)
INE033L08254	Subordinated Debt Programme	15-Mar-16	9.00%	13-Mar-26	20.00	[ICRA]AAA(Stable)
INE033L08262	Subordinated Debt Programme	04-Aug-16	8.92%	04-Aug-26	200.00	[ICRA]AAA(Stable)
NA	Commercial Paper Programme	NA	NA	7-365 days	8,000	[ICRA]A1+

^unutilised
Source: TCHFL; Data as on July 31, 2018

ANALYST CONTACTS

Karthik Srinivasan
+91 22 6114 3444
karthiks@icraindia.com

Manushree Saggar
+91 124 4545 316
manushrees@icraindia.com

Akshay Kumar Jain
+91 22 6114 3430
akshay.jain@icraindia.com

Sandeep Sharma
+91 22 6114 3472
sandeep.sharma@icraindia.com

RELATIONSHIP CONTACT

L. Shivakumar
+91 22 6114 3406
shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani
Tel: +91 124 4545 860
naznin.prodhani@icraindia.com

Helpline for business queries:

+91-124-2866928 (open Monday to Friday, from 9:30 am to 6 pm)
info@icraindia.com

About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

ICRA Limited

Corporate Office
Building No. 8, 2nd Floor, Tower A; DLF Cyber City, Phase II; Gurgaon 122 002
Tel: +91 124 4545300
Email: info@icraindia.com
Website: www.icra.in

Registered Office
1105, Kailash Building, 11th Floor; 26 Kasturba Gandhi Marg; New Delhi 110001
Tel: +91 11 23357940-50

Branches

Mumbai	+ (91 22) 24331046/53/62/74/86/87
Chennai	+ (91 44) 2434 0043/9659/8080, 2433 0724/ 3293/3294,
Kolkata	+ (91 33) 2287 8839 /2287 6617/ 2283 1411/ 2280 0008,
Bangalore	+ (91 80) 2559 7401/4049
Ahmedabad	+ (91 79) 2658 4924/5049/2008
Hyderabad	+ (91 40) 2373 5061/7251
Pune	+ (91 20) 66069999

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website www.icra.in or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents.

ANNEXURE E

CONSENT OF THE DEBENTURE TRUSTEE

APPENDED OVERLEAF

IDBI Trusteeship Services Ltd
CIN : U65991MH2001GOI131154

IDBI trustee

No. 2298-A/ITSL/OPR/2018-19

June 04, 2018

To,

TATA Capital Housing Finance Limited
11th Floor Tower A Peninsula Business Park
Ganpatrao Kadam Marg Lower Parel
Mumbai - 400013

Dear Sir,

Re: Proposed public issue of non-convertible debentures by TATA Capital Housing Finance Limited (the "Company") aggregating to INR 5000,00,00,000 (Rupees Five Thousand Crore Only) (the "Issue").

We refer to your letter dated June 04, 2018, in relation to the captioned subject matter (the "**Letter**") and the non-convertible debentures issued by the Company (details of the documents are more particularly set out in the Letter) pursuant to the Debenture Documents. We hereby confirm that the Debenture Documents govern all such credit facilities. Capitalised terms which are not defined herein have the same meanings as in the Letter.

As requested by you in terms of the Letter, we consent for the following:

(1) to include our name as the 'debenture trustee' in respect of the non-convertible debentures proposed to be issued by the Company in: (a) the draft shelf prospectus and the tranche prospectus(es) proposed to be filed by the Company with the Stock Exchange, SEBI and any other legal, regulatory or statutory authority, as may be required; (b) the shelf prospectus and the tranche prospectus(es) which are proposed to be filed by the Company in respect of the proposed Issue with SEBI, the Stock Exchange, registrar of companies and any other legal, regulatory or statutory authority, as may be required; and (c) such other necessary documents, related advertisements and subsequent communications sent to the holders of instruments proposed to be issued by the Company pursuant to the Issue and/or to any other person in connection with the Issue;

(2) to borrow pursuant to the Issue; and

(3) to grant first ranking *pari passu* charge over assets secured in our favour / benefit under the Debenture Documents, for the benefit of the holders of debentures, pursuant to the Issue.

We confirm that the Company is not in violation of any of the terms and conditions, including any covenants or restrictions imposed on the Company pursuant to the Debenture Documents, and that no cross default or event of default has occurred or is continuing till date in relation to such documents.

The following details with respect to us may be disclosed in the draft shelf prospectus, shelf prospectus and tranche prospectus(es) (as the case may be):

(1) Name: IDBI Trusteeship Services Limited
(2) Address: Asian Building, Ground Floor, 17, R Kamani Marg, Ballard Estate, Mumbai- 400 001
(3) Telephone number: 022- 4080 7000
(4) Fax number: 022- 4080 7080
(5) Investor Grievance Email ID: itsl@idbitrustee.com

Regd. Office : Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai - 400 001.
Tel. : 022-4080 7000 • Fax : 022-6631 1776 • Email : itsl@idbitrustee.com • response@idbitrustee.com
Website : www.idbitrustee.com

(6) Website: www.idbitrustee.com
(7) Contact person: Jatin Bhat- Compliance Officer
(8) SEBI Registration No. IND000000460

We also authorise you to deliver a copy of this letter of consent to any legal, regulatory or statutory authority, as required pursuant to applicable laws or if requested for by any such other legal, regulatory or statutory authority or by court order.

We confirm that this letter can be relied on by the lead managers and the legal advisors in relation to the Issue.

We confirm that we will immediately inform the Company and the lead managers appointed in relation to the Issue of any change to the aforementioned information until the instruments issued pursuant to the Issue are listed with the Stock Exchange. Furthermore, in the absence of any such communication, the aforementioned information should be considered to be correct and duly updated until the instruments issued pursuant to the Issue remain listed with any stock exchange.

We agree to keep information regarding the proposed Issue, the contents of the Letter and this consent as strictly confidential.

Yours sincerely,

For **IDBI Trusteeship Services Limited**

IDBI Trusteeship Services Ltd. ITSL

Authorised Signatory

ANNEXURE F

STATEMENT OF ACCOUNTING RATIOS

APPENDED OVERLEAF

Annexure I: "Statement of Ratios"

Particulars	For the year ended 31 March 2018
Earnings per share (in Rs):	
— Basic	4.61
— Diluted	4.61
Debt equity ratio	
Secured borrowings	1,294,483
Unsecured borrowings	529,983
Interest accrued but not due on borrowings	24,015
Total debt funds (A)	**1,848,481**
Share capital	137,833
Reserves and Surplus	39,437
Unamortised share issue expenses, prepaid expenses, unamortised loan processing fees	(7392)
Total shareholders' funds (B)	**169,878**
Debt Equity Ratio (A) / (B)	10.88

For and on behalf of
Tata Capital Housing Finance Limited

Authorised Signatory

B S R & Co. LLP
5th Floor, Lodha Excelus, Apollo Mills Compound N. M. Joshi Marg Mahalaxmi, Mumbai-400011 India
Chartered Accountants

ANNEXURE G

STATEMENT OF CAPITALISATION

APPENDED OVERLEAF

TATA

Annexure I: "Statement of capitalisation"

Particulars	Amount Rs. in lakh as at 31 March 2018		
	Prior to the issue	Proposed issue	Post issue
Share capital	137,833	-	137,833
Reserves and Surplus	39,437	-	39,437
Unamortised share issue expenses, prepaid expenses, unamortised loan processing fees	(7,392)	-	(7,392)
Total Shareholders' Funds	**169,878**	-	**169,878**
Secured borrowings	1,294,483	500,000	1,794,483
Unsecured borrowings	529,983	-	529,983
Interest accrued but not due on borrowings	24,015	-	24,015
Total Debt Funds	**1,848,481**	500,000	**2,348,481**

Note: The maximum amount proposed to be issued is assumed to be a secured borrowing by the Company.

For and on behalf of
Tata Capital Housing Finance Limited

Authorised Signatory

B S R & Co. LLP
5th Floor, Lodha Excelus, Apollo Mills Compound, N. M. Joshi Marg, Mahalaxmi, Mumbai-400011, India
Chartered Accountants

ANNEXURE H

STATEMENT OF DIVIDENDS

APPENDED OVERLEAF

Annexure I: "Statement of dividend paid / proposed and the rate of dividend per share"

Year ended 31 March 2018	Amount Rs. in lakhs
Dividend paid on Preference Shares	8,047
Dividend distribution tax on dividend paid on preference shares	1,638

For and on behalf of
Tata Capital Housing Finance Limited

Authorised Signatory

B S R & Co. LLP
5th Floor, Lodha Excelus, Apollo Mills Compound, N. M. Joshi Marg, Mahalaxmi, Mumbai-400011, India
Chartered Accountants