PROSPECTUS
Dated December 16, 2023
(Please read Section 32 of the Companies Act, 2013)
100% Book Built Offer

(Please scan this QR code to view the Prospectus)

INDIA SHELTER FINANCE CORPORATION LIMITED
CORPORATE IDENTITY NUMBER: U65922HR1998PLC042782

REGISTERED OFFICE	CORPORATE OFFICE	CONTACT PERSON	TELEPHONE AND E-MAIL	WEBSITE
6th Floor, Plot No. 15 Sector 44, Institutional Area, Gurugram 122 002, Haryana, India	3rd Floor, Upper Ground Floor and Lower Ground Floor, Plot No. 15, Institutional Area, Sector 44, Gurugram 122 002, Haryana, India	Mukti Chaplot, Company Secretary and Chief Compliance Officer	**Tel:** +91 124 413 1800 **E-mail:** compliance@indiashelter.in	www.indiashelter.in

PROMOTERS OF OUR COMPANY: ANIL MEHTA, WESTBRIDGE CROSSOVER FUND, LLC AND ARAVALI INVESTMENT HOLDINGS

DETAILS OF THE OFFER TO PUBLIC

Type	Fresh Issue size	Offer for Sale size	Total Offer size	Eligibility and Reservation
Fresh Issue and Offer for Sale	16,227,180^ Equity Shares of face value of ₹5 each aggregating to ₹ 8,000 million^	8,113,588^ Equity Shares of face value of ₹5 each aggregating to ₹ 4,000 million^	24,340,768^ Equity Shares of face value of ₹5 each aggregating to ₹ 12,000 million^	The Offer has been made pursuant to Regulation 6(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**SEBI ICDR Regulations**"). For further details, see "***Other Regulatory and Statutory Disclosures – Eligibility for the Offer***" on page 445. For details in relation to share reservation among QIBs, NIIs and RIIs, see "***Offer Structure***" beginning on page 467.

DETAILS OF THE SELLING SHAREHOLDERS, OFFER FOR SALE AND WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE

Name of the Selling Shareholder	Type	Number of Equity Shares Offered/ Amount (₹ in million)	Weighted Average Cost of Acquisition per Equity Share (in ₹)*
Catalyst Trusteeship Limited (as trustee of MICP Trust)	Investor Selling Shareholder	405^ Equity Shares of face value of ₹5 each aggregating to ₹ 0.20 million^	236.37
Catalyst Trusteeship Limited (as trustee of Madison India Opportunities Trust Fund)	Investor Selling Shareholder	3,474,442^ Equity Shares of face value of ₹5 each aggregating to ₹ 1,712.90 million^	126.46
Madison India Opportunities IV	Investor Selling Shareholder	1,104,056^ Equity Shares of face value of ₹5 each aggregating to ₹ 544.30 million^	173.90
MIO Starrock	Investor Selling Shareholder	644,219^ Equity Shares of face value of ₹5 each aggregating to ₹ 317.60 million^	237.21
Nexus Ventures III, Ltd.	Investor Selling Shareholder	2,890,466^ Equity Shares of face value of ₹5 each aggregating to ₹ 1,425.00 million^	52.41

^ *Subject to finalisation of Basis of Allotment.*
* *As certified by B. B. & Associates, Chartered Accountants, by way of their certificate dated December 16, 2023.*

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹5 per Equity Share. The Floor Price, the Cap Price and the Offer Price, as determined by our Company, in consultation with the book running lead managers ("**BRLMs**"), on the basis of the assessment of market demand for the Equity Shares by way of the book building process, in accordance with the SEBI ICDR Regulations, and as stated in "***Basis for Offer Price***" beginning on page 143, should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors were required to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors were required to rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares offered in the Offer were not recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor did SEBI guarantee the accuracy or adequacy of the contents of this Prospectus. Specific attention of the investors is invited to "***Risk Factors***" beginning on page 29.

COMPANY'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect. Further, each of the Selling Shareholders, severally and not jointly, accepts responsibility for and confirms that the statements made or confirmed by such Selling Shareholders in this Prospectus to the extent of information specifically pertaining to itself and/or its respective portion of the Offered Shares and assumes responsibility that such statements are true and correct in all material respects and not misleading in any material respect. Each of the Selling Shareholder assumes no responsibility for any other statement in this Prospectus, including, any of the statements made by or relating to our Company or our Company's business or any other Selling Shareholders.

LISTING

The Equity Shares offered through the Red Herring Prospectus and this Prospectus are proposed to be listed on the Stock Exchanges being the BSE Limited ("**BSE**") and the National Stock Exchange of India Limited ("**NSE**", and together with the BSE, the "**Stock Exchanges**"). For the purposes of the Offer, the Designated Stock Exchange shall be NSE.

BOOK RUNNING LEAD MANAGERS

NAME AND LOGO		CONTACT PERSON	TELEPHONE AND E-MAIL
	ICICI Securities Limited	Rupesh Khant/ Sumit Singh	**Tel**: + 91 22 6807 7100 **E-mail**: isfclipo@icicisecurities.com
	Citigroup Global Markets India Private Limited	Dylan Fernandes	**Tel:** +91 22 6175 9999 **E-mail**: indiashelteripo@citi.com
	Kotak Mahindra Capital Company Limited	Ganesh Rane	**Tel**: +91 22 4336 0000 **E-mail**: indiashelter.ipo@kotak.com
	Ambit Private Limited	Jitendra Adwani/ Devanshi Shah	**Tel**: +91 22 6623 3030 **E-mail**: indiashelter.ipo@ambit.co

REGISTRAR TO THE OFFER

NAME OF REGISTRAR	CONTACT PERSON	TELEPHONE AND E-MAIL
KFin Technologies Limited	M Murali Krishna	**Tel:** +91 40 6716 2222 **E-mail:** indiashelter.ipo@kfintech.com

BID/OFFER PERIOD

ANCHOR INVESTOR BID/ OFFER PERIOD	Tuesday, December 12, 2023	**BID/ OFFER OPENED ON**	Wednesday, December 13, 2023	**BID/ OFFER CLOSED ON**	Friday, December 15, 2023

PROSPECTUS
Dated December 16, 2023
(Please read Section 32 of the Companies Act, 2013)
100% Book Built Offer

INDIA SHELTER FINANCE CORPORATION LIMITED

Our Company was incorporated under the name "Satyaprakash Housing Finance India Limited" on October 26, 1998, as a public limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated October 26, 1998, issued by the Registrar of Companies, Madhya Pradesh at Gwalior. A certificate for commencement of business dated November 18, 1998, was granted to "Satyaprakash Housing Finance India Limited" by the Registrar of Companies, Madhya Pradesh at Gwalior. Further, a certificate of registration dated December 31, 2002, was granted to "Satyaprakash Housing Finance India Limited" by the National Housing Bank ("**NHB**") bearing registration number 02.0034.02 to carry on the business of a housing finance institution without accepting public deposits. Pursuant to the change of the name of our Company from "Satyaprakash Housing Finance India Limited" to "India Shelter Finance Corporation Limited", as approved by our Shareholders pursuant to a special resolution dated May 13, 2010, our Company was issued a fresh certificate of incorporation dated July 8, 2010, by the Registrar of Companies, Madhya Pradesh and Chhattisgarh at Gwalior. A certificate of registration dated September 14, 2010 was granted to our Company by the NHB bearing the registration number 09.0087.10 to carry on the business of a housing finance institution without accepting public deposits. For details of changes in our name and Registered Office, see "***History and Certain Corporate Matters – Brief history of our Company***" and "***History and Certain Corporate Matters – Changes in the registered office of our Company***" on page 273.

Corporate Identity Number: U65922HR1998PLC042782
Registered Office: 6th Floor, Plot No. 15, Sector 44, Institutional Area, Gurugram 122 002, Haryana, India
Corporate Office: 3rd Floor, Upper Ground Floor and Lower Ground Floor, Plot No. 15, Institutional Area, Sector 44, Gurugram 122 002, Haryana, India
Contact Person: Mukti Chaplot, Company Secretary and Chief Compliance Officer; **Tel.**: +91 124 413 1800; **E-mail**: compliance@indiashelter.in; **Website**: www.indiashelter.in

PROMOTERS OF OUR COMPANY: ANIL MEHTA, WESTBRIDGE CROSSOVER FUND, LLC AND ARAVALI INVESTMENT HOLDINGS

INITIAL PUBLIC OFFERING OF 24,340,768^ EQUITY SHARES OF FACE VALUE OF ₹5 EACH ("EQUITY SHARES") OF INDIA SHELTER FINANCE CORPORATION LIMITED (OUR "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ 493.00 PER EQUITY SHARE OF FACE VALUE OF ₹5 EACH INCLUDING A SECURITIES PREMIUM OF ₹ 488.00 PER EQUITY SHARE (THE "OFFER PRICE") AGGREGATING TO ₹ 12,000 MILLION^ (THE "OFFER"). THE OFFER COMPRISES OF A FRESH ISSUE OF 16,227,180^ EQUITY SHARES OF FACE VALUE OF ₹5 EACH BY OUR COMPANY AGGREGATING TO ₹ 8,000 MILLION^ (THE "FRESH ISSUE") AND AN OFFER FOR SALE BY CATALYST TRUSTEESHIP LIMITED (AS TRUSTEE OF MICP TRUST) OF 405^ EQUITY SHARES OF FACE VALUE OF ₹5 EACH AGGREGATING TO ₹ 0.20 MILLION^, BY CATALYST TRUSTEESHIP LIMITED (AS TRUSTEE OF MADISON INDIA OPPORTUNITIES TRUST FUND) OF 3,474,442^ EQUITY SHARES OF FACE VALUE OF ₹5 EACH AGGREGATING TO ₹ 1,712.90 MILLION^, BY MADISON INDIA OPPORTUNITIES IV OF 1,104,056^ EQUITY SHARES OF FACE VALUE OF ₹5 EACH AGGREGATING TO ₹ 544.30 MILLION^, BY MIO STARROCK OF 644,219^ EQUITY SHARES OF FACE VALUE OF ₹5 EACH AGGREGATING TO ₹ 317.60 MILLION^ AND BY NEXUS VENTURES III, LTD. OF 2,890,466^ EQUITY SHARES OF FACE VALUE OF ₹5 EACH AGGREGATING TO ₹ 1,425.00 MILLION^ (COLLECTIVELY, THE "INVESTOR SELLING SHAREHOLDERS" OR THE "SELLING SHAREHOLDERS") ("THE OFFER FOR SALE"). THE OFFER CONSTITUTES 22.74% OF THE POST-OFFER PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

^ *Subject to finalisation of Basis of Allotment.*

THE FACE VALUE OF EQUITY SHARES IS ₹5 EACH. THE OFFER PRICE IS 98.60 TIMES THE FACE VALUE OF THE EQUITY SHARES.

The Offer has been made in terms of Rule 19(2)(b) of the SCRR, read with Regulation 31 of the SEBI ICDR Regulations. The Offer was made through the Book Building Process, in compliance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Offer has been made available for allocation on a proportionate basis to Qualified Institutional Buyers ("**QIBs**" and such portion, the "**QIB Portion**"). Our Company in consultation with the BRLMs, allocated 60% of the QIB Portion to Anchor Investors on a discretionary basis by our Company in consultation with the BRLMs (the "**Anchor Investor Portion**"), of which one-third was reserved for the domestic Mutual Funds, subject to valid Bids having been received from the domestic Mutual Funds at or above the price at which allocation is made to Anchor Investors ("**Anchor Investor Allocation Price**") in accordance with the SEBI ICDR Regulations. Further, 5% of the Net QIB Portion (excluding the Anchor Investor Portion) has been made available for allocation on a proportionate basis only to Mutual Funds, subject to valid Bids having been received at or above the Offer Price, and the remainder of the Net QIB Portion has been made available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids having been received at or above the Offer Price. Further, not less than 15% of the Offer was made available for allocation to Non-Institutional Investors ("**Non-Institutional Portion**") (out of which one-third of the portion available to Non-Institutional Investors was made available for allocation to Bidders with an application size of more than ₹ 200,000 and up to ₹ 1,000,000 and two-thirds of the Non-Institutional Portion was made available for allocation to Bidders with an application size of more than ₹ 1,000,000 and under-subscription in either of these two sub-categories of Non-Institutional Portion were allocated to Bidders in the other sub-category of Non-Institutional Portion). Further, not less than 35% of the Offer was made available for allocation to Retail Individual Investors ("**Retail Portion**"), in accordance with the SEBI ICDR Regulations, subject to valid Bids having been received from them at or above the Offer Price. All Bidders (except Anchor Investors) were required to mandatorily participate in the Offer only through the Application Supported by Blocked Amount ("**ASBA**") process and were required to provide details of their respective bank account (including UPI ID for UPI Bidders using UPI Mechanism) in which the Bid Amount was blocked by the Self Certified Syndicate Banks ("**SCSBs**") or the Sponsor Banks, as applicable. Anchor Investors were not permitted to participate in the Anchor Investor Portion through the ASBA process. See "***Offer Procedure***" beginning on page 471.

RISKS IN RELATION TO FIRST OFFER

This being the first public offer of Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹5 each. The Offer Price/ Floor Price/ Cap Price, as determined and justified by our Company, in consultation with the BRLMs in accordance with the SEBI ICDR Regulations and as stated in "***Basis for Offer Price***", beginning on page 143, should not be taken to be indicative of the market price of the Equity Shares after such Equity Shares are listed. No assurance can be given regarding an active and/ or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors were required to rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares were not recommended or approved by the SEBI, nor did SEBI guarantee the accuracy or adequacy of the contents of this Prospectus. Specific attention of the investors is invited to "***Risk Factors***" beginning on page 29.

COMPANY'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect. Each of the Selling Shareholder severally and not jointly, accepts responsibility for and confirms only the statements made by it in this Prospectus to the extent of information specifically pertaining to itself, and its respective portion of the Offered Shares and assumes responsibility that such statements are true and correct in all material respects and not misleading in any material respect. Each of the Selling Shareholder assumes no responsibility for any other statement in this Prospectus, including, any of the statements made by or relating to our Company or our Company's business or any other Selling Shareholders.

LISTING

The Equity Shares offered through the Red Herring Prospectus and this Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received in-principle approvals from the BSE and the NSE for listing of the Equity Shares pursuant to their letters each dated October 3, 2023. For the purposes of the Offer, NSE shall be the Designated Stock Exchange. A signed copy of the Red Herring Prospectus has been filed with the Registrar of Companies, Delhi and Haryana at New Delhi ("**RoC**") and the signed copy of this Prospectus shall be filed with the RoC in accordance with Section 26(4) and Section 32 of the Companies Act, 2013. For details of the material contracts and documents that were made available for inspection from the date of the Red Herring Prospectus until the Bid/ Offer Closing Date, see "***Material Contracts and Documents for Inspection***" beginning on page 515.

BOOK RUNNING LEAD MANAGERS				REGISTRAR TO THE OFFER
ICICI Securities Limited ICICI Venture House Appasaheb Marathe Marg, Prabhadevi Mumbai 400 025 Maharashtra, India **Tel**: + 91 22 6807 7100 **E-mail**: isfclipo@icicisecurities.com **Website**: www.icicisecurities.com **Investor Grievance ID**: customercare@icicisecurities.com **Contact Person**: Rupesh Khant/ Sumit Singh **SEBI Registration Number**: INM000011179	**Citigroup Global Markets India Private Limited** 1202, 12th Floor, First International Financial Center G-Block, C54 & 55, Bandra Kurla Complex Bandra (East), Mumbai 400 098 Maharashtra, India **Tel:** +91 22 6175 9999 **E-mail:** indiashelteripo@citi.com **Website:** www.online.citibank.co.in/rhtm/citigroupglobalscreen1.htm **Investor Grievance ID:** investors.cgmib@citi.com **Contact Person:** Dylan Fernandes **SEBI Registration Number:** INM000010718	**Kotak Mahindra Capital Company Limited** 27BKC, 1st Floor, Plot No. C – 27 "G" Block, Bandra Kurla Complex Bandra (East), Mumbai 400 051 Maharashtra, India **Tel:** +91 22 4336 0000 **E-mail**: indiashelter.ipo@kotak.com **Website**: https://investmentbank.kotak.com **Investor Grievance ID**: kmccredressal@kotak.com **Contact Person**: Ganesh Rane **SEBI Registration Number**: INM000008704	**Ambit Private Limited** Ambit House, 449, Senapati Bapat Marg Lower Parel, Mumbai 400 013 Maharashtra, India **Tel:** + 91 22 6623 3030 **E-mail:** indiashelter.ipo@ambit.co **Website:** www.ambit.co **Investor Grievance E-mail:** customerservicemb@ambit.co **Contact person:** Jitendra Adwani/ Devanshi Shah **SEBI registration number:** INM000010585	**KFin Technologies Limited** Selenium Tower B, Plot No.31-32 Gachibowli, Financial District Nanakramguda, Serilingampally Hyderabad 500 032, Telangana, India **Tel:** +91 40 6716 2222/ 1800 309 4001 **E-mail:** indiashelter.ipo@kfintech.com **Website:** www.kfintech.com **Investor grievance e-mail:** einward.ris@kfintech.com **Contact Person:** M Murali Krishna **SEBI Registration No.:** INR000000221

BID/OFFER PERIOD

ANCHOR INVESTOR BID/ OFFER PERIOD	Tuesday, December 12, 2023	**BID/ OFFER OPENED ON**	Wednesday, December 13, 2023	**BID/ OFFER CLOSED ON**	Friday, December 15, 2023

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act, regulation, rule, guideline, policy, circular, notification, direction or clarification shall be to such legislation, act, regulation, rule, guideline, policy, circular, notification, direction or clarification as amended, updated, supplemented or modified, from time to time, and any reference to a statutory provision shall include any subordinate legislation made, from time to time, under that provision. Further, the Offer related terms used but not defined in this Prospectus shall have the meaning ascribed to such terms under the General Information Document. In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document (as defined below), the definitions given below shall prevail.

*The words and expressions used in this Prospectus, but not defined herein, shall have, to the extent applicable, the meanings ascribed to such terms under the Companies Act, 2013 ("**Companies Act**"), the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("**SEBI ICDR Regulations**"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**"), the Securities Contracts (Regulation) Act, 1956 ("**SCRA**"), the Depositories Act, 1996 ("**Depositories Act**") and the rules and regulations made thereunder. Unless the context otherwise requires, all references to 'we', 'us' and 'our' are to our Company and our Subsidiary, on a consolidated basis.*

*Notwithstanding the foregoing, terms not defined herein but used in "**Basis for Offer Price**", "**Statement of Possible Special Tax Benefits**", "**Industry Overview**", "**Key Regulations and Policies**", "**History and Certain Corporate Matters**", "**Financial Information**", "**Outstanding Litigation and Material Developments**", "**Other Regulatory and Statutory Disclosures**", "**Offer Procedure**" and "**Description of Equity Shares and Terms of the Articles of Association**", beginning on pages 143, 159, 166, 264, 273, 332, 433, 444, 471 and 494, respectively, will have the meaning ascribed to such terms in those respective sections.*

General Terms

Term	Description
Our Company or the Company or the Issuer	India Shelter Finance Corporation Limited, a public limited company incorporated under the Companies Act, 1956.

Company Related Terms

Term	Description
Articles or Articles of Association or AoA	The articles of association of our Company, as amended from time to time.
Audit Committee	The audit committee of our Board, as described in "***Our Management – Committees of the Board – Audit Committee***" on page 290.
Auditors or Statutory Auditors	The statutory auditors of our Company, namely, T R Chadha & Co. LLP, Chartered Accountants.
Board or Board of Directors	The board of directors of our Company (including any duly constituted committee thereof). See "***Our Management***" beginning on page 280.
Chairman	The chairman of our Board, namely, Sudhin Bhagwandas Choksey. See "***Our Management***" on page 280.
Chief Financial Officer or CFO	The chief financial officer of our Company, namely Ashish Gupta. See "***Our Management – Key Managerial Personnel***" on page 301.
Company Secretary and Chief Compliance Officer	The company secretary and chief compliance officer of our Company, namely Mukti Chaplot. See "***Our Management – Key Managerial Personnel***" on page 301.
Corporate Promoters	Together, WestBridge Crossover Fund, LLC and Aravali Investment Holdings.
Corporate Office	3rd Floor, Upper Ground Floor and Lower Ground Floor, Plot No. 15, Institutional Area, Sector 44, Gurugram 122 002, Haryana.
CRISIL MI&A	CRISIL Market Intelligence and Analytics (MI&A), a division of CRISIL Limited.
CRISIL Report	Report titled, "Industry Report on Housing Finance market in India" dated November 2023, prepared by CRISIL MI&A, appointed by our Company pursuant to engagement letters dated June 6, 2023 and October 23, 2023, commissioned by and paid for by our Company.
Corporate Social Responsibility	The corporate social responsibility committee of our Board as described in "***Our***

Term	Description
Committee or CSR Committee	***Management – Committees of the Board – Corporate Social Responsibility Committee***" on page 295.
Director(s)	The director(s) on our Board. See "***Our Management***" beginning on page 280.
ESOP 2011	The erstwhile Employee Stock Option Scheme 2011 of the Company.
ESOP 2012	The erstwhile Employee Stock Option Scheme 2012 of the Company.
ESOP 2017	Employee Stock Option Scheme 2017, as amended.
ESOP 2021	Employee Stock Option Scheme 2021, as amended.
ESOP 2023	Employee Stock Option Scheme 2023, as amended.
ESOP Schemes	Collectively, the ESOP 2017, ESOP 2021 and ESOP 2023.
Equity Shares	The equity shares of our Company of face value of ₹5 each.
Independent Director(s)	The independent director(s) on our Board. See "***Our Management***" beginning on page 280.
Individual Promoter	Anil Mehta.
IPO Committee	The committee constituted by our Board for the purpose of the Offer, as described in "***Our Management – Committees of the Board – IPO Committee***" on page 297.
Key Management/ Managerial Personnel or KMP	Key management/managerial personnel of our Company in terms of the SEBI ICDR Regulations and as disclosed in "***Our Management – Key Managerial Personnel***" on page 301.
Madison	Catalyst Trusteeship Limited, as trustee of Madison India Opportunities Trust Fund, Madison India Opportunities IV, MIO Starrock and Catalyst Trusteeship Limited, as trustee of MICP Trust.
Managing Director and Chief Executive Officer	The managing director and chief executive officer of our Company, namely Rupinder Singh. See "***Our Management***" beginning on page 280.
Materiality Policy	The policy adopted by our Board in its meeting dated July 31, 2023 for determining material outstanding litigation and outstanding dues to material creditors, in accordance with the disclosure requirements under the SEBI ICDR Regulations
Memorandum of Association or MoA	The memorandum of association of our Company, as amended from time to time.
Nexus/ Nexus Entities	Together, Nexus Ventures III, Ltd. and Nexus Opportunity Fund II, Ltd.
Non-Executive Director(s)	The non-executive director(s) on our Board. See "***Our Management***" beginning on page 280.
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board, as described in "***Our Management – Committees of the Board – Nomination and Remuneration Committee***" on page 293.
Promoters	Collectively, the Individual Promoter and the Corporate Promoters.
Promoter Group	The individuals and entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations. See "***Our Promoters and Promoter Group***" beginning on page 305.
Registered Office	6th Floor, Plot No. 15, Sector 44, Institutional Area, Gurugram 122 002, Haryana, India.
Registrar of Companies or RoC	The Registrar of Companies, Delhi and Haryana at New Delhi.
Remuneration Policy	Policy relating to the remuneration of the Directors, Key Managerial Personnel, Senior Management and other employees.
Restated Consolidated Financial Information	The restated consolidated financial information of our Company and our Subsidiary comprises the restated consolidated statement of assets and liabilities as at September 30, 2023 and September 30, 2022 and as at March 31, 2023 and March 31, 2022, the restated consolidated statement of profit and loss (including other comprehensive income) for the six months ended September 30, 2023 and September 30, 2022, and for the years ended March 31, 2023 and March 31, 2022, the restated consolidated statement of cash flows and the restated consolidated statement of changes in equity for the six months ended September 30, 2023 and September 30, 2022, and for the years ended March 31, 2023 and March 31, 2022, the restated standalone statement of assets and liabilities as at March 31, 2021, restated standalone statement of profit and loss (including other comprehensive income) for the year ended March 31, 2021, the restated standalone statement of cash flow for the year ended March 31, 2021 and the summary of significant accounting policies and other explanatory information prepared in accordance with Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended, provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, and the Guidance Note on Report in Company Prospectuses (Revised 2019) issued by the ICAI, as amended.
Risk Management Committee	The risk management committee of our Board as described in "***Our Management – Committees of the Board – Risk Management Committee***" on page 296.
Selling Shareholders or Investor Selling Shareholder(s)	Collectively, Catalyst Trusteeship Limited (as trustee of MICP Trust), Catalyst Trusteeship Limited (as trustee of Madison India Opportunities Trust Fund), Madison India Opportunities IV, MIO Starrock and Nexus Ventures III, Ltd.

Term	Description
Senior Management	Senior management of our Company in terms of the SEBI ICDR Regulations and as disclosed in "***Our Management – Senior Management***" on page 301.
SHA	Amended and Restated Shareholder's Agreement dated July 30, 2022 executed between our Company, Nexus, WestBridge, Madison and Anil Mehta, read together with the amendment cum waiver and consent agreement dated August 1, 2023.
Shareholders	The holders of the Equity Shares from time to time.
Stakeholders' Relationship Committee	The stakeholders' relationship committee of our Board, as described in "***Our Management – Committees of the Board – Stakeholders' Relationship Committee***" on page 294.
Subsidiary	The subsidiary of our Company, namely, India Shelter Capital Finance Limited. See "***History and Certain Corporate Matters – Subsidiary of our Company***" on page 278.
WestBridge	Together, WestBridge Crossover Fund, LLC and Aravali Investment Holdings.

Offer Related Terms

Term	Description
Abridged Prospectus	Abridged prospectus means a memorandum containing such salient features of prospectus as may be specified by SEBI in this behalf.
Acknowledgement Slip	The slip or document issued by the relevant Designated Intermediary(ies) to the Bidder as proof of registration of the Bid cum Application Form.
Allot or Allotment or Allotted	Unless the context otherwise requires, allotment or transfer, as the case may be of Equity Shares offered pursuant to the Fresh Issue and transfer of the Offered Shares by the Selling Shareholders pursuant to the Offer for Sale to the successful Bidders.
Allotment Advice	Advice or intimation of Allotment sent to the successful Bidders who had Bid in the Offer or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottee	A successful Bidder to whom an Allotment is made.
Anchor Investor(s)	A Qualified Institutional Buyer, who applied under the Anchor Investor Portion in accordance with the SEBI ICDR Regulations and the Red Herring Prospectus, who had Bid for an amount of at least ₹100 million.
Anchor Investor Allocation Price	₹ 493 per Equity Share.
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which was considered as an application for Allotment in terms of the Red Herring Prospectus and under the SEBI ICDR Regulations.
Anchor Investor Bid/ Offer Period or Anchor Investor Bidding Date	The date, one Working Day prior to the Bid/ Offer Opening Date, on which Bids by Anchor Investors were submitted, prior to and after which the BRLMs did not accept any Bids from Anchor Investors and allocation to Anchor Investors was completed, i.e., December 12, 2023.
Anchor Investor Offer Price	₹ 493 per Equity Share.
Anchor Investor Pay-in Date	With respect to Anchor Investor(s), it shall be the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Offer Price, not later than two Working Days after the Bid/ Offer Closing Date.
Anchor Investor Portion	60% of the QIB Portion consisting of 7,302,229^ Equity Shares of face value of ₹5 each which has been allocated by our Company in consultation with the BRLMs, to Anchor Investors and the basis of such allocation was on a discretionary basis by our Company, in consultation with the BRLMs, in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion was reserved for domestic Mutual Funds, subject to valid Bids having been received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. *^ Subject to finalisation of Basis of Allotment.*
ASBA or Application Supported by Blocked Amount	An application, whether physical or electronic, used by ASBA Bidders, other than Anchor Investors, to make a Bid and authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB which included applications made by UPI Bidders where the Bid Amount was blocked upon acceptance of the UPI Mandate Request by UPI Bidders using the UPI mechanism.
ASBA Account	Account maintained with an SCSB which was blocked by such SCSB or the account of the UPI Bidders blocked upon acceptance of UPI Mandate Request by UPI Bidders using the UPI mechanism to the extent of the Bid Amount of the ASBA Bidder.
ASBA Bid	A Bid made by an ASBA Bidder.
ASBA Bidder(s)	Any Bidder (other than an Anchor Investor) in the Offer who intends to submit a Bid.
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders which was considered as the application for Allotment in terms of the Red Herring Prospectus and

Term	Description
	this Prospectus.
Banker(s) to the Offer	Collectively, the Escrow Collection Bank(s), the Refund Bank(s), the Public Offer Account Bank(s) and the Sponsor Banks, as the case may be.
Basis of Allotment	Basis on which Equity Shares will be Allotted to successful Bidders under the Offer, described in "***Offer Procedure***" beginning on page 471.
Bid(s)	An indication by a ASBA Bidder to make an offer during the Bid/Offer Period pursuant to submission of the ASBA Form, or on the Anchor Investor Bidding Date by an Anchor Investor, pursuant to the submission of the Anchor Investor Application Form, to subscribe to or purchase Equity Shares at a price within the Price Band, including all revisions and modifications thereto, to the extent permissible under the SEBI ICDR Regulations, in terms of the Red Herring Prospectus and the Bid cum Application Form. The term 'Bidding' shall be construed accordingly.
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form, and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidder, as the case may be, upon submission of the Bid in the Offer, as applicable. In the case of RIIs Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such RIIs and mentioned in the Bid cum Application Form.
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires.
Bidder or Applicant	Any investor who made a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor.
Bidding Centres	Centres at which the Designated Intermediaries accepted the ASBA Forms, *i.e.*, Designated SCSB Branches for SCSBs, Specified Locations for Members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Bid Lot	30 Equity Shares.
Bid/ Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, Friday, December 15, 2023.
Bid/ Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, Wednesday, December 13, 2023.
Bid/ Offer Period	Except in relation to Anchor Investors, the period between Wednesday, December 13, 2023 and Friday, December 15, 2023, inclusive of both dates.
Book Building Process	Book building process, as provided in Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer has been made.
Book Running Lead Managers or BRLMs	The book running lead managers to the Offer, being ICICI Securities Limited, Citigroup Global Markets India Private Limited, Kotak Mahindra Capital Company Limited and Ambit Private Limited.
Broker Centres	Broker centres notified by the Stock Exchanges where ASBA Bidders could submit the ASBA Forms to a Registered Broker, provided that Retail Individual Investors may only submit ASBA Forms at such broker centres if they are Bidding using the UPI Mechanism. The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com.
CAN or Confirmation of Allocation Note	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who had been allocated the Equity Shares, after the Anchor Investor Bidding Date.
Cap Price	₹ 493 per Equity Share.
Cash Escrow and Sponsor Bank Agreement	The agreement dated December 7, 2023 amongst our Company, the Selling Shareholders, the Registrar to the Offer, the BRLMs, the Escrow Collection Bank(s), the Public Offer Account Bank(s), the Sponsor Banks, and the Refund Bank(s) for, among other things, collection of the Bid Amounts from the Anchor Investors and where applicable, refunds of the amounts collected from Anchor Investors, on the terms and conditions thereof.
CDP or Collecting Depository Participant	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and other applicable circulars issued by SEBI as per the lists available on the websites of the Stock Exchanges, as updated from time to time.
Client ID	Client identification number maintained with one of the Depositories in relation to the dematerialised account.
Cut-Off Price	Offer Price, i.e., ₹ 493 per Equity Share, finalised by our Company in consultation with the BRLMs. QIBs (including Anchor Investor) and Non-Institutional Investors were not entitled to Bid at the Cut-off Price.
Demographic Details	The details of the Bidders including the Bidder's address, name of the Bidder's father/ husband, investor status, occupation, bank account details and UPI ID, as applicable.

Term	Description
Designated CDP Locations	Such locations of the CDPs where Bidders could submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com, respectively) as updated from time to time.
Designated Date	The date on which the funds from the Escrow Account are transferred to the Public Offer Account(s) or the Refund Account, as appropriate, and the relevant amounts blocked in the ASBA Accounts are transferred to the Public Offer Account(s) and/or are unblocked, as applicable, in terms of the Red Herring Prospectus and this Prospectus, after finalization of the Basis of Allotment in consultation with the Designated Stock Exchange, following which the Equity Shares will be Allotted in the Offer.
Designated Intermediary(ies)	SCSBs, Syndicate, sub-Syndicate, Registered Brokers, CDPs and RTAs who were authorised to collect ASBA Forms from the ASBA Bidders, in relation to the Offer.
Designated RTA Locations	Such locations of the RTAs where Bidders could submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com, respectively) as updated from time to time.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms used by the Bidders, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35, updated from time to time, or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	National Stock Exchange of India Limited.
Draft Red Herring Prospectus or DRHP	The draft red herring prospectus dated August 4, 2023 issued in accordance with the SEBI ICDR Regulations, which did not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer.
Eligible NRI(s)	NRI(s) from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Bid cum Application Form and the Red Herring Prospectus constituted an invitation to purchase the Equity Shares.
Escrow Account(s)	Account(s) opened with the Escrow Collection Bank(s) and in whose favour Anchor Investors transferred the money through direct credit/NEFT/RTGS/NACH in respect of the Bid Amount while submitting a Bid.
Escrow Collection Bank(s)	Bank(s) which are clearing members and registered with SEBI as a banker to an issue under the SEBI BTI Regulations, and with whom the Escrow Account(s) has been opened, in this case being HDFC Bank Limited and Kotak Mahindra Bank Limited .
First Bidder or Sole Bidder	The Bidder whose name was mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name appeared as the first holder of the beneficiary account held in joint names.
Floor Price	₹ 469 per Equity Share.
Fresh Issue	The issue of 16,227,180^ Equity Shares of face value of ₹5 each at ₹ 493 per Equity Share (including a premium of ₹ 488 per Equity Share) aggregating to ₹ 8,000 million^ by our Company. ^ *Subject to finalisation of Basis of Allotment.*
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018.
General Information Document	The General Information Document for investing in public offers, prepared and issued in accordance with the circular SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020, issued by SEBI and the UPI Circulars, as amended from time to time. The General Information Document was made available on the websites of the Stock Exchanges and the BRLMs.
Gross Proceeds	The gross proceeds of the Fresh Issue that will be available to our Company.
Monitoring Agency	CARE Ratings Limited.
Monitoring Agency Agreement	The agreement dated December 7, 2023 entered into between our Company and the Monitoring Agency.
Mutual Fund Portion	The portion of the Offer being 5% of the Net QIB Portion consisting of 243,408^ Equity Shares of face value of ₹5 each which was made available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids having been received at or above the Offer Price. ^ *Subject to finalisation of Basis of Allotment.*
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
Net Proceeds	Proceeds of the Fresh Issue less our Company's share of the Offer related expenses. For

Term	Description
	further details regarding the use of the Net Proceeds and the Offer related expenses, see "***Objects of the Offer***" beginning on page 135.
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors.
NBFC-SI	A systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
Non-Institutional Bidder(s) or Non-Institutional Investor(s) or NII(s) or NIB(s)	Bidders that were not QIBs or RIIs and who had Bid for Equity Shares for an amount more than ₹ 200,000 (but not including NRIs other than Eligible NRIs).
Non-Institutional Portion	The portion of the Offer being not less than 15% of the Offer consisting of 3,651,116^ Equity Shares of face value of ₹5 each was available for allocation to Non-Institutional Investors, of which (a) one-third portion was reserved for applicants with application size of more than ₹ 200,000 and up to ₹ 1,000,000, and (b) two-thirds portion was reserved for applicants with application size of more than ₹ 1,000,000, provided that the unsubscribed portion in either of such sub-categories were allocated to applicants in the other sub-category of Non-Institutional Investors, subject to valid Bids having been received at or above the Offer Price. ^ *Subject to finalisation of Basis of Allotment.*
Non-Resident	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs.
Offer	Initial public offering of 24,340,768^ Equity Shares of face value of ₹5 each for cash at a price of ₹ 493.00 per Equity Share of face value of ₹5 each aggregating to ₹ 12,000 million^ comprising the Fresh Issue and the Offer for Sale. ^ *Subject to finalisation of Basis of Allotment.*
Offer Agreement	The agreement dated August 4, 2023 executed amongst our Company, the Selling Shareholders and the BRLMs ("**Parties to the Offer Agreement**"), pursuant to which certain arrangements are agreed to in relation to the Offer, read with the amendment agreement dated November 23, 2023 and the second amendment agreement dated December 7, 2023 executed amongst the Parties to the Offer Agreement.
Offer for Sale	The Offer for Sale component of the Offer, comprising an offer for sale by Catalyst Trusteeship Limited (as trustee of MICP Trust) of 405^ Equity Shares of face value of ₹5 each aggregating to ₹ 0.20 million^, Catalyst Trusteeship Limited (as trustee of Madison India Opportunities Trust Fund) of 3,474,442^ Equity Shares of face value of ₹5 each aggregating to ₹ 1,712.90 million^, Madison India Opportunities IV of 1,104,056^ Equity Shares of face value of ₹5 each aggregating to ₹ 544.30 million^, MIO Starrock of 644,219^ Equity Shares of face value of ₹5 each aggregating to ₹ 317.60 million^ and Nexus Ventures III, Ltd. of 2,890,466^ Equity Shares of face value of ₹5 each aggregating to ₹ 1,425.00 million^. ^ *Subject to finalisation of Basis of Allotment.*
Offer Price	₹ 493.00 per Equity Share. The Offer Price has been decided by our Company in consultation with the BRLMs on the Pricing Date, in accordance with the Book-Building Process and in terms of the Red Herring Prospectus.
Offered Shares	8,113,588^ Equity Shares of face value of ₹5 each aggregating to ₹ 4,000 million^ being offered for sale by the Selling Shareholders in the Offer. ^ *Subject to finalisation of Basis of Allotment.*
Price Band	The price band ranging from the Floor Price of ₹ 469 per Equity Share of face value of ₹5 each to the Cap Price of ₹ 493 per Equity Share of face value of ₹5 each.
Pricing Date	The date on which our Company in consultation with the BRLMs, finalised the Offer Price, being December 16, 2023.
Prospectus	This Prospectus dated December 16, 2023, filed with the RoC on or after the Pricing Date in accordance with Section 26 of the Companies Act, 2013, and the SEBI ICDR Regulations containing, *inter alia*, the Offer Price, the size of the Offer and certain other information, including any addenda or corrigenda hereto.
Public Offer Account	The bank account opened with the Public Offer Account Bank under Section 40(3) of the Companies Act, 2013, to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date.
Public Offer Account Bank	Bank which is a clearing member and registered with SEBI as a banker to an issue, and with whom the Public Offer Account has been opened, in this case being, Axis Bank Limited.

Term	Description
QIBs or Qualified Institutional Buyers	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
QIB Bidders	QIBs who Bid in the Offer.
QIB Bid/ Offer Closing Date	In the event our Company, in consultation with the BRLMs, decide to close Bidding by QIBs one day prior to the Bid/Offer Closing Date, the date one day prior to the Bid/Offer Closing Date; otherwise it shall be the same as the Bid/Offer Closing Date.
QIB Portion	The portion of the Offer (including the Anchor Investor Portion) being not more than 50% of the Offer consisting of 12,170,383^ Equity Shares of face value of ₹5 each, were made available for allocation to QIBs (including Anchor Investors) on a proportionate basis (in which allocation to Anchor Investors was on a discretionary basis, as determined by our Company, in consultation with the BRLMs up to a limit of 60% of the QIB Portion), subject to valid Bids having been received at or above the Offer Price or Anchor Investor Offer Price (for Anchor Investors). ^ *Subject to finalisation of Basis of Allotment.*
Red Herring Prospectus or RHP	The Red Herring Prospectus dated December 7, 2023 to be issued in accordance with Section 32 of the Companies Act, 2013, and the provisions of the SEBI ICDR Regulations, which did not have complete particulars of the Offer Price and the size of the Offer.
Refund Account(s)	The account opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount to Anchor Investors shall be made.
Refund Bank(s)	The Banker(s) to the Offer with whom the Refund Account(s) was opened, in this case being, HDFC Bank Limited.
Registrar Agreement	The agreement dated August 3, 2023 entered into between our Company, the Selling Shareholders and the Registrar to the Offer ("**Parties to the Registrar Agreement**"), in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer and the amendment agreement thereto dated November 23, 2023 entered into between the Parties to the Registrar Agreement.
Registered Brokers	Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers and Sub-Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals, other than the Members of the Syndicate and eligible to procure Bids in terms of Circular No. CIR/CFD/14/2012 dated October 4, 2012, issued by SEBI.
Registrar to the Offer or Registrar	KFin Technologies Limited.
RTAs or Registrar and Share Transfer Agents	The registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, issued by SEBI and available on the websites of the NSE at www.nseindia.com and the BSE at www.bseindia.com.
Resident Indian	A person resident in India, as defined under FEMA.
Retail Individual Bidder(s) or Retail Individual Investor(s) or RII(s) or RIB(s)	Individual Bidders, who had Bid for the Equity Shares for an amount which is not more than ₹ 200,000 in any of the bidding options in the Offer (including HUFs applying through their karta and Eligible NRI Bidders) and does not include NRIs (other than Eligible NRIs).
Retail Portion	The portion of the Offer being not less than 35% of the Offer consisting of 8,519,269^ Equity Shares of face value of ₹5 each, were made available for allocation to Retail Individual Investors as per the SEBI ICDR Regulations, which was not less than the minimum Bid Lot, subject to valid Bids having been received at or above the Offer Price. ^ *Subject to finalisation of Basis of Allotment.*
Revision Form	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s). QIB Bidders and Non-Institutional Investors were not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Investors could revise their Bids during the Bid/ Offer Period and withdraw their Bids until the Bid/ Offer Closing Date.
Self Certified Syndicate Bank(s) or SCSB(s)	The banks registered with SEBI, offering services in relation to ASBA (other than through UPI Mechanism), a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 or www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 or such other website as updated from time to time, and (ii) The banks registered with SEBI, enabled for UPI Mechanism, a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as updated from time to time.

Term	Description
	Applications through UPI in the Offer can be made only through the SCSBs mobile applications (apps) whose name appears on the SEBI website. A list of SCSBs and mobile application, which, are live for applying in public issues using UPI Mechanism is appearing in the "list of mobile applications for using UPI in Public Issues" displayed on the SEBI website at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43. The said list shall be updated on the SEBI website from time to time.
Share Escrow Agent	KFin Technologies Limited.
Share Escrow Agreement	The agreement dated December 7, 2023 entered into amongst our Company, the Selling Shareholders and the Share Escrow Agent in connection with the transfer of the Offered Shares by the Selling Shareholders and credit of such Offered Shares to the demat account of the Allottees in accordance with the Basis of Allotment.
Specified Locations	Bidding Centres where the Syndicate accepted ASBA Forms from Bidders.
Sponsor Banks	Banks registered with SEBI and appointed by our Company to act as a conduit between the Stock Exchanges and the National Payments Corporation of India in order to push the mandate collect requests and/ or payment instructions of the UPI Bidders and carry out other responsibilities, in terms of the UPI Circulars, in this case being Axis Bank Limited, HDFC Bank Limited and Kotak Mahindra Bank Limited.
Sub-Syndicate Members	The sub-syndicate members, if any, appointed by the BRLMs and the Syndicate Members, to collect ASBA Forms and Revision Forms.
Syndicate Agreement	The agreement dated December 7, 2023 entered into amongst our Company, the Registrar to the Offer, the Selling Shareholders, the BRLMs and the Syndicate Members in relation to the collection of Bids by the Syndicate.
Syndicate Member(s)	Intermediaries registered with SEBI who are permitted to accept bids, applications and place order with respect to the Offer and carry out activities as an underwriter, namely Kotak Securities Limited and Ambit Capital Private Limited.
Syndicate or Members of the Syndicate	Together, the BRLMs and the Syndicate Members.
Underwriters	ICICI Securities Limited, Citigroup Global Markets India Private Limited, Kotak Mahindra Capital Company Limited, Ambit Private Limited, Kotak Securities Limited and Ambit Capital Private Limited.
Underwriting Agreement	The agreement dated December 16, 2023 entered into amongst the Underwriters, our Company and the Selling Shareholders.
UPI	Unified Payments Interface, which is an instant payment mechanism, developed by NPCI.
UPI Bidders	Collectively, individual investors who applied as (i) Retail Individual Investors in the Retail Portion and (ii) Non-Institutional Investors with an application size of up to ₹ 500,000 in the Non-Institutional Portion Bidding under the UPI Mechanism through ASBA Form(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents. Pursuant to Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹ 500,000 are required to use UPI Mechanism and are required to provide their UPI ID in the Bid cum Application Form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity).
UPI Circulars	SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular number SEBI/HO/CFD/DIL2/OW/P/2021/2480/1/M dated March 16, 2021, SEBI circular number SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, SEBI ICDR Master Circular, SEBI circular number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated

Term	Description
	August 9, 2023, along with the circular issued by the National Stock Exchange of India Limited having reference number 25/2022 dated August 3, 2022, and the circular issued by the BSE Limited having reference number 20220803-40 dated August 3, 2022, and any subsequent circulars or notifications issued by SEBI or the Stock Exchanges in this regard.
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India.
UPI Mandate Request	A request (intimating the UPI Bidders by way of a notification on the UPI application and by way of a SMS directing the UPI Bidder to such UPI application) to the UPI Bidders initiated by the Sponsor Banks to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment.
UPI Mechanism	The bidding mechanism used by UPI Bidders to make a Bid in the Offer in accordance with UPI Circulars.
UPI PIN	Password to authenticate UPI transaction.
Wilful Defaulter or Fraudulent Borrower	Wilful defaulter or fraudulent borrower as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations.
Working Day	All days other than second and fourth Saturday of the month, Sunday or a public holiday, on which commercial banks in Mumbai are open for business; provided, however, with reference to (a) announcement of Price Band; and (b) Bid/ Offer Period, the expression "Working Day" shall mean all days on which commercial banks in Mumbai are open for business, excluding all Saturdays, Sundays or public holidays; and (c) with reference to the time period between the Bid/ Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, the expression 'Working Day' shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, in terms of the circulars issued by SEBI.

Technical/ Industry Related Abbreviations

Term	Description
Affordable Housing Loans	Loans to individuals with a ticket size of less than ₹2.5 million as per the criteria set out in the Refinance Scheme under Affordable Housing Fund for the Financial Year 2021-22 issued by the National Housing Bank, read with the Master Directions – Reserve Bank of India (Priority Sector Lending – Targets and Classification) Directions, 2020.
ALM	Asset liability management.
AML	Anti-money laundering.
AUM	Assets under management.
AUM / Employee	AUM / Employee is the ratio of AUM as of the last day of the relevant year to number of employees as of the last day of the relevant year.
AUM by Customer Occupation - Salaried (%)	AUM by Customer Occupation - Salaried (%) represents AUM for loan accounts classified as Salaried at the time of sanction of loans as a percentage of AUM as of the last day of the relevant year.
AUM by Customer Occupation - Self Employed (%)	AUM by Customer Occupation - Self Employed (%) represents AUM for loan accounts classified as Self Employed at the time of sanction of loans as a percentage of AUM as of the last day of the relevant year.
AUM Growth (%)	AUM Growth (%) represents the percentage growth in AUM as of the last day of the relevant year over AUM as of the last day of the previous year.
Average Cost of Borrowing	Average Cost of Borrowing represents Finance Costs (excluding interest on lease liabilities) for the relevant year as a percentage of Average Interest-bearing Liabilities as of the last day of such year.
Average Yield on Advances	Average Yield on Advances represents the ratio of interest income on loans and advances for the relevant year as per Restated Consolidated Financial Information divided by Average Loan and Advances as per Restated Consolidated Financial Information.
Basic and Diluted Earnings per Equity Share	Basic and Diluted Earnings per Equity Share are computed in accordance with Ind AS 33 notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended) as appearing in Restated Consolidated Financial Information.
BPS	Basis points.
Branch Productivity (AUM / Branch)	Branch Productivity (AUM / Branch) is the ratio of AUM as of the last day of the relevant year to Number of branches as of the last day of the relevant year.
BRE	Business rule engine.
CAD	Current account deficit.
CAGR	Compound annual growth rate.

Term	Description
CPI	Consumer price index.
CRAR	Capital adequacy ratio or Capital to risk assets ratio.
Credit Cost to Average Total Assets	Credit Cost to Average Total Assets represents the impairment on financial instruments to simple average of Total Assets as of the last day of the relevant year and Total Assets as of the last day of the previous year, represented as a percentage.
DBIE RBI	Database on Indian Economy - Reserve Bank of India.
DBT	Direct benefit transfer.
Disbursements Growth (%)	Disbursements Growth (%) represents the percentage growth in Disbursements for the relevant year over Disbursements of the previous year
DPD 30+	DPD 30+ represents AUM outstanding for more than 30 days after the due date for the relevant year or period as a percentage of AUM as of the last day of the relevant year.
ECB	External commercial borrowing.
ECLGS	Emergency credit line guarantee scheme.
EMI	Equated monthly instalments.
e-NACH	Electronic National Automated Clearing House.
EWS	Economically weaker section.
GDP	Gross domestic product.
GDS	Gross domestic saving.
GNPA	Gross non-performing assets.
GSDP	Gross state domestic product.
HFC	Housing finance company.
HIG	High-income group.
IMF	International monetary fund.
KYC	Know-your-customer.
LAP	Loan against property.
Leverage	Leverage represents the ratio of Average Total Assets to Average Net Worth for the relevant period.
LIG	Low-income group.
LTV	Loan to value.
MGNREGA	Mahatma Gandhi National Rural Employment Guarantee Act, 2005.
MIG	Middle-income group.
MOSPI	Ministry of Statistics and Programme Implementation.
MPC	Monetary Policy Committee.
MSME	Micro, small and medium enterprises.
NBFC	Non-banking financial company.
NCFE-FLIS	National Centre for Financial Education -National Financial Literacy and Inclusion Survey.
Net Income	Net Income represents the difference between Total Income and Finance Cost for the relevant year.
Net Income to Average Total Assets	Net Income to Average Total Assets represents Net Income for the relevant year to Average Total Assets for such year.
Net Worth	Net Worth is equivalent to the sum of equity share capital and other equity as per the Restated Consolidated Financial Information.
NII	Net interest income.
NIM	Net interest margin.
NNPA	Net non-performing asset.
NRE Account	Non-resident external rupee account.
NRO Account	Non-resident ordinary account.
NSO	National Statistics Office.
NSSO	National Sample Survey Organization.
Operating Expenses to Average Total Assets	Operating Expenses to Average Total Assets represents Operating Expenses for the relevant year to Average Total Assets for such year.
PD	Personal discussions
PLI	Production Linked Incentive Scheme.
PMAY	Pradhan Mantri Awas Yojna.
PMJDY	Pradhan Mantri Jan Dhan Yojna.
PMJJBY	Pradhan Mantri Jeevan Jyoti Yojna.
PPP	Purchasing power parity.
Product Wise AUM (in terms of Amount) - Home Loan (%)	Product Wise AUM (in terms of Amount) - Home Loan (%) represents AUM for loan accounts classified as Home Loan at the time of sanction of loans as a percentage of AUM as of the last day of the relevant year.
Product Wise AUM (in terms of	Product Wise AUM (in terms of Amount) - Loan Against Property (%) represents

Term	Description
Amount) - Loan Against Property (%)	AUM for loan accounts classified as Loan Against Property at the time of sanction of loans as a percentage of AUM as of the last day of the relevant year.
Profit After Tax to Average Net Worth	Profit After Tax to Average Net Worth represents Profit After Tax for the relevant year to the Average Net Worth for such year.
Profit After Tax to Average Total Assets	Profit After Tax to Average Total Assets represents Profit After Tax for the relevant year to Average Total Assets for such year.
Provision Coverage Ratio (%)	Provision Coverage Ratio (%) represents Impairment Loss Allowance for Stage 3 Assets as a percentage of total Stage 3 assets (Gross) as of the last day of such year.
PSL	Priority sector lending.
PSU	Public sector undertaking.
Spread on Advances	Spread on Advances represents Average Yield on Advances s for the relevant year less Average Cost of Borrowings for such year.
Stage 3 Assets (%)	Stage 3 Assets (%) represents the Stage 3 Assets to the Gross Carrying Amount as of the last day of the relevant period, represented as a percentage.
Stage 3 Assets (Net) to Net Carrying Amount (%)	Stage 3 Assets (Net) to Net Carrying Amount (%) represents Stage 3 Assets (Net) as of the last day of the relevant year upon Net Carrying Assets as of the last day of such year, represented as a percentage.
RERA	Real Estate Regulatory Authority.
RoA	Return on asset.
RoE	Return on equity.
TRAI	Telecom Regulatory Authority of India.

Conventional and General Terms or Abbreviations

Term	Description
₹/ Rs. /Rupees/ INR	Indian Rupees.
AGM	Annual General Meeting.
AIF	An alternative investment fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.
BSE	The BSE Limited.
Category I AIFs	AIFs who are registered as "Category I Alternative Investment Funds" under the SEBI AIF Regulations.
Category I FPI	FPIs who are registered as "Category I foreign portfolio investors" under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
Category II AIFs	AIFs who are registered as "Category II Alternative Investment Funds" under the SEBI AIF Regulations.
Category III AIFs	AIFs who are registered as "Category III Alternative Investment Funds" under the SEBI AIF Regulations.
Category II FPI	FPIs registered as "Category II foreign portfolio investors" under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
CDSL	Central Depository Services (India) Limited.
CEO	Chief Executive Officer.
CRAR	Capital Adequacy Ratio/ Capital to Risk Assets Ratio.
CIN	Corporate Identity Number.
Companies Act	The Companies Act, 1956 and the Companies Act, 2013, as applicable.
Companies Act, 1956	The erstwhile Companies Act, 1956 along with the relevant rules made thereunder.
Companies Act, 2013	Companies Act, 2013, along with the relevant rules, regulations, clarifications, circulars and notifications issued thereunder, as amended to the extent currently in force.
CSR	Corporate Social Responsibility.
Depositories	NSDL and CDSL.
Depositories Act	The Depositories Act, 1996, read with regulations framed thereunder.
DDT	Dividend distribution tax.
DIN	Director Identification Number.
DP ID	Depository Participant's Identity Number.
DP or Depository Participant	A depository participant as defined under the Depositories Act.
DRT Act	Recovery of Debts due to Banks and Financial Institutions Act, 1993.
DTD	Debenture Trust Deed.
ECB Master Directions	External Commercial Borrowings, Trade Credits and Structured Obligations Master Direction prescribed by the RBI on March 26, 2019.
EGM	Extraordinary General Meeting.
EPS	Earnings Per Share.

Term	Description
FCNR	Foreign currency non-resident account.
FDI	Foreign Direct Investment.
Consolidated FDI Policy	The consolidated FDI Policy, issued by the Department of Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time.
FEMA	The Foreign Exchange Management Act, 1999, read with rules and regulations thereunder.
FEMA Non-Debt Instruments Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019 issued by the Ministry of Finance, GoI.
Financial Year or Fiscal or Fiscal Year	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year.
FPC	Fair practices code.
FPI(s)	Foreign portfolio investors as defined under the SEBI FPI Regulations.
FVCI	Foreign venture capital investors as defined and registered under the SEBI FVCI Regulations.
GoI or Government or Central Government	The Government of India.
GST	Goods and services tax.
HFC	Housing finance company, in terms of the NHB Directions or the RBI Master Directions, as applicable.
IBC	Insolvency and Bankruptcy Code, 2016.
ICAI	The Institute of Chartered Accountants of India.
IFRS	International Financial Reporting Standards of the International Accounting Standards Board.
Income Tax Act	The Income-tax Act, 1961, read with the rules framed thereunder.
Income Tax Rules	The Income-tax Rules, 1962.
Ind AS/ Indian Accounting Standards	The Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standard) Rules, 2015.
Ind AS 33	Indian Accounting Standard 33 on Earnings per Share issued by the MCA.
India	Republic of India.
Indian GAAP	Accounting standards notified under section 133 of the Companies Act, 2013, read with Companies (Accounting Standards) Rules, 2006, as amended and the Companies (Accounts) Rules, 2014.
IPO	Initial public offering.
IST	Indian Standard Time.
KYC Directions	Master Direction – Know Your Customer (KYC) Direction, 2016
MCA	The Ministry of Corporate Affairs, Government of India.
Mn or mn	Million.
N.A.	Not applicable.
NBFC-SI Master Directions	Master Direction – Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.
NEFT	National Electronic Fund Transfer.
NHB	National Housing Bank.
NHB Act	The National Housing Bank Act, 1987.
NHB Directions	Master Circular – The Housing Finance Companies – NHB Directions, 2010.
NPCI	National Payments Corporation of India.
NRI	A person resident outside India, who is a citizen of India or an overseas citizen of India cardholder within the meaning of section 7(A) of the Citizenship Act, 1955.
NSDL	National Securities Depository Limited.
NSE	The National Stock Exchange of India Limited.
OCB or Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Offer.
P/E Ratio	Price / earnings ratio.
PAN	Permanent account number.
PAT	Profit after tax.
PSL Master Directions	Master Directions – Reserve Bank of India (Priority Sector Lending) – (Targets and Classifications) Directions, 2020 dated September 4, 2020.
Regulation S	Regulation S under the U.S. Securities Act.
RBI	Reserve Bank of India.

Term	Description
RBI Act	The Reserve Bank of India Act, 1934.
RBI Auditors Guidelines	RBI Guidelines for Appointment of Statutory Central Auditors/ Statutory Auditors of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs) dated April 27, 2021.
RBI Dividend Guidelines	RBI guidelines dated June 24, 2021 on declaration of dividends by NBFCs.
RBI Master Directions	Master Directions – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 issued on February 17, 2021.
RTGS	Real time gross settlement.
Rule 144A	Rule 144A under the U.S. Securities Act.
SARFAESI	The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002.
Scale-Based Regulations	'Revised Regulatory Framework for NBFCs – A Scale-based Approach' dated October 22, 2021.
SCRA	The Securities Contracts (Regulation) Act, 1956.
SCRR	The Securities Contracts (Regulation) Rules, 1957.
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, 1992.
SEBI Act	The Securities and Exchange Board of India Act, 1992.
SEBI AIF Regulations	The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.
SEBI BTI Regulations	The Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994.
SEBI FPI Regulations	The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
SEBI FVCI Regulations	The Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
SEBI ICDR Master Circular	SEBI master circular for Issue of Capital and Disclosure Requirements bearing reference number SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023.
SEBI Listing Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
SEBI (Merchant Bankers) Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992.
SEBI RTA Master Circular	SEBI master circular bearing reference no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023.
SEBI SBEB Regulations	The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
SEBI VCF Regulations	The Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as repealed pursuant to the SEBI AIF Regulations.
State Government	The government of a state in India.
Stock Exchanges	Collectively, the BSE and the NSE.
Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
TAN	Tax deduction account number.
U.S. GAAP	Generally accepted accounting principles in the United States of America.
U.S. Securities Act	The U.S. Securities Act of 1933, as amended.
VCFs	Venture capital funds as defined in and registered with SEBI under SEBI VCF Regulations.
Year/ Calendar Year	The 12 months period ending December 31.

CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION, INDUSTRY AND MARKET DATA AND CURRENCY OF PRESENTATION

Certain Conventions

All references in this Prospectus to 'India' are to the Republic of India and its territories and possessions and all references herein to the 'Government', 'Indian Government', 'GoI', 'Central Government' or the 'State Government' are to the Government of India, central or state, as applicable. All references to the 'U.S.', 'US', 'U.S.A' or 'United States' are to the United States of America and its territories and possessions.

Unless otherwise specified, any time mentioned in this Prospectus is in Indian Standard Time. Unless indicated otherwise, all references to a year in this Prospectus are to a calendar year.

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

Currency and Units of Presentation

All references to *"Rupee(s)", "Rs."* or *"₹"* or *"INR"* are to Indian Rupees, the official currency of the Republic of India. All references to *"U.S. Dollar(s)"* or *"USD"* or *"US Dollar"* are to United States Dollars, the official currency of the United States of America.

Exchange Rates

This Prospectus contains conversion of U.S. Dollar into Rupees that have been presented solely to comply with the requirements of the SEBI ICDR Regulations. These conversions should not be considered as a representation that such U.S. Dollar amounts have been, could have been or can be converted into Rupees at any particular rate, the rates stated below or at all. Unless otherwise stated, the exchange rates referred to for the purpose of conversion of U.S. Dollar amounts into Rupee amounts, are as follows:

(*in ₹*)

Currency	Exchange rate as on				
	September 30, 2023*	September 30, 2022	March 31, 2021	March 31, 2022	March 31, 2023
USD	83.06	81.55	73.50	75.81	82.22

Source: www.fbil.org.in
Note: Exchange rate is rounded off to two decimal places.
** The previous working day, not being a public holiday, has been considered.*

Financial and Other Data

Unless stated or the context requires otherwise, the financial information in this Prospectus is derived from our Restated Consolidated Financial Information.

The restated consolidated financial information of our Company and our Subsidiary comprises the restated consolidated statement of assets and liabilities as at September 30, 2023 and September 30, 2022 and as at March 31, 2023 and March 31, 2022, the restated consolidated statement of profit and loss (including other comprehensive income) for the six months ended September 30, 2023 and September 30, 2022, and for the years ended March 31, 2023 and March 31, 2022, the restated consolidated statement of cash flows and the restated consolidated statement of changes in equity for the six months ended September 30, 2023 and September 30, 2022, and for the years ended March 31, 2023 and March 31, 2022, the restated standalone statement of assets and liabilities as at March 31, 2021, restated standalone statement of profit and loss (including other comprehensive income) for the year ended March 31, 2021, the restated standalone statement of cash flow for the year ended March 31, 2021 and the summary of significant accounting policies and other explanatory information prepared in accordance with Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended, provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, and the Guidance Note on Report in Company Prospectuses (Revised 2019) issued by the ICAI, as amended.

For further details of our Company's financial information, see "***Financial Information***" beginning on page 332.

There are significant differences between Indian Accounting Standards ("**Ind AS**"), Generally Accepted Accounting Principles in the United States of America ("**U.S. GAAP**") and International Financial Reporting Standards of the International Accounting Standards Board ("**IFRS**"). Our Company does not provide reconciliation of its financial information to IFRS or U.S. GAAP. Our Company does not provide reconciliation of its financial information to IFRS or U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, the Companies Act, 2013 ("**Companies Act**"), Ind AS, and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("**SEBI ICDR Regulations**"). Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Prospectus should, accordingly, be limited.

Our Company's financial year commences on April 1 of each year and ends on March 31 of the next year. Accordingly, all references to a particular financial year (referred to herein as "**Financial Year**") are to the 12 months ended March 31 of that particular year, unless otherwise specified. All ratios as of and for the six months ended September 30, 2023 and September 30, 2022, have been annualised, unless otherwise specified.

All the figures in this Prospectus have been presented in million or in whole numbers where the numbers have been too small to present in million unless stated otherwise. One million represents 1,000,000 and one billion represents 1,000,000,000. Certain figures contained in this Prospectus, including financial information, have been subject to rounding adjustments. Any discrepancies in any table between the totals and the sum of the amounts listed are due to rounding off. All figures in decimals have been rounded off to two decimal points. All ratios and percentages in decimals have been rounded off to one decimal point, except in relation to: (i) basic and diluted earnings per share and net asset value per Equity Share, accounting ratios that have been expressed in ₹ terms, and (ii) Stage 1 Assets (%), Stage 2 Assets (%), Stage 3 Assets (%), Stage 3 Assets (Net) to Net Carrying Amount (%), resolved account classified as standard (%), DPD 30+ (%) and DPD 90+ (%), wherein percentages in decimals have been rounded off to two decimal points. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given, and (ii) the sum of the figures in a column or row in certain tables may not conform exactly to the total figure given for that column or row. However, figures sourced from third-party industry sources may be expressed in denominations other than million or may be rounded off to other than two decimal points in the respective sources, and such figures have been expressed in this Prospectus in such denominations or rounded-off to such number of decimal points as provided in such respective sources.

Unless the context otherwise indicates, any percentage amounts, as set forth in "***Risk Factors***", "***Our Business***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" beginning on pages 29, 232 and 397, respectively, and elsewhere in this Prospectus have been calculated on the basis of amounts derived from the Restated Consolidated Financial Information.

Industry and Market Data

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources. The data used in these sources may have been re-classified by us for the purposes of presentation. Data from these sources may also not be comparable. Accordingly, no investment decision should be made solely on the basis of such information. Further, industry sources and publications are also prepared based on information as of a specific date and may no longer be current or reflect current trends. The extent to which the industry and market data used in this Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such 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 industry sources. Accordingly, no investment decision should be made solely on the basis of such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those disclosed in "***Risk Factors – Internal Risk Factors – We have referred to the data derived from industry report paid for and commissioned by our Company from CRISIL MI&A and reliance on such information for making an investment decision in the Offer is subject to certain inherent risks.***" on page 67.

Unless stated otherwise, industry and market data used in this Prospectus is derived from the report titled, "Industry Report on Housing Finance market in India" dated November 2023 ("**CRISIL Report**"), prepared by

CRISIL MI&A ("**CRISIL**"), appointed by our Company pursuant to engagement letters dated June 6, 2023 and October 23, 2023, and such CRISIL Report has been commissioned by and paid for by our Company, exclusively in connection with the Offer. Further, CRISIL pursuant to their consent letter dated August 3, 2023 and November 23, 2023, ("**Letter**") has accorded its no objection and consent to use the CRISIL Report in connection with the Offer. The CRISIL Report was available on the website of our Company at https://indiashelter.in/investor-relations from the date of the Red Herring Prospectus until the Bid/ Offer Closing Date and has also been included in "***Material Contracts and Documents for Inspection – Material Documents***" on page 515. CRISIL, pursuant to its Letter has also confirmed that it is an independent agency, and that it is not related to our Company, our Directors, our Promoters, Senior Management or Key Managerial Personnel.

In accordance with the SEBI ICDR Regulations, the section "***Basis for Offer Price"*** beginning on page 143, includes information relating to our peer group companies and industry averages. Such information has been derived from publicly available sources and verified by B. B. & Associates, Chartered Accountants. Such industry sources and publications are also prepared based on information as at specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base this information on estimates and assumptions that may prove to be incorrect.

This Prospectus contains data and statistics from certain reports and the CRISIL Report, which is subject to the following:

"*CRISIL Market Intelligence and Analytics (MI&A), a division of CRISIL Limited (CRISIL) has taken due care and caution in preparing this report (Report) based on the Information obtained by CRISIL from sources which it considers reliable (Data). This Report is not a recommendation to invest / disinvest in any entity covered in the Report and no part of this Report should be construed as an expert advice or investment advice or any form of investment banking within the meaning of any law or regulation. 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 permission and/or registration to carry out its business activities in this regard. India Shelter Finance Corporation Limited will be responsible for ensuring compliances and consequences of non-compliances for use of the Report or part thereof outside India. CRISIL MI&A operates independently of, and does not have access to information obtained by CRISIL Ratings Limited, which may, in their regular operations, obtain information of a confidential nature. The views expressed in this Report are that of CRISIL MI&A and not of CRISIL Ratings Limited. No part of this Report may be published/reproduced in any form without CRISIL's prior written approval.*"

FORWARD-LOOKING STATEMENTS

This Prospectus contains certain "forward-looking statements". All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward looking statements, which may include statements with respect to our business strategy, our revenue and profitability, our goals and other such matters discussed in this Prospectus regarding matters that are not historical facts. These forward-looking statements generally can be identified by words or phrases such as "***aim***", "***anticipate***", "***believe***", "***goal***", "***expect***", "***estimate***", "***intend***", "***likely to***", "***seek to***", "***objective***", "***plan***", "***projected***", "***propose***", "***should***" "***will***", "***will continue***", "***seek to***", "***will pursue***" or other words or phrases of similar import. Similarly, statements that describe our expected financial conditions, results of operations, strategies, objectives, prospects, plans or goals are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements. All forward-looking statements whether made by us or any third parties in this Prospectus are based on our current plans, estimates, presumptions and expectations and 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.

Actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with the expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which our Company has businesses and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, incidence of any natural calamities and/or acts of violence, changes in laws, regulations and taxes and changes in competition in our industry.

Important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- *any disruption in our sources of financing;*
- *inability to satisfy the financial and other covenants under our debt financing arrangements;*
- *any adverse developments in the three states that contributed to 62.7% and 63.4% of our assets under management for the six months ended September 30, 2023 and Financial Year 2023, respectively;*
- *risk of non-payment or default by our customers;*
- *deterioration of the credit quality of our loan book or inability to implement effective monitoring and collection methods;*
- *inability to identify, monitor and manage risks or effectively implement risk management policies;*
- *changes in laws and regulations applicable to housing finance companies;*
- *non-compliance with observations made during any periodic inspections by the National Housing Bank and the Reserve Bank of India;*
- *misleading information by the customers of their credit worthiness, value and title to the collateral;*
- *volatility in interest rates for both our lending and treasury operations; and*
- *asset-liability mismatches.*

For further discussion on factors that could cause our actual results to differ from our expectations, see "***Risk Factors***", "***Our Business***", "***Industry Overview***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" beginning on pages 29, 232, 166 and 397, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

Forward-looking statements reflect our views as of the date of this Prospectus and are not a guarantee of future performance. These statements are based on our management's beliefs and assumptions, which in turn are based on the currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. None of our Company, Directors, Promoters, the Selling Shareholders, and the BRLMs or their respective affiliates 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. There can be no assurance to Bidders that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, Bidders are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance.

In accordance with regulatory requirements of Securities and Exchange Board of India ("**SEBI**") and as prescribed under applicable law, our Company will ensure that Bidders in India are informed of material developments from the date of filing of this Prospectus until the date of Allotment. In accordance with the requirements of SEBI, each of the Selling Shareholders will ensure that investors are informed, through the Company, of material developments in relation to the statements and undertakings specifically undertaken or confirmed by it in relation to itself and its respective portion of the Offered Shares in this Prospectus until the date of Allotment. Only statements and undertakings which are specifically confirmed or undertaken by each of the Selling Shareholders to the extent of information pertaining to it and/or its respective portion of the Offered Shares, as the case may be, in this Prospectus shall be deemed to be statements and undertakings made by such Selling Shareholder.

SUMMARY OF THE OFFER DOCUMENT

*This section is a general summary of certain disclosures included in this Prospectus and is neither exhaustive, nor does it purport to contain a summary of all the disclosures in this Prospectus or all details relevant to prospective investors. This summary section should be read in conjunction with, and is qualified in its entirety by, more detailed information appearing elsewhere in this Prospectus, including in "**Risk Factors**", "**The Offer**", "**Capital Structure**", "**Objects of the Offer**", "**Industry Overview**", "**Our Business**", "**Our Promoters and Promoter Group**", "**Restated Consolidated Financial Information**", "**Management's Discussion and Analysis of Business and Results of Operations**", "**Outstanding Litigation and Material Developments**", "**Offer Procedure**" and "**Description of Equity Shares and Terms of the Articles of Association**" beginning on pages 29, 77, 94, 135, 166, 232, 305, 332, 397, 433, 471 and 494, respectively.*

*We have exclusively commissioned and paid for the services of independent third party research agency, CRISIL MI&A ("**CRISIL**"), and have relied on the report titled "Industry Report on Housing Finance market in India" (the "**CRISIL Report**") dated November 2023, for industry related data in this Prospectus, including in the sections "**Industry Overview**", "**Our Business**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" on pages 166, 232 and 397, respectively. We engaged CRISIL in connection with the preparation of the CRISIL Report pursuant to engagement letters dated June 6, 2023 and October 23, 2023, commissioned and paid for such report for the purposes of confirming our understanding of the industry in connection with the Offer. The CRISIL Report was available on the website of our Company at https://indiashelter.in/investor-relations from the date of the Red Herring Prospectus until the Bid/ Offer Closing Date and has also been included in "**Material Contracts and Documents for Inspection – Material Documents**" on page 515. The data included herein includes excerpts from the CRISIL Report and may have been re-ordered by us for the purposes of presentation. Unless otherwise indicated, all financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year, refers to such information for the relevant Financial Year.*

Summary of our business

We are a retail focused affordable housing finance company with an extensive distribution network comprising 203 branches as of September 30, 2023 and a scalable technology infrastructure across our business operations and throughout the loan life cycle. Between Financial Year 2021 and Financial Year 2023, we witnessed a two-year compounded annual growth rate ("**CAGR**") growth of 40.8% in terms of assets under management ("**AUM**") (Source: *CRISIL Report*). Our target segment is the self-employed customer with a focus on first time home loan takers in the low and middle income group in Tier II and Tier III cities in India. This helps in generating relatively high yields on advances.

See "***Our Business***" beginning on page 232.

Summary of the industry in which we operate

The housing finance sector of India comprises public sector banks, private sector banks, housing finance companies, non-banking financial companies and other players. The overall size of the affordable housing finance market in India in terms of loan outstanding was around ₹11.5 trillion as of March 2023, constituting around 37% of the overall housing finance market. The Indian housing finance market recorded a CAGR of approximately 13.5% (growth in loan outstanding) over the financial years 2019-2023 on account of a rise in disposable income, healthy demand, and a greater number of players entering the segment (Source: *CRISIL Report*).

See "***Industry Overview***" beginning on page 166.

Promoters

Our Promoters are Anil Mehta, WestBridge Crossover Fund, LLC and Aravali Investment Holdings.

See "***Our Promoters and Promoter Group – Details of our Individual Promoter***" and "***Our Promoters and Promoter Group – Details of our Corporate Promoters***" on page 305.

Offer size

The following table summarizes the details of the Offer:

Offer	24,340,768^ Equity Shares of face value of ₹5 each, aggregating to ₹ 12,000 million^
of which	
Fresh Issue(1)	16,227,180^ Equity Shares of face value of ₹5 each, aggregating to ₹ 8,000 million^
Offer for Sale(2)(3)	8,113,588^ Equity Shares of face value of ₹5 each, aggregating to ₹ 4,000 million^ by the Selling Shareholders

^ Subject to finalization of Basis of Allotment.

(1) *Our Board has authorised the Offer, pursuant to their resolution dated July 12, 2023. Our Shareholders have authorised the Fresh Issue pursuant to their resolution dated July 18, 2023. Further, our Board has taken on record the approvals for the Offer for Sale of the Selling Shareholders pursuant to its resolution dated December 7, 2023.*

(2) *Details of the participation of each Selling Shareholder in the Offer for Sale are set forth below:*

Name of the Selling Shareholder	*Category*	*Aggregate proceeds from the sale of Equity Shares of face value of ₹5 each forming part of the Offer for Sale (₹ in million) **	*Number of Offered Shares**	*Post-Offer Number of Equity Shares held by the Selling Shareholder**	*Post-Offer Percentage Shareholding of the Selling Shareholder* (%)*
Catalyst Trusteeship Limited (as trustee of MICP Trust)	*Investor Selling Shareholder*	*0.20*	*405*	*106,571*	*0.10*
Catalyst Trusteeship Limited (as trustee of Madison India Opportunities Trust Fund)	*Investor Selling Shareholder*	*1,712.90*	*3,474,442*	*1,285,466*	*1.20*
Madison India Opportunities IV	*Investor Selling Shareholder*	*544.30*	*1,104,056*	*162,880*	*0.15*
MIO Starrock	*Investor Selling Shareholder*	*317.60*	*644,219*	*3,790,889*	*3.53*
Nexus Ventures III, Ltd.	*Investor Selling Shareholder*	*1,425.00*	*2,890,466*	*17,033,130*	*15.85*
Total		***4,000.00***	***8,113,588***	***22,378,936***	***20.83***

** Subject to finalization of Basis of Allotment.*

(3) *The Equity Shares being offered by each of the Selling Shareholders have been held by it for a period of at least one year immediately preceding the date of the Draft Red Herring Prospectus with the Securities and Exchange Board of India and are eligible for being offered for sale pursuant to the Offer in terms of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended. For details of authorisations received from the Selling Shareholders for the Offer for Sale, see "**Other Regulatory and Statutory Disclosures – Authority for the Offer – Approvals from the Selling Shareholders**" on page 444.*

The Offer constitutes 22.74% of the post-Offer paid up equity share capital of our Company. See "***The Offer***" and "***Offer Structure***" beginning on pages 77 and 467, respectively.

Objects of the Offer

The Net Proceeds are proposed to be used towards the objects in accordance with the details set forth below:

S. No.	**Objects of the Offer**	**Estimated amount (in ₹ million)**	**Percentage of Net Proceeds (%)**
1.	To meet future capital requirements towards onward lending	6,400.00	85.2%
2.	General corporate purposes(1)(2)	1,109.16	14.8%
	Total Net Proceeds(1)	**7,509.16**	**100.0%**

(1) Subject to finalization of Basis of Allotment.
(2) The Net Proceeds will first be utilized towards the Objects as set out above. Subject to this, our Company intends to deploy any balance Net Proceeds towards general corporate purposes and the business requirements of our Company, as approved by our management, from time to time, subject to such utilization for general corporate purposes not exceeding 25% of the Gross Proceeds, in compliance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

See "***Objects of the Offer***" beginning on page 135.

Aggregate pre-Offer Shareholding of our Promoters, members of our Promoter Group and Selling Shareholders

The aggregate pre-Offer equity shareholding of each of our Promoters, members of our Promoter Group and Selling Shareholders as on the date of this Prospectus is set forth below:

Name of the Shareholder	**Pre-Offer**	
	Number of Equity Shares of face value of ₹5 each held (on a fully diluted basis)*	**Percentage of pre-Offer Equity Share capital (on a fully diluted basis)***
Promoters		
Anil Mehta	1,570,734	1.7%
WestBridge Crossover Fund, LLC	21,708,302	23.8%
Aravali Investment Holdings	28,422,818	31.2%

Name of the Shareholder	Pre-Offer	
	Number of Equity Shares of face value of ₹5 each held (on a fully diluted basis)*	Percentage of pre-Offer Equity Share capital (on a fully diluted basis)*
Total (A)	**51,701,854**	**56.7%**
Selling Shareholders		
Catalyst Trusteeship Limited (as trustee of MICP Trust) (1)	106,976	0.1%
Catalyst Trusteeship Limited (as trustee of Madison India Opportunities Trust Fund) (2)	4,759,908	5.2%
Madison India Opportunities IV(3)	1,266,936	1.4%
MIO Starrock(4)	4,435,108	4.9%
Nexus Ventures III, Ltd.(5) (6)	19,923,596	21.8%
Total (B)	**30,492,524**	**33.4%**
Total (C=A+B)	**82,194,378**	**90.1%**

* *Our pre-Offer paid up share capital has been considered on a fully diluted basis, considering the vested employee stock options as on the date of this Prospectus. As on the date of this Prospectus, none of our Promoters and Selling Shareholders hold any vested employee stock options.*

(1) *In relation to MICP Trust, Samir Shrivastava, Sushain Trehan and Mudit Singh Gusain own 10% or more thereof.*

(2) *In relation to Madison India Opportunities Trust Fund, Surya Chadha is the ultimate beneficial owner by virtue of his indirect holding of majority of the voting rights therein.*

(3) *In relation to Madison India Opportunities IV, Surya Chadha is the ultimate beneficial owner by virtue of his indirect holding of the 100% of the voting rights therein.*

(4) *In relation to MIO Starrock, Surya Chadha is the ultimate beneficial owner by virtue of his indirect holding of the 100% of the voting rights therein.*

(5) *Nexus Ventures III, Ltd. and Nexus Opportunity Fund II, Ltd. are affiliates and are part of the Nexus group of entities that invest in accordance with the investment objectives of the Nexus group. Nexus Ventures III, Ltd. is primarily an early-stage venture capital investor and Nexus Opportunity Fund II, Ltd. has primarily invested in mid to growth stage companies.*

(6) *No single natural person owns more than 10% of Nexus Ventures III, Ltd. or Nexus Opportunity Fund II, Ltd. Further, it is clarified that Nexus Opportunity Fund II, Ltd. is not a selling shareholder in the Offer.*

As on the date of this Prospectus, other than our Promoters as set forth above, none of the members of our Promoter Group hold any Equity Shares. See "***Capital Structure***" beginning on page 94.

Summary of selected financial information derived from our Restated Consolidated Financial Information

Details of certain selected financial information as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as at and for the six months ended September 30, 2023 and September 30, 2022 and Financial Years ended March 31, 2023, March 31, 2022, and March 31, 2021, derived from the Restated Consolidated Financial Information are set forth below:

(in ₹ million, unless otherwise specified)

Particulars	As at and for the six months ended September 30, 2023	As at and for the six months ended September 30, 2022	As at and for the year ended March 31, 2023	As at and for the year ended March 31, 2022	As at and for the year ended March 31, 2021
Equity share capital^	450.23	437.32	437.65	437.07	429.78
Net worth	13,749.66	11,420.09	12,405.28	10,761.27	9,372.69
Total income	3,985.76	2,728.86	6,062.31	4,598.06	3,227.99
Profit for the period/ year	1,073.54	620.21	1,553.42	1,284.47	873.89
Basic earnings per share/EPS* (₹)	12.13	7.09	17.75	14.80	10.19
Diluted earnings per share/EPS* (₹)	12.00	7.02	17.47	14.63	9.93
Net asset value per Equity Share (₹)	152.70	130.57	141.38	123.11	109.04
Total outstanding borrowings	32,724.77	25,256.36	29,734.28	20,593.95	14,807.18

* *Earnings per Equity Share not annualised for the period ended September 30, 2023 and September 30, 2022.*

^ *Pursuant to a resolution of our Board passed in their meeting held on July 12, 2023 and a resolution of our Shareholders passed in their extraordinary general meeting held on July 18, 2023, the authorised share capital of our Company comprising of 81,000,000 equity shares of face value ₹10 was split into 162,000,000 Equity Shares of face value ₹5 each.*

Notes:

1. *Net Worth for the purposes of above, is calculated as per Regulation 2(1)(hh) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, i.e., the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value*

of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation. Further, as of March 31, 2023, we had a net worth of ₹12,405.28 million, compared to ₹10,761.27 million as of March 31, 2022 and ₹9,372.69 million as of March 31, 2021. The increase in our net worth was primarily due to an increase in retained earnings as a result of the growth in our business.
2. *Basic and diluted earnings per share are computed in accordance with Indian Accounting Standard 33 notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended, as appearing in Restated Consolidated Financial Information.*
3. *Net Asset Value per Equity Share is computed as Net Worth as of the last day of the relevant year divided by the outstanding number of issued and subscribed equity shares as of the last day of such year. The impact of sub-division is retrospectively considered for the computation of Net Asset Value in accordance with the requirements of Indian Accounting Standard 33.*
4. *Total outstanding borrowing represents debt securities and borrowings (other than debt securities) excluding lease liability as of the last day of the relevant year as per the Restated Consolidated Financial Information.*
5. *The impact of sub-division is retrospectively considered for the computation of earnings per equity share and net asset value per Equity Share in accordance with the requirement of Indian Accounting Standard 33.*

See "***Restated Consolidated Financial Information***" beginning on page 332. For details of increase in total income, profit for the year, debt securities and borrowings (other than debt securities), please see "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on page 397.

Qualifications of the Statutory Auditors not given effect to in the Restated Consolidated Financial Information

The Statutory Auditors have not made any qualifications in their examination report, which have not been given effect to in the Restated Consolidated Financial Information.

Summary of outstanding litigation

A summary of outstanding litigation proceedings involving our Company, our Subsidiary, our Promoters and our Directors is set forth below:

Category of individuals/entities	Criminal proceedings	Tax proceedings	Statutory or regulatory actions	Disciplinary actions by the Securities and Exchange Board of India or Stock Exchanges against our Promoters in the last five years, including outstanding action	Material civil litigations	Aggregate amount involved* (in ₹ million)
Company						
By our Company	777(1)	NA	NA	NA	481(2)	1,227.76
Against our Company	3	3	Nil	NA	Nil	67.25
Directors						
By our Directors	Nil	NA	NA	NA	Nil	Nil
Against our Directors	Nil	Nil	Nil	NA	1	52.50
Promoters						
By the Promoters	Nil	NA	NA	NA	Nil	Nil
Against our Promoters	Nil	Nil	Nil	Nil	Nil	Nil
Subsidiary						
By our Subsidiary	Nil	NA	NA	NA	Nil	Nil
Against our Subsidiary	Nil	Nil	Nil	NA	Nil	Nil

**Amount to the extent quantifiable.*

(1) This includes 764 complaints under Section 138 of the Negotiable Instruments Act, 1881, as amended, involving an aggregate amount of ₹ 929.28 million (to the extent quantifiable).

(2) This comprises 481 proceedings under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 and the Security Interest (Enforcement) Rules, 2002, each as amended, involving an aggregate amount of ₹ 298.48 million (to the extent quantifiable).

There are no group companies of our Company as on the date of this Prospectus.

See “***Outstanding Litigation and Material Developments***” beginning on page 433.

Risk factors

Specific attention of the investors is invited to “***Risk Factors***” beginning on page 29. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer.

Summary of contingent liabilities

A summary table of our contingent liabilities, as per the requirements under Indian Accounting Standard 24, as of six months ended September 30, 2023 as derived from the Restated Consolidated Financial Information is set forth below:

(in ₹ million)

S. No.	Particulars	As at and for six months ended September 30, 2023
1.	Income tax matters[(1)(2)]	66.00
2.	Goods and Service tax[(3)]	1.25

[(1)] *Pursuant to an income tax notice under section 143(3) of the Income Tax Act ,1961 dated December 25, 2019 for tax demand amounting to ₹ 44.52 million on account of unexplained credit under Section 68 of the Income Tax Act, 1961 for assessment year 2017-18, we have filed an appeal before Commissioner of Income Tax (Appeals) and deposited ₹ 8.91 million under protest. See “****Outstanding Litigation and Material Developments – Litigation against our Company – Tax proceedings which involve an amount higher that the Materiality Threshold****” on page 436.*

[(2)] *Pursuant to an income tax notice under section 143(1)(a) of the Income Tax Act, 1961 dated March 04, 2020 for tax demand amounting to ₹ 21.48 million on account of disallowance of interest payable on non-convertible debentures issued to mutual fund under section 43B of the Income Tax Act, 1961 for assessment year 2019-20, we have filed an appeal before Commissioner of Income Tax (Appeals). Such amount has been adjusted against the refund due for the assessment year 2019-20. See “****Outstanding Litigation and Material Developments – Litigation against our Company – Tax proceedings which involve an amount higher that the Materiality Threshold****” on page 436.*

[(3)] *Our Company has received a demand order of ₹ 1.25 million dated September 29, 2023, for contravention of section 34(2) of Central Goods and Services Tax Act, 2017 for financial year 2020. Our Company is in the process of filing the appeal with the relevant authorities.*

See “***Restated Consolidated Financial Information – Note 34 – Contingent liabilities and commitments***”, on page 376.

Summary of Related Party Transactions

A summary of transactions with related parties as at and for the six months ended September 30, 2023 and September 30, 2022 and Financial Year 2023, 2022 and 2021, as per the requirements under Indian Accounting Standard 24, derived from the Restated Consolidated Financial Information is set forth below.

Related parties with whom transactions have taken place	As at and for the six months ended September 30, 2023	% of total revenue of six months ended September 30, 2023	As at and for the six months ended September 30, 2022	% of total revenue of six months ended September 30, 2023	Fiscal 2023	% of total revenue of Fiscal 2023	Fiscal 2022	% of total revenue of Fiscal 2022	Fiscal 2021	% of total revenue of Fiscal 2021
Rent Paid										
Gaj Singh Mehta	Nil	Nil	Nil	Nil	Nil	Nil	0.34	Negligible	0.36	Negligible
Adit Mehta	Nil	Nil	0.24	Negligible	0.27	Negligible	Nil	Nil	Nil	Nil
Transactions with Key Managerial Personnel										
Short Term Benefits	**21.15**		**16.76**		**76.33**		**83.67**		**55.58**	
Anil Mehta	Nil	Nil	Nil	Nil	Nil	Nil	30.09	0.7%	43.17	1.4%
Rupinder Singh	15.07	0.4%	11.98	0.5%	55.47	0.9%	39.27	0.9%	Nil	Nil
Ashish Gupta	4.69	0.1%	3.76	0.1%	17.48	0.3%	9.90	0.2%	9.49	0.3%

Related parties with whom transactions have taken place	As at and for the six months ended September 30, 2023	% of total revenue of six months ended September 30, 2023	As at and for the six months ended September 30, 2022	% of total revenue of six months ended September 30, 2023	Fiscal 2023	% of total revenue of Fiscal 2023	Fiscal 2022	% of total revenue of Fiscal 2022	Fiscal 2021	% of total revenue of Fiscal 2021
Mukti Chaplot	1.39	Negligible	1.02	Negligible	3.38	0.1%	4.41	0.1%	2.92	0.1%
Contribution to pension fund and gratuity payment	**1.55**		**1.81**		**3.22**		**17.20**		**1.53**	
Anil Mehta	Nil	Nil	Nil	Nil	Nil	Nil	14.96	0.3%	0.75	Negligible
Rupinder Singh	0.95	Negligible	1.27	Negligible	2.15	Negligible	1.39	Negligible	Nil	Nil
Ashish Gupta	0.54	Negligible	0.48	Negligible	0.96	Negligible	0.76	Negligible	0.69	Negligible
Mukti Chaplot	0.06	Negligible	0.06	Negligible	0.11	Negligible	0.09	Negligible	0.09	Negligible
Fees paid to Non-Executive Director - Anil Mehta	**9.33**	**0.2%**	**4.67**	**0.2%**	**18.67**	**0.3%**	**Nil**	**Nil**	**Nil**	**Nil**
Sitting fees paid to Independent Directors	**3.76**		**1.46**		**2.95**		**2.63**		**2.85**	
Anisha Motwani	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	1.65	0.1%
Shailesh J. Mehta	Nil	Nil	Nil	Nil	Nil	Nil	0.90	Negligible	1.12	Negligible
Rachna Dixit	1.18	Negligible	0.73	Negligible	1.46	Negligible	1.65	Negligible	0.08	Negligible
Sunil Bhumralkar	Nil	Nil	0.73	Negligible	1.06	Negligible	0.08	Negligible	Nil	Nil
Thomson Kadantot Thomas	1.18	Negligible	Nil	Nil	0.43	Negligible	Nil	Nil	Nil	Nil
Ajay Narayan Jha	0.42	Negligible	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Parveen Kumar Gupta	0.66	Negligible	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Savita Mahajan	0.32	Negligible	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Proceeds from issue of equity	**7.89**		**Nil**		**0.27**		**0.80**		**1.23**	
Anil Mehta	4.63	0.1%	Nil	Nil	0.27	Negligible	0.75	Negligible	1.20	Negligible
Rupinder Singh	2.00	0.1%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Related parties with whom transactions have taken place	As at and for the six months ended September 30, 2023	% of total revenue of six months ended September 30, 2023	As at and for the six months ended September 30, 2022	% of total revenue of six months ended September 30, 2023	Fiscal 2023	% of total revenue of Fiscal 2023	Fiscal 2022	% of total revenue of Fiscal 2022	Fiscal 2021	% of total revenue of Fiscal 2021
Ashish Gupta	0.86	Negligible	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Mukti Chaplot	0.40	Negligible	Nil	Nil	Nil	Nil	0.05	Negligible	0.03	Negligible
Proceeds for security Premium	**137.75**		**Nil**		**11.53**		**0.27**		**0.40**	
Anil Mehta	72.10	1.9%	Nil	Nil	11.53	0.2%	0.25	Negligible	0.39	Negligible
Rupinder Singh	37.56	1.0%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Ashish Gupta	17.12	0.4%	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Mukti Chaplot	10.97	0.3%	Nil	Nil	Nil	Nil	0.02	Negligible	0.01	Negligible
Sale of Assets - Anil Mehta	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**0.86**	**Negligible**	**Nil**	**Nil**

#As certified by B.B. & Associates, Chartered Accountants, by way of their certificate dated December 16, 2023.
** Total revenue refers to total revenue from operations as per Restated Consolidated Financial Information.*

See *"**Restated Consolidated Financial Information – Note 40 – Related Party Transactions**"* on page 387.

Financing arrangements

There have been no financing arrangements whereby our Promoters, members of our Promoter Group, our Directors and their relatives have financed the purchase by any other person of securities of our Company (other than in the normal course of the business of financing activity) during a period of six months immediately preceding the date of the Draft Red Herring Prospectus, the Red Herring Prospectus and this Prospectus.

Details of price at which specified securities were acquired by our Promoters, members of our Promoter Group, Selling Shareholders and Shareholders with right to nominate directors or other rights during the last three years

The details of price at which specified securities were acquired by our Promoters, members of our Promoter Group, Selling Shareholders and Shareholders with right to nominate directors or other rights, during the three years immediately preceding the date of this Prospectus are set forth below:

Name of acquirer	Nature of specified securities	Date of acquisition	Number of specified securities*	% of equity share capital of our Company	Acquisition price per specified shares (in ₹)#*
Promoters					
Anil Mehta^	Equity Shares	January 10, 2021	240,000	0.3	6.64
	Equity Shares	January 6, 2022	150,000	0.2	6.64
	Equity Shares	November 19, 2022	270,000	0.3	218.50
	Equity Shares	July 18, 2023^^	710,000	0.8	41.60
Aravali Investment Holdings^	Equity Shares	March 9, 2021	7,836,460	8.6	280.58
	Equity Shares	October 25, 2021	7,238,672	7.9	307.23

Name of acquirer	Nature of specified securities	Date of acquisition	Number of specified securities*	% of equity share capital of our Company	Acquisition price per specified shares (in ₹)#*
Selling Shareholders					
Catalyst Trusteeship Limited (as trustee of MICP Trust) ^	Equity Shares	August 12, 2021	67,010	0.1	210.00
	Equity Shares	November 29, 2021	16,800	Negligible	280.58
	Equity Shares	November 24, 2022	23,166	Negligible	280.58
MIO Starrock^	Equity Shares	August 5, 2021	661,668	0.7	210.00
	Equity Shares	August 12, 2021	1,384,238	1.5	210.00
	Equity Shares	August 13, 2021	1,000	Negligible	210.00
	Equity Shares	August 24, 2021	645,368	0.7	210.00
	Equity Shares	August 31, 2021	32,800	Negligible	210.00
	Equity Shares	November 29, 2021	683,200	0.7	280.58
	Equity Shares	November 24, 2022	1,026,834	1.1	280.58

 # As certified by B.B. & Associates, Chartered Accountants, by way of their certificate dated December 16, 2023.
** After considering the impact of split of equity shares of ₹10 each to Equity Shares of ₹5 each pursuant to a resolution of our Board passed in their meeting held on July 12, 2023 and a resolution of our Shareholders passed in their extraordinary general meeting held on July 18, 2023.*
*^ For details of the rights to nominate directors and other rights under the Amended and Restated Shareholder's Agreement dated July 30, 2022 executed between our Company, Nexus, WestBridge, Madison and Anil Mehta, read together with the amendment cum waiver and consent agreement dated August 1, 2023, see "**History and Certain Corporate Matters – Summary of key agreements and shareholders' agreement**" on page 276.*
^^ Date of Shareholders' resolution approving issuance of Equity Shares. Further, pursuant to sub-division of equity share capital on July 18, 2023, from face value of ₹10 each to ₹5 each, the Board resolution for allotment was passed on July 20, 2023.

Weighted average price at which Equity Shares were acquired by our Promoters and Selling Shareholders during the last year

Details of the weighted average price at which Equity Shares were acquired by our Promoters and the Selling Shareholders during the year immediately preceding the date of this Prospectus are set forth below:

Name	Number of Equity Shares of face value of ₹5 each acquired in last one year*	Weighted average price of Equity Shares acquired in the last one year# (in ₹)
Promoters		
Anil Mehta	710,000	41.60

 # As certified by B. B. & Associates, Chartered Accountants, by way of their certificate dated December 16, 2023.
** After considering the impact of split of equity shares of ₹10 each to Equity Shares of ₹5 each pursuant to a resolution of our Board passed in their meeting held on July 12, 2023 and a resolution of our Shareholders passed in their extraordinary general meeting held on July 18, 2023.*

Average cost of acquisition of Equity Shares for the Promoters and the Selling Shareholders

The average cost of acquisition per Equity Share for our Promoters and the Selling Shareholders as on the date of this Prospectus is as set forth below:

S. No.	Name	Number of Equity Shares of face value of ₹5 each held as on date of this Prospectus*	Average cost of acquisition per Equity Share (in ₹)*^#
Promoters			
1.	Anil Mehta	1,570,734	58.89
2.	WestBridge Crossover Fund, LLC	21,708,302	77.03
3.	Aravali Investment Holdings	28,422,818	237.27
Selling Shareholders			
4.	Catalyst Trusteeship Limited (as trustee of MICP Trust)	106,976	236.37

S. No.	Name	Number of Equity Shares of face value of ₹5 each held as on date of this Prospectus*	Average cost of acquisition per Equity Share (in ₹)*^#
5.	Catalyst Trusteeship Limited (as trustee of Madison India Opportunities Trust Fund)	4,759,908	126.46
6.	Madison India Opportunities IV	1,266,936	173.90
7.	MIO Starrock	4,435,108	237.21
8.	Nexus Ventures III, Ltd.	19,923,596	52.41

 # As certified by B. B. & Associates, Chartered Accountants, by way of their certificate dated December 16, 2023.
^ Computed based on first-in-first-out basis.
** After considering the impact of split of equity shares of ₹10 each to Equity Shares of ₹5 each pursuant to a resolution of our Board passed in their meeting held on July 12, 2023 and a resolution of our Shareholders passed in their extraordinary general meeting held on July 18, 2023.*

Weighted average cost of acquisition of all shares transacted during the previous year, 18 months and three years

Period	Weighted average cost of acquisition (in ₹)#	Cap Price is 'x' times the weighted average cost of acquisition	Range of acquisition price: lowest price – highest price (in ₹)
One year preceding the date of this Prospectus	108.69	4.54	10.16 - 210.00
18 months preceding the date of this Prospectus	156.19	3.16	10.16 - 280.58
Three years preceding the date of this Prospectus	239.90	2.06	6.64 - 307.23

 # As certified by B. B. & Associates, Chartered Accountants, by way of their certificate dated December 16, 2023.

Details of pre-IPO placement

Our Company has not and is not undertaking any pre-IPO placement.

Issue of equity shares for consideration other than cash or bonus issue in the last one year

Our Company has not issued any equity shares for consideration other than cash or bonus issue in the one year preceding the date of this Prospectus.

Split/consolidation of equity shares during the last year

Pursuant to the Board resolution dated July 12, 2023, and the Shareholders' resolution dated July 18, 2023, the face value of the equity shares of our Company was sub-divided from ₹10 each to ₹5 each. Accordingly, the authorized equity share capital of our Company comprising of 81,000,000 equity shares of ₹10 each were sub-divided into 162,000,000 Equity Shares of ₹5 each and the aggregate issued, subscribed and paid-up equity share capital of our Company of ₹ 442,912,620 consisting of 44,291,262 equity shares of ₹10 each was sub-divided into 88,582,524 Equity Shares of ₹5 each. See "***Capital Structure – Notes to Capital Structure – Equity share capital history of our Company***" on page 94.

Exemption from complying with any provisions of securities laws, if any, granted by Securities and Exchange Board of India

Our Company has not sought any exemption from complying with any provisions of securities laws as on the date of this Prospectus.

SECTION II – RISK FACTORS

*An investment in our Equity Shares involves a high degree of risk. You should carefully consider all the information in this Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. The risks described below are not the only ones relevant to us or our Equity Shares and the industry in which we currently operate or propose to operate in India. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may also impair our businesses, results of operations, financial condition and cash flows. If any of the following risks, or other risks that are not currently known or are currently deemed immaterial, actually occur, our business, results of operations, financial condition and cash flows could suffer, the trading price of our Equity Shares could decline, and you may lose all or part of your investment. To obtain a complete understanding of our business and operations, prospective investors should read this section in conjunction with "**Industry Overview**", "**Our Business**", "**Selected Statistical Information**", "**Management's Discussion and Analysis of Financial Condition and Results of Operations**", "**Key Regulations and Policies in India**" and "**Government and Other Approvals**" on pages 166, 232, 314, 397, 264 and 440, respectively, as well as the financial, statistical and other information contained in this Prospectus.*

In making an investment decision, prospective investors must rely on their own examination of our business and operations and the terms of the Offer, including the merits and risks involved. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in our Equity Shares.

*Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. The consolidated financial information for the six months ended September 30, 2023 and the six months ended September 30, 2022, and Financial Years 2023 and 2022 is not directly comparable with the standalone financial information for the Financial Year 2021 since our Subsidiary, India Shelter Capital Finance Limited, was incorporated during the Financial Year 2022. Unless otherwise indicated or the context otherwise requires, the financial information for the Financial Year 2021 is derived from our restated standalone financial information, and the financial information for the Financial Years 2023 and 2022, and the six months ended September 30, 2023 and the six months ended September 30, 2022 is derived from our restated consolidated financial information. For further information, see "**Restated Consolidated Financial Information**" on page 332. Unless the context otherwise requires, in this section, references to "the Company", or "our Company" refer to India Shelter Finance Corporation Limited on a standalone basis while "we", "us" and "our" refer to India Shelter Finance Corporation Limited on a consolidated basis.*

*This Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward- looking statements as a result of certain factors, including the considerations described below and elsewhere in this Prospectus. See "**Forward-Looking Statements**" on page 18.*

*We have exclusively commissioned and paid for the services of independent third party research agency, CRISIL MI&A ("**CRISIL**") for the purposes of confirming our understanding of the industry in connection with the Offer, and have relied on the report titled "Industry Report on Housing Finance market in India" dated November 2023 (the "**CRISIL Report**"), for industry related data in this Prospectus, including in the sections "**Industry Overview**", "**Our Business**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" on pages 166, 232 and 397, respectively. We officially engaged CRISIL in connection with the preparation of the CRISIL Report pursuant to engagement letters dated June 6, 2023 and October 23, 2023. The CRISIL Report was available on the website of our Company at https://indiashelter.in/investor-relations from the date of the Red Herring Prospectus until the Bid/Offer Closing Date, and has also been included in "**Material Contracts and Documents for Inspection – Material Documents**" on page 515. The data included herein includes excerpts from the CRISIL Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the proposed Offer), that has been left out or changed in any manner.*

Internal Risk Factors

Risks Relating to our Business

1. ***We require substantial capital for our business and operations and any disruption in our sources of financing could have an adverse effect on our business, results of operations and financial condition.***

Our business and results of operations depend on our ability to raise both, debt and equity from various external sources on suitable terms and in a timely manner, along with the costs associated therewith. Our financing requirements historically have been met from several sources, including refinancing from the NHB, term loans (including an external commercial borrowing), issuance of non-convertible debentures ("**NCDs**"), monetization of loans through securitizations to banks and other financial institutions, and proceeds from direct assignment of loan pools. Our business and operations thus depend and will continue to depend on our ability to continually access these sources of financing. Set forth below are the details of our total outstanding borrowings as of September 30, 2023 and March 31, 2023, 2022 and 2021.

Particulars	**As of**						
	September 30, 2023	**Change from March 31, 2023 (%)**	**March 31, 2023**	**Change from March 31, 2022 (%)**	**March 31, 2022**	**Change from March 31, 2021 (%)**	**March 31, 2021**
	(in ₹ million, except percentage)						
Term loans	22,508.04	9.86	20,488.50	37.79	14,869.80	78.40	8,335.31
National Housing Bank refinancing	5,765.53	(0.33)	5,784.38	68.13	3,440.49	(34.91)	5,285.45
Non-convertible debentures	1,191.27	(32.52)	1,765.34	(5.39)	1,865.98	126.94	822.24
Securitizations	777.08	(11.53)	878.34	110.29	417.68	14.69	364.19
External commercial borrowings	2,482.85	203.63	817.72	–	–	–	–
Total outstanding borrowings	**32,724.77**	**10.06**	**29,734.28**	**44.38**	**20,593.95**	**39.08**	**14,807.18**

See "***Financial Indebtedness***" on page 430 for a description of our financial indebtedness.

Furthermore, our non-convertible debentures have been listed on the debt segment of BSE ("**Listed NCDs**") since December 13, 2018. See "***– Any downgrade in our credit ratings could increase our borrowing costs, affect our ability to obtain financing, and adversely affect our business, results of operations and financial condition***" on page 50.

Set forth below are our average cost of borrowings for the six months ended September 30, 2023 and September 30, 2022, and the years ended March 31, 2023, 2022 and 2021.

Particulars	**As of and for the period/year ended**				
	September 30, 2023	**September 30, 2022**	**March 31, 2023**	**March 31, 2022**	**March 31, 2021**
	(percentage)				
Average cost of borrowings	8.9	8.3	8.3	8.3	8.7

Our ability to raise funds on acceptable terms, at competitive rates and in a timely manner, or at all, depends on various factors including, among others, our current and future results of operations and financial condition, our risk management policies, our credit ratings, our brand equity, the regulatory environment and policy initiatives in India, including the monetary policy prescribed by the RBI, and developments in the international markets affecting the Indian economy. While we have not faced any instances of delay in repayment in the last three Financial Years, we cannot assure you that our business will continue to generate sufficient cash to enable us to service our existing and future debt or to fund our other liquidity needs.

2. ***Our inability to comply with the financial and other covenants under our debt financing arrangements could adversely affect our business, results of operations and financial condition.***

The table below sets forth the details of our total outstanding borrowings and debt to equity ratio as of September 30, 2023 and September 30, 2022, and March 31, 2023, 2022 and 2021:

Particulars	As of				
	September 30, 2023	**September 30, 2022**	**March 31, 2023**	**March 31, 2022**	**March 31, 2021**
Total outstanding borrowings (*in ₹ million*)	32,724.77	25,256.36	29,734.28	20,593.95	14,807.18
Average total assets to average net worth (%)	3.5	3.1	3.2	2.8	2.4

Our ability to meet our debt service obligations and repay our outstanding borrowings will depend primarily on the cash generated from our business, which depends on the timely repayment by our customers. Our financing agreements and instruments contain certain restrictive covenants that limit our ability to undertake fund raising activities, any of which could adversely affect our business, results of operations and financial condition. We are typically required to obtain prior approval from our lenders for undertaking various actions, including:

- make any amendments to the memorandum of association and articles of association;
- effect any changes to or alter our Company's capital structure or in the constitution of our Company, including shareholding pattern, ownership, controlling interest and control;
- approach capital market for mobilizing additional resources either in the form of debts or equity or issue any further share capital whether on a preferential basis or otherwise;
- effect any changes in the management of our Company, including changes in the composition of the Board of Directors and change in the practice with regard to remuneration of directors;
- undertake guarantee obligations on behalf of any other person or provide any loan/advance to any third party;
- incur further indebtedness by our Company or make any prepayment of amounts due under the facilities;
- enter into long term contractual obligations directly affecting the financial position of our Company.

Some of our financing agreements and instruments contain cross-default and cross-acceleration clauses, which are triggered in the event of a default by our Company under its respective financing agreements, and also require us to maintain certain financial ratios, such as capital to risk (weighted) assets ratio, gross non-performing assets ratio, leverage ratio, among others at the end of certain reporting periods, including end of the Financial Years and the last quarters of Financial Years. Set forth below are the details of our stage 3 assets (gross) and recoveries as of and for the six months ended September 30, 2023 and September 30, 2022, and the Financial Years ended March 31, 2023, March 31, 2022 and March 31, 2021:

Particulars	As of and for the period/year ended				
	September 30, 2023	**September 30, 2022**	**March 31, 2023**	**March 31, 2022**	**March 31, 2021**
	(in ₹ million, except percentages)				
Stage 3 assets (gross)(1) (5)	439.27	880.96	418.96	570.39	391.67
Stage 3 assets (%)(2) (5)	1.00	2.79	1.13	2.12	1.92
Loans written off (3)	25.92	19.04	150.55	93.51	51.81
Bad debts recovered (3) (4)	29.80	15.88	49.40	12.34	6.61
Bad debt recovery as % of loans written off	114.97	83.38	32.81	13.19	12.75

Notes:

(1) *Stage 3 Assets (gross) represents gross carrying amount pertaining to loans which are non-performing assets as per the Income Recognition, Asset Classification and Provisioning Norms issued and modified by RBI from time to time as appearing in Note 6 of the Restated Consolidated Financial Information.*

(2) *Stage 3 Assets (%) represents the stage 3 assets to the gross carrying amount as of the last day of the relevant period/year, represented as a percentage.*

(3) *Calculated as the sum of net loans written off and bad debts recovered as appearing in Note 27 of the Restated Consolidated Financial Information.*

(4) *As appearing in Note 27 of the Restated Consolidated Financial Information.*

(5) *Gross carrying amount – loans represents aggregate of loan – principal outstanding, interest overdue and interest accrued but not due from borrowers pertaining to loans held in our books as on the last day of the relevant period/year.*

Our Company has received consents from all the relevant lenders and trustees of the NCDs in relation to the Offer. Further, under certain agreements in relation to the refinancing availed by us from the NHB, our Promoters are required to submit a non-disposal undertaking with respect to their shareholding in our Company, and any transfer or dilution of our Promoters' shareholding in our Company requires prior approval from the NHB. Pursuant to such requirement, WestBridge Crossover Fund LLC, one of our Corporate Promoters, has provided such undertaking dated March 29, 2023 in relation to non-disposal of its shareholding and shareholding of Aravali Investment Holdings, our other Corporate Promoter, in our Company, pursuant to which our Company shall not transfer, assign, dispose of, pledge, create charge or any lien or in any way encumber (existing or future) its shareholdings (including shares held through Aravali Investment Holdings) in favour of any person till the time there are outstanding dues under relevant refinancing facilities availed by our Company from the National Housing Bank. In relation to the Offer, the National Housing Bank has provided its no objection certificate dated July 28, 2023.

The restrictive clauses and covenants under the financing arrangements as mentioned above are in the ordinary course of business for a housing finance company and will continue post completion of the Offer, as is customary for borrowing arrangements entered in the ordinary course of business. For details in relation to our outstanding indebtedness and certain indicative terms of our borrowing facilities, see "***Financial Indebtedness***" beginning on page 430. Our lenders also have the ability to recall or accelerate all or part of the amounts owed by us, subject to the terms of the relevant financing arrangement. While there have been no instances of failures to meet our obligations under financing agreements for the last three financial years, we cannot assure you that we will be able to repay our loans in full, or at all, at the receipt of a recall or acceleration notice, or otherwise. While there have been no such instances in the six months ended September 30, 2023 and the last three Financial Years that have had a material impact on our business, our failure to meet our obligations under our financing agreements could have an adverse effect on our business, results of operations and financial condition. If we fail to meet our debt service obligations or covenants provided under the financing agreements, the relevant lenders could declare us to be in default under the terms of our agreements or accelerate the maturity of our obligations. We cannot assure you that, in the event of any such acceleration, we will have sufficient resources to repay the borrowings, and it may adversely affect our business, results of operations and financial condition.

3. *The risk of non-payment or default by our customers may adversely affect our business, results of operations and financial condition.*

We primarily serve customers in the low and middle-income strata in India. Set forth below is the break-up of our AUM from our customers based on their employment status, and our AUM based on the income groups of our customers as of September 30, 2023 and September 30, 2022, and March 31, 2023, 2022 and 2021.

Particulars[1]	As of									
	September 30, 2023		September 30, 2022		March 31, 2023		March 31, 2022		March 31, 2021	
	(in ₹ million, except percentages)									
	Amount	% contribution to AUM	Amount	% contribution to AUM	Amount	% contribution to AUM	Amount	% contribution to AUM	Amount	% contribution to AUM
Salaried	15,224.69	29.4	11,278.77	31.2	13,231.43	30.4	9,949.88	32.4	7,872.96	35.8
Self employed	36,582.20	70.6	24,869.97	68.8	30,362.88	69.6	20,783.05	67.6	14,112.31	64.2

Particulars(1)	As of									
	September 30, 2023		September 30, 2022		March 31, 2023		March 31, 2022		March 31, 2021	
	(in ₹ million, except percentages)									
	Amount	% contribution to AUM	Amount	% contribution to AUM	Amount	% contribution to AUM	Amount	% contribution to AUM	Amount	% contribution to AUM
Total	**51,806.89**	**100.0**	**36,148.74**	**100.0**	**43,594.31**	**100.0**	**30,732.93**	**100.0**	**21,985.27**	**100.0**

(1) Loan accounts are classified as salaried and self-employed at the time of sanction of loans.

Income Group	As of									
	September 30, 2023		September 30, 2022		March 31, 2023		March 31, 2022		March 31, 2021	
	(in ₹ million, except percentages)									
	Amount	% contribution to AUM	Amount	% contribution to AUM	Amount	% contribution to AUM	Amount	% contribution to AUM	Amount	% contribution to AUM
Economically weaker section (1)	11,429.52	22.1	8,135.29	22.5	9,581.30	22.0	7,344.72	23.9	6,678.54	30.4
Low income group(2)	25,550.25	49.3	16,859.64	46.6	21,080.44	48.4	13,767.92	44.8	9,206.63	41.9
Middle income group(3)	13,789.99	26.6	10,078.04	27.9	11,894.90	27.3	8,532.98	27.8	5,192.73	23.6
High income group(4)	1,037.12	2.0	1,075.77	3.0	1,037.66	2.4	1,087.31	3.5	907.38	4.1
Total	**51,806.89**	**100.0**	**36,148.74**	**100.0**	**43,594.31**	**100.0**	**30,732.93**	**100.0**	**21,985.27**	**100.0**

(1) Economically weaker section: Income up to ₹0.3 million per annum

(2) Low income group: Above ₹0.3 million to ₹0.6 million per annum

(3) Middle income group: Above ₹0.6 million to ₹1.8 million per annum

(4) High income group: Above ₹1.8 million per annum

We focus on first-time home loan takers in Tier II and Tier III cities in India. Such customers generally may have higher risk of non-payment or default. The table below provides the number of first-time buyers as well as the percentage of first-time buyers to total borrowers as of September 30, 2023 and September 30, 2022, and March 31, 2023, 2022 and 2021 for Tier I, Tier II and Tier III cities in India:

Particulars (1)	As of									
	September 30, 2023		September 30, 2022		March 31, 2023		March 31, 2022		March 31, 2021	
	Number	% of Borrowers in respective categories	Number	% of Borrowers in respective categories	Number	% of Borrowers in respective categories	Number	% of Borrowers in respective categories	Number	% of Borrowers in respective categories
Tier-I	3,342.0	70.5	2,093.0	71.4	2,881.0	71.2	1,812.0	72.5	744	74.0
Tier-II	18,354.0	68.3	14,684.0	69.5	16,522.0	68.9	13,364.0	70.8	11,693	74.3
Tier-III	26,715.0	72.5	18,591.0	73.1	22,327	73.2	16,204	73.8	12,927	76.7
Total	**48,411.0**	**70.7**	**35,368.0**	**71.5**	**41,730**	**71.3**	**31,380**	**72.4**	**25,364**	**75.5**

(1) City Tier classification is based on Government of India's segregation of various cities into X, Y and Z category for grant of HRA to central government employees. Cities in X and Y category are specifically listed. "X" includes 8 metro cities (Delhi, Bangalore (Karnataka), Mumbai (Maharashtra), Chennai (Tamil Nadu), Kolkata (West Bengal), Hyderabad (Telangana), Pune (Maharashtra), Ahmedabad (Gujarat)), "Y" includes 87 cities and anything not listed is construed as "Z". For the purpose of our analysis, we have construed category X as Tier I, Category Y as Tier II and rest as Tier III.

Our customers may default in their repayment obligations due to various reasons including business failure, insolvency, lack of liquidity, loss of employment or personal emergencies such as the death of an income generating family member. Further, self-employed customers to whom we lend are often considered to be higher credit risk customers due to their increased exposure to fluctuations in cash flows due to adverse economic conditions. To the extent we are unable to successfully manage the risks associated with lending to self-employed customers, it may become difficult for us to recover outstanding loan amounts provided to such customers.

The amount of default in repayment along with the percentage terms is as below:

Particulars	As of									
	September 30, 2023	% of Product AUM	September 30, 2022	% of Product AUM	March 31, 2023	% of Product AUM	March 31, 2022	% of Product AUM	March 31, 2021	% of Product AUM
	(₹ in million, except percentages)									
Home Loan										
DPD 30+(1)	803.96	2.70	813.12	4.10	552.18	2.24	734.86	4.42	481.45	3.84
DPD 90+(2)	235.93	0.79	392.03	1.98	201.97	0.82	243.57	1.47	205.15	1.64
Loan Against Property										
DPD 30+(1)	829.52	3.77	621.97	3.81	500.26	2.64	482.22	3.42	393.76	4.16
DPD 90+(2)	244.15	1.11	290.39	1.78	180.53	0.95	172.57	1.22	158.19	1.67
Total										
DPD 30+(1)	1,633.49	3.15	1,435.09	3.97	1,052.44	2.41	1,217.08	3.96	875.21	3.98
DPD 90+(2)	480.08	0.93	682.43	1.89	382.50	0.88	416.14	1.35	363.34	1.65

(1) *DPD 30+ represents AUM outstanding for more than 30 days after the due date for the relevant period/year.*

(2) *DPD 90+ represents AUM outstanding for more than 90 days after the due date for the relevant period/year.*

Further, details of our credit cost, credit cost to average total assets and stage 3 assets as of and for the six months ended September 30, 2023 and September 30, 2022 and the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021, are set out below:

Particulars	As of and for the six months ended		As of and for the Year ended		
	September 30, 2023	September 30, 2022	March 31, 2023	March 31, 2022	March 31, 2021
	(in ₹ million, except percentages)				
Credit Cost(1)	94.10	89.87	140.68	120.12	198.94
Credit Cost to Average Total Assets (%)(2)	0.4%	0.5%	0.4%	0.4%	0.9%
Stage 3 Assets(3) (5)	439.27	880.96	418.96	570.39	391.67
Stage 3 Assets (%)(4) (5)	1.00%	2.79%	1.13%	2.12%	1.92%

(1) *Credit Cost represents impairment on financial instruments for the relevant period/year as per Restated Consolidated Financial Information.*

(2) *Credit Cost to Average Total Assets represents the impairment on financial instruments to simple average of total assets as of the last day of the relevant period/year and total assets as of the last day of the previous year, represented as a percentage.*

(3) *Stage 3 Assets (Gross) represents gross carrying amount pertaining to loans which are non-performing assets (NPA) as per the Income Recognition, Asset Classification and Provisioning Norms issued and modified by RBI from time to time as appearing in Note 6 of Restated Consolidated Financial Information.*

(4) *Stage 3 Assets (%) represents the Stage 3 Assets to the gross carrying amount as of the last day of the relevant period, represented as a percentage. Gross Carrying Amount - Loans represents aggregate of loan - principal outstanding, interest overdue and interest accrued but not due from borrowers pertaining to loans held in our books as on the last day of the relevant period. Classification of gross carrying amount in Stage I, Stage II and Stage III as per ECL methodology under Ind AS guidelines where Stage I Assets are classified as performing assets, Stage II Assets are classified as underperforming assets and Stage III Assets are classified as non-performing assets.*

(5) *Gross Carrying Amount - Loans represents aggregate of loan - principal outstanding, interest overdue and interest accrued but not due from borrowers pertaining to loans held in our books as on the last day of the relevant period. Classification of gross carrying amount in Stage I, Stage II and Stage III as per ECL methodology under Ind AS guidelines where Stage I Assets are classified as performing assets, Stage II Assets are classified as underperforming assets and Stage III Assets are classified as non-performing assets.*

We cannot assure you that our risk management controls will be sufficient to prevent future losses on account of customer defaults, which may adversely affect our business, results of operations and financial condition.

4. ***Three states contributed to 62.7% and 63.4% of our assets under management for the six months ended September 30, 2023 and the Financial Year 2023, respectively. As such, any adverse developments in these states could have an adverse effect on our business, results of operations and financial condition.***

While we have business in 15 states of India, a major proportion of our AUM is concentrated in three states which contributed to ₹32,506.14 million or 62.7%, and ₹27,623.31 million or 63.4% of our assets under management ("**AUM**") for the six months ended September 30, 2023 and Financial Year 2023, respectively. Furthermore, as of September 30, 2023, of our 203 branches, 117 branches were located in the states of Rajasthan, Maharashtra and Madhya Pradesh. The table below sets forth our state-wise AUM as of September 30, 2023 and September 30, 2022, and March 31, 2023, 2022 and 2021, respectively.

State	As of									
	September 30, 2023		September 30, 2022		March 31, 2023		March 31, 2022		March 31, 2021	
	(in ₹ million, except percentages)									
	Amount	% contribution to AUM	Amount	% contribution to AUM	Amount	% contribution to AUM	Amount	% contribution to AUM	Amount	% contribution to AUM
Rajasthan	16,199.37	31.3	11,021.23	30.5	13,365.74	30.7	9,634.31	31.3	7,326.44	33.3
Maharashtra	9,085.14	17.5	6,588.97	18.2	7,851.33	18.0	5,659.45	18.4	4,157.10	18.9
Madhya Pradesh	7,221.63	13.9	5,456.76	15.1	6,406.25	14.7	4,647.60	15.1	3,634.36	16.5
Karnataka	3,480.84	6.7	2,352.89	6.5	2,937.71	6.7	1,906.63	6.2	1,043.55	4.7
Gujarat	3,381.02	6.5	2,535.23	7.0	2,917.84	6.7	2,263.74	7.4	2,008.27	9.1
Uttar Pradesh	3,157.42	6.1	2,089.35	5.8	2,434.07	5.6	1,823.07	5.9	1,361.38	6.2
Tamil Nadu	2,326.51	4.5	1,522.78	4.2	1,933.99	4.4	1,067.63	3.5	283.74	1.3
Uttarakhand	1,592.68	3.1	1,243.23	3.4	1,468.64	3.4	1,084.72	3.5	858.52	3.9
Delhi	1,432.61	2.8	867.70	2.4	1,166.29	2.7	901.39	2.9	60.43	0.3
Haryana	1,202.42	2.3	967.26	2.7	1,044.89	2.4	623.37	2.0	723.03	3.3
Telangana	1,053.12	2.0	465.21	1.3	732.60	1.7	311.83	1.0	37.13	0.2
Chhattisgarh	822.06	1.6	598.51	1.7	708.85	1.6	482.71	1.6	289.66	1.3
Andhra Pradesh	569.52	1.1	243.82	0.7	392.43	0.9	142.49	0.5	33.64	0.2
Punjab	253.10	0.5	190.83	0.5	210.51	0.5	179.37	0.6	162.41	0.7
Odisha	29.46	0.1	4.96	0.0	23.18	0.1	4.63	0.0	5.62	0.0
Total	**51,806.89**	**100.0**	**36,148.74**	**100.0**	**43,594.31**	**100.0**	**30,732.93**	**100.0**	**21,985.27**	**100.0**

The real estate and housing finance markets in the states where our AUM may be concentrated may perform differently from and may be subject to market conditions that are different from, the housing finance markets in other states of India. Consequently, any significant social, political or economic disruption, or natural calamities or civil disruptions in these states, or changes in the policies, or local governments of these states or the Government of India, could disrupt our business and operations, require us to incur significant expenditure and change our business strategies. The occurrence of, or our inability to effectively respond to any such event, could have an adverse effect on our business, results of operations and financial condition.

5. ***As of September 30, 2023 and September 30, 2022, and March 31, 2023, March 31, 2022 and March 31, 2021, our stage 3 assets (gross) aggregated to ₹439.27 million and ₹880.96 million, and ₹418.96 million, ₹570.39 million and ₹391.67 million, respectively. The credit quality of our loan book may deteriorate, and if we are unable to implement effective monitoring and collection methods, our results of operation may be adversely affected.***

The RBI Master Directions, which are applicable to us, have laid down prudential norms with regard to non-performing assets ("**NPAs**"), including in relation to the identification of NPAs and income recognition against NPAs. We classify NPAs in accordance with the RBI Master Directions. These may become more stringent than they currently are, which may adversely affect our profitability and results of operations. Set forth below are the details of our NPAs as of and for the six months ended September 30, 2023 and September 30, 2022, and the years ended March 31, 2023, 2022 and 2021.

Particulars	As of and for the period/year ended September 30, 2023	 September 30, 2022	 March 31, 2023	 March 31, 2022	 March 31, 2021
	(₹ in million, except percentages)				
Stage 3 assets (gross)[(1) (8)]	439.27	880.96	418.96	570.39	391.67
Stage 3 assets (%)[(2) (8)]	1.00	2.79	1.13	2.12	1.92
Impairment loss allowance for stage 3 assets[(3)]	126.25	207.67	108.88	145.27	115.98
Provision coverage ratio (%)[(4)]	28.7	23.6	26.0	25.5	29.6
Stage 3 assets (net)[(5)]	313.02	673.29	310.08	425.12	275.69
Net carrying assets[(6)]	43,325.73	31,139.51	36,681.42	26,598.00	20,098.54
Stage 3 assets (net) to net carrying amount (%)[(7)]	0.72	2.16	0.85	1.60	1.37

Notes:

(1) Stage 3 Assets (Gross) represents gross carrying amount pertaining to loans which are non-performing assets as per the Income Recognition, Asset Classification and Provisioning Norms issued and modified by RBI from time to time as appearing in Note 6 of the Restated Consolidated Financial Information.

(2) Stage 3 Assets (%) represents the stage 3 assets to the gross carrying amount as of the last day of the relevant period/year, represented as a percentage.

(3) Impairment loss allowance for stage 3 assets represents impairment loss allowance only for stage 3 assets as of the last day of the relevant period/year as appearing in Note 6 of the Restated Consolidated Financial Information.

(4) Provision coverage ratio represents impairment loss allowance for stage 3 assets as a percentage of total stage 3 assets (gross) as of the last day of such period/year.

(5) Stage 3 assets (net) represent stage 3 assets (gross) less impairment loss allowance for stage 3 assets as of the last day of the relevant period/year.

(6) Net carrying assets represents aggregate of loan – principal outstanding, interest overdue and interest accrued but not due from borrowers pertaining to loans held in our books as on the last day of the relevant period/year reduced by impairment loss allowance.

(7) Stage 3 assets (net) to net carrying amount represents stage 3 assets (net) as of the last day of the relevant period/year upon net carrying assets as of the last day of such period/year, represented as a percentage.

(8) Gross carrying amount – loans represents aggregate of loan – principal outstanding, interest overdue and interest accrued but not due from borrowers pertaining to loans held in our books as on the last day of the relevant period/year.

For more details, see "***Selected Statistical Information***" on page 314.

In our experience, the risk of delinquency in housing loans has in certain instances emerged from 18 to 36 months from disbursement. We cannot assure you that we will be able to maintain or reduce our current levels of NPAs in the future. Further, as our loan portfolio grows, our NPAs may increase, and the current level of our provisions may not adequately cover any such increases. Negative trends or financial difficulties or a general economic slowdown could unexpectedly increase delinquency rates. Furthermore, we cannot assure you that there will not be a significant increase in the portion of our loans that are classified as NPAs as our loan portfolio matures. Any material increases in NPAs or deterioration in our provisioning coverage ratio may require us to increase our provisions, which could result in an adverse effect on our business, results of operations, and financial condition.

6. ***Our inability to recover the full value of collateral or amounts outstanding under defaulted loans in a timely manner, or at all, could adversely affect our business, results of operations and financial condition.***

Our portfolio of products primarily consists of home loans and loans against property, where the collateral is primarily the self-occupied residential property of the customer. In terms of the RBI Master Directions, no HFC may grant housing loans to individuals of (i) up to ₹ 3 million with LTV ratio exceeding 90%; (ii) of between ₹ 3 million to ₹ 7.50 million with LTV ratio exceeding 80%; and (iii) above ₹ 7.50 million with LTV ratio exceeding 75%. Further, no HFC shall lend to any single borrower an amount exceeding 15% of its owned fund, and to any single group of borrowers, an amount exceeding 25% of its owned fund. The RBI Master Directions also require HFCs to maintain LTV ratio of 50% for loans against security of listed shares and 75% for loans against collateral of gold jewellery. The table below sets forth our product-wise loan to value on gross assets under management on an outstanding basis:

Product-wise loan to value ratio on gross assets under management on an outstanding basis (%)	As of September 30, 2023	September 30, 2022	March 31, 2023	March 31, 2022	March 31, 2021
			(%)		
Home Loan	55.1	55.4	55.3	54.8	53.6
Loan Against Property	45.3	44.1	44.9	43.0	41.3
Total	**50.9**	**50.3**	**50.7**	**49.4**	**48.3**

The value of the collateral is evaluated prior to sanctioning of the loan and may decline during the term of the loan for a variety of reasons, which include:

- adverse market conditions prevalent in the real estate sector;
- the state of the Indian economy;
- natural disasters and environmental concerns;
- changes in local laws and regulation; and
- other macro-economic factors.

Even if the value of our collateral does not decline due to any of the aforementioned reasons but our customers default, we may not be able to fully recover the outstanding loan balance by liquidating the collateral under the relevant loan agreement, and, in turn, incur losses, even where we are able successfully repossess and liquidate the collateral.

We may also encounter challenges in repossessing and liquidating collateral. When a customer defaults under a loan agreement, we typically repossess and then sell the collateral through an auction. However, we cannot assure you that we will be able to successfully repossess the collateral in the event of default under a loan agreement. Following the introduction of the SARFAESI Act in 2002 and the extension of its application to HFCs, we may initiate the procedure for repossession of collateral after 60 days' notice to a customer whose loan has been classified as non-performing asset. However, in our experience, the actual time taken for repossession in certain instances has extended beyond 360 days. Further, a defaulting borrower maintains the right to appeal to the Debt Recovery Tribunal ("**DRT**"), which has the power to issue a stay order prohibiting the lender from selling the assets of a defaulted borrower. As a result, we cannot assure you that any repossession proceedings would not be stayed by the DRT. As such, we may be unable to realize the full value of our collateral, as a result of factors including delays in the repossession proceedings. Further, in case insolvency proceedings are initiated under the Insolvency and Bankruptcy Code, 2016 ("**IBC**") against a debtor to our Company, we may not have complete control over the recovery of amounts due to us. For details, see "***— The bankruptcy code in India may affect our rights to recover loans from our customers.***" on page 65. While there have been no proceedings under the IBC involving our Company in the last three Financial Years and as on the date of this Prospectus, there are 41 outstanding proceedings before the DRT as on the date of this Prospectus. Any failure to recover the expected value of collateral security could expose us to a potential loss.

We may also not be able to sell the collateral at a price sufficient to cover the amount owed under the loan agreement, or at all. We may face additional delay and expense in conducting an auction to sell the collateral which may also not lead to optimum recovery for the value of the collateral and may face significant delay in repossessing collateral, as litigation against defaulting customers, even if governed by an arbitration clause, can be slow and expensive in India. In the event of any inability or delay in the repossession and liquidation of the collateral securing loans in default, we may incur losses, which could adversely affect our business, results of operations and financial condition.

7. We may not be able to identify, monitor and manage risks or effectively implement our risk management policies, which may adversely affect our business operations.

The effectiveness of our risk management is affected by the quality and timeliness of available data. We have devoted resources to develop and implement our risk management policies and procedures and intend to continue doing so in the future. We have established an internal controls system to support our risk management framework. This includes review of internal controls, risk management measures and accounting procedures by our internal auditors to identify and provide recommendations to address potential risk areas. Further, we have established an internal audit framework that entails regular branch audits, centralized checks and balances, and a fraud management (anti-fraud) department. Our Board of Directors and the risk management committee review our risk management policies from time to time. We also depend on our information technology systems to assist us with our risk management functions.

However, our policies and procedures to identify, monitor and manage risks may not be fully effective. Some of our risk management processes may not be automated and subject to human error. Some of our methods of managing risks are based on the use of observed historical market behavior and may not accurately predict future risk exposures, which could be significantly greater than those indicated by the historical measures. In addition, as we seek to expand the scope of our operations, we also face the risk of inability to develop commensurate risk management policies and procedures. Other risk management methods depend upon an evaluation of information regarding the markets we operate in, the customers we service and certain other matters, which may not be accurate, complete, up-to-date or properly evaluated in all cases. Management of operational, legal or regulatory risks requires, among other things, policies and procedures to properly record and verify a number of transactions and events. Although we seek to establish and adhere to all requisite policies and procedures, they may not be fully effective in the future.

Our results of operations are dependent upon the effectiveness of our management of changes in credit quality and risk concentrations, the accuracy of our valuation models and our critical accounting estimates and the adequacy of our allowances for loan losses. To the extent our assessments, assumptions or estimates prove inaccurate or not predictive of actual results, we could suffer higher than anticipated losses. If we fail to effectively implement our risk management policies, it could have an adverse effect on our business, results of operations and financial condition.

8. We depend on the accuracy and completeness of information provided by our customers and our reliance on any misleading information may affect our judgement of their credit worthiness, as well as the value of and title to the collateral.

While deciding whether to extend credit to customers, we rely, to a significant extent, on the information furnished to us by the customers for certain key elements of the credit assessment process, including their income, assets, financial transactions and credit history. We follow the know your customer ("**KYC**") guidelines prescribed by the NHB and RBI for potential customers, verify their place of employment and residence, as applicable, and verify details with the RBI and NHB's caution list. We also do a valuation of their collateral. While we carry out KYC verification and income assessment verification in-house, we utilize the services of external valuation agencies for carrying out some of the asset verification processes required to be undertaken by us. Furthermore, we utilise the services of the Credit Information Bureau (India) Limited and CRIF High Mark to carry out credit checks on our customers. We may also rely on certain representations from customers as to the accuracy and completeness of that information. For ascertaining the creditworthiness of the customers and the encumbrances on the collateral provided, we depend on the respective registrars and sub-registrars of assurances, credit information companies or credit bureaus. Our reliance on any misleading information may affect our judgement of credit worthiness of potential customers, and the value of and title to the collateral. Our risk management measures may not be adequate to prevent or deter such activities in all cases, which may adversely affect our business, results of operations and financial condition.

Further, we also target new to credit customers, who may not have credit histories supported by tax returns and other documents that would ordinarily enable us to assess their creditworthiness. We may also not receive updated information regarding any change in the financial condition of our customers or may receive inaccurate or incomplete information as a result of any fraudulent misrepresentation by our customers or employees. Moreover, the availability of accurate and comprehensive credit information on retail customers in India is limited, which reduces our ability to accurately assess the credit risk associated with such lending. Although as part of our credit policy, we conduct credit checks of all our customers, including with credit bureaus, conduct site-visits and personal discussions, we cannot assure you that such credit information will be accurate or comprehensive. Difficulties in assessing credit risks associated with our day-to-day lending operations may lead to an increase in the level of our non-performing assets. Increases in NPAs, could adversely affect our business and results of operations. Moreover, any delays on our part to take immediate action in connection with enforcement of security, delays in bankruptcy foreclosure proceedings, economic downturns, defects in security and fraudulent transfers by borrowers, may hinder our ability to realize the full value of security, which may result in a material adverse effect on our business, cash flows, results of operations, and financial condition.

9. The Indian housing finance industry is extensively regulated and any changes in laws and regulations applicable to housing finance companies could have an adverse effect on our business.

Our business and financial performance could be adversely affected by changes in the laws, rules, regulations or directions applicable to us and the housing finance business, or the interpretations of such existing laws, rules and regulations, or the promulgation of new laws, rules and regulations, including foreign investment laws governing our business, operations and investments in our Company by non-residents. These regulations, apart from regulating the manner in which a company carries out its business and internal operations, prescribe various periodical compliances and filings, including but not limited to filing of forms and declarations with the relevant registrar of companies, the RBI and other relevant authorities. Further, notification of new regulations and policies, which may require us to obtain approvals and licenses from the government and other regulatory bodies, or impose onerous requirements and conditions on our operations, in addition to those which we are undertaking currently, or change the manner in which we conduct KYC or authenticate our customers. Any such changes and the related uncertainties with respect to the implementation of new regulations may have an adverse effect on our business, financial condition and results of operations.

On February 17, 2021, RBI issued the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 ("**RBI Master Directions**") in supersession of, among others, the Master Circular - Housing Finance Companies (NHB) Directions, 2010 and the RBI notification on Review of regulatory framework for Housing Finance Companies (HFCs) dated October 22, 2020. Accordingly, activities of HFCs, are primarily regulated by the RBI Master Directions, including various aspects of our business such as what constitutes housing finance and housing finance company, net owned fund requirement, capital adequacy, sourcing of funds, on-boarding of customers, credit approval and risk management and asset classification and provisioning. Certain other generally applicable legislations also regulate other aspects of our business such as recovery of debt and taxation. For details, see "***Key Regulations and Policies in India***" on page 264. Our Company has, pursuant to letter dated September 15, 2023, obtained prior approval from RBI for undertaking the Offer under the RBI Master Directions.

We are also subject to applicable regulatory requirements that govern the operations of our wholly owned Subsidiary, India Shelter Capital Finance Limited, which was incorporated on March 24, 2022, and has filed an application dated July 11, 2022, with RBI, seeking a certificate of registration to operate as a non-deposit accepting NBFC license to commence operations and provide mortgage and other loans to middle income households in urban and semi urban areas. The RBI pursuant to its letter dated December 30, 2022, has returned the application filed by our Subsidiary observing that our Subsidiary is itself held by an NBFC-HFC. If our Subsidiary is not granted such license in the future, or if we are required to restructure our holding in our Subsidiary to comply with applicable regulatory prerequisites for such license in a manner that may not align with our overall business interests, our strategy to have a separate entity for loans against property and other products may be adversely impacted.

10. We are subject to periodic inspections by the National Housing Bank and the Reserve Bank of India and non-compliance with observations made during any such inspections could result in penalties and fines, and could adversely affect our reputation, business, financial condition, results of operations and cash flows.

We are subject to periodic inspections by the NHB and the RBI of our balance sheet, financials and other records, including details of disbursements, non-performing assets, grievance redressal mechanism, and branches, among others, for the purpose of verifying the correctness or completeness of any statement, information or particulars furnished to the authorities. We are also required to submit the details of complaints received from our customers and details of frauds observed on a periodic basis to NHB.

The NHB, pursuant to its periodic inspections of our Company, has observed certain deficiencies/lapses in terms of compliance with applicable requirements under the policy circulars and guidelines issued by NHB and has also observed certain shortcomings and inadequacies in some of our policies and other compliances. For instance, in its past inspections reports for Financial Years 2022, 2021 and 2020, the

NHB had identified certain deficiencies in our operations, made certain observations and sought clarifications in relation to our operations, such as:

- Repayment collections being made in cash;
- Inadequate disclosures in relation to, among others, the COVID-19 pandemic moratorium in our audited financial statements;
- Non-automation of asset liability management statements;
- Non-disclosure of purpose of issuance of non-convertible debentures in our Board resolution;
- Absence of provision to provide acknowledgement for receipt of loan applications to our customers;
- Non-inclusion of various risk function heads in the composition of our risk management committees;
- Re-negotiation of existing loans by changing the rate of interest and/or tenure;
- Non-linkage of disbursement of a housing loan with stage of construction;
- Capitalization of arrears in certain NPA account which resulted in contravention of recognition of income; and
- Non-consideration of interest receivable amounts on loans under moratorium which led to shortfall in provisions.

In the past, the NHB had issued a show cause notice dated September 3, 2020, against us, alleging non-compliance of certain provisions of the Housing Finance Companies (NHB) Directions, 2010 ("**NHB Directions**") and NHB(ND)/DRS/Policy Circular No. 75/2016-17 dated July 1, 2016, further to which, a fine of ₹0.75 million (plus taxes) was levied on us pursuant to a letter dated October 19, 2020. We were also issued a show cause notice dated June 2, 2021 alleging non-compliance with certain provisions of the NHB Directions and the RBI circulars no. DOR.No.BP.BC.63/21.04.048/2019-20 dated March 27, 2020 and DOR.No.BP.BC.63/21.04.048/2019-20 dated April 17, 2020 and a penalty of ₹0.02 million (plus taxes) as of March 31, 2020 was levied on us by the NHB, pursuant to a letter dated July 29, 2021. We were also issued letter dated July 29, 2021 by the NHB, requiring our Company to exercise due caution going forward and to strictly adhere to certain provisions of the regulations prescribed by the NHB. While our Company has paid the requisite penalties and aims to ensure strict compliance with all applicable regulatory requirements, we cannot assure you that such instances of deficiencies or non-compliances may not be observed against us in the future. Further, in the event that we are unable to comply with the observations made by the NHB or the RBI or comply with their policies, circulars and directions, we could be subject to penalties and restrictions which may be imposed by the NHB or the RBI. Any imposition of penalty or adverse findings by the NHB or the RBI during any future inspections or otherwise may have an adverse effect on our reputation, business, financial condition, results of operations and cash flows. There are currently no observations issued by the RBI or the NHB pursuant to inspection of our Company that have not been complied with.

11. Our business is affected by volatility in interest rates for both our lending and treasury operations, which could cause our net interest income to vary and consequently affect our profitability.

Our results of operations depend substantially on the level of our net interest income, which is the difference between our interest income and our finance cost. Any change in interest rates would affect our interest expense on our floating interest-bearing liabilities as well as our net interest income and net interest margins. Details of our floating interest-bearing liabilities as a percentage of our total outstanding borrowings as of September 30, 2023 and September 30, 2022, and March 31, 2023, 2022 and 2021 are as set forth below:

Particulars	As of									
	September 30, 2023		September 30, 2022		March 31, 2023		March 31, 2022		March 31, 2021	
	(in ₹ million, except percentages)									
	Amount	% of borrowings	Amount	% of borrowings	Amount	% of borrowings	Amount	% of borrowings	Amount	% of borrowings
Floating interest-bearing liabilities	24,726.38	75.6	20,732.64	82.1	23,631.40	79.5	17,489.35	84.9	11,848.31	80.0

Any increase in our cost of funds may lead to a reduction in our net interest margin or require us to increase interest rates on loans disbursed to customers in the future to maintain our net interest margin. Interest rates are highly sensitive to many factors beyond our control, including the monetary policies of the RBI, deregulation of the financial sector in India, domestic and international economic and political conditions and other factors, which have historically resulted in changes in interest rates in India. If there is an increase in the interest rates, we pay on our borrowings that we are unable to pass to our customers, we may find it difficult to compete with our competitors, who may have access to low-cost funds, thereby affecting our net interest income. Some of our customers may prepay their loans to take advantage of a declining interest rate environment. Similarly, an increase in interest rates could result in our customers, particularly those with variable interest rate loans, prepaying their loans if less expensive loans are available from other sources. Further, we are prohibited under the RBI Master Directions from charging pre-payment penalties on loans with variable interest rates and an increase in general interest rates in the economy could reduce the overall demand for housing finance and impact our growth. However, it is not possible to quantify any such impact on our results of operations (except for quantification of prepayment penalties, which would reflect an immediate positive impact but not a loss of future income). As a result, we may not be able to accurately predict the impact of such prepayment on our results of operations and financial condition. Set forth below are details of prepayment penalties on loans prepaid by our customers for the six months ended September 30, 2023 and September 30, 2022, and the Financial Years 2023, 2022 and 2021, are as follows:

Particulars	**For the**				
	Six months ended September 30, 2023	**Six months ended September 30, 2022**	**Financial Year 2023**	**Financial Year 2022**	**Financial Year 2021**
Prepayment charges (in ₹ million)[#]	100.39	77.15	165.13	88.07	33.99

 # Prepayment charges represents total prepayment amount charged in the profit and loss account in the related financial year as per Restated Consolidated Financial Information.

Fluctuations in interest rates may also adversely affect our treasury operations. Set forth below are the details of the income generated from our treasury operations during the six months ended September 30, 2023 and September 30, 2022, and Financial Years 2023, 2022 and 2021:

Particulars	**As of**									
	September 30, 2023		**September 30, 2022**		**March 31, 2023**		**March 31, 2022**		**March 31, 2021**	
	(in ₹ million, except percentages)									
	Amount	**% of Total Income**	**Amount**	**% of Total Income**	**Amount**	**% of Total Income**	**Amount**	**% of Total Income**	**Amount**	**% of Total Income**
Income generated from treasury operations	247.53	6.2	142.12	5.2	323.78	5.3	249.70	5.4	197.91	6.1

As part of our treasury operations, we deploy surplus funds into bank deposits, mutual funds, government securities, debentures and commercial papers, based on our investment policy. However, the returns generated on these investments are dependent on interest rates which may fluctuate based on market conditions. Furthermore, the impact of interest rates on our operations is influenced by various factors that are beyond our control. This includes monetary policies implemented by the Reserve Bank of India (RBI), the deregulation of the financial sector in India, and the prevailing domestic and international economic conditions. See also "***Management's Discussion and Analysis of Financial Condition and Results of Operation – Significant Factors Affecting our Results of Operations - Volatility in Borrowing and Lending Rates***" on page 400.

In a rising interest rate environment, especially if the rise is sudden or sharp, we could be adversely affected by the decline in the market value of our investments. However, in a declining interest rate environment, as a substantial portion of our borrowings are on fixed interest rates, our net interest income could decline. Our inability to effectively and efficiently manage interest rate variations and our failure to pass on increased interest rates on our borrowings may cause our net interest income to decline, and which would decrease our return on assets and could adversely affect our business, result of operations and financial condition.

12. ***We may face asset-liability mismatches, which could affect our liquidity and consequently may adversely affect our operations and profitability.***

We face potential liquidity risks because our assets and liabilities mature over different periods. Assets and liability mismatch, which represents a situation when the financial terms of an institution's assets and liabilities do not match, is a key financial parameter for us. We monitor the contractual maturity periods of our assets and liabilities and categorize them on the basis of the number of years in which they mature, as set forth below:

Years	Asset liability framework as of September 30, 2023		
	Liabilities(1)	**Assets**(2)	**Gap**
		(in ₹ million)	
Up to 1 year	8,434.20	9,943.27	1,509.07
1 to 3 years	12,841.97	13,336.51	494.53
3 to 5 years	9,228.56	9,627.78	399.22
5 to 7 years	1,790.74	6,843.98	5,053.24
7 to 10 years	981.24	6,044.13	5,062.89
Over 10 years	407.28	1,258.29	851.01

Notes:

(1) *Liabilities represent trade payables, debt securities, borrowings (other than debt securities), lease liabilities and other financial liabilities.*

(2) *Assets represent cash and cash equivalents, bank balance (other than cash and cash equivalents), loans and other financial assets.*

Although we had a positive asset-liability position as of September 30, 2023, across various time buckets, we cannot assure you that we will be able to continue to maintain a favorable asset-liability maturity profile in the future. A significant portion of loans to our customers have maturities with longer terms than the average terms of our borrowings. While we have not faced any mismatch in the maturity profile of our assets and liabilities, any such instances in the future may lead to a liquidity risk and have an adverse effect on our business and results of operations.

13. ***We have had negative cash flows in the past and may continue to have negative cash flows in the future.***

We have experienced negative cash flows in the past, primarily due to the inherent nature of our business wherein the negative cash flow from operating activities pertaining to disbursements is financed from financing activities. The following table sets forth our cash flows for the period/years indicated:

(*in ₹ million*)

Particulars	For the				
	Six months ended September 30, 2023	**Six months ended September 30, 2022**	**Financial Year 2023**	**Financial Year 2022**	**Financial Year 2021**
Net cash (used in) operating activities	(5,636.91)	(4,101.46)	(8,521.82)	(4,952.82)	(4,208.51)
Net cash generated from / (used in) investing activities	(1,108.70)	(677.26)	1,624.96	(1,857.78)	766.42
Net cash generated from financing activities	3,215.58	4,632.62	9,068.28	5,917.68	5,599.63
Net increase/(decrease) in cash and cash equivalents	(3,530.03)	(146.11)	2,171.42	(892.92)	2,157.54

For further details, see "***Financial Information***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages 332 and 397, respectively. We cannot assure you that our net cash flow will be positive in the future. Negative cash flows over extended periods, or significant negative cash flows in the short term, could affect our ability to operate our business and implement our growth plans.

14. ***Changes in economic, regulatory and financial conditions or any lack of liquidity in the market could adversely affect our ability to access funds at competitive rates, which could adversely affect our liquidity and financial condition.***

Changes in economic, regulatory and financial conditions or any lack of liquidity in the market could adversely affect our ability to access funds at competitive rates, which could adversely affect our liquidity and financial condition. Our ability to raise debt to meet our financing requirements is also restricted by the limits prescribed under applicable regulations. The limits on borrowings by housing finance companies ("**HFCs**") are governed by the RBI Master Directions which currently restrict HFCs from borrowing in excess of 14 times their net owned funds on or after March 31, 2020 and after which this limit shall be further reduced to 13 times of their net owned funds on or after March 31, 2021 and subsequently to 12 times of their net owned funds on or after March 31, 2022. Our limit on borrowings to net owned funds (as governed by the RBI Master Directions) is as follows:

Particulars	As of				
	September 30, 2023	September 30, 2022	March 31, 2023	March 31, 2022	March 31, 2021
	(₹ in millions, except limit)				
Net owned funds	12,605.68	10,552.40	11,456.84	10,039.22	9,047.12
Applicable regulatory limit	12 times	12 times	12 times	12 times	13 times
Our limit on borrowings	151,268.15	126,628.80	137,482.04	120,470.69	117,612.61

Consequently, if we are unable to obtain adequate financing in a timely manner and on commercially acceptable terms, our business, results of operations and financial condition may be adversely affected.

15. ***We may not be able to sustain growth in the future as our business is subject to factors such as competition and customer requirements.***

We have experienced growth in recent years and have expanded our business and operations. Set forth below are certain metrics showing our growth as of or for the period/years presented.

	For the six months ended/As of September 30, 2023	For the six months ended/As of September 30, 2022	For the year ended/As of March 31, 2023	For the year ended/As of March 31, 2022	For the year ended/As of March 31, 2021	CAGR (2023-2021)
	(in ₹ million, unless otherwise specified)					(%)
AUM	51,806.89	36,148.74	43,594.31	30,732.93	21,985.27	40.8
Disbursements	12,203.17	8,618.94	19,643.77	12,952.61	8,948.76	48.2
Total Income	3,985.76	2,728.86	6,062.31	4,598.06	3,227.99	37.0
Profit for the period/year	1,073.54	620.21	1,553.42	1,284.47	873.89	33.3
Branches (*Nos.*)	203	167	183	130	115	26.1

As part of our growth strategy, we intend to expand our presence in existing geographies and newer geographies through penetrative expansion of our branches. For details, see "***Our Business – Our Strategies - Further Grow and Diversify our Distribution Network to Achieve Deeper Penetration in Key States and Drive Sustainable Growth***" on page 245. Factors such as competition, customer requirements, regulatory regimes, business practices and customs in these new geographies may differ from those in our existing markets, and our experience in our existing markets may not be applicable or relevant to these new geographies.

While we have not launched any special marketing drives or advertising campaigns in the last financial year, we may be required to do so in the future to grow our business. Furthermore, as we plan to deepen our geographic penetration, we may be exposed to additional challenges such as obtaining necessary governmental approvals; successfully marketing our brand and product offerings in markets in which we have no familiarity; attracting customers in a market in which we do not have significant experience or visibility; being subject to additional local taxes; attracting and retaining new employees which may also hinder our initiatives to prioritize localized hiring for our branches in the locations they are based; expanding our technological infrastructure; maintaining standardized systems and procedures; and adapting our marketing strategy and operations in new markets in India in which different languages are spoken. For example, a number of states in India have enacted laws to regulate money-lending transactions and there are civil and criminal penalties prescribed for non-compliance with the relevant money lending statutes. These laws also establish a maximum rate of interest that can be charged to customers. To address these challenges, we may have to incur additional expenses that may not yield desired results or incur costs that we may not be able to recover. Our lack of success in our growth strategy or the sub-optimal performance of our new branches could adversely affect our business, results of operations, financial condition and cash flows.

16. We rely significantly on our information technology systems for our business and operations and any failure, inadequacy or security breach in such systems could adversely affect our business, results of operations and reputation.

We use our technology platforms across the entire customer lifecycle to assist with functions such as customer onboarding, underwriting, disbursement, risk management, collections and to perform data analytics. As part of our strategies, we seek to leverage technology to enhance our lead sourcing and customer fulfilment process and introduce a customer-centric self-onboarding application to streamline and expedite the overall loan application experience for our customers. For details, see "***Our Business – Our Strategies – Leverage our Technology Stack to Achieve Scalability and Efficiency and Improving Productivity of our Existing Branches***" on page 246. As a result of our extensive use of technology, the size and complexity of our computer systems may make them potentially vulnerable to breakdowns, system integration problems, malicious intrusion and computer viruses.

Furthermore, to enhance our underwriting capabilities, we also engage with third-party service providers on a non-exclusive basis, to develop tools and integrate application programming interfaces to access supplementary information relating to our customers. Our financial, accounting, analytics or other data processing systems may fail to operate adequately, or at all, as a result of events that are beyond our control, including a disruption of electrical or communications services in markets in which we primarily operate. Our ability to operate and remain competitive will depend in part on our ability to maintain and upgrade our information technology systems on a timely and cost-effective basis. Our dependence on third-party service providers may expose us to risks arising from loss of data, system failures and cyber-attacks. Although we have not experienced any significant disruptions to our information technology systems in the past, we cannot assure you that we will not encounter disruptions in the future.

In addition, our systems are potentially vulnerable to data security breaches, whether by employees, who may have a lack of experience with our newer information technology systems, or others, that may expose sensitive or confidential data to unauthorized persons. Further, as part of our business, we store and have access to customers' bank information, credit information and other sensitive data on cloud. Data security breaches could lead to the loss of trade secrets or other intellectual property or could lead to the public exposure of personal information (including sensitive financial and personal information) of our customers and employees, which could result in breaches of applicable data security laws leading to legal proceedings against us including the potential imposition of penalties, and negative publicity.

Recently, the Digital Personal Data Protection Act, 2023 ("**DPDP Act**") has been enacted on August 11, 2023. All data fiduciaries, determining the purpose and means of processing personal data, are mandated to provide an itemised notice in plain and clear language containing a description of the personal data sought to be collected along with the purpose of processing such data. The DPDP Act further provides that where consent is the basis of processing personal data, the data principal providing the consent, may withdraw such consent at any time. Any form of non-compliance shall attract a financial penalty as prescribed in Schedule I of the DPDP Act, not exceeding ₹2,500 million in each instance. We may, therefore, be required under applicable regulations to notify individuals of data security breaches involving their personal data.

Although we have not experienced any material data security breaches in the past, any such security breaches or compromises of technology systems in the future may cause our customers to lose confidence in the effectiveness of our data security measures, and in turn have an adverse effect on our business, results of operations and reputation.

17. Any termination or failure by us to renew the lease and license agreements for our offices in an acceptable and timely manner, or at all, could adversely affect our business and results of operations. Moreover, many of the lease and leave and license agreements entered into by us may not be duly registered or adequately stamped.

As of September 30, 2023, our Registered Office, Corporate Office and 203 branch offices are located on leased or licensed premises, none of which are owned by any Promoter, member of the Promoter Group, Director, KMP, Senior Management, their relatives or any person related directly or indirectly in any manner to the Company, Group or any Subsidiary. The typical period for leases which are generally entered into by our Company for our branches ranges from 11 months to nine years. The lease agreements can be terminated, and any such termination could result in any of our offices being shifted or shut down. Some of the lease or leave and license agreements may have expired in the ordinary course of business, and we are currently involved in negotiations for the renewal of these lease and leave and license agreements. The lease agreements for two of our branch offices at Jabalpur, Madhya Pradesh and Shimoga, Karnataka, have expired, and our Company is currently in the process of renewal of these lease agreements. While we have not faced major issues renewing the leases of our branch offices in the past, if these lease and leave and license agreements are not renewed or not renewed on terms favorable to us, we may suffer a disruption in our operations or increased costs, or both, which may affect our business and results of operations. Further, our Company has executed lease and leave and license agreements, including in relation to our branch offices situated in Ahmedabad, Gujarat, Bhilwara, Rajasthan, Bhubaneshwar, Odisha, Faridabad, Haryana and Jaipur, Rajasthan that are not adequately stamped or duly registered. While our Company is in the process of undertaking steps towards assessment and payment of adequate stamp duty/ due registration of such lease and leave and license agreements, including by way of liaising with its local counsel in this regard, unless such documents are adequately stamped or duly registered, such documents may be rendered inadmissible as evidence in a court in India or may not be authenticated by any public officer and the same may attract penalty as prescribed under applicable law or may impact our ability to enforce these agreements legally, which may result in an adverse effect on the continuance of our operations and business. For details in relation to our premises, see "***Our Business – Properties***" on page 263.

18. Any failure or significant weakness of our internal processes or systems could cause operational errors or incidents of fraud, which would adversely affect our business, profitability and reputation.

We are responsible for establishing and maintaining adequate internal measures commensurate with the size and complexity of operations. Our internal audit functions evaluate the adequacy and effectiveness of these internal control systems on an ongoing basis so that business units adhere to our policies, compliance requirements and internal guidelines. Such policies and guidelines include our risk management policies and employee code of conduct, among others. While we periodically test and update our internal processes and systems, we are exposed to operational risks arising from the potential inadequacy or failure of internal processes or systems, and our actions may not be sufficient to ensure effective internal checks and balances in all circumstances.

Our management information systems and internal procedures that are designed to monitor our operations and overall compliance may not identify every instance of non-compliance or every suspicious transaction. If internal system or process weaknesses are identified, our actions may not be sufficient to correct such weakness. Failures or material errors in our internal systems may lead to deal errors, pricing errors, inaccurate financial reporting, fraud and failure of critical systems and infrastructure. Such instances may also adversely affect our reputation, business and results of operations. The NHB has, in the past, pursuant to its periodic inspections of our Company, observed certain deficiencies in relation to our internal controls, including among others, the continuation of appointment of a previous internal auditor for a period of 10 years. While we aim ensure that all such internal systems or processes are in place and strictly complied with, we cannot assure you that that we would be able to prevent frauds in the future or that our existing internal mechanisms to detect or prevent fraud will be sufficient. In Financial Years 2021 and 2022 and during the six months ended September 30, 2023, we have incurred losses due to fraud, employee negligence, theft and similar instances. This includes losses arising due to fabricated documents being submitted to us by the customers and criminal breach of trust. The table below provides our losses due to fraud, theft, employee negligence or other similar incidents for the six months ended September 30, 2023 and September 30, 2022, and the Financial Years 2023, 2022 and 2021:

Particulars	Six months ended September 30, 2023	Six months ended September 30, 2022	Financial Year 2023	Financial Year 2022	Financial Year 2021
Losses incurred (in ₹ million)	13.79	-	-	0.38	2.34

While we have undertaken measures to strengthen our internal controls to avoid to such incidents in future, any fraud discovered in the future may have an adverse effect on our business, profitability and reputation.

19. We serve low and middle income self-employed customers in India, who are often considered high risk.

Self-employed customers to whom we lend are often considered to be higher credit risk customers due to their increased exposure to fluctuations in cash flows due to adverse economic conditions. Set forth below are the details of loans to self-employed customers as of September 30, 2023 and September 30, 2022, and March 31, 2023, 2022 and 2021:

Particulars	As of									
	September 30, 2023		September 30, 2022		March 31, 2023		March 31, 2022		March 31, 2021	
	Amount (in ₹ million)	*(% Share)*	*Amount (in ₹ million)*	*(% Share)*	*Amount (in ₹ million)*	*(% Share)*	*Amount (in ₹ million)*	*(% Share)*	*Amount (in ₹ million)*	*(% Share)*
Self-employed customers	36,582.20	70.6%	24,869.97	68.8%	30,362.88	69.6%	20,783.05	67.6%	14,112.31	64.2%

To the extent we are unable to successfully manage the risks associated with lending to self-employed customers, it may become difficult for us to recover outstanding loans provided to such customers.

20. Any deterioration in the performance of any pool of receivables assigned or securitized to banks and other institutions may adversely impact our business.

We assign and securitize a portion of our receivables from our loan portfolio to banks and other financial institutions from time to time. Such assignments and securitizations are undertaken by us on the basis of our internal estimates of capital requirements and availability of other sources of funds and may vary from time to time. Set forth below are the details of our assignment and securitization transaction balances and credit enhancements as of September 30, 2023 and September 30, 2022, and March 31, 2023, 2022 and 2021.

Particulars	As of									
	September 30, 2023	% Share	September 30, 2022	% Share	March 31, 2023	% Share	March 31, 2022	% Share	March 31, 2021	% Share
	(in ₹ million, except percentages)									
Assigned Assets(1)	8,475.85	16.4%	4,920.19	13.6%	6,927.35	15.9	3,850.92	12.5	1,649.43	7.5
Credit enhancements(2)	Nil	—	Nil	—	Nil	—	25.62	—	38.68	—

(1) Assigned Assets represent the aggregate of current principal outstanding and overdue principal outstanding, if any, for all loan assets which have been transferred by us by way of securitization before April 1, 2017 under the erstwhile accounting standards and direct assignment as of the last day of the relevant period/year.

(2) Credit enhancements pertain to securitization transactions that have been entered into prior to April 1, 2017.

Any change in RBI or other government regulations in relation to assignments and securitizations by HFCs could have an adverse impact on our assignment or securitization program. In the event the bank or financial institution does not realize the receivables due under loans that have been securitized, the relevant bank or financial institution can enforce the underlying credit enhancements provided by our Company. Should such banks or any other financial institutions seek to enforce the underlying credit enhancements such as fixed deposits extended for securitization transactions, which are provided up to a specified percentage of the underlying loans, it could have an adverse effect our relationship with financial institutions and our ability to carry out securitization transactions with financial institutions.

21. One of our Corporate Promoters, WestBridge Crossover Fund, LLC, has made investments in Aptus Value Housing Finance Limited, which is involved in the similar line of business as that of our Company.

There are potential conflicts of interests between the interests of our Company and one of our Corporate Promoters, WestBridge Crossover Fund, LLC's other investments. Potential conflicts of interests include, but are not limited to, the fact that one of our Corporate Promoters, WestBridge Crossover Fund, LLC has made investments in Aptus Value Housing Finance India Limited, which is involved in the similar line of business as that of our Company. We will endeavour to take adequate steps to address any conflict of interest by adopting the necessary procedures and practices as permitted by applicable law. Further, our Directors, Shailesh J. Mehta and Sumir Chadha, are directors on the board of Aptus Value Housing Finance India Limited. If any matter arises that we determine in our good faith judgment constitutes an actual conflict of interest, we cannot assure you that such conflict of interest may be resolved in our best interest.

22. We focus on first-time home loan takers in Tier II and Tier III cities in India.

We focus on first-time home loan takers in Tier II and Tier III cities in India. Such customers generally may have higher risk of non-payment or default. As of September 30, 2023, 70.7% of our customers were first-time home loan takers. To the extent we are unable to successfully manage the risks associated with lending to customers new to credit, it may become difficult for us to recover outstanding loan amounts provided to such customers. We cannot assure you that our risk management controls will be sufficient to prevent future losses on account of customer defaults, which may adversely affect our business, results of operations and financial condition.

23. Our CRAR exceeds the regulatory requirements set forth by the RBI. If we continue to maintain our CRAR at the levels maintained as of September 30, 2023, September 30, 2022, March 31, 2023, 2022 and 2021, it could potentially limit our ability to deploy capital for profit-generating opportunities, expansion of our lending portfolio, or strategic investments.

The RBI Master Directions require HFCs to comply with a capital to risk (weighted) assets ratio, or capital adequacy ratio ("**CRAR**"), consisting of Tier I and Tier II capital, which has been revised over time, and collectively shall not be less than 15% of the HFC's risk-weighted assets and the risk adjusted value of off-balance sheet items on or before March 31, 2022 and thereafter. This ratio is used to measure an HFC's capital strength and to promote stability and efficiency of the HFC. At a minimum, Tier I capital of an HFC, at any point in time, cannot be less than 10% of risk weighted assets. Further, we are required to ensure that the total Tier II capital at any point in time, should not exceed 100% of Tier – I capital. See also "***Key Regulations and Policies***" on page 264. As on the date of this Prospectus, we are currently in compliance with the aforementioned RBI Master Directions.

Details of our Tier I and Tier II capital as of September 30, 2023, September 30, 2022, March 31, 2023, March 31, 2022 and March 31, 2021, are set out below:

Particulars	September 30, 2023	September 30, 2022	March 31, 2023	March 31, 2022	March 31, 2021
Share Capital	450.23	437.32	437.65	437.07	429.78
Reserve & Surplus	13,285.00	11,008.34	11,963.97	10,324.20	8,942.91
Intangible Assets	(3.66)	(2.55)	(4.84)	(4.65)	(10.77)
Credit enhancement under Securitisation	(14.67)	(85.52)	(24.75)	(58.80)	(47.67)
Deferred Revenue	(73.91)	(62.01)	(51.45)	(42.79)	(173.76)

Particulars	September 30, 2023	September 30, 2022	March 31, 2023	March 31, 2022	March 31, 2021
Deferred Tax Asset	(42.54)	(34.96)	(30.13)	(29.50)	(93.37)
Capital Redemption Reserve	-	-	-	-	-
Unrealised gain arising on financial instruments	(994.76)	(708.22)	(833.61)	(586.31)	-
Tier I Capital	**12,605.68**	**10,552.40**	**11,456.84**	**10,039.22**	**9,047.12**
Subordinated Debt	-	-	-	-	-
General Provisions & Standard Asset Provision	209.57	78.52	186.05	153.63	137.35
Preference Share Capital	-	-	-	-	-
Credit enhancement under Securitisation	-	-	(24.75)	(58.80)	(47.67)
Tier- II Capital	**209.57**	**78.52**	**161.30**	**94.83**	**89.68**
Total Capital Fund (Tier I & II)	**12,815.25**	**10,630.92**	**11,618.14**	**10,134.05**	**9,136.80**

Set forth below are the details of our CRAR as of September 30, 2023 and September 30, 2022, and the March 31, 2023, 2022 and 2021, and our Tier I and Tier II capital as a percentage of risk weighted assets as of that date:

Particulars	As of				
	September 30, 2023	September 30, 2022	March 31, 2023	March 31, 2022	March 31, 2021
	(in ₹ million, except percentages)				
Tier I Capital	12,605.68	10,552.40	11,456.84	10,039.22	9,047.12
Tier II Capital	209.57	78.52	161.30	94.83	89.68
Total Capital	12,815.25	10,630.92	11,618.14	10,134.05	9,136.80
Risk Weighted Assets	26,331.93	21,622.14	22,061.28	18,136.31	12,777.00
Capital Adequacy Ratio (%)*	48.7	49.2	52.7	55.9	71.5
Tier I Capital (%)	47.9	48.9	51.9	55.4	70.8
Tier II Capital (%)	0.8	0.4	0.7	0.5	0.7

**Reported CRAR is in accordance with the Restated Consolidated Financial Information.*

As we continue to grow our loan portfolio and asset base, we will be required to raise additional Tier I and Tier II capital in order to remain in compliance with the applicable capital adequacy ratios. While our CRAR exceeds the regulatory requirements set forth by the RBI and underscores our financial strength, if we continue to maintain our CRAR at the levels maintained as of September 30, 2023, September 30, 2022, March 31, 2023, 2022 and 2021, it could potentially limit our ability to deploy capital for profit-generating opportunities, expansion of our lending portfolio, or strategic investments. Moreover, investors may interpret our CRAR as a sign of capital underutilization, which could affect the performance of our Equity Shares and investor confidence.

24. There have been certain instances of delays or non-compliance in connection with regulatory filings in the past by our Company. We may be subject to regulatory action and penalties for any such past or future non-compliance and our business, financial condition and reputation may be adversely affected.

There have been certain instances of non-compliances in the past. There was an inadvertent delay of two months 18 days and two months 27 days in filing return of Downstream Investment ("**DI**") in Form-DI in relation to our Company's investment in India Shelter Capital Finance Limited, our Subsidiary, with the Department for Promotion of Industry and Internal Trade under Ministry of Commerce and Industry ("**DPIIT**"), and RBI, respectively, and a late submission fee of ₹ 0.09 million was levied by RBI on our Company in relation to such delay. Further, the NHB had issued a show cause notice dated August 20, 2009 in relation to late submission of annual return (schedule I) with respect to our Company's position as on March 31, 2009, and subsequently levied a penalty of ₹ 1,000 on our Company pursuant to its letter dated November 11, 2009, which was paid by our Company. While we have put in place adequate safeguards to track such filings and to ensure that such inadvertent non-compliances can be avoided, including strengthening of our internal compliance controls in connection with applicable regulatory filings relating to investment transactions, there can be no assurance that there will be no such delays or non-compliances in the future and our Company will not be subject to adverse actions by the authorities.

25. Our Company and our Directors are involved in certain legal and other proceedings. Any adverse outcome in such proceedings may have an adverse effect on our business, results of operations and financial condition.

In the ordinary course of business, our Company and our Directors are involved in certain legal proceedings, which are pending at different levels of adjudication before various courts, tribunals and statutory, regulatory and other judicial authorities in India, and, if determined adversely, could affect our reputation, business, results of operations and financial condition. We cannot assure you that these legal proceedings will be decided favorably or that no further liability will arise from these claims in the future. A summary of material outstanding litigation that have been initiated by and against our Company and our Directors (together referred to as the "**Relevant Parties**") (as applicable) are set forth below:

Category of individuals/entities	Criminal proceedings	Tax proceedings	Statutory or regulatory actions	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters in the last five years, including outstanding action	Material civil litigations	Aggregate amount involved* (in ₹ million)
Company						
By our Company	777(1)	NA	NA	NA	481(2)	1,227.76
Against our Company	3	3	Nil	NA	Nil	67.25
Directors						
By our Directors	Nil	NA	NA	NA	Nil	Nil
Against our Directors	Nil	Nil	Nil	NA	1	52.50
Promoters						
By the Promoters	Nil	NA	NA	NA	Nil	Nil
Against our Promoters	Nil	Nil	Nil	Nil	Nil	Nil
Subsidiary						
By our Subsidiary	Nil	NA	NA	NA	Nil	Nil
Against our Subsidiary	Nil	Nil	Nil	NA	Nil	Nil

**Amount to the extent quantifiable.*

(1) *This includes 764 complaints under Section 138 of the Negotiable Instruments Act, 1881, as amended, involving an aggregate amount of ₹ 929.28 million (to the extent quantifiable).*

(2) *This comprises 481 proceedings under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 and the Security Interest (Enforcement) Rules, 2002, each as amended, involving an aggregate amount of ₹ 298.48 million (to the extent quantifiable).*

Involvement in such proceedings could divert our management's time and attention. For details, see "***Outstanding Litigation and Material Developments***" on page 433. Our Company currently does not have any group company.

We cannot assure you that any of the outstanding material litigation matters will be settled in our favour or in favour of the Relevant Parties, or that no additional liability will arise out of these proceedings. The amounts claimed in these proceedings have been disclosed to the extent ascertainable and include amounts claimed jointly and severally.

If any new developments arise, such as a change in Indian law or rulings against us by appellate courts or tribunals, we may need to make provisions in our financial statements that could increase our expenses and current liabilities. Any adverse decision in any of these proceedings may have an adverse effect on our business, results of operations and financial condition.

26. Any downgrade in our credit ratings could increase our borrowing costs, affect our ability to obtain financing, and adversely affect our business, results of operations and financial condition.

The cost and availability of capital depends in part on our short-term and long-term credit ratings. Credit ratings reflect the opinions of ratings agencies on our financial strength, operating performance, strategic position and ability to meet our obligations. Our credit ratings as of the relevant dates indicated are set forth below:

RatingAgency	Instrument	Credit Ratings as of				
		September 30, 2023	September 30, 2022	March 31, 2023	March 31, 2022	March 31, 2021
ICRA Limited	Non-convertible debentures	A+ (Stable)	A+ (Stable)	A+ (Stable)	A (Stable)	A (Stable)
	Long term borrowings	A+ (Stable)	A+ (Stable)	A+ (Stable)	A (Stable)	A (Stable)
Care Ratings	Long term borrowings	A+ (Positive)	A+ (Stable)	A+ (Stable)	A (Positive)	A (Stable)

See also "***Our Business – Credit Ratings***" on page 260. While we have not witnessed any downgrade, withdrawal or rejection (non-acceptance) in our credit ratings in the past, any downgrade in our credit ratings could increase borrowing costs, result in an event of default under certain of our financing arrangements and adversely affect our access to capital and debt markets, which could in turn adversely affect our interest margins, our business, results of operations, financial condition and cash flows. In addition, any downgrade in our credit ratings could increase the probability that our lenders impose additional terms and conditions to any financing or refinancing arrangements we enter into in the future and adversely affect our business, results of operations and financial condition.

27. The Indian housing finance industry is highly competitive and our inability to compete effectively could adversely affect our business and results of operations.

The housing finance industry in India is highly competitive and we compete with banks, other HFCs, small finance banks and NBFCs in each of the geographies in which we operate. Our competitors may have more resources, a wider branch and distribution network, access to cheaper capital, superior technology and may have a better understanding of and relationships with customers in these markets. In addition, our competitors may be able to rely on the reach of the retail presence of their affiliated group companies or banks. Competition in this market segment has also increased as a result of interest rate deregulation and other liberalization measures affecting the housing finance industry in India, and we expect competition to intensify in the future. For details, please see, "***Our Business – Competition***" and "***Industry Overview – Competitive landscape among HFCs in Affordable Housing Finance***" on pages 261 and 206, respectively.

Our ability to compete effectively will depend, in part, on our ability to maintain or increase our margins. Our margins are affected in part by our ability to continue to secure low-cost capital and charge optimum interest rates at which we lend to our customers. Any increases in the interest rates on the loans we extend may also result in a decrease in business. We cannot assure you 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. If we are unable to compete effectively, our business and results of operations may be adversely affected.

28. We rely on third party service providers for all our major information technology services. Any lapse by third party service providers engaged by us may have adverse consequences on our business and reputation.

Technology is an integral part of our operations and all our major information technology services run on a SaaS model, with information being stored on cloud servers and safeguarded by firewall implementation and monitoring by our third-party service providers. We leverage the use of analytics and technology across our operations and throughout the customer life cycle. This includes onboarding, underwriting, asset quality monitoring, collections and customer services. We have implemented a paperless approach to customer acquisition and onboarding, with tailored mobile solutions that cater to different stages of the lending process. Salesforce is a customer relationship management system, also used as our loan origination system and is integrated with our downstream and upstream applications, including mobile applications, business rule engine and predictive dialer. Our iSales application integrates, streamlines and optimizes our customer acquisition process whereas our iCredit platform facilitates underwriting. To enhance our underwriting capabilities, we engage with third-party service providers to develop tools and integrate application programming interfaces to access supplementary information relating to our customers. This includes accessing fraud-related data, banking and investment records, PAN and Aadhar verification, taxation data and other additional KYC details of customers, in line with guidelines issued by the RBI. Additionally, we have also entered into agreements with third-party service providers for payment aggregator services and unified payments interface services. This exposes us to the risk that third party service providers may be unable to fulfil their contractual obligations to us and to the risk that their business continuity and security systems prove to be inadequate. While we have not experienced any material lapse or default by the third parties, any defaults or lapses by our third-party service providers in the future could result in an adverse effect on our business, reputation, financial condition and results of operations. In the event of any such occurrence, we may incur business and operations interruption, and our business, financial condition, results of operations and prospects may be adversely affected.

29. We may face difficulties and incur additional expenses in operating in Tier II and Tier III cities in India where infrastructure may be limited.

We serve low and middle income self-employed customers in Tier II and Tier III cities in India where infrastructure may be limited, particularly for transportation, electricity and internet bandwidth. Set forth below are the details of our AUM generated from Tier I, Tier II and Tier III cities as of September 30, 2023 and September 30, 2022, and March 31, 2023, 2022 and 2021:

Particulars	As of									
	September 30, 2023		September 30, 2022		March 31, 2023		March 31, 2022		March 31, 2021	
	Amount	% Share	Amount	% Share	Amount	% Share	Amount	% Share	Amount	% Share
	(in ₹ million, except percentages)									
Tier I*	5,291.54	10.2	3,430.86	9.5	4,601.02	10.6	3,028.84	9.9	1,097.65	5.0
Tier II*	21,062.34	40.7	16,013.72	44.3	18,435.37	42.3	13,792.31	44.9	11,018.17	50.1
Tier III*	25,453.00	49.1	16,704.15	46.2	20,557.92	47.2	13,911.78	45.3	9,869.45	44.9
Total	**51,806.89**	**100.0**	**36,148.74**	**100.0**	**43,594.31**	**100.0**	**30,732.93**	**100.0**	**21,985.27**	**100.0**

**City Tier classification is based on Government of India's segregation of various cities into X, Y and Z category for grant of HRA to central government employees. Cities in X and Y category are specifically listed. "X" includes 8 metro cities (Delhi, Bangalore (Karnataka), Mumbai (Maharashtra), Chennai (Tamil Nadu), Kolkata (West Bengal), Hyderabad (Telangana), Pune (Maharashtra), Ahmedabad (Gujarat)), "Y" includes 87 cities and anything not listed is construed as "Z". For the purpose of our analysis, we have construed category X as Tier I, Category Y as Tier II and rest as Tier III.*

At our branch offices in remote markets, we may face difficulties in conducting operations, such as accessing power facilities, transporting people and equipment, and implementing technology measures. We may also face increased costs in conducting our business and operations and implementing security measures. We cannot assure you that such costs will not increase in the future as we expand our branch network, which could adversely affect our profitability.

30. *A portion of our collections from customers is in cash, exposing us to certain operational risks.*

The NHB had, pursuant to its periodic inspection of our Company for Financial Years 2022, 2021 and 2020, noted that some of the repayment collections were done in cash. While we have taken steps to reduce the incidence of cash in our collections, a portion of our collections from our customers is currently and may continue to be undertaken in cash due to prevalence of use of cash for transactions in India. Set forth below are the details of collections made in cash during the six months ended September 30, 2023 and September 30, 2022, and the Financial Years 2023, 2022 and 2021:

Particulars	As of									
	September 30, 2023		September 30, 2022		March 31, 2023		March 31, 2022		March 31, 2021	
	Amount	% Share of Total Collections	Amount	% Share of Total Collections	Amount	% Share of Total Collections	Amount	% Share of Total Collections	Amount	% Share of Total Collections
	(in ₹ million, except percentages)									
Cash collections	540.88	7.6	418.30	7.8	926.85	8.1	788.68	10.4	595.65	13.3

While we have not faced any such instances in the past, cash collections expose us to the risk of theft, fraud, misappropriation or unauthorized transactions by employees responsible for dealing with such cash collections. These risks are exacerbated by the high levels of responsibility we delegate to our employees and the geographically dispersed nature of our network. Certain of our customers are Tier II and Tier III cities which carry additional risks due to limitations in relation to infrastructure and technology. While we obtain money insurance policy for our cash in transit and safes for storage of cash, we cannot assure you that the insurance obtained by us adequately covers all risks involved or will be paid in relation to the entire amount involved, or at all. Further, we may be subject to regulatory or other proceedings in connection with any unauthorized transactions, fraud or misappropriation by our representatives and employees, which could adversely affect our goodwill.

31. ***Our business is subject to various operational risks associated with the financial industry, including fraud and delays with respect to statutory, legal or regulatory reporting and disclosure obligations, which may adversely affect our business and operations.***

Our business is subject to various operational and other risks associated with the financial industry, including:

- inadequate procedures and controls;
- failure to obtain proper internal authorizations;
- delay, misreporting or non-reporting with respect to statutory, legal or regulatory reporting and disclosure obligations;
- improperly documented transactions;
- customer or third-party fraud, such as impersonation or identity theft;
- failure of operational and information security procedures, computer systems, software or equipment;
- the risk of fraud or other misconduct by employees;

We have experienced delays in payment towards employee provident fund (“**EPF**”) contributions during the Financial Years 2021, 2022 and 2023, and the current financial year, details of which are set out below:

Financial Year	Number of employees for which EPF payment was delayed	Amount Involved (In ₹)	Reason	Current status
2023-2024	5	13,225	We were unable to create new universal account number (“**UAN**”) or link the employee’s existing UAN due to mismatch in details between Aadhaar and UAN.	No outstanding dues as on date
2022-2023	41	214,510	(i) For each employee, we were unable to create a new UAN or link the employee’s existing UAN	No outstanding dues as on date

Financial Year	Number of employees for which EPF payment was delayed	Amount Involved (In ₹)	Reason	Current status
			due to mismatch in details between Aadhaar and UAN; or (ii) UAN was linked to another organization.	
2021-2022	59	233,104	For each employee, we were unable to create a new UAN or link the employee's existing UAN due to mismatch in details between Aadhaar and UAN.	No outstanding dues as on date
	2,311	6,604,514	We were unable to deposit the payment due to technical issues at the payment portal, which was subsequently deposited on the immediate next day.	No outstanding dues as on date
2020-2021	15	26,985	For each employee, we were unable to create a new UAN or link the employee's existing UAN due to mismatch in details between Aadhaar and UAN.	No outstanding dues as on date

We have undertaken the following corrective actions to avoid any such delay in EPF payments:

(i) we issue offer letters for employment only after undertaking verification and alignment of information provided in Aadhaar and UAN; and
(ii) we endeavour to make EPF payments at least two days prior to the relevant due dates.

We have paid all the statutory dues to the Government, including EPF and Employee State Insurance contribution ("**ESIC**") for all full-time employees for the last three Financial Years and as of October 31, 2023, in accordance with applicable laws/ statutory obligations. Details of the total EPF and ESIC by our Company for the last three Financial Years and as of October 31, 2023 is as follows:

Financial year/ period	EPF		ESIC	
	Number of employees	Amount (in ₹ million)	Number of employees	Amount (in ₹ million)
For the period from April 1, 2023 to October 31, 2023	4,191	86.52	1,577	6.73
For the Financial Year 2023	4,701	100.40	2,213	10.66
For the Financial Year 2022	3,682	48.56	2,156	9.96
For the Financial Year 2021	2,377	55.11	1,604	6.53

Further, details of the tax deducted at source ("**TDS**")/ tax collected at source ("**TCS**") and goods and services tax ("**GST**") provided by our Company for the last three Financial Years and as of October 31, 2023 as per the applicable laws/ statutory obligations is as follows:

Financial year/ period	TDS/ TCS (in ₹ million)	GST(in ₹ million)
For the period from April 1, 2023 to October 31, 2023	214.87	174.83
For the Financial Year 2023	135.72	282.90
For the Financial Year 2022	171.10	171.66
For the Financial Year 2021	63.05	100.87

There can be no assurance that measures adopted by us have been or will be effective in preventing delays or frauds, or that any of these events will not occur again in the future or that we will be able to recover funds misused or misappropriated if such events occur or that we may not face penalties for similar delays in the future. Further, where possible, there could be instances of delays, fraud and misconduct which may go unnoticed for a certain period of time before they are identified, and corrective actions are taken.

32. ***Our inability to detect money-laundering and other illegal activities fully and on a timely basis may expose us to additional liability and adversely affect our business and reputation.***

We are required to comply with applicable anti-money-laundering ("**AML**"), counter-terrorism financing and anti-terrorism laws and other regulations in India. In the ordinary 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 and assessment of penalties or imposition of sanctions against us for such compliance failures despite having implemented systems and controls designed to prevent the occurrence of these risks. Although we have instituted internal policies, processes and systems in place to prevent and detect any AML activity and ensure KYC compliance and have not faced any such instances of AML or counter-terrorism financing violations in the past, we cannot assure you that we will be able to fully control instances of any potential or attempted violation by other parties. Any inability on our part to detect such activities fully and on a timely basis, may subject us to regulatory actions including imposition of fines and penalties and adversely affect our business and reputation.

33. ***We require certain statutory and regulatory approvals for conducting our business and our inability to obtain, retain or renew them in a timely manner, or at all, may adversely affect our operations.***

Our operations are subject to extensive government regulation, and we are required to obtain and maintain a number of statutory and regulatory permits and approvals under central, state and local government rules in India, generally for carrying out our business. While we have obtained a number of approvals required for our operations, certain approvals have expired or are yet to be obtained, such as the relevant shops and establishment registrations for one of our branches in Baran, Rajasthan, professional tax registrations for seven branches located in the states of Telangana and Tamil Nadu, employee state insurance registration for nine branches located in the states of Rajasthan, Madhya Pradesh, Tamil Nadu, Telangana and Uttar Pradesh. For further details, see "***Government and Other Approvals – Material approvals pending to be made or obtained in relation to the business of our Company***" on page 442. In addition, we may apply for more approvals, including the renewal of approvals, which may expire from time to time, and approvals in the ordinary course of business. Our Company has also filed an application dated August 10, 2023, with the Insurance Regulatory and Development Authority of India for grant of registration to act as corporate agent under the Insurance Regulatory and Development Authority of India (Registration of Corporate Agent) Regulations, 2015.

A majority of these approvals are granted for a limited duration and are subject to numerous conditions. We cannot assure you that these approvals would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. If there is any failure by us to comply with the applicable regulations, or if the regulations governing our business are amended, we may incur increased costs, be subject to penalties, have our approvals and permits revoked or suffer a disruption in our operations, any of which could adversely affect our business.

34. ***The non-convertible debentures of our Company are listed on BSE Limited, and we are subject to rules and regulations with respect to such listed non-convertible debentures. If we fail to comply with such rules and regulations, we may be subject to certain penal actions, which may have an adverse effect on our business, results of operations, financial condition and cash flows. In connection with a delay of 13 days in listing of the non-convertible debentures in Financial Year 2019, our Company has paid penal interest to the debenture holders. Further, the trading in our listed non-convertible debentures may be limited or sporadic, which may affect our ability to raise debt financing in the future.***

Our non-convertible debentures have been listed on the debt segment of BSE ("**Listed NCDs**") since December 13, 2018. We are required to comply with the applicable rules and regulations, including the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended and applicable provisions of the SEBI Listing Regulations, in connection with our listed non-convertible debentures. If we fail to comply with such rules and regulations, we may be subject to certain penal actions, including, without limitation, restrictions on the further issuance of securities and the freezing of transfers of securities, which may have an adverse effect on our business, results of operations, financial condition and cash flows. In Financial Year 2019, there was a delay in listing of the listed NCDs by 13 days in connection with which, pursuant to communication with the BSE, our Company submitted an undertaking to the BSE to pay penal interest to the NCD holders for such delay.

Our Company accordingly paid penal interest amount of ₹ 1.78 million to the debenture holders in accordance with the terms applicable thereto. While there have not been any other instances of failure to comply with applicable rules and regulations in relation to such Listed NCDs that may have an adverse effect on our business, results of operations, financial condition and cash flows of our Company, we cannot assure you that there will not be any such non-compliance in future, which may adversely affect our business, result of operations and financial condition.

Trading in our non-convertible debentures has been limited and we cannot assure you that the non-convertible debentures will be frequently traded on the BSE or that there would be any market for the non-convertible debentures. Further, we cannot predict if and to what extent a secondary market may develop for the non-convertible debentures or at what price non-convertible debentures will trade in the secondary market or whether such market will be liquid or illiquid, which may adversely affect our ability to raise capital through the issuance of new non-convertible debentures. For details in relation to the non-convertible debentures issued by our Company, see "***Financial Indebtedness***" and "***– Any downgrade in our credit ratings could increase our borrowing costs, affect our ability to obtain financing, and adversely affect our business, results of operations and financial condition***" on pages 430 and 50, respectively.

35. We depend on third-party selling agents for sourcing a certain portion of our customers, who do not work exclusively for us.

We depend on external direct selling agents, who act as lead providers to our sales teams in return for referral fees, to source a portion of our customers by generating a database of potential customers through activities such as tele-calling, exhibitions and distribution of brochures to market the loan products offered by us. Set forth below are the details of our source-wise disbursements for the six months ended September 30, 2023 and September 30, 2022, and the Financial Years 2023, 2022 and 2021:

Particulars	**For the**									
	Six months ended September 30, 2023		**Six months ended September 30, 2022**		**Financial Year 2023**		**Financial Year 2022**		**Financial Year 2021**	
	Amount	**% Share**	**Amount**	**% Share**	**Amount**	**% Share**	**Amount**	**% Share**	**Amount**	**% Share**
	(in ₹ million, except percentages)									
Inhouse sourcing	12,023.69	98.5	8,368.46	97.1	19,196.59	97.7	12,522.32	96.7	8,413.01	94.0
Direct selling agent sourcing	179.48	1.5	250.48	2.9	447.18	2.3	430.29	3.3	535.76	6.0
Total	**12,203.17**	**100.0**	**8,618.94**	**100.0**	**19,643.77**	**100.0**	**12,952.61**	**100.0**	**8,948.76**	**100.0**

Certain of our agreements with such direct selling agents do not provide for any exclusivity, and accordingly, such direct selling agents can work with other lenders, including our competitors. There can be no assurance that our direct selling agents will continue to drive a significant number of leads to us, and not to our competitors, or at all.

36. Significant changes by the Government, the Reserve Bank of India or the National Housing Bank in their policy initiatives facilitating the provision of housing and housing finance or any change in the tax incentives that the Government currently provides to Housing Finance Companies may have an adverse effect on our business, results of operations and financial condition.

The Government of India provides certain incentives to encourage providing credit to the housing industry and has implemented policies that are aimed at providing low-cost, long-term credit to the low and middle income segments in India. The NHB provides re-finance for certain qualifying loans at reduced rates to certain qualifying HFCs through its schemes. In addition, the RBI provides certain incentives to the housing finance industry by extending priority sector status to housing loans. Certain key measures taken by the RBI to assist in fulfilling the Government's objectives include the reduction in risk weights applicable for affordable housing loans for the purpose of calculation of CRAR and allowing HFCs to raise long-term ECBs for on-lending towards affordable housing, which the RBI defines as housing loans with a size of up to ₹2.50 million in metropolitan centers with population above

1 million. However, we cannot assure you that the Government, the RBI and the NHB will continue to provide such incentives in the future.

Further, pursuant to Section 36(1)(viii) of the (Indian) Income-tax Act, 1961 (the "**Income Tax Act**"), up to 20.00% of profits from housing finance activities may be carried to a special reserve and will not be subject to income tax. Our Board has also resolved that such special reserve may not be used to pay dividends. The amount of special reserve under section 36 (1)(viii) of the Income Tax Act as of September 30, 2023 was ₹1,009.20 million. In addition, home buyers receive tax incentives on home loans for principal and interest payment of home loans, which has improved affordability levels of customers. Principal repayment qualifies for tax deduction under section 80C of the Income Tax Act, 1961. However, we cannot assure you that the Government will continue to make such benefits available to HFCs or home buyers. For details, see "***Key Regulation and Policies in India***" on page 264. Any significant change by the Government in its various policy initiatives or any change in the tax incentives may have an adverse effect on our business, results of operations and financial condition.

37. The COVID-19 pandemic has had certain adverse effects on our business, operations, cash flows and financial condition and the extent to which it or the effect of outbreaks of any other severe communicable disease may continue to do so in the future, is uncertain and cannot be predicted.

The COVID-19 pandemic has had, and could continue to have, significant repercussions across local, national and global economies and financial markets. In the past, as a result of the implementation of lockdowns and other restrictive measures in response to the spread of the COVID-19 pandemic by the Government of India, the Indian economy faced significant disruptions. This led to disruptions in our operations in a number of ways, for example:

- it led to a closure of our offices and branches, and we moved to a work-from-home model and resumed operations at our offices and branches in a staggered manner in compliance with the lockdown restrictions. For details, see "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on page 397;

- pursuant to the notification dated August 6, 2020 titled "Resolution Framework for COVID-19-related Stress" and related notifications dated September 7, 2020, May 5, 2021, June 4, 2021 and August 6, 2021, along with the notifications dated May 5, 2021 titled "Resolution Framework – 2.0: Resolution of COVID-19 related stress of Individuals and Small Businesses" and "Resolution Framework 2.0 – Resolution of COVID-19 related stress of Micro, small and Medium Enterprises" issued by the RBI, we restructured a total of 480 accounts amounting to ₹301.92 million during the Financial Years 2022 and 2021;

- it increased our vulnerability to cyber-security threats and potential breaches, including phishing attacks, malware and impersonation tactics, resulting from the increase in numbers of individuals working from home; and

- it posed inherent challenges to productivity, connectivity and oversight due to an increase in number of individuals working from home.

Our customers who primarily belong to the low and middle-income groups have less financial wherewithal than other borrowers and may default on their repayment obligations due to the economic slowdown caused by any future outbreak of the COVID-19 pandemic or another highly infectious or contagious disease. There is no assurance that future developments, including the detection of new variants, will not result in government measures or responses to contain the spread of the COVID-19 pandemic, including imposing country-wide lockdowns and other restrictions on travel and business operations, which may result in a complete or partial closure of our branches. The resurgence of the COVID-19 pandemic or any future outbreak of another highly infectious or contagious disease may adversely affect our business, results of operations and financial condition.

38. We are exposed to risks that may arise if our customers opt for loan balance transfers to other banks or financial institutions, or if customers pre-close their fixed-rate loans, or if customers face increased difficulties in refinancing their existing housing loans from other banks and financial institutions to our Company.

We offer our customers fixed and variable interest rate loans, which are linked to our reference rate. Based on market conditions, we price our loans at either a discount or a premium to our reference rate, which is determined primarily on the basis of our cost of borrowings. Customers with variable interest rates on their loans are exposed to increased equated monthly instalments ("**EMIs**") when the loans' interest rate adjusts upward, to the rate computed in accordance with the applicable index and margin. Such customers typically seek to refinance their loans through loan balance transfer to other banks and financial institutions, to avoid increased EMIs that may result from an upwards adjustment of the loans' interest rate. Set forth below are the details of our loan balance transfers during the six months ended September 30, 2023 and September 30, 2022, and the Financial Years 2023, 2022 and 2021, also expressed as a percentage of our AUM at the beginning of the respective period/year:

Particulars	For the									
	Six months ended September 30, 2023		Six months ended September 30, 2022		Financial Year 2023		Financial Year 2022		Financial Year 2021	
	Amount	% of AUM as of March 31, 2023	Amount	% of AUM as of March 31, 2022	Amount	% of AUM as of March 31, 2022	Amount	% of AUM as of March 31, 2021	Amount	% of AUM as of March 31, 2020
	(in ₹ million, except percentages)									
Loan balance transfer	1,417.67	6.5	1,272.30	8.3	2,687.18	8.7	1,499.93	6.8	680.63	4.5

While refinancing of loans by other lenders could in certain circumstances be beneficial for our customers, it results in a loss of interest income expected from such loans over the course of their tenure. In addition, under the RBI Master Directions, housing finance companies are not allowed to charge pre-payment levy or penalty on pre-closure of housing loans: (a) where the housing loan is on floating interest rate basis and pre-closed from any source; and (b) where the housing loan is on fixed interest rate basis and the loan is pre-closed by the borrower out of their own sources. Further, housing finance companies may not impose foreclosure charges/pre-payment penalties on any floating rate term loan sanctioned for purposes other than business to individual borrowers, with or without co-obligants. Such requirements can lead to a high incidence of either pre-closure or balance transfer, which would result in a high turnover of loan assets between lenders, causing lenders to incur increased origination costs. In addition, increased difficulties for customers in refinancing their existing housing loan from another bank or financial institution, may also adversely affect our balance transfer loan originations. As competition in the housing finance sector intensifies, some of our customers with variable interest rate loans may not be able to find balance transfer options at comparably lower interest rates or other financing alternatives. As a result, they may be exposed to the risks associated with increases in EMIs, which may lead to increased delinquency or default rates. Increased delinquency rates may also result in deterioration in credit quality of our loan portfolio, which could have an adverse effect on our business, results of operations and financial condition.

39. Some of our Directors and one of our Promoters, WestBridge Crossover Fund, LLC, may have interests in entities in businesses similar to ours, which may result in conflicts of interest with us.

Certain of our Directors may be associated with companies engaged in similar lines of business. For example, our Directors, Shailesh J. Mehta and Sumir Chadha, are directors on the board of Aptus Value Housing Finance India Limited, Rachna Dikshit is a director on the boards of Arthimpact Digital Loans Private Limited and Capital India Finance Limited, Parveen Kumar Gupta is a director on the board of directors of Midland Microfin Limited, Protium Finance Limited and Utkarsh Small Finance Bank Limited and Savita Mahajan is a director on the board of directors of Avanse Financial Services Limited. For details, see "***Our Management – Interests of Directors***" on pages 287. Further, one of our Promoters, WestBridge Crossover Fund, LLC has made investments in Aptus Value Housing Finance India Limited, which is involved in the similar line of business as that of our Company.

40. ***We have, in the past, entered into related party transactions and may continue to do so in the future, which may potentially involve conflicts of interest with the equity shareholders.***

We have entered into various transactions with related parties. Set forth below are our total related party transactions presented as a percentage of our total income, for the six months ended September 30, 2023 and September 30, 2022, and the Financial Years 2023, 2022 and 2021:

Particulars	**For the**									
	Six months ended September 30, 2023		**Six months ended September 30, 2022**		**Financial Year 2023**		**Financial Year 2022**		**Financial Year 2021**	
	Amount	**% of total income**	**Amount**	**% of total income**	**Amount**	**% of total income**	**Amount**	**% of total income**	**Amount**	**% of total income**
	(in ₹ million, except percentages)									
Related party transactions	181.43	4.6	24.94	0.9	113.24	1.9	105.77	2.3	61.95	1.9

The transactions entered into with related parties during the six months ended September 30, 2023 and September 30, 2022 and the Financial Years 2023, 2022 and 2021 as disclosed above were undertaken by our Company in compliance with the applicable provisions of the Companies Act and all other applicable laws. We cannot assure you that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties. It is likely that we may enter into related party transactions in the future. Although all related party transactions that we may enter into post-listing, will be subject to the Board or Shareholder approval, as necessary under the Companies Act and the SEBI Listing Regulations, we cannot assure you that such future transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations or that we could not have achieved more favourable terms if such transactions had not been entered into with related parties. For details of the related party transactions, see "***Summary of the Offer Document – Summary of Related Party Transactions***" and "***Restated Consolidated Financial Information – Note 40 – Related Party Transactions***" on pages 24 and 387, respectively.

41. ***We are dependent on a number of Key Managerial Personnel and our Senior Management, and the loss of, or our inability to attract or retain such persons could adversely affect our business, results of operations and financial condition.***

Our performance depends largely on the efforts and abilities of our Key Managerial Personnel, Senior Management, and our operational personnel. We believe that the inputs and experience of our Senior Management are valuable for the development of our business, operations and the strategic directions taken by our Company. We cannot assure you that these individuals will not leave us or join a competitor or that we will be able to retain such personnel or find adequate replacements in a timely manner, or at all. During the six months ended September 30, 2023 and the Financial Years 2023, 2022 and 2021, we did not have any attrition of our Key Managerial Personnel. Further, during the six months ended September 30, 2023 and September 30, 2022, and the Financial Years 2023, 2022 and 2021, our employee attrition rate (calculated as total employees who left the organisation in the relevant period divided by total number of employees (including exited employees) during the relevant period was 26.8%, 30.6%, 43.5%, 41.2% and 34.9%, respectively. This was primarily due to a number of factors including but not limited to employees pursuing other job opportunities following the COVID-19 pandemic, and for personal, family or health reasons. We may require a long period of time to hire and train replacement personnel when qualified personnel terminate their employment with our Company. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting employees that our business requires. The loss of, or inability to attract or retain such persons may have an adverse effect on our business, results of operations and financial condition. For details in relation to our Key Managerial Personnel and Senior Management, see "***Our Management – Key Managerial Personnel***" and "***Our Management – Senior Management***" on page 301

42. Certain of our Promoters, Directors, Key Managerial Personnel and Senior Management may be interested in our Company other than in terms of remuneration and reimbursement of expenses.

Certain of our Promoters, Directors, Key Managerial Personnel and Senior Management are interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses, to the extent of their shareholding held by them or their relatives, directly or indirectly, as well as to the extent of any dividends, ESOPs, bonuses or other distributions on such shareholding in our Company. Additionally, some of our Directors, Key Managerial Personnel and Senior Management may also be interested to the extent of employee stock options granted by our Company and which may be granted to them from time to time pursuant to the ESOP Schemes, as applicable. For details, see "***Capital Structure***", "***Our Management – Interests of Directors***" and "***Our Management – Interest of Key Managerial Personnel and Senior Management***" on pages 94, 287 and 303, respectively. We cannot assure you that our Promoters, Directors and our Key Managerial Personnel, if they are also our Shareholders, will exercise their rights as shareholders to the benefit and best interest of our Company.

43. We have certain contingent liabilities and commitments that have not been provided for in our financial statements, which, if they materialize, may adversely affect our results of operations, financial condition and cash flows.

Our contingent liabilities and commitments are as set out in the table below for the period/years indicated:

Particulars	Six months ended September 30, 2023	Six months ended September 30, 2022	Financial Year		
			2023	2022	2021
		(in ₹ millions)			
In respect of income tax matters[*#]	66.00	66.00	66.00	66.00	44.52
In respect of indirect tax matters[#]	1.25				
Commitments:					
- Loan financing	3,243.09	2,166.23	2,678.94	1,934.12	1,102.26
- Capital commitments	-	-	-	0.50	0.21
Bank guarantees	2.50	2.50	2.50	2.50	2.50
Total	**3,312.84**	**2,234.73**	**2,747.44**	**2,003.12**	**1,149.49**

* *In connection with a notice under section 143(3) of the Income Tax Act dated December 25, 2019 for a tax demand amounting to ₹44.52 million on account of unexplained credit under Section 68 of the Income Tax Act for the assessment year 2017-18, we have filed an appeal before Commissioner of Income Tax (Appeals) and deposited ₹ 8.91 million under protest.*

[#] *We received an income tax notice under section 143(1)(a) of the Income Tax Act, 1961 on 4 March, 2020, for the assessment year 2019-20, for tax demand of ₹21.48 million, on account of disallowance of Interest payable on NCD issued to mutual fund under section 43B of the Income Tax Act, 1961. The said amount has been adjusted against the refund due for the assessment year 2019-20. We have filed an appeal before the National Faceless Appeal Centre, New Delhi.*

[##] *Our Company has received a demand order of ₹1.25 million dated September 29, 2023 for contravention of Section 34(2) of the Central Goods and Services Tax Act, 2017 for the Financial Year 2020. Our Company is in the process of filing an appeal with the relevant authorities.*

In the event that any of these contingent liabilities and commitments materialize, our results of operations and financial condition may be adversely affected. Moreover, there can be no assurance that we will not incur similar or increased levels of contingent liabilities and commitments in the current Financial Year, or in the future. For further information, see "***Financial Information - Restated Consolidated Financial Information – Note 34 – Contingent liabilities and commitments***" on page 376.

44. We have, in the last 12 months, issued Equity Shares at a price that could be lower than the Offer Price.

We have, in the last 12 months prior to filing this Prospectus, issued Equity Shares at a price that could be lower than the Offer Price. Pursuant to the right to subscribe agreement dated November 4, 2022 executed between our Company and Anil Mehta, the Board resolution dated July 12, 2023 and the Shareholders' resolution dated July 18, 2023, Anil Mehta was allotted 355,000 equity shares of face value of ₹10 each at issue price of ₹83.20 each. For further details on right to subscribe agreement, please see "***History and Certain Corporate Matters - Amended and Restated Shareholder's Agreement dated July 30, 2022, executed between (a) our Company, (b) Nexus Ventures III, Ltd. ("Nexus III"), (c)***

Nexus Opportunity Fund II, Ltd. ("Nexus Opp Fund", together with Nexus III, "Nexus"), (d) WestBridge Crossover Fund, LLC, (e) Aravali Investment Holdings (together with WestBridge Crossover Fund, LLC "WestBridge"), (f) Catalyst Trusteeship Limited, as trustee of Madison India Opportunities Trust Fund ("Madison I"), (g) Madison India Opportunities IV ("Madison II"), (h) MIO Starrock ("Madison III"), (i) Catalyst Trusteeship Limited, as trustee of MICP Trust ("Madison IV", and together with Madison I, Madison II and Madison III, "Madison") and (j) Anil Mehta ("Individual Promoter"), read together with the amendment cum waiver and consent agreement dated August 1, 2023 (together, the "SHA")" on page 276.

Set out below are the details of issuances of Equity Share by our Company in the last 12 months:

Date of allotment	**Reason/Nature of allotment**	**Details of allottees/ shareholders and equity shares allotted**	**Number of equity shares allotted**	**Face value per equity share (₹)**	**Issue price per equity share (₹)**	**Nature of consideration**
December 22, 2022	Exercise of stock options pursuant to ESOP 2017	3,000 equity shares of face value of ₹10 each were allotted to Sabari Abhilash.	3,000	10.00	179.92	Cash
	Exercise of stock options pursuant to ESOP 2021	2,997 equity shares of face value of ₹10 each were allotted to Sabari Abhilash.	2,997	10.00	309.59	Cash
May 9, 2023	Exercise of stock options pursuant to ESOP 2012	37,500 equity shares of face value of ₹10 each were allotted to Sunil Jain.	37,500	10.00	20.32	Cash
	Exercise of stock options pursuant to ESOP 2021	1,606 equity shares of face value of ₹10 each were allotted to Manmohan Singh Ubeja, 17,500 equity shares of face value of ₹10 each were allotted to Ashish Gupta, 3,179 equity shares of face value of ₹10 each were allotted to Shashikant Sharma and 1,100 equity shares of face value of ₹10 each were allotted to Dinesh Kumar Sen.	23,385	10.00	309.59	Cash
July 12, 2023	Exercise of stock options pursuant to ESOP 2021	2,725 equity shares of face value of ₹10 each were allotted to Siddharth Vij.	2,725	10.00	309.59	Cash
July 18, 2023^	Private placement (preferential allotment)	355,000 equity shares of face value of ₹10 each were allotted to Anil Mehta.	355,000	10.00	83.20	Cash
July 27, 2023	Exercise of stock options pursuant to ESOP 2012	75,000 Equity Shares of face value of ₹5 each were allotted to Sunil Jain	75,000	5.00	10.16	Cash
	Exercise of stock options pursuant to ESOP 2017	120,000 Equity Shares of face value of ₹5 each were allotted to Nilay	120,000	5.00	79.51	Cash
		30,000 Equity Shares of face value of ₹5 each were allotted to Siddharth Vij and 20,000 Equity Shares of face value of ₹5 each were allotted to Prakash Bhawnani	50,000	5.00	89.96	Cash

Date of allotment	Reason/Nature of allotment	Details of allottees/ shareholders and equity shares allotted	Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration
		136,000 Equity Shares of face value of ₹5 each were allotted to Ashish Gupta	136,000	5.00	92.28	Cash
		12,000 Equity Shares of face value of ₹5 each were allotted to Shashikant Sharma	12,000	5.00	94.78	Cash
		400,000 Equity Shares of face value of ₹5 each were allotted to Rupinder Singh, 30,000 Equity Shares of face value of ₹5 each were allotted to Nilay and 20,000 Equity Shares of face value of ₹5 each were allotted to Mukti Chaplot	450,000	5.00	98.90	Cash
	Exercise of stock options pursuant to ESOP 2021	90,000 Equity Shares of face value of ₹5 each were allotted to Nilay, 24,000 Equity Shares of face value of ₹5 each were allotted to Mukti Chaplot, 25,474 Equity Shares of face value of ₹5 each were allotted to Nitin S, 24,000 Equity Shares of face value of ₹5 each were allotted to Prakash Bhawnani, 17,892 Equity Shares of face value of ₹5 each were allotted to Siddharth Bhargava, 15,000 Equity Shares of face value of ₹5 each were allotted to Vinayak Mishra, 12,920 Equity Shares of face value of ₹5 each were allotted to Brij Mohan, 12,000 Equity Shares of face value of ₹5 each were allotted to Nikhil Gupta, 7,800 Equity Shares of face value of ₹5 each were allotted to Banke Bihari, 6,600 Equity Shares of face value of ₹5 each were allotted to Akshay Prajapati, 6600 Equity Shares of face value of ₹5 each were allotted to Nayan Kumar Mohanpuriya, 6,600 Equity Shares of face value of ₹5 each were allotted to Jitendra Singh Parihar, 6,600 Equity Shares of face value of ₹5 each were allotted to Madhu Sharma, 6,600 Equity Shares of face value of ₹5 each were allotted to Vikram Singh Sahota, 6,600 Equity Shares of face value of ₹5 each were allotted to Madhur Sachdeva, 6,600 Equity Shares of face value of ₹5 each were allotted to Naresh Sharma, 6,600 Equity Shares of face value of ₹5 each were allotted to Balachidambaram Chidambaram, 6,600 Equity	368,750	5.00	154.80	Cash

Date of allotment	Reason/Nature of allotment	Details of allottees/ shareholders and equity shares allotted	Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration
		Shares of face value of ₹5 each were allotted to Mohit Singh, 6,600 Equity Shares of face value of ₹5 each were allotted to Vikas Katariya, 5,616 Equity Shares of face value of ₹5 each were allotted to Pankaj Gupta, 5,000 Equity Shares of face value of ₹5 each were allotted to Rameshwar Vishnu Shinde, 4,800 Equity Shares of face value of ₹5 each were allotted to Amit Ajmera, 4,800 Equity Shares of face value of ₹5 each were allotted to Bikash Singh, 4,200 Equity Shares of face value of ₹5 each were allotted to Ankita Mahajan, 4,200 Equity Shares of face value of ₹5 each were allotted to Prerna Singh, 4,200 Equity Shares of face value of ₹5 each were allotted to Shivam Jain, 4,200 Equity Shares of face value of ₹5 each were allotted to Chirag Ganotra, 4,200 Equity Shares of face value of ₹5 each were allotted to Murshid Alam, 4,200 Equity Shares of face value of ₹5 each were allotted to Rahul Gupta, 3,600 Equity Shares of face value of ₹5 each were allotted to Sunil Kumar, 3,600 Equity Shares of face value of ₹5 each were allotted to Deepak Jain, 3,600 Equity Shares of face value of ₹5 each were allotted to Kavit Rajput, 3,600 Equity Shares of face value of ₹5 each were allotted to Pintu Kumar, 3,600 Equity Shares of face value of ₹5 each were allotted to Rajat Gupta, 3,600 Equity Shares of face value of ₹5 each were allotted to Rohit Singh, 1,200 Equity Shares of face value of ₹5 each were allotted to Ajay Bhardwaj, 2,400 Equity Shares of face value of ₹5 each were allotted to Rajkumar Kushwaha, 1,848 Equity Shares of face value of ₹5 each were allotted to Geetesh and 1,200 Equity Shares of face value of ₹5 each were allotted to Gajendra Singh Solanki.				
	Exercise of stock options pursuant to ESOP 2021	36,000 Equity Shares of face value of ₹5 each were allotted to Mukti Chaplot, 16,000 Equity Shares of face value of ₹5 each were allotted	62,400	5.00	157.79	Cash

Date of allotment	Reason/Nature of allotment	Details of allottees/ shareholders and equity shares allotted	Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration
		to Prakash Bhawnani, 5,200 Equity Shares of face value of ₹5 each were allotted to Jignesh Khachariya and 5,200 Equity Shares of face value of ₹5 each were allotted to Vikas Manchanda.				
	Exercise of stock options pursuant to ESOP 2021	52,000 Equity Shares of face value of ₹5 each were allotted to Aman Saini, 48,000 Equity Shares of face value of ₹5 each were allotted to Rohit Gaur, 32,000 Equity Shares of face value of ₹5 each were allotted to Nitin Goel, 24,000 Equity Shares of face value of ₹5 each were allotted to Abhinav Arya, 12,000 Equity Shares of face value of ₹5 each were allotted to Pankaj Khurana, 4,400 Equity Shares of face value of ₹5 each were allotted to Narender Singh, 4,400 Equity Shares of face value of ₹5 each were allotted to Gupta Vijay Ghanshyamdas, 4,400 Equity Shares of face value of ₹5 each were allotted to Ajay Chhabra, 2,400 Equity Shares of face value of ₹5 each were allotted to Ranjit Singh, 2,400 Equity Shares of face value of ₹5 each were allotted to Ritesh Chauhan and 2,400 Equity Shares of face value of ₹5 each were allotted to Deepak Wadhwa.	188,400	5.00	170.36	Cash
October 25, 2023	Exercise of stock options pursuant to ESOP 2017	5,000 Equity Shares of face value of ₹5 each were allotted to Brunda E V.	5,000	5.00	89.96	Cash
	Exercise of stock options pursuant to ESOP 2021	30,000 Equity Shares of face value of ₹5 each were allotted to Nilay, 552 Equity Shares of face value of ₹5 were allotted to Geetesh and 1,200 Equity Shares of face value of ₹5 were allotted to Dilaver Singh.	31,752	5.00	154.80	Cash
	Exercise of stock options pursuant to ESOP 2021	5,766 Equity Shares of face value of ₹5 were allotted to Brij Mohan.	5,766	5.00	170.36	Cash
November 17, 2023	Exercise of stock options pursuant to ESOP 2021	1,200 Equity Shares of face value of ₹5 each were allotted to Gajendra Singh Solanki	1,200	5.00	154.80	Cash
	Exercise of stock options pursuant to ESOP 2021	5,964 Equity Shares of face value of ₹5 each were allotted to Siddharth Bhargava, 2,200 Equity Shares of face value of ₹5 each	16,564	5.00	170.36	Cash

Date of allotment	Reason/Nature of allotment	Details of allottees/ shareholders and equity shares allotted	Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration
		were allotted to Hrusikesha Bagati, 2,200 Equity Shares of face value of ₹5 each were allotted to Madhur Sachdeva, 2,200 Equity Shares of face value of ₹5 each were allotted to Karamjeet Singh, 4,000 Equity Shares of face value of ₹5 each were allotted to Amit Sureshchandra Gupta				
	Exercise of stock options pursuant to ESOP 2021	90,000 Equity Shares of face value of ₹5 each were allotted to Sharad Pareek (jointly held by Anita Pareek and Sharad Pareek), 26,000 Equity Shares of face value of ₹5 each were allotted to Ravinder Dhillon, 5,200 Equity Shares of face value of ₹5 each were allotted to Iqbal Singh, 4,000 Equity Shares of face value of ₹5 each were allotted to Vijaynanda Shenoi, 2,200 Equity Shares of face value of ₹5 each were allotted to Vikram Chugh and 2,200 Equity Shares of face value of ₹5 each were allotted to Puneet Kumar Sachdeva.	129,600	5.00	197	Cash
November 30, 2023	Exercise of stock options pursuant to ESOP 2017	64,000 Equity Shares of face value of ₹5 each were allotted to Ashish Gupta.	64,000	5.00	92.28	Cash
		5,000 Equity Shares of face value of ₹5 each were allotted to Brunda EV.	5,000	5.00	89.96	Cash
	Exercise of stock options pursuant to ESOP 2021	145,000 Equity Shares of face value of ₹5 each were allotted to Ashish Gupta.	145,000	5.00	154.80	Cash
		375,000 Equity Shares of face value of ₹5 each were allotted to Rupinder Singh.	375,000	5.00	157.79	Cash

45. ***The average cost of acquisition of Equity Shares by the Selling Shareholders may be less than the Offer Price.***

The average cost of acquisition of Equity Shares by the Selling Shareholders may be less than the Offer Price. The details of the average cost of acquisition of Equity Shares held by the Selling Shareholders are set out below:

Name of the Selling Shareholder	Number of Equity Shares held as on date of this Prospectus	Average cost of acquisition per Equity Share (in ₹)*
Catalyst Trusteeship Limited (as trustee of MICP Trust)	106,976	236.37
Catalyst Trusteeship Limited (as trustee of Madison India Opportunities Trust Fund)	4,759,908	126.46
Madison India Opportunities IV	1,266,936	173.90
MIO Starrock	4,435,108	237.21

Nexus Ventures III, Ltd.	19,923,596	52.41

* *As certified by B. B. & Associates, Chartered Accountants, by way of their certificate dated December 16, 2023.*

46. Our operations could be adversely affected by strikes or increased wage demands by our employees or any other kind of disputes with our employees.

As of September 30, 2023, we employed 2,997 employees across our operations. Although we have not experienced any material employee unrest in the past, we cannot assure you that we will not experience disruptions in work due to disputes or other problems with our work force, which may adversely affect our ability to continue our business operations. Any employee unrest directed against us, could directly or indirectly prevent or hinder our normal operating activities, and, if not resolved in a timely manner, could lead to disruptions in our operations. While we have not experienced any disruptions resulting from employee strikes or disputes, these actions are impossible for us to predict or control and any such event could adversely affect our business, results of operations and financial condition.

None of our workforce is currently unionized. However, there is a risk that our employees may choose to unionize in the future. Labor unions for banking employees organize strikes, and we may in the future be affected by strikes, work stoppages or other labor disputes if any portion of our workforce were to become part of a union in the future. In the event of a labor dispute, protracted negotiations and strike action may impair our ability to carry on our day-to-day operations and, if not resolved in a timely manner, could adversely affect our business, financial condition, results of operations, cash flows and prospects.

47. Our insurance coverage may not be sufficient or may not adequately protect us against all material hazards, which may adversely affect our business, results of operations and financial condition.

We seek to maintain insurance coverage that is reasonably adequate to cover the normal risks associated with the operation of our businesses. Set forth below are the details of our insurance expense and our insurance coverage for our assets during the six months ended September 30, 2023 and September 30, 2022, and the Financial Years 2023, 2022 and 2021:

Particulars	**Six months ended September 30, 2023**	**Six months ended September 30, 2022**	**For the Financial Year**		
			2023	**2022**	**2021**
		(in ₹ million)			
Insurance coverage	124.94	96.54	114.73	82.83	49.40
% of total assets covered by insurance	0.3	0.3	0.3	0.3	0.2

Our insurance policies, however, may not provide adequate coverage in certain circumstances such as for regulatory and compliance risks, operational risks and for financial assets which are not insurable. Furthermore, our insurance policies are subject to certain deductibles, exclusions and limits on coverage. Even if we have insurance for the incident giving rise to the loss, we may be required to pay a significant deductible on any claim for recovery of such a loss, or the amount of the loss may exceed our coverage for the loss. We cannot assure you that any claim under the insurance policies maintained by us will be honored fully, in part or on time, or that we have obtained sufficient insurance to cover all potential losses. In addition, our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the normal course of our business, but we cannot assure you that such renewals will be granted in a timely manner, or at acceptable cost, or at all. While we have not made any insurance claims in the six months ended September 30, 2023 and the last three Financial Years, and as a result, have had no insurance claims rejected. However, to the extent that we suffer loss or damage, or successful assertion of one or more large claims against us for events for which we are not insured, or for which we did not obtain or maintain insurance, or which is not covered by insurance, exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us and our results of operations, financial condition and cash flows could be adversely affected. For details in relation to our insurance coverage, see "***Our Business – Insurance***" on page 261.

48. The bankruptcy code in India may affect our rights to recover loans from our customers.

The Insolvency and Bankruptcy Code, 2016 (“**IBC**”) was notified on August 5, 2016. The IBC offers a uniform and comprehensive insolvency legislation encompassing all companies, partnerships and individuals (other than financial firms). It allows creditors to assess the viability of a debtor as a business decision and agree upon a plan for its revival or a speedy liquidation. The IBC creates a new institutional framework, consisting of a regulator, insolvency professionals, information utilities and adjudicatory mechanisms, which will facilitate a formal and time-bound insolvency resolution and liquidation process. In case insolvency proceedings are initiated against a debtor to our Company or a debtor files for voluntary insolvency, we may not have complete control over the recovery of amounts due to us. Under the IBC, upon invocation of an insolvency resolution process, a committee of creditors is constituted by the interim resolution professional, wherein each financial creditor is given a voting share proportionate to the debts owed to it. Any decision of the committee of creditors must be taken by a vote of not less than 75% of the voting share of all financial creditors. Any resolution plan approved by committee of creditors is binding upon all creditors, even if they vote against it.

In case a liquidation process is opted for, the IBC provides for a fixed order of priority in which proceeds from the sale of the debtor’s assets are to be distributed. Before sale proceeds are distributed to a secured creditor, they are to be distributed for the costs of the insolvency resolution and liquidation processes and debts owed to workmen and other employees. Further, under this process, dues owed to the Central and State Governments rank below the claims of secured creditors, workmen and other employee dues and unsecured financial creditors. Additionally, in cases where proceedings under the IBC are initiated against the builders or developers of project where the allottees of the apartments are our customers and if the builder or developer fails to deliver the project, there may be delay in recovery of amounts from such customers.

Although, there have been no proceedings under the IBC involving our Company in the last three Financial Years and upto the date of this Prospectus, if there are any proceedings which get initiated in the future and provisions of the IBC are invoked against any of the customers of our Company, it may affect our Company’s ability to recover our loans from the customers and enforcement of our Company’s rights will be subject to the IBC.

49. We may be unable to protect our brand name and other intellectual property rights which are critical to our business.

Our registered logo “ ” is registered, under class 36, with the Registrar of Trademarks under the Trademarks Act. Further, we have a registered copyright for “India Shelter Jingle” as musical work, granted by the Registrar of Copyrights under the Copyrights Act, 1957. Additionally, our Company has filed an application dated July 18, 2023 for registration of the trademark “ ” under class 36 before the Registry of Trade Marks, Delhi. There can be no assurance that we will be able to successfully renew the registration in a timely manner or at all. As a result, we may not be able to prevent infringement of our trademarks and a passing off action may not provide sufficient protection until such time that this registration is granted. We may also be harmed by the actions of or negative press relating to entities which have similar names. Any unauthorized or inappropriate use of our brand, trademarks and other related intellectual property rights by others in their corporate names or product brands or otherwise could harm our brand image, competitive advantages and business, and dilute or harm our reputation and brand recognition.

In the instance of infringement of our intellectual property rights, we may be required to resort to legal action to protect our brand names and other intellectual property rights. While we are not aware of any instances of infringement of our brand names or intellectual property rights, we may be required to resort to legal action to protect our brand names and other intellectual property rights. Any adverse outcome in such legal proceedings may impact our ability to use our brand names and other intellectual property rights in the manner in which such intellectual property is currently used, or at all, which could have an adverse effect on our business and financial condition.

50. Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements.

Our ability to pay dividends in the future will depend on our earnings, financial condition, cash flow, working capital requirements, capital expenditure and restrictive covenants of our financing arrangements. Our Company does not have a formal dividend policy. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deems relevant, including among others, our future earnings, financial condition, cash requirements, business prospects and any other financing arrangements. Additionally, our ability to pay dividends may also be restricted by the terms of financing arrangements that we may enter into. For details, see "***Financial Indebtedness***" on page 430. Dividends distributed by us will attract dividend distribution tax at rates applicable from time to time and may be subject to other requirements prescribed by the RBI. We cannot assure you that we will be able to pay dividends in the future. For further details, see "***Dividend Policy***" on page 313.

51. We have referred to the data derived from industry report paid for and commissioned by our Company from CRISIL MI&A and reliance on such information for making an investment decision in the Offer is subject to certain inherent risks.

We have exclusively commissioned and paid for the services of independent third party research agency, CRISIL MI&A ("**CRISIL**"), and have relied on the report titled "*Industry Report on Housing Finance market in India*" dated November 2023, (the "**CRISIL Report**") for industry related data in this Prospectus, including in the sections "***Industry Overview***", "***Our Business***", "***Basis for Offer Price***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages 166, 232, 143 and 397, respectively. We have no direct or indirect association with CRISIL MI&A other than as a consequence of such an engagement. The CRISIL Report was not exhaustive and is based on certain assumptions, parameters and conditions made and identified by CRISIL. CRISIL is not in any manner related to us, our Directors, our Promoters, our KMPs or our Senior Management. 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. While industry sources take due care and caution while preparing their reports, they do not guarantee the accuracy, adequacy or completeness of the data. Accordingly, investors should not place undue reliance on, or base their investment decision solely on this information.

52. We will continue to be controlled by our Promoters after the completion of the Offer and any substantial change in our Promoters' shareholding may have an impact on the trading price of our Equity Shares which could have an adverse effect on our business, financial condition, results of operations and cash flows.

Following completion of the Offer, our Promoters collectively will continue to hold a significant percentage of our Equity Share capital. Our Promoters hold 51,701,854 Equity Shares, representing 56.7% of the fully-diluted issued, subscribed and paid-up Equity Share capital of our Company. Upon completion of the Offer, our Promoters will hold 48.30% of our Equity Share capital. For details of our Equity Shares held by our Promoters, see "***Capital Structure – History of build-up of Promoters' shareholding and lock-in of Promoters' shareholding (including Promoters' contribution) – Build-up of Promoters' shareholding in our Company***" on page 114. Our Promoters will, therefore, be able to control the outcome of matters submitted to our Board or Shareholders for approval. After the Offer, our Promoters will continue to exercise significant control or influence over our business and major policy decisions. The trading price of our Equity Shares could be adversely affected if potential new investors are disinclined to invest in us because they perceive disadvantages to a large shareholding being concentrated in our Promoters.

53. We have included certain non-GAAP financial measures and other selected statistical information related to our operations in this Prospectus. Such non-GAAP measures and statistical information may vary from any standard methodology that is applicable across the financial services industry and may not be comparable with financial or statistical information of similar nomenclature computed and presented by other companies.

Certain non-GAAP measures such as, operating expenses to average total assets ratio, operating expenses to net income ratio, credit cost to average total assets ratio, net asset value per share, net worth, average net worth, total income to average total assets ratio, finance costs to average total assets ratio, net income to average total assets ratio, operating expenses to average total assets ratio, credit cost to average total assets ratio and profit before tax to average total assets ratio presented in this Prospectus are a supplemental measure of our performance and liquidity that are not required by, or presented in accordance with, Ind AS, Indian GAAP, or IFRS. Further, these non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, or IFRS and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, or IFRS. In addition, these non-GAAP Measures are not a standardized term, hence a direct comparison of similarly titled non-GAAP Measures between companies may not be possible. Other companies may calculate the non-GAAP Measures differently from us, limiting its utility as a comparative measure. Although the non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it is useful to an investor in evaluating us because it is a widely used measure to evaluate a company's operating performance.

54. Negative publicity could damage our reputation and adversely impact our business and financial results.

Reputational risk, or the risk to our business, earnings and capital from negative publicity, is inherent in our business. The reputation of the banking and financial services industry in general has been closely monitored as a result of the global financial crisis and other matters affecting the financial services industry. Any negative public opinion about the banking and financial services industry generally or us specifically could adversely affect our ability to attract and retain customers and may expose us to litigation and regulatory action. While we have developed our brand and reputation over our history, any negative incidents or adverse publicity could rapidly erode customer trust and confidence in us, particularly if such incidents receive widespread adverse mainstream and social media publicity or attract regulatory investigations. Negative publicity can result from our own or our third- party service providers' actual or alleged conduct in any number of activities, including lending practices, mortgage servicing and foreclosure practices, technological practices, corporate governance, mergers and acquisitions, regulatory compliance, and related disclosures, sharing or inadequate protection of customer information, and actions taken by government regulators and community organizations in response to that conduct. Although we take steps to minimize reputational risk in dealing with customers and other constituencies, we, as a financial services organization with a high industry profile, are inherently exposed to this risk.

55. Our funding requirements and deployment of the Net Proceeds are not appraised by any independent agency and are based on current circumstances of our business and may be subject to change based on various factors. Any variation in the utilization of the Net Proceeds would be subject to certain compliance requirements, including prior shareholders' approval.

We intend to use the Net Proceeds of the Fresh Issue towards meeting our future capital requirements towards onward lending and for general corporate purposes in the Financial Year 2024 and 2025, in accordance with applicable law, and in the manner indicated in "***Objects of the Offer***" on page 135. The proposed fund deployment is based on current circumstances of our business, and has not been appraised by any bank or financial institution, and we may have to revise our estimates from time to time on account of various factors, such as financial and market conditions, competition, interest rate fluctuations and other external factors, which may not be within the control of our management. Various risks and uncertainties, including those set forth in this "***Risk Factors***" section, may limit or delay our efforts to use the Net Proceeds of the Fresh Issue in the manner indicated in "***Objects of the Offer***" on page 135.

At this stage, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with Section 27 of the Companies Act, 2013, we cannot undertake any variation in the utilization of the Net Proceeds without obtaining the Shareholders' approval through a special resolution. In the event of any such circumstances that require us to undertake variation in the disclosed utilization of the Net Proceeds, we will comply with all applicable laws including any applicable acts, rules and regulations. Further, if an event requires us to undertake variation in the disclosed utilization of Net Proceeds, we will comply with all applicable laws including any applicable acts, rules and regulations. Further, if an event requires us to undertake variation in the disclosed utilization of Net Proceeds, we may not be able to obtain the Shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such Shareholders' approval may adversely affect our business or operations. In light of these factors, we may not be able to undertake variation of objects of the Offer to use any unutilized proceeds of the Fresh Issue, if any, or vary the terms of any contract referred to in this Prospectus, even if such variation is in the interest of our Company.

56. Upon listing of the Equity Shares, we may be subject to pre-emptive surveillance measures, such as the additional surveillance measures and the graded surveillance measures by the Stock Exchanges in order to enhance the integrity of the market and safeguard the interest of investors.

Upon listing of the Equity Shares, we may be subject to various enhanced pre-emptive surveillance measures such as additional surveillance measures ("**ASM**") and graded surveillance measures ("**GSM**") by the Stock Exchanges. These measures are in place to enhance the integrity of the market and safeguard the interest of investors. ASM and GSM are imposed on securities of companies based on various objective criteria, which includes market based parameters such as significant variations in price and volume, concentration of client accounts as a percentage of combined trading volume, close to close price variation, market capitalization, average daily trading volume and its change, and average delivery percentage, among others. Securities are subject to GSM when its price is not commensurate with the financial health and fundamentals of the issuer. Specific parameters for GSM include net worth, net fixed assets, price to earning ratio, market capitalization and price to book value, among others. Factors within and beyond our control may lead to our securities being subject to GSM or ASM.

Upon listing, the trading of our Equity Shares would be subject to differing market conditions as well as other factors which may result in high volatility in price, low trading volumes, and a large concentration of client accounts as a percentage of combined trading volume of our Equity Shares. The occurrence of any of the abovementioned factors or other circumstances may trigger any of the parameters prescribed by SEBI and the Stock Exchanges for placing our securities under the GSM and/or ASM framework or any other surveillance measures, which could result in significant restrictions on trading of our Equity Shares being imposed by SEBI and the Stock Exchanges. In the event our Equity Shares are subject to such surveillance measures implemented by any of the Stock Exchanges, we may be subject to certain additional restrictions in connection with trading of our Equity Shares such as requiring higher margin requirements, requirement of settlement on a trade for trade basis without netting off, reduction of applicable price band, requirement of settlement on gross basis, as well as mentioning of our Equity Shares on the surveillance dashboards of the Stock Exchanges, limiting trading frequency (for example, trading either allowed once in a week or a month) or freezing of price on upper side of trading which may have an adverse effect on the market price of our Equity Shares or may in general cause disruptions in the development of an active trading market for our Equity Shares.

57. A portion of the proceeds from this Offer will not be available to us.

As this Offer includes an Offer for Sale of Equity Shares by the Selling Shareholders, the proceeds from the Offer for Sale net of proportionate Offer Expenses will be remitted to the Selling Shareholders and our Company will not benefit from such proceeds. For details inrelation to the Offer, see "***The Offer***" and "***Objects of the Offer***" on pages 77 and 135, respectively.

Risks Relating to Valuation

58. The Equity Shares have never been publicly traded, and, after the Offer, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the Offer Price, market capitalization to revenue from operations multiple, price to revenue from operations ratio and price to earnings ratio based on the Offer Price of our Company, may not be indicative of the market price of the Equity Shares on listing.

Set forth below are details of our revenue from operations and profit for the period/year for the six months ended September 30, 2023 and September 30, 2022, and the Financial Years 2023, 2022 and 2021.

Particulars	**Six months ended September 30, 2023**	**Six months ended September 30, 2022**	**Financial Year**		
			2023	**2022**	**2021**
		(in ₹ million)			
Revenue from operations	3,859.91	2,646.51	5,845.30	4,479.78	3,167.07
Profit for the period/year	1,073.54	620.21	1,553.42	1,284.47	873.89

Our market capitalization to revenue from operations for the Financial Year 2023 multiple is 9.03 times at the upper end of the Price Band and 8.66 times at the lower end of the Price Band, and our price to earnings ratio multiple for Financial Year 2023 is 28.22 times at the upper end of the Price Band and 26.85 times at the lower end of the Price Band. The table below provides details of our price to earnings ratio and market capitalization to revenue from operations at Offer Price:

	Price to earnings ratio*	Market capitalization to revenue from operations*
Financial Year 2023	28.22	9.03 times

** considering the Offer Price*

Prior to the Offer, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Offer. Listing and quotation do not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The Offer Price of the Equity Shares is proposed to be determined through a book-building process and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors. In addition to the above, the current market price of securities listed pursuant to certain previous initial public offerings managed by the BRLMs is below their respective issue prices. For further details, see "***Other Regulatory and Statutory Disclosures – Price information of past issues handled by the BRLMs***" on page 452.

External Risk Factors

Risks Related to India

59. Political, economic or other factors that are beyond our control may have an adverse effect on our business and results of operations.

The Indian economy and capital markets are influenced by economic, political and market conditions in India and globally. Our Company is incorporated in India, and all of our assets and employees are located in India. As a result, we are dependent on prevailing economic conditions in India and our results of operations are affected by factors influencing the Indian economy. Further, the following external risks may have an adverse impact on our business and results of operations, should any of them materialize:

- increase in interest rates may adversely affect our access to capital and increase our borrowing costs, which may constrain our ability to grow our business and operate profitably;
- downgrade of India's sovereign debt rating by an independent agency;
- political instability, resulting from a change in governmental or economic and fiscal policies, may adversely affect economic conditions in India. In recent years, India has implemented various economic and political reforms. Reforms in relation to land acquisition policies and trade barriers have led to increased incidents of social unrest in India over which we have no control;
- civil unrest, acts of violence, terrorist attacks, regional conflicts or situations or war; and
- India has experienced epidemics, and natural calamities such as earthquakes, tsunamis, floods, and drought in recent years.
- contagious diseases such as the COVID-19 pandemic or a similar contagious disease could adversely affect the Indian economy and economic activity in the region.

Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely affect our business, results of operations and financial condition and the price of the Equity Shares. Conditions outside India may also contribute to a slowdown in the Indian economy or changes in India's economic policies and regulations, which could adversely affect the level of trading activity in the securities market, such as the Russia-Ukraine war, power shortages in Europe, and rising inflation rates globally. Our performance and the growth of our business depend on the overall performance of the Indian economy as well as the economies of the regional markets in which we operate.

60. Financial instability in other countries may cause increased volatility in Indian financial markets.

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, particularly emerging market countries in Asia. 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 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, our future financial performance and the prices of the Equity Shares.

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

Inflation rates could be volatile, and we may face high inflation in the future as India had witnessed in the past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of transportation, salaries, and other expenses relevant to our business. Further, high inflation leading to higher interest rates may also lead to a slowdown in the economy and adversely impact credit growth. Consequently, we may also be affected and fall short of business growth and profitability.

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

While the Government of India through the RBI has previously initiated economic measures to combat high inflation rates, it is unclear whether these measures will remain in effect, and there can be no assurance that Indian inflation levels will not rise in the future.

62. 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 and demographic changes. In addition, the Government of India is pursuing various social welfare schemes and initiatives to create an enabling and supportive environment to both enhance the flow of credit to the housing sector and increase home ownership in India. Various Central Government policies and initiatives such as "*Smart Cities*" and the "*Pradhan Mantri Awas Yojana*" or the "*Housing for all by 2022*" scheme have reinforced the primacy of the housing sector and the need to provide housing to all and are expected to promote affordable housing through partnerships with private sector entities. 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 Government policies and initiatives for the housing finance industry will continue at the same or expected pace in the future. Consequently, there can be no assurance that the growth and development of India's housing finance industry will be sustainable.

63. Changing laws, rules or regulations and legal uncertainties including taxation laws, or their interpretation, such changes may significantly affect our financial statements.

The regulatory environment in which we operate is evolving and is subject to change. The GoI may implement new laws or other regulations that could affect the industry in which we operate, which could lead to new compliance requirements. New compliance requirements could increase our costs or otherwise adversely affect our business, financial condition and results of operations. Further, the manner in which new requirements will be enforced or interpreted can lead to uncertainty in our operations and could adversely affect our operations. Accordingly, any adverse regulatory change in this regard could lead to fluctuation of prices of raw materials and thereby increase our operational cost. For information on the laws applicable to us, see "***Key Regulations and Policies***" on page 264.

Tax and other levies imposed by the central and state governments in India that affect our tax liability include central and state taxes and other levies, income tax, goods and service tax, stamp duty and other special taxes and surcharges which are introduced on a temporary or permanent basis from time to time. The Income Tax Act, 1961 ("**Income Tax Act**") was amended to provide domestic companies an option to pay corporate income tax at the effective rate of approximately 25.17% (inclusive of applicable surcharge and health and education cess), as compared to effective rate of 34.94% (inclusive of applicable surcharge and health and education cess), provided such companies do not claim certain specified deductions or exemptions. Further, where a company has opted to pay the reduced corporate tax rate, the minimum alternate tax provisions would not be applicable. Any such future amendments may affect our ability to claim exemptions that we have historically benefited from, and such exemptions may no longer be available to us. Any adverse order passed by the appellate authorities/ tribunals/ courts would have an effect on our profitability. Due to the COVID-19 pandemic, the GoI had also passed the Taxation and Other Laws (Relaxation of Certain Provisions) Act, 2020, implementing relaxations from certain requirements under, among others, the Central Goods and Services Tax Act, 2017 and Customs Tariff Act, 1975.

Further, we are obligated to pass on any benefits accruing to us as result of the transition to GST to the consumer thereby limiting our benefits. In order for us to utilise input credit under GST, the entire value chain has to be GST compliant, including us. While we are and will continue to adhere to the GST rules and regulations, there can be no assurance that our suppliers and dealers will do so. Any such failure may result in increased cost on account of non-compliance with the GST and may adversely affect our business and results of operations.

Earlier, distribution of dividends by a domestic company was subject to Dividend Distribution Tax ("**DDT**"), in the hands of the company at an effective rate of 20.56% (inclusive of applicable surcharge and health and education cess). Such dividends were generally exempt from tax in the hands of the shareholders. However, the GoI has amended the Income Tax Act to abolish the DDT regime. Accordingly, any dividend distributed by a domestic company is subject to tax in the hands of the investor at the applicable rate. Additionally, we are required to withhold tax on such dividends distributed at the applicable rate.

The Government of India has introduced the Finance Act, 2023, which received the assent from the President of India on March 31, 2023. The Finance Act, 2023, proposed various amendments to taxation laws in India. As such, there is no certainty on the impact that the Finance Act, 2023, may have on our business and operations or on the industry in which we operate. In addition, unfavorable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment laws governing our business, operations and group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals. We may incur increased costs relating to compliance with such new requirements, which may also require management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, 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 affect the viability of our current business or restrict our ability to grow our business in the future.

64. Investors may not be able to enforce a judgment of a foreign court against our Company outside India.

Our Company is incorporated under the laws of India. Our Company's assets are located in India and all of our Company's Directors, except Sumir Chadha and Shailesh J. Mehta, Key Managerial Personnel and Senior Management are residents of India. As a result, it may not be possible for investors to effect service of process upon our Company or such persons in jurisdictions outside India, or to enforce against them judgments obtained in courts outside India. Moreover, it is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India or that an Indian court would enforce foreign judgments if the damages are excessive or inconsistent with Indian public policy.

Recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the Code of Civil Procedure, 1908 ("**Civil Code**"). India is not party to any international treaty in relation to the recognition or enforcement of foreign judgments. India has reciprocal recognition and enforcement of judgments in civil and commercial matters with a limited number of jurisdictions, which includes, the United Kingdom, Singapore, UAE, and Hong Kong. A judgment from certain specified courts located in a jurisdiction with reciprocity must meet certain requirements of the Civil Code. The United States and India do not currently have a treaty providing for reciprocal recognition and enforcement of judgments in civil and commercial matters. Therefore, a final judgment for the payment of money rendered by any federal or state court in a non-reciprocating territory, such as the United States, for civil liability, whether or not predicated solely upon the general securities laws of the United States, would not be enforceable in India under the Civil Code as a decree of an Indian court.

A judgment of a court of a country which is not a reciprocating territory may be enforced in India only by a suit on the judgment under Section 13 of the Civil Code, and not by proceedings in execution. Section 13 of the Civil Code provides that foreign judgments shall be conclusive regarding any matter directly adjudicated on except (i) where the judgment has not been pronounced by a court of competent jurisdiction, (ii) where the judgment has not been given on the merits of the case, (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or refusal to recognize the law of India in cases to which such law is applicable, (iv) where the proceedings in which the judgment was obtained were opposed to natural justice, (v) where the judgment has been obtained by fraud or (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. Under the Civil Code, a court in India shall, on the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record. The Civil Code only permits the enforcement of monetary decrees, not being in the nature of any amounts payable in respect of taxes, other charges, fines or penalties. Judgments or decrees from jurisdictions which do not have reciprocal recognition with India cannot be enforced by proceedings in execution in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be enforceable in India. Even if an investor obtained a judgment in such a jurisdiction against us, our officers or directors, it may be required to institute a new proceeding in India and obtain a decree from an Indian court.

However, the party in whose favour such final judgment is rendered may bring a new suit in a competent court in India based on a final judgment that has been obtained in the United States or other such jurisdiction within three years of obtaining such final judgment. It is unlikely that an Indian court would award damages on the same basis as a foreign court if an action were brought in India. Moreover, it is unlikely that an Indian court will award damages to the extent awarded in a final judgment rendered outside India if it believes that the amount of damages awarded were excessive or inconsistent with Indian practice. In addition, any person seeking to enforce a foreign judgment in India is required to obtain the prior approval of the RBI to repatriate any amount recovered.

65. Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares.

Foreign ownership of Indian securities is subject to Government regulation. Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain exceptions), if they comply with the pricing and reporting requirements specified by the RBI. If a transfer of shares is not in compliance with such requirements and does not fall under any of the exceptions specified by the RBI, then the RBI's prior approval is required. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. As provided in the foreign exchange controls currently in effect in India, the RBI has provided that the price at which the Equity Shares are transferred be calculated in accordance with internationally accepted pricing methodology for the valuation of shares at an arm's length basis, and a higher (or lower, as applicable) price per share may not be permitted. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT which has been incorporated as the proviso to Rule 6(a) of the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares a land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government of India, as prescribed in the Consolidated FDI Policy dated October 15, 2020, and the FEMA Rules. These investment restrictions shall also apply to subscribers of offshore derivative instruments. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained on any particular term or at all. For further details, see "***Restrictions on Foreign Ownership of Indian Securities***" on page 492.

66. Significant differences exist between Ind AS and other accounting principles, such as Indian Generally Accepted Accounting Principles, U.S. Generally Accepted Accounting Principles and International Financial Reporting Standards, which may be material to investors' assessments of our financial condition.

The Restated Consolidated Financial Information included in this Prospectus have been derived from our audited consolidated financial statements and restated in accordance with SEBI ICDR Regulations and the Guidance Note. There are significant differences between Ind AS, Indian GAAP, U.S. GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, the Companies Act, Ind AS, the Indian GAAP and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Prospectus should, accordingly, be limited.

67. Rights of shareholders under Indian laws may differ to those under the laws of other jurisdictions.

Our Articles of Association, composition of our Board, Indian laws governing our corporate affairs, the validity of corporate procedures, directors' fiduciary duties, responsibilities and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive and wide spread as the shareholders' rights under the laws of other countries or jurisdictions. Investors may face challenges in asserting their rights as shareholder of our Company than as a shareholder of an entity in another jurisdiction.

68. Our ability to raise foreign capital may be constrained by Indian law.

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions limit our financing sources and could constrain our ability to obtain financings on competitive terms and refinance existing indebtedness. In addition, we cannot assure you 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.

69. A third-party could be prevented from acquiring control of us post this Offer, because of anti-takeover provisions under Indian law.

As a listed Indian entity, there are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company. Under the SEBI Takeover Regulations, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although these provisions have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company subsequent to completion of the Offer. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to our shareholders, such a takeover may not be attempted or consummated because of the SEBI Takeover Regulations. Further, as per the RBI Master Directions, any takeover or acquisition of control of our

Company, which may or may not result in change of management, would require a prior written permission from the RBI.

Risks Related to the Offer

70. Investors may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares of an Indian company are generally taxable in India. Capital gains arising from the sale of the Equity Shares may be partially or completely exempt from taxation in India in cases where such exemption is provided under a treaty between India and the country of which the seller is a resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on gains made upon the sale of the Equity Shares. The Finance Act, 2019 has clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of certain securities, other than debentures, on a delivery basis is specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount. These amendments have come into effect from July 1, 2020. Under the Finance Act 2020, any dividends paid by an Indian company will be subject to tax in the hands of the shareholders at applicable rates. Such taxes will be withheld by the Indian company paying dividends. Further, the Finance Act, 2021, which followed, removed the requirement for DDT to be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident. We may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source pursuant to any corporate action including dividends.

The Government of India has announced the Union Budget for the Financial Year 2023 and further notified the Finance Act, 2022 which, among others, requires the taxpayers to explain sources of cash credits, extended the anti-tax avoidance provision to bonus stripping of securities and repeals the 15% concessional rate on foreign dividends. Unfavorable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals.

71. Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may have an adverse effect on the value of our Equity Shares, independent of our operating results.

On listing, our Equity Shares will be quoted in Indian Rupees on the Stock Exchanges. Any dividends in respect of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating outside India the proceeds from a sale of Equity Shares, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by the Shareholders. For example, the exchange rate between the Rupee and the U.S. dollar has fluctuated in recent years and may continue to fluctuate substantially in the future, which may have an adverse effect on the returns on our Equity Shares, independent of our operating results.

72. Any future issuance of Equity Shares, or convertible securities or other equity-linked securities by us may dilute your shareholding and adversely affect the trading price of the Equity Shares.

Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by us, including through exercise of employee stock options may dilute your shareholding in our Company, adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. We cannot assure you that we will not issue additional Equity Shares. The disposal of Equity Shares by any of our Promoters, Promoter Group or other significant Shareholders, or the perception that such sales may occur may significantly affect the trading price of the Equity Shares. Except as disclosed in "***Capital Structure***" on page 94, we cannot assure you that our Promoters and Promoter Group will not dispose of, pledge or encumber their Equity Shares in the future.

73. Holders of Equity Shares may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby suffer future dilution of their ownership position.

A public company incorporated in India must offer its equity shareholders pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages prior to issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the equity shares voting on such resolution. However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights, unless we make such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for your benefit. The value such custodian receives on the sale of any such securities and the related transaction costs cannot be predicted. To the extent that you are unable to exercise pre-emptive rights granted in respect of our Equity Shares, your proportional interests in our Company would be diluted.

74. Qualified Institutional Buyers and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid.

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Investors can revise or withdraw their Bids at any time during the Bid/Offer Period and until the Bid/ Offer Closing date, but not thereafter. While our Company is required to complete Allotment pursuant to the Offer within such period as may be prescribed under applicable law, events affecting the Bidders' decision to invest in the Equity Shares, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operation or financial condition may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events limit the Bidders' ability to sell the Equity Shares Allotted pursuant to the Offer or cause the trading price of the Equity Shares to decline on listing.

75. Investors will not be able to sell immediately on an Indian stock exchange any of the Equity Shares they purchase in the Offer.

The Equity Shares will be listed on the Stock Exchanges. Pursuant to applicable Indian laws, certain actions must be completed before the Equity Shares can be listed and trading in the Equity Shares may commence. The Allotment of Equity Shares in this Offer and the credit of such Equity Shares to the applicant's demat account with depository participant and listing is expected to commence within the period as may be prescribed under the applicable laws. Any failure or delay in obtaining the approval or otherwise any delay in commencing trading in the Equity Shares would restrict investors' ability to dispose their Equity Shares. We cannot assure that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time periods prescribed under applicable law.

SECTION III – INTRODUCTION

THE OFFER

The following table summarizes details of the Offer:

Offer	24,340,768^ Equity Shares of face value of ₹5 each aggregating to ₹ 12,000 million^
Of which:	
Fresh Issue(1)	16,227,180^ Equity Shares of face value of ₹5 each aggregating to ₹ 8,000 million^
Offer for Sale(2)	8,113,588^ Equity Shares of face value of ₹5 each aggregating to ₹ 4,000 million^
The Offer comprises:	
A. QIB Portion (3)	12,170,383^ Equity Shares of face value of ₹5 each aggregating to ₹ 6,000 million^
Of which:	
Anchor Investor Portion(4)	7,302,229^ Equity Shares of face value of ₹5 each
Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	4,868,154^ Equity Shares of face value of ₹5 each
Of which:	
Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	243,408^ Equity Shares of face value of ₹5 each
Balance for all QIBs including Mutual Funds	4,624,746^ Equity Shares of face value of ₹5 each
B. Non-Institutional Portion(5)	3,651,116^ Equity Shares of face value of ₹5 each aggregating to ₹ 1,800 million^
Of which:	
One-third of the Non-Institutional Portion available for allocation to Bidders with an application size of more than ₹ 200,000 and up to ₹ 1,000,000	1,217,039^ Equity Shares of face value of ₹5 each
Two-third of the Non-Institutional Portion available for allocation to Bidders with an application size of more than ₹ 1,000,000	2,434,077^ Equity Shares of face value of ₹5 each
C. Retail Portion(3)	8,519,269^ Equity Shares of face value of ₹5 each aggregating to ₹ 4,200 million^
Pre and post-Offer Equity Shares	
Equity Shares outstanding prior to the Offer (as on the date of this Prospectus)	90,823,956 Equity Shares of face value of ₹5 each
Equity Shares outstanding after the Offer	107,051,136 Equity Shares of face value of ₹5 each
Utilisation of Net Proceeds	See "***Objects of the Offer***" beginning on page 135 for details regarding the utilization of the Net Proceeds. Our Company will not receive any proceeds from the Offer for Sale.

^ Subject to finalisation of Basis of Allotment.

(1) Our Board has authorised the Offer, pursuant to their resolution dated July 12, 2023. Our Shareholders have authorised the Fresh Issue pursuant to a special resolution dated July 18, 2023.

*(2) The Equity Shares being offered by the Selling Shareholders have been held for a period of at least one year immediately preceding the date of the Draft Red Herring Prospectus with Securities and Exchange Board of India ("**SEBI**") and are eligible for being offered for sale pursuant to the Offer in terms of Regulation 8 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("**SEBI ICDR Regulations**"). The Selling Shareholders, severally and not jointly, have confirmed and authorised their respective participation in the Offer for Sale, as set forth below:*

Name of the Selling Shareholder	Date of consent letter	Date of board resolution/ corporate authorisation, if applicable	Number of Offered Shares	Aggregate proceeds from the sale of Equity Shares forming part of the Offer for Sale (₹ in million)
Catalyst Trusteeship Limited (as trustee of MICP Trust)	December 5, 2023	June 9, 2023	405^	0.20^

Name of the Selling Shareholder	Date of consent letter	Date of board resolution/ corporate authorisation, if applicable	Number of Offered Shares	Aggregate proceeds from the sale of Equity Shares forming part of the Offer for Sale (₹ in million)
Catalyst Trusteeship Limited (as trustee of Madison India Opportunities Trust Fund)	December 5, 2023	June 9, 2023	3,474,442^	1,712.90^
Madison India Opportunities IV	December 5, 2023	July 6, 2023	1,104,056^	544.30^
MIO Starrock	December 5, 2023	July 6, 2023	644,219^	317.60^
Nexus Ventures III, Ltd.	November 23, 2023	August 2, 2023	2,890,466^	1,425.00^

^ Subject to finalisation of Basis of Allotment.

Further, our Board has taken on record the approval for the Offer for Sale by the Selling Shareholders pursuant to its resolution dated December 7, 2023.

(3) *Subject to valid bids having been received at or above the Offer Price, undersubscription, if any, in any category, except in the QIB Portion, is allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange, subject to applicable laws. Under-subscription, if any, in the QIB Portion (excluding the Anchor Investor Portion) will not be allowed to be met with spill-over from other categories or a combination of categories.*

(4) *Our Company, in consultation with the BRLMs, allocated up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion was reserved for domestic Mutual Funds, subject to valid Bids having been received from domestic Mutual Funds at or above the price at which Equity Shares were allocated to Anchor Investors in the Offer. Further, 5% of the Net QIB Portion are made available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion is available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion is added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids See "**Offer Procedure**" beginning on page 471.*

(5) *Not less than 15% of the Offer was available for allocation to Non-Institutional Investors. The Equity Shares available for allocation to Non-Institutional Investors under the Non-Institutional Portion, is subject to the following: (i) one-third of the portion available for allocation to Non-Institutional Investors, is reserved for applicants with a Bid size of more than ₹ 200,000 and up to ₹ 1,000,000, and (ii) two-thirds of the portion available for allocation to Non-Institutional Investors, is reserved, with a Bid size of more than ₹ 1,000,000, provided that the unsubscribed portion in either of these two subcategories are allocated to Non-Institutional Investors in the other sub-category of Non-Institutional Portion. See "**Offer Procedure**" beginning on page 471.*

Allocation to all categories, other than Anchor Investors, if any, Non-Institutional Investors and Retail Individual Investors, was made on a proportionate basis, subject to valid Bids received at or above the Offer Price, as applicable. The allocation to each Retail Individual Investor shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Category and the remaining available Equity Shares, if any, are available for allocation on a proportionate basis. The allotment to each Non-Institutional Investor shall not be less than the minimum application size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be Allotted on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII to the SEBI ICDR Regulations. Allocation to Anchor Investors was on a discretionary basis.

For further details, including in relation to grounds for rejection of Bids, see "***Offer Structure***" and "***Offer Procedure***", beginning on pages 467 and 471, respectively. For details of the terms of the Offer, see "***Terms of the Offer***", beginning on page 461.

SUMMARY FINANCIAL INFORMATION

The summary financial information presented below should be read in conjunction with "***Restated Consolidated Financial Information***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" beginning on pages 332 and 397, respectively. The following tables set forth summary financial information derived from our Restated Consolidated Financial Information.

Consolidated summary statement of Assets and Liabilities

		As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
	Assets					
(1)	**Financial assets**					
(a)	Cash and cash equivalents	79.41	1,291.91	3,609.44	1,438.02	2,330.94
(b)	Bank balance other than cash and cash equivalents	2,021.85	1,282.45	1,463.34	1,864.92	1,805.83
(c)	Derivative financial instruments	-	-	0.58	-	
(d)	Loans	42,660.72	30,667.58	36,091.44	26,225.25	19,811.70
(e)	Investments	996.00	2,978.12	469.28	1,753.20	-
(f)	Other financial assets	1,295.98	790.45	902.13	619.75	280.92
(2)	**Non-financial assets**					
(a)	Current tax assets (net)	-	66.66	-	-	0.35
(b)	Deferred tax assets (net)	42.75	30.14	30.36	29.50	93.37
(c)	Property, plant and equipment	249.15	236.19	238.35	165.73	140.31
(d)	Other intangible assets	3.66	2.54	4.84	4.65	10.77
(e)	Other non-financial assets	140.16	100.38	81.64	77.54	117.43
(f)	Assets held for sale	97.10	53.51	64.51	33.65	34.78
	Total assets	**47,586.78**	**37,499.93**	**42,955.91**	**32,212.21**	**24,626.40**
	Liabilities and equity					
	Liabilities					
(1)	**Financial liabilities**					
(a)	Derivative financial instruments	30.57	16.02	-	-	-
(b)	Trade payables					
	(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-	1.21
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	86.85	79.10	61.49	45.94	45.06
(c)	Debt securities	1,191.27	1,789.21	1,765.34	1,865.98	822.24
(d)	Borrowings (other than debt securities)	31,693.54	23,624.77	28,123.35	18,834.11	14,090.67
(e)	Other financial liabilities	681.77	501.53	534.35	595.18	238.58
(2)	**Non-financial liabilities**					
(a)	Provisions	67.98	47.76	46.90	51.33	35.97
(b)	Current tax liabilities (Net)	41.31	-	6.85	43.22	-
(c)	Other non-financial liabilities	43.83	21.45	12.35	15.18	19.98
	Total liabilities	**33,837.12**	**26,079.84**	**30,550.63**	**21,450.94**	**15,253.71**
(3)	**Equity**					
(a)	Equity share capital	450.23	437.32	437.65	437.07	429.78
(b)	Other equity	13,299.43	10,982.77	11,967.63	10,324.20	8,942.91
	Total equity	**13,749.66**	**11,420.09**	**12,405.28**	**10,761.27**	**9,372.69**
	Total liabilities and equity	**47,586.78**	**37,499.93**	**42,955.91**	**32,212.21**	**24,626.40**

Consolidated summary statement of Profit & Loss

		For the period ended 30 September 2023	For the period ended 30 September 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
	Revenue from operations					
(i)	Interest income	3,200.06	2,306.90	5,029.46	3,736.16	2,745.72
(ii)	Fees and commission income	178.99	160.29	315.84	200.58	99.93
(iii)	Net gain on fair value changes	57.81	26.49	60.92	45.89	29.19
(iv)	Net gain on derecognition of financial instruments under amortised cost category	423.05	152.83	439.08	497.15	292.23
(I)	**Total revenue from operations**	**3,859.91**	**2,646.51**	**5,845.30**	**4,479.78**	**3,167.07**
(II)	Other income	125.85	82.35	217.01	118.28	60.92
(III)	**Total income (I+II)**	**3,985.76**	**2,728.86**	**6,062.31**	**4,598.06**	**3,227.99**
	Expenses					
(i)	Finance costs	1,397.48	961.34	2,098.70	1,483.39	1,053.48
(ii)	Impairment on financial instruments	94.10	89.87	140.68	120.12	198.94
(iii)	Employee benefits expenses	844.19	641.19	1,345.60	1,013.09	619.64
(iv)	Depreciation and amortisation	43.37	39.72	82.02	65.39	50.98
(v)	Other expenses	223.05	184.99	375.79	247.06	175.38
(IV)	**Total expenses**	**2,602.19**	**1,917.11**	**4,042.79**	**2,929.05**	**2,098.42**
(V)	**Profit before tax (III-IV)**	**1,383.57**	**811.75**	**2,019.52**	**1,669.01**	**1,129.57**
(VI)	**Tax expense:**					
	(1) Current tax	305.89	187.78	464.84	318.36	247.72
	(2) Deferred tax charge/(credit)	4.14	3.76	1.26	66.18	7.96
	Total tax expense	**310.03**	**191.54**	**466.10**	**384.54**	**255.68**
(VII)	**Profit for the year (V-VI)**	**1,073.54**	**620.21**	**1,553.42**	**1,284.47**	**873.89**
(VIII)	**Other comprehensive income**					
	(i) Items that will not be reclassified to profit or loss					
	-Remesurment of defined benefit obligations	(1.12)	13.72	15.20	(9.21)	(2.84)
	-Income tax effect relating to re-measurement loss on defined benefit plans	0.28	(3.45)	(3.83)	2.32	0.71
	(ii) Items that will be reclassified to profit or loss					
	-Re-measurement gains/ (losses) on hedge instruments	(64.64)	(33.42)	(23.52)	-	-
	-Income tax effect relating to re-measurement gains/ (losses) on hedge instruments	16.27	7.85	5.92	-	-
	Total other comprehensive income	**(49.22)**	**(15.30)**	**(6.23)**	**(6.89)**	**(2.13)**
(IX)	**Total comprehensive income for the year(VII+VIII)**	**1,024.33**	**604.91**	**1,547.19**	**1,277.58**	**871.76**
(X)	**Earnings per equity share (EPS for period ended 30 september 2023/30 September 2022 is not annualised)**					
	Basic (Rs.)	12.13	7.09	17.75	14.80	10.19
	Diluted (Rs.)	12.00	7.02	17.47	14.63	9.93

Consolidated summary Statement of cash flows

	Particulars	For the period ended 30 September 2023	For the period ended 30 September 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
(A)	**Cash flows from operating activities**					
	Profit before tax	1,383.57	811.75	2,019.52	1,669.01	1,129.57
	Adjustments for:					
	Depreciation and amortisation	43.37	39.72	82.02	65.39	50.98
	Effective interest rate adjustment on financial assets	82.50	80.08	200.19	77.68	53.33
	Effective interest rate adjustment on debt securities and borrowings	(2.37)	(31.15)	(36.90)	(40.02)	(0.96)
	Share based payments to employees	55.20	53.30	83.04	59.41	16.12
	Impairment on financial instruments	64.26	83.01	112.19	118.89	198.48
	Impairment on assets held for sale	29.84	6.86	28.49	1.23	0.46
	Net loss on derecognition of property, plant and equipment	0.92	0.21	1.31	0.64	1.47
	Net unrealised gain on fair value change of investments	(0.04)	1.60	-	(3.07)	-
	Net gain on derecognition of financial instruments under amortised cost category	(423.05)	(152.83)	(439.08)	(497.15)	(292.23)
	Gain on termination of leases	(0.65)	(0.71)	(0.81)	(0.82)	(2.20)
	Interest expense on lease liabilities	6.53	5.92	11.92	9.19	7.73
	Operating profit before working capital changes	**1,240.08**	**897.75**	**2,061.89**	**1,460.38**	**1,162.75**
	Movements in working capital					
	Increase in loans	(6,710.50)	(4,607.74)	(10,178.90)	(6,605.86)	(5,306.82)
	Decrease in other financial assets	26.28	(17.45)	155.28	155.91	30.65
	(Increase)/Decrease in other non-financial assets	(120.95)	(49.55)	(63.48)	39.80	(13.72)
	Increase in derivative financial instruments	(33.49)	(17.40)	(24.11)	-	-
	Increase /(Decrease)in trade payables	25.36	33.16	15.55	(0.33)	5.57
	(Decrease)/Increase in other financial liabilities	147.42	(93.65)	(60.82)	386.29	145.51
	(Decrease)/Increase in other non-financial liabilities	31.48	6.27	(2.82)	(34.51)	32.84
	Increase/(Decrease) in provisions	17.33	12.05	12.53	4.30	(10.47)
	Increase/(Decrease) in interest accrued on debt securities and borrowings	11.49	32.64	64.28	(84.02)	(41.20)
	Cash flows used in operating activities post working capital changes	**(5,365.50)**	**(3,803.92)**	**(8,020.59)**	**(4,678.04)**	**(3,994.89)**
	Income tax paid (net)	(271.41)	(297.54)	(501.22)	(274.78)	(213.62)
	Net cash flows used in operating activities (A)	**(5,636.91)**	**(4,101.46)**	**(8,521.82)**	**(4,952.82)**	**(4,208.51)**
(B)	**Cash flows from investing activities**					
	Payments made for purchase of property, plant and equipment and intangible assets	(25.76)	(33.27)	(63.97)	(50.79)	(17.80)
	Proceeds from sale of property, plant and equipment	2.26	0.06	3.43	2.23	0.08
	Proceeds/(Payments) from investments (net)	(526.69)	(1,226.52)	1,283.92	(1,750.13)	938.59
	Proceeds/(Investment) in other bank balance (net)	(558.51)	582.47	401.58	(59.09)	(154.45)
	Net cash used in investing activities (B)	**(1,108.70)**	**(677.26)**	**1,624.96**	**(1,857.78)**	**766.42**
(C)	**Cash flows from financing activities**					
	Proceeds from issue of equity share capital	264.87	0.51	13.78	51.58	2.00
	Proceeds from debt securities	-	-	-	1,650.00	150.00
	Proceeds from borrowings(other than debt securities)	7,737.00	7,753.90	16,385.90	11,406.35	9,784.00
	Repayment of borrowings	(4,180.63)	(3,018.01)	(7,122.94)	(6,645.63)	(2,518.48)
	Repayment of debt securities	(575.00)	(75.00)	(150.00)	(500.00)	(1,785.72)
	Payment towards lease liabilities	(30.66)	(28.78)	(58.46)	(44.62)	(32.17)
	Net cash flows from financing activities (C)	**3,215.58**	**4,632.62**	**9,068.28**	**5,917.68**	**5,599.63**
	Net increase/(decrease) in cash and cash equivalents (A+B+C)	**(3,530.03)**	**(146.11)**	**2,171.42**	**(892.92)**	**2,157.54**
	Cash and cash equivalents at the beginning of the year	3,609.44	1,438.02	1,438.02	2,330.94	173.40
	Cash and cash equivalents at the end of the year	79.41	1,291.91	3,609.44	1,438.02	2,330.94
	Components of cash and cash equivalents:-					
	Cash on hand	21.71	6.01	17.60	11.73	5.36
	Balances with banks (of the nature of cash and cash equivalents)					
	(a) Balance with banks in current accounts	57.70	75.90	628.14	5.60	405.12
	(b) Deposits with original maturity of less than 3 months	-	1,210.00	2,963.70	1,420.69	1,920.46
	Total cash and cash equivalents	**79.41**	**1,291.91**	**3,609.44**	**1,438.02**	**2,330.94**

GENERAL INFORMATION

Our Company was incorporated under the name "Satyaprakash Housing Finance India Limited" on October 26, 1998, as a public limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated October 26, 1998, issued by the Registrar of Companies, Madhya Pradesh at Gwalior. A certificate for commencement of business dated November 18, 1998, was granted to "Satyaprakash Housing Finance India Limited" by the Registrar of Companies, Madhya Pradesh at Gwalior. Further, a certificate of registration dated December 31, 2002, was granted to "Satyaprakash Housing Finance India Limited" by the National Housing Bank ("**NHB**") bearing the registration number 02.0034.02 to carry on the business of a housing finance institution without accepting public deposits. Pursuant to the change of the name of our Company from "Satyaprakash Housing Finance India Limited" to "India Shelter Finance Corporation Limited", as approved by our Shareholders pursuant to a special resolution dated May 13, 2010, our Company was issued a fresh certificate of incorporation dated July 8, 2010, by the Registrar of Companies, Madhya Pradesh and Chhattisgarh at Gwalior. A certificate of registration dated September 14, 2010 was granted to our Company by the NHB bearing the registration number 09.0087.10 to carry on the business of a housing finance institution without accepting public deposits. For further details, see "***History and Certain Corporate Matters***" beginning on page 273.

Corporate Identity Number: U65922HR1998PLC042782

Registration Number: 042782

Registered Office of our Company

6th Floor, Plot No. 15
Sector 44, Institutional Area
Gurugram 122 002
Haryana, India

For details of change in the registered office of our Company, see "***History and Certain Corporate Matters – Changes in the registered office of our Company***" on page 273.

Corporate Office of our Company
3rd Floor, Upper Ground Floor and Lower Ground Floor
Plot No. 15, Institutional Area, Sector 44
Gurugram 122 002
Haryana, India

Address of the Registrar of Companies

Our Company is registered with the Registrar of Companies ("**RoC**"), located at the following address:

Registrar of Companies, Delhi and Haryana
4th Floor, IFCI Tower
61, Nehru Place
New Delhi 110 019
Delhi, India

Board of Directors of our Company

Details regarding our Board of Directors as on the date of this Prospectus are set forth below:

Name and Designation	Director Identification Number	Address
Sudhin Bhagwandas Choksey *Chairman and Non-Executive Nominee Director*(1)	00036085	4, Shivalik Florette, Off Iscon Ambali Road, Ambali, Opp Khodiyar Mata Mandir, Ahmedabad 380 058, Gujarat, India
Rupinder Singh *Managing Director and Chief Executive Officer*	09153382	A-302, Unique Apartments, Plot No. 38, Dwarka, Sector-6, S. O. South West Delhi 110 075, Delhi, India

Name and Designation	Director Identification Number	Address
Anup Kumar Gupta *Non-Executive Nominee Director*[(2)]	02284944	B-1403, Vivarea, Sane Guruji Marg, Near Jacob Circle, Mahalaxmi, Mumbai 400 011, Maharashtra, India
Shailesh J. Mehta *Non-Executive Nominee Director*[(1)]	01633893	222, Camino Al Lago Atherton, CA 94027, USA
Sumir Chadha *Non-Executive Nominee Director*[(1)]	00040789	711, Eucalyptus Avenue, Hillsborough, California 94010, USA
Rachna Dikshit *Independent Director*	08759332	E-3, Greenwood City, Sector-46, Kanahi (73), Gurugram 122 003, Haryana, India
Thomson Kadantot Thomas *Independent Director*	09691435	16, Adarsh Nagar, 1st Floor, Flat No. 244, Near Century Bazar, Worli Prabhadevi, Mumbai 400 025, Maharashtra, India
Parveen Kumar Gupta *Independent Director*	02895343	Flat No. 702, C Wing, Amaltas CHS, Juhu Versova Link Road, Andheri West, Mumbai 400 053, Maharashtra, India
Ajay Narayan Jha *Independent Director*	02270071	Flat No. 12A01, Imperial Tower 3, Jaypee Wish Town, Near Axis Bank, Sector 128, Noida, Gautam Buddh Nagar 201304, Uttar Pradesh, India
Savita Mahajan *Independent Director*	06492679	Town House No. 3, 222, Rajpur Road, Max Estates, Rajpur, Dehradun 248009, Uttarakhand, India

(1) Nominated jointly by WestBridge Crossover Fund, LLC and Aravali Investment Holdings.
(2) Nominated jointly by Nexus Ventures III, Ltd. and Nexus Opportunity Fund II, Ltd.

For brief profiles and further details of our Directors, see "***Our Management***" beginning on page 280.

Filing of the Draft Red Herring Prospectus, and the Red Herring Prospectus and this Prospectus

A copy of the Draft Red Herring Prospectus was uploaded on the SEBI Intermediary Portal at https://siportal.sebi.gov.in, in accordance with Regulation 25(8) of the SEBI ICDR Regulations and the master circular for Issue of Capital and Disclosure Requirements bearing reference number SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 issued by the SEBI ("**SEBI ICDR Master Circular**").

A copy of the Red Herring Prospectus, along with the material contracts and documents required to be filed, has been filed with the RoC in accordance with Section 32 of the Companies Act, and a copy of this Prospectus shall be filed with the RoC at 4th Floor, IFCI Tower, 61 Nehru Place, New Delhi 110 019, Delhi, India as required under Section 26 of the Companies Act, 2013 and through the electronic portal at www.mca.gov.in/mcafoportal/loginvalidateuser.do.

Company Secretary and Compliance Officer

Mukti Chaplot is the Company Secretary and Chief Compliance Officer of our Company. Her contact details are set forth below:

Mukti Chaplot
Address: 6th Floor, Plot No. 15
Sector 44, Institutional Area
Gurugram 122 002
Haryana, India
Tel: + 91 124 413 1800
E-mail: compliance@indiashelter.in

Investor Grievances

Investors may contact the Company Secretary and Chief Compliance Officer or the Registrar to the Offer in case of any pre-Offer or post-Offer related grievances including non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. For all Offer related queries and for redressal of complaints, investors may also write to the Book Running Lead Managers ("BRLMs").

All Offer-related grievances, other than of Anchor Investors, may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary(ies) with whom the Bid cum Application Form was submitted, giving full details such as name of the sole or first bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, PAN, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for UPI Bidders), date of Bid cum Application Form and the name and address of the relevant Designated Intermediary(ies) where the Bid was submitted. Further, the Bidder shall enclose the Acknowledgment Slip or the application number from the Designated Intermediaries in addition to the documents or information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer. The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders

All Offer-related grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or first bidder, Anchor Investor Application Form number, Bidders' DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the BRLMs where the Anchor Investor Application Form was submitted by the Anchor Investor.

Book Running Lead Managers

ICICI Securities Limited ICICI Venture House Appasaheb Marathe Marg, Prabhadevi Mumbai 400 025 Maharashtra, India **Tel**: + 91 22 6807 7100 **E-mail**: isfclipo@icicisecurities.com **Website**: www.icicisecurities.com **Investor Grievance ID**: customercare@icicisecurities.com **Contact Person**: Rupesh Khant/Sumit Singh **SEBI Registration Number**: INM000011179	**Citigroup Global Markets India Private Limited** 1202, 12th Floor, First International Financial Center G-Block, C54 & 55, Bandra Kurla Complex Bandra (East), Mumbai 400 098 Maharashtra, India **Tel**: +91 22 6175 9999 **E-mail**: indiashelteripo@citi.com **Website**: www.online.citibank.co.in/rhtm/citigroupglobalscreen1.htm **Investor Grievance ID**: investors.cgmib@citi.com **Contact Person**: Dylan Fernandes **SEBI Registration Number**: INM000010718
Kotak Mahindra Capital Company Limited 27BKC, 1st Floor, Plot No. C – 27 "G" Block, Bandra Kurla Complex Bandra (East), Mumbai 400 051 Maharashtra, India **Tel:** +91 22 4336 0000 **E-mail**: indiashelter.ipo@kotak.com **Website**: https://investmentbank.kotak.com **Investor Grievance ID**: kmccredressal@kotak.com **Contact Person**: Ganesh Rane **SEBI Registration Number**: INM000008704	**Ambit Private Limited** Ambit House, 449, Senapati Bapat Marg Lower Parel, Mumbai 400 013 Maharashtra, India **Tel:** +91 22 6623 3030 **E-mail:** indiashelter.ipo@ambit.co **Website:** www.ambit.co **Investor Grievance ID:** customerservicemb@ambit.co **Contact Person:** Jitendra Adwani/Devanshi Shah **SEBI Registration Number:** INM000010585

Statement of inter-se allocation of responsibilities amongst the Book Running Lead Managers

The responsibilities and coordination by the BRLMs for various activities in the Offer are as follows:

Sr. No.	Activity	Responsibility	Co-ordination
1.	Capital Structuring, due diligence of the Company including its operations/management/business plans/legal etc. Drafting and design of the Draft Red Herring Prospectus, the Red Herring Prospectus, this Prospectus, abridged prospectus and application form. The Book Running Lead Managers shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalization of Prospectus and RoC filing	BRLMs	I-Sec
2.	Drafting and approval of all statutory advertisements	BRLMs	I-Sec
3.	Drafting and approval of all publicity material other than statutory advertisements, including corporate advertising,	BRLMs	Kotak

Sr. No.	Activity	Responsibility	Co-ordination
	brochures, media monitoring, etc. and filing of media compliance report		
4.	Appointment of intermediaries advertising agency, registrar, printer (including co-ordinating all agreements to be entered with such parties)	BRLMs	I-Sec
5.	Appointment of intermediaries banker(s) to the Offer, Sponsor Bank, Share escrow agent, syndicate members etc. (including co-ordinating all agreements to be entered with such parties)	BRLMs	Citi
6.	International institutional marketing of the Offer, which will cover, inter alia: • Institutional marketing strategy and preparation of publicity budget; • Preparation of road show presentation and frequently asked questions; • Finalising the list and division of international investors for one-to-one meetings; and • Finalising international road show and investor meeting schedules	BRLMs	Citi
7.	Domestic institutional marketing of the Offer, which will cover, inter alia: • Institutional marketing strategy and preparation of publicity budget; • Finalising the list and division of domestic investors for one-to-one meetings; and • Finalising domestic road show and investor meeting schedules	BRLMs	I-Sec
8.	Conduct Non – institutional and Retail marketing of the offer, which will cover, inter alia: • Finalising media, marketing and public relations strategy including list of frequently asked questions at retail road shows; • Follow-up on distribution of publicity and offer material including forms, the Prospectus and deciding on the quantum of Issue material; • Finalising centers for holding conferences for brokers etc.; and • Finalising collection centres	BRLMs	Kotak
9.	Coordination with Stock Exchanges for book building software, bidding terminals, mock trading, intimation to Stock Exchange for anchor portion and deposit of 1% security deposit with designated stock exchange	BRLMs	Citi
10.	Managing the book and finalization of pricing in consultation with our Company and/or the Selling Shareholders	BRLMs	I-Sec
11.	Post bidding activities including management of escrow accounts, coordinate non-institutional allocation, coordination with registrar, SCSBs and banks, intimation of allocation and dispatch of refund to bidders, etc. Post-Offer activities, which shall involve essential follow-up steps including allocation to anchor investors, follow-up with bankers to the Offer and SCSBs to get quick estimates of collection and advising the issuer about the closure of the Offer, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, coordination for unblock of funds by SCSBs, finalization of trading, dealing and listing of instruments, dispatch of certificates or demat credit and refunds and coordination with various agencies connected with the post-issue activity such as registrar to the Offer, bankers to the Offer, SCSBs including responsibility for underwriting arrangements, as applicable. Payment of the applicable securities transaction tax ("**STT**") on sale of unlisted equity shares by the Selling	BRLMs	Kotak

Sr. No.	Activity	Responsibility	Co-ordination
	Shareholder under the Offer for Sale to the Government and filing of the STT return by the prescribed due date as per Chapter VII of Finance (No. 2) Act, 2004. Co-ordination with SEBI and stock exchanges for refund of 1% security deposit and submission of all post-offer reports including final post-offer report to SEBI.		

Syndicate Members

Kotak Securities Limited
4th floor, 12 BKC, G Block
Bandra Kurla Complex, Bandra (East)
Mumbai 400 051
Maharashtra, India
E-mail: umesh.gupta@kotak.com
Telephone: +91 22 6218 5410
Contact Person: Umesh Gupta
SEBI Registration No.: INZ000200137
Website: www.kotak.com

Ambit Capital Private Limited
Ambit House, 449, Senapati Bapat Marg
Lower Parel, Mumbai 400 013
Maharashtra, India
Tel: +91 22 6623 3000
Email: sanjay.shah@ambit.co
Website: www.ambit.co
Contact Person: Sanjay Shah
SEBI Registration No.: INZ000259334

Legal Counsel to our Company as to Indian Law

Shardul Amarchand Mangaldas & Co
Amarchand Towers
216, Okhla Industrial Estate Phase III
New Delhi 110020
Delhi, India
Telephone: +91 11 4159 0700

Registrar to the Offer

KFin Technologies Limited
Selenium Tower B, Plot No.31-32
Gachibowli, Financial District
Nanakramguda, Serilingampally
Hyderabad 500 032, Telangana, India
Tel: +91 40 6716 2222/ 1800 309 4001
E-mail: indiashelter.ipo@kfintech.com
Website: www.kfintech.com
Investor grievance e-mail: einward.ris@kfintech.com
Contact person: M Murali Krishna
SEBI Registration No.: INR000000221

Bankers to the Offer

Escrow Collection Bank(s)

Kotak Mahindra Bank Limited
Kotak Infiniti, 6th Floor, Building No. 21

Infinity Park, Off Western Express Highway
General AK Vaidya Marg, Malad (East)
Mumbai 400 097
Maharashtra, India
Tel: +91 22 6605 6588
E-mail: cmsipo@kotak.com
Contact Person: Siddhesh Shirodkar
Website: www.kotak.com
SEBI Registration No.: INBI00000927

HDFC Bank Limited
FIG - OPS Department
Lodha - I Think Techno Campus, O-3 Level
Next to Kanjurmarg Railway Station
Kanjurmarg (East)
Mumbai 400 042
Maharashtra, India
Tel: +91 22 30752927/ 28/ 2914
E-mail: sidhartha.jadhav@hdfcbank.com, eric.bacha@hdfcbank.com, vikas.rahate@hdfcbank.com, tushar.gavankar@hdfcbank.com
Contact Person: Siddharth Jadhav, Eric Bacha, Vikas Rahate and Tushar Gavankar
Website: www.hdfcbank.com
SEBI Registration No.: INBI00000063

Public Offer Account Bank

Axis Bank Limited
Axis House, 7th Floor, C-2
Wadia International Centre, Pandurang Budhkar Marg
Worli
Mumbai 400 025
Maharashtra, India
Tel: +91 022 2425 3672
E-mail: vishal.lade@axisbank.com
Contact Person: Vishal Lade
Website: www.axisbank.com
SEBI Registration No.: INBI00000017

Refund Bank

HDFC Bank Limited
FIG - OPS Department
Lodha - I Think Techno Campus, O-3 Level
Next to Kanjurmarg Railway Station
Kanjurmarg (East)
Mumbai 400 042
Maharashtra, India
Tel: +91 22 30752927/ 28/ 2914
E-mail: sidhartha.jadhav@hdfcbank.com, eric.bacha@hdfcbank.com, vikas.rahate@hdfcbank.com, tushar.gavankar@hdfcbank.com
Contact Person: Siddharth Jadhav, Eric Bacha, Vikas Rahate and Tushar Gavankar
Website: www.hdfcbank.com
SEBI Registration No.: INBI00000063

Sponsor Banks

Kotak Mahindra Bank Limited
Kotak Infiniti, 6th Floor, Building No. 21
Infinity Park, Off Western Express Highway
General AK Vaidya Marg, Malad (East)
Mumbai 400 097

Maharashtra, India
Tel: +91 22 6605 6588
E-mail: cmsipo@kotak.com
Contact Person: Siddhesh Shirodkar
Website: www.kotak.com
SEBI Registration No.: INBI00000927

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E-mail: sidhartha.jadhav@hdfcbank.com, eric.bacha@hdfcbank.com, vikas.rahate@hdfcbank.com, tushar.gavankar@hdfcbank.com
Contact Person: Siddharth Jadhav, Eric Bacha, Vikas Rahate and Tushar Gavankar
Website: www.hdfcbank.com
SEBI Registration No.: INBI00000063

Axis Bank Limited
Axis House, 7th Floor, C-2
Wadia International Centre, Pandurang Budhkar Marg,
Worli
Mumbai 400 025
Maharashtra, India
Tel: +91 022 2425 3672
E-mail: vishal.lade@axisbank.com
Contact Person: Vishal Lade
Website: www.axisbank.com
SEBI Registration No.: INBI00000017

Statutory Auditors to our Company

T R Chadha & Co. LLP, Chartered Accountants
76E, Udyog Vihar Phase IV
Gurugram 122 016
Haryana, India
Tel: + 91 124 412 9900
E-mail: gurgaon@trchadha.com
Peer Review Certificate No.: 014544
Firm Registration No.: 006711N/N500028

Changes in auditors

Except as disclosed below, there have been no changes in the statutory auditors of our Company during the three years immediately preceding the date of this Prospectus:

S. No.	Particulars	Date of change	Reason for change
1.	**T R Chadha & Co. LLP, Chartered Accountants** 76E, Udyog Vihar Phase IV Gurugram 122 016 Haryana, India **Tel:** + 91 124 412 9900 **E-mail**: gurgaon@trchadha.com **Peer Review Certificate No.:** 014544 **Firm Registration No**.: 006711N/N500028	September 29, 2021	Appointed as the statutory auditor

S. No.	Particulars	Date of change	Reason for change
2.	**Walker Chandiok & Co LLP, Chartered Accountants** L-41, Connaught Circus New Delhi 110 001 Delhi, India **Tel:** +91 98103 40787 **E-mail:** lalit.kumar@walkerchandiok.com **Peer Review number:** 014158 **Firm Registration Number:** 001076N/N500013	August 28, 2021	Resigned as the statutory auditor pursuant to guidelines issued by RBI for appointment of statutory auditors

Bankers to our Company

HDFC Bank Limited
Vatika Atrium, Block A, 2nd Floor
Golf Course Road, Sector 53
Gurugram 122 002
Haryana, India
Tel: +91 95038 29914
E-mail: ramandeep.singh46@hdfcbank.com
Website: www.hdfcbank.com
Contact Person: Ramandeep Singh

The Federal Bank Limited
Shop No. 5, Sewa Corporate Park
MG Road
Gurugram 122 002
Haryana, India
Tel: +91 124 4297 0553
E-mail: anujsharma@federalbank.co.in
Website: www.federalbank.co.in
Contact Person: Anuj Sharma

Self-Certified Syndicate Banks ("SCSBs")

The list of SCSBs notified by Securities and Exchange Board of India ("**SEBI**") for the application supported by blocked amount ("**ASBA**") process is available at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated Branches of the SCSBs with which an ASBA Bidder (other than UPI Bidders using the UPI Mechanism), not bidding through Syndicate/ Sub Syndicate or through a Registered Broker, Registrar and Share Transfer Agents ("**RTA**") or Collecting Depository Participants ("**CDP**") may submit the Bid cum Application Forms, is available at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 or at such other websites as may be prescribed by SEBI from time to time.

SCSBs and mobile applications enabled for UPI Mechanism

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, UPI Bidders using the UPI Mechanism may only apply through the SCSBs and mobile applications whose names appears on the website of the SEBI, which may be updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI Mechanism is provided as 'Annexure A' for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and is also available on www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 for SCSBs and www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 for mobile applications or at such other websites as may be prescribed by SEBI from time to time.

Syndicate SCSB Branches

In relation to Bids (other than Bids by Anchor Investors and Retail Individual Investors ("**RIIs**") 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 Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI (www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35) and updated from time to time or any such other website as may be prescribed by SEBI from time to time.

Registered Brokers

Bidders can submit ASBA Forms in the Offer using the stock broker network of the Stock Exchanges, i.e., through the Registered Brokers at the Broker Centres. The list of the Registered Brokers eligible to accept ASBA Forms, including details such as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com, as updated from time to time.

Registrar and Share Transfer Agents

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx? and www.nseindia.com/products-services/initial-public-offerings-asba-procedures respectively, as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as their name and contact details, is provided on the websites of the Stock Exchanges at www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx? and www.nseindia.com/products-services/initial-public-offerings-asba-procedures, respectively, as updated from time to time.

Grading of the Offer

No credit agency registered with SEBI has been appointed for grading for the Offer.

Monitoring Agency

Our Company, in compliance with Regulation 41 of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("**SEBI ICDR Regulations**"), has appointed CARE Ratings Limited as the Monitoring Agency for monitoring of the utilisation of the Net Proceeds from the Fresh Issue. For details in relation to the proposed utilisation of the proceeds from the Fresh Issue, see "***Objects of the Offer***" beginning on page 135.

Expert

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent dated December 7, 2023, from T R Chadha & Co. LLP, Chartered Accountants, our Statutory Auditors, who hold valid peer review certificate from ICAI, to include their name as required under Section 26 (5) of the Companies Act, 2013 read with the SEBI ICDR Regulations, in this Prospectus, and as an "expert" as defined under Section 2(38) of the Companies Act, 2013, to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report dated November 13, 2023 relating to the Restated Consolidated Financial Information and (ii) the statement of possible special tax benefits dated August 4, 2023 included in this Prospectus and such consent has not been withdrawn as on the date of this Prospectus.

Our Company has received written consent dated December 16, 2023, from B. B. & Associates, Chartered Accountants, to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Prospectus and an "expert", as defined under Section 2(38) of the Companies Act, 2013 in respect of various certifications issued by them in their capacity as independent chartered accountant to our Company.

Appraising Entity

None of the objects for which the Net Proceeds will be utilised have been appraised by any agency.

Credit Rating

As the Offer is of Equity Shares, credit rating is not required.

Debenture Trustees

As the Offer is of Equity Shares, the appointment of debenture trustees is not required.

Green Shoe Option

No green shoe option is contemplated under the Offer.

Book Building Process

Book building, in the context of the Offer, refers to the process of collection of Bids from Bidder on the basis of the Red Herring Prospectus, the Bid cum Application Forms and the Revision Forms within the Price Band which will be decided by our Company, in consultation with the BRLMs and minimum Bid lot which was decided by our Company, in consultation with the BRLMs and were advertised in all editions of Financial Express (a widely circulated English national daily newspaper) and all editions of Jansatta (a widely circulated Hindi national daily newspaper, Hindi also being the regional language of Haryana, where our Registered Office is located), at least two Working Days prior to the Bid/Offer Opening Date and were made available to the Stock Exchanges for the purposes of uploading on their respective website. The Offer Price was determined by our Company, in consultation with the BRLMs after the Bid/Offer Closing Date.

All Bidders (other than Anchor Investors) were mandatorily required to participate in the Offer only through the ASBA process by providing details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by SCSBs. In addition to this, the UPI Bidders may participate through the ASBA process by either (a) providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs; or (b) through the UPI Mechanism. Anchor Investors were not permitted to participate in the Offer through the ASBA process.

In terms of the SEBI ICDR Regulations, Qualified Institutional Buyers ("QIBs") and Non-Institutional Investors were not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Investors could revise their Bid(s) during the Bid/Offer Period and withdraw their Bid(s) until Bid/Offer Closing Date. Anchor Investors were not allowed to revise and withdraw their Bids after the Anchor Investor Bid/Offer Period. Except Allocation to Retail Individual Investors, Non-Institutional Investors and the Anchor Investors, Allocation in the Offer was made on a proportionate basis, subject to valid Bids received at or above the Offer Price. One-third of the Non-Institutional Portion was reserved for applicants with application size of more than ₹200,000 and up to ₹1,000,000, two thirds of the Non-Institutional Portion was reserved for Bidders with an application size of more than ₹1,000,000 and the unsubscribed portion in either of such sub-categories were allocated to Bidders in the other sub-category of Non-Institutional Investors. The allotment of Equity Shares to each RII is less than the minimum bid lot, subject to the availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. The allotment to each Non-Institutional Investor is less than the minimum application size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis in accordance with the conditions specified in Schedule XIII to the SEBI ICDR Regulations. For further details on the Book Building Process and the method and process of Bidding, see "***Terms of the Offer***", "***Offer Procedure – Book Building Procedure***" and "***Offer Structure***" on pages 461, 472 and 467, respectively.

The Book Building Process is subject to change. Bidders are advised to make their own judgment about an investment through this process prior to submitting a Bid.

Investors should note the Offer is also subject to obtaining final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment within three Working Days of the Bid/Offer Closing Date or such other time period as prescribed under applicable law.

For an illustration of the Book Building Process, price discovery process and allocation, see "***Offer Procedure***" beginning on page 471.

Underwriting Agreement

Our Company and the Selling Shareholders have entered into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Offer. The extent of underwriting obligations and the Bids to be underwritten by each BRLM are as per the Underwriting Agreement. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions to closing, as specified therein.

The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

Name, address, telephone number and e-mail address of the Underwriters	Indicative number of Equity Shares of face value of ₹5 each to be Underwritten	Amount underwritten (in ₹ million)
ICICI Securities Limited ICICI Venture House Appasaheb Marathe Marg, Prabhadevi Mumbai 400 025 Maharashtra, India Tel: + 91 22 6807 7100 E-mail: isfclipo@icicisecurities.com	6,085,192	3,000.00
Citigroup Global Markets India Private Limited 1202, 12th Floor, First International Financial Center G-Block, C54 & 55, Bandra Kurla Complex Bandra (East), Mumbai 400 098 Maharashtra, India Tel: +91 22 6175 9999 E-mail: indiashelteripo@citi.com	6,085,192	3,000.00
Kotak Mahindra Capital Company Limited 27 BKC, 1st Floor, Plot No. C – 27 "G" Block, Bandra Kurla Complex Bandra (East), Mumbai 400 051 Maharashtra, India Tel: +91 22 4336 0000 E-mail: indiashelter.ipo@kotak.com	6,085,092	2,999.95
Ambit Private Limited Ambit House, 449, Senapati Bapat Marg Lower Parel, Mumbai 400 013 Maharashtra, India Tel: +91 22 6623 3030 E-mail: indiashelter.ipo@ambit.co	6,085,092	2,999.95
Kotak Securities Limited 4th floor, 12 BKC, G Block Bandra Kurla Complex, Bandra (East) Mumbai 400 051 Maharashtra, India Telephone: +91 22 6218 5410 E-mail: umesh.gupta@kotak.com	100	0.05
Ambit Capital Private Limited Ambit House, 449, Senapati Bapat Marg Lower Parel, Mumbai 400 013 Maharashtra, India Tel: +91 22 6623 3000 Email: sanjay.shah@ambit.co	100	0.05
Total	**24,340,768**	**12,000.00**

The above-mentioned amounts are provided for indicative purposes only and would be finalised after the actual allocation and subject to the provisions of Regulation 40(3) of the SEBI ICDR Regulations.

In the opinion of our Board, the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered with the SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchange(s). Our Board at its meeting held on December 16, 2023, has approved the execution of the Underwriting Agreement by our Company.

Allocation amongst the Underwriters may not necessarily be in proportion to their underwriting commitments set forth in the table above. Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to Equity Shares allocated to Investors procured by them in accordance with the Underwriting Agreement.

CAPITAL STRUCTURE

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

(in ₹, except share data)

S. No.	Particulars	Aggregate nominal value	Aggregate value at Offer Price*
A)	**AUTHORISED SHARE CAPITAL**(1)		
	162,000,000 Equity Shares of face value of ₹5 each	810,000,000	-
B)	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE OFFER**		
	90,823,956 Equity Shares of face value of ₹5 each	454,119,780	-
C)	**PRESENT OFFER**(2)(3)		
	Offer of 24,340,768* Equity Shares of face value of ₹5 each	121,703,840	11,999,998,624
	Of which:		
	Fresh Issue of 16,227,180* Equity Shares of face value of ₹5 each aggregating to ₹ 8,000 million*	81,135,900	7,999,999,740
	Offer for Sale of 8,113,588* Equity Shares of face value of ₹5 each aggregating to ₹ 4,000 million* by the Selling Shareholders(3)	40,567,940	3,999,998,884
D)	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE OFFER***		
	107,051,136 Equity Shares of face value of ₹5 each	535,255,680	-
E)	**SECURITIES PREMIUM ACCOUNT** *(in ₹ million)*		
	Before the Offer		7,319.20
	After the Offer*		15,238.06

* *Subject to finalisation of the Basis of Allotment.*

*(1) For details in relation to the changes in the authorised share capital of our Company in the last 10 years, see "**History and Certain Corporate Matters – Amendments to our Memorandum of Association**" on page 273.*

(2) Our Board has authorised the Offer, pursuant to their resolution dated July 12, 2023. Our Shareholders have authorised the Fresh Issue pursuant to special resolution dated July 18, 2023. Our Board has taken on record the consent and authorisation of the Selling Shareholders to participate in the Offer for Sale pursuant to its resolution dated December 7, 2023.

*(3) Each of the Selling Shareholders severally and not jointly, specifically confirms that their respective portions of the Offered Shares are eligible for being offered for sale in the Offer in accordance with the Regulation 8 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("**SEBI ICDR Regulations**"). Each of the Selling Shareholders has severally and not jointly, specifically confirmed and authorised their participation in the Offer for Sale. For details on authorisation of the Selling Shareholders in relation to their respective portions of the Offered Shares, see "**Other Regulatory and Statutory Disclosures – Approvals from the Selling Shareholders**" on page 444.*

Notes to capital structure

1. **Equity share capital history of our Company**

(a) The following table sets forth the history of the equity share capital of our Company:

Date of allotment	Reason/Nature of allotment	Details of allottees/ shareholders and equity shares allotted	Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration
October 26, 1998*#	Initial subscription to the Memorandum of Association	1,000 equity shares of face value of ₹10 each were allotted to Naresh Grover, 1,000 equity shares of face value of ₹10 each were allotted to Ajay Grover, 1,000 equity shares of face value of ₹10 each were allotted to Anil Grover, 1,000 equity shares of face value of ₹10 each were allotted to Kamal Grover, 1,000 equity shares of face value of ₹10 each were allotted to Sharad Chandra Nanda, 1,000 equity shares of face value of ₹10 each were allotted to Gourav Grover and 1,000 equity shares of face value of ₹10	7,000	10.00	10.00	Cash

Date of allotment	Reason/Nature of allotment	Details of allottees/ shareholders and equity shares allotted	Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration
		each were allotted to Diptee Grover.				
November 6, 1998*#	Further issue	11,500 equity shares of face value of ₹10 each were allotted to Naresh Grover, 11,500 equity shares of face value of ₹10 each were allotted to Anil Grover, 11,500 equity shares of face value of ₹10 each were allotted to Kamal Grover, 11,500 equity shares of face value of ₹10 each were allotted to Ajay Grover, 1,500 equity shares of face value of ₹10 each were allotted to Sharad Chandra Nanda, 1,500 equity shares of face value of ₹10 each were allotted to Gaurav Grover and 1,000 equity shares of face value of ₹10 each were allotted to Diptee Grover.	50,000	10.00	10.00	Cash
March 31, 1999*	Further issue	300 equity shares of face value of ₹10 each were allotted to Subhash Chand Jain, 500 equity shares of face value of ₹10 each were allotted to Sharmila Bose, 500 equity shares of face value of ₹10 each were allotted to Supriya Bose, 700 equity shares of face value of ₹10 each were allotted to Kripal Singh Bhandari, 500 equity shares of face value of ₹10 each were allotted to Sanjeev Kohli, 200 equity shares of face value of ₹10 each to were allotted to Bhanubhai J Bhatt, 200 equity shares of face value of ₹10 each were allotted to Shankar Rao Joshi, 7,500 equity shares of face value of ₹10 each were allotted to Ved Prakash Grover HUF, 5,600 equity shares of face value of ₹10 each were allotted to Nivrati Grover, 1,000 equity shares of face value of ₹10 each were allotted to Ankur Grover, 14,000 equity shares of face value of ₹10 each were allotted to Nisha Grover, 6,000 equity shares of face value of ₹10 each were allotted to Anita Grover, 7,000 equity shares of face value of ₹10 each were allotted to Madhu Grover, 5,000 equity shares of face value of ₹10 each were	193,000	10.00	10	Cash

Date of allotment	Reason/Nature of allotment	Details of allottees/ shareholders and equity shares allotted	Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration
		allotted to Meena Grover, 10,000 equity shares of face value of ₹10 each were allotted to Naresh Grover HUF, 50,000 equity shares of face value of ₹10 each were allotted to Anil Grover HUF, 50,000 equity shares of face value of ₹10 each were allotted to Kamal Grover HUF, 20,000 equity shares of face value of ₹10 each were allotted to Ajay Grover HUF, 8,000 equity shares of face value of ₹10 each were allotted to Naresh Grover, and 6,000 equity shares of face value of ₹10 each were allotted to Diptee Grover.				
October 20, 1999	Further issue	500 equity shares were allotted to Heeralal Gupta, 1,000 equity shares of face value of ₹10 each were allotted to Kala Sonkar, 500 equity shares of face value of ₹10 each were allotted to Parimal Dey, 500 equity shares of face value of ₹10 each were allotted to Srikant Kabra, and 3,000 equity shares of face value of ₹10 each were allotted to Ved Prakash Grover HUF.	5,500	10.00	10	Cash
December 31, 1999	Further issue	500 equity shares of face value of ₹10 each were allotted to Laxmi Narayan Gupta, 200 equity shares of face value of ₹10 each were allotted to M.P. Tiwari, and 500 equity shares of face value of ₹10 each were allotted to Manoj Kumar.	1,200	10.00	10	Cash
November 5, 2009	Further issue	20,005 equity shares of face value of ₹10 each were allotted to Chandra Prakash Sanadhya and Nirmala Sanadhya, 94,247 equity shares of face value of ₹10 each were allotted to Suresh Nyati and Sarita Nyati, 94,246 equity shares of face value of ₹10 each were allotted to Subhash Chopra and Renu Chopra, 94,247 equity shares of face value of ₹10 each were allotted to Subhash Chopra and Gautam Chopra, 75,398 equity shares of face value of ₹10 each were allotted to Mahendra Pal Singh Likhari, Jyoti Likhari and Mahisingh Likhari, 188,493 equity shares of face	1,572,913	10.00	10	Cash

Date of allotment	Reason/Nature of allotment	Details of allottees/ shareholders and equity shares allotted	Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration
		value of ₹10 each were allotted to Nitin Prabhudas Shinghala and Tripti Nitin Shinghala, 376,987 equity shares of face value of ₹10 each were allotted to Srinath Mukherji and Saswati Mukherji, 37,699 equity shares of face value of ₹10 each were allotted to Karan Gupta, 25,398 equity shares of face value of ₹10 each were allotted to Ajay Verma, 37,700 equity shares of face value of ₹10 each were allotted to Paritosh Sanadhya, 188,493 equity shares of face value of ₹10 each were allotted to Akshaya Kumar and Anju Jain Kumar and 340,000 equity shares of face value of ₹10 each were allotted to Anjali Mehta and Anil Mehta.				
February 22, 2010	Further issue	36,987 equity shares of face value of ₹10 each were allotted to Anil Mehta and Anjali Mehta, 130,789 equity shares of face value of ₹10 each were allotted to Chandra Prakash Sanadhya and 113,097 equity shares of face value of ₹10 each were allotted to Sanjaya Gupta and Anuradha Gupta.	280,873	10.00	10	Cash
March 15, 2010	Further issue	213,675 equity shares of face value of ₹10 each were allotted to Saurabh Narain.	213,675	10.00	11.70	Cash
May 14, 2010	Further issue	125,000 equity shares of face value of ₹10 each were allotted to Anil Mehta, 125,000 equity shares of face value of ₹10 each were allotted to Srinath Mukherji, 100,000 equity shares of face value of ₹10 each were allotted to Sanjaya Gupta and 100,000 equity shares of face value of ₹10 each were allotted to Chandra Prakash Sanadhya.	450,000	10.00	10.00	Cash
February 28, 2014	Conversion of fully and compulsorily convertible preference shares to equity shares(1)	1,234,968 equity shares of face value of ₹10 each were allotted to Sequoia Capital India Investments III.	1,234,968	10.00	70.85@	Cash
	Conversion of fully and compulsorily convertible preference	1,385,185 equity shares of face value of ₹10 each were allotted to Nexus Ventures III, Ltd.$	1,385,185	10.00	63.17@	Cash

Date of allotment	Reason/Nature of allotment	Details of allottees/ shareholders and equity shares allotted	Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration
	shares to equity shares(2)					
March 12, 2015	Conversion of fully and compulsorily convertible preference shares to equity shares(1)	882,120 equity shares of face value of ₹10 each were allotted to Sequoia Capital India Investments III.	882,120	10.00	70.85@	Cash
	Conversion of fully and compulsorily convertible preference shares to equity shares(3)	2,272,408 equity shares of face value of ₹10 each were allotted to Sequoia Capital India Investments III.	2,272,408	10.00	44.01@	Cash
	Conversion of fully and compulsorily convertible preference shares to equity shares(4)	864,061 equity shares of face value of ₹10 each were allotted to Sequoia Capital India Investments III.	864,061	10.00	57.87@	Cash
	Conversion of fully and compulsorily convertible preference shares to equity shares(5)(2)	143,592 equity shares of face value of ₹10 each were allotted to Sequoia Capital India Investments III and 4,011,964 equity shares of face value of ₹10 each were allotted to Nexus Ventures III, Ltd.	4,155,556	10.00	63.17@	Cash
May 28, 2015	Rights issue	3,129,126 equity shares of face value of ₹10 each were allotted to Nexus Ventures III, Ltd.	3,129,126	10.00	153.40	Cash
June 3, 2015	Rights issue	1,929,628 equity shares of face value of ₹10 each were allotted to Sequoia Capital India Growth Investments I and 7,457,750 equity shares of face value of ₹10 each were allotted to WestBridge Crossover Fund, LLC.	9,387,378	10.00	153.40	Cash
August 1, 2016	Exercise of stock options pursuant to Employee Stock Option Scheme, 2012 ("**ESOP 2012**")	1,800 equity shares of face value of ₹10 each were allotted to Arif Mohammed, 1,500 equity shares of face value of ₹10 each were allotted to Arun Raghuvanshi, 750 equity shares of face value of ₹10 each were allotted to Ashish Mishra, 1,200 equity shares of face value of ₹10 each were allotted to Gajanand Purohit, 1,200 equity shares of face value of ₹10 each allotted to Money Khanna, 2,400 equity shares of face value of ₹10 each allotted to Nitin Singh, 4,500 equity shares of face value of ₹10	17,350	10.00	13.27	Cash

Date of allotment	Reason/Nature of allotment	Details of allottees/ shareholders and equity shares allotted	Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration
		each were allotted to Pankaj Gupta, 1,800 equity shares of face value of ₹10 each were allotted to Pradeep Shrivastava, 1,000 equity shares of face value of ₹10 each were allotted to Ritesh Soni and 1,200 equity shares of face value of ₹10 each were allotted to Surendra Nagar.				
	Exercise of stock options pursuant to ESOP 2012	2,500 equity shares of face value of ₹10 each allotted to Ankit Aggarwal, 2,500 equity shares of face value of ₹10 each allotted to Mukti Chaplot, 2,500 equity shares of face value of ₹10 each were allotted to Ritika Soni and 750 equity shares of face value of ₹10 each were allotted to Upma Chouhan.	8,250	10.00	14.18	Cash
	Exercise of stock options pursuant to ESOP 2012	15,000 equity shares of face value of ₹10 each were allotted to Soumen Joarder.	15,000	10.00	16.84	Cash
	Exercise of stock options pursuant to Employee Stock Option Scheme, 2011 (“**ESOP 2011**”)	2,850 equity shares of face value of ₹10 each were allotted to Arshad Iqbal, 3,938 equity shares of face value of ₹10 each were allotted to Brij Mohan and 6,630 equity shares of face value of ₹10 each were allotted to Aastha Bhandari.	13,418	10.00	11.54	Cash
August 12, 2016	Rights issue	2,503,928 equity shares of face value of ₹10 each were allotted to WestBridge Crossover Fund, LLC.	2,503,928	10.00	161.69	Cash
August 18, 2016	Rights issue	1,061,053 equity shares of face value of ₹10 each were allotted to Nexus Ventures III, Ltd.	1,061,053	10.00	161.69	Cash
August 20, 2016	Rights issue	607,202 equity shares of face value of ₹10 each were allotted to Sequoia Capital India Growth Investments I.	607,202	10.00	161.69	Cash
October 16, 2017	Preferential allotment (private placement)	3,270,664 equity shares of face value of ₹10 each were allotted to Aravali Investment Holdings, 1,401,714 equity shares of face value of ₹10 each were allotted to Nexus Opportunity Fund II, Ltd., 663,478 equity shares of face value of ₹10 each were allotted to Sequoia Capital India Growth Investments I and 270,998 equity shares of face value of ₹10 each s were allotted to Madison India Opportunities IV.	5,606,854	10.00	347.79	Cash

Date of allotment	Reason/Nature of allotment	Details of allottees/ shareholders and equity shares allotted	Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration
October 24, 2018	Preferential allotment (private placement)	3,270,664 equity shares of face value of ₹10 each were allotted to Aravali Investment Holdings, 1,401,714 equity shares of face value of ₹10 each were allotted to Nexus Opportunity Fund II, Ltd., 663,478 equity shares of face value of ₹10 each were allotted to Sequoia Capital India Growth Investments I and 270,998 equity shares of face value of ₹10 each were allotted to Madison India Opportunities IV.	5,606,854	10.00	347.79	Cash
January 8, 2019	Exercise of stock options pursuant to ESOP 2011	50,000 equity shares of face value of ₹10 each were allotted to Chandra Prakash Sanadhya, 6,000 equity shares of face value of ₹10 each were allotted to Ajay Joshi, 50,000 equity shares of face value of ₹10 each were allotted to Rajul Bhargava, 1,333 equity shares of face value of ₹10 each were allotted to Devesh Sharma, 185,000 equity shares of face value of ₹10 each were allotted to Anil Mehta, 5,370 equity shares of face value of ₹10 each were allotted to Aastha Gupta, 150 equity shares of face value of ₹10 each were allotted to Arshad Iqbal, 20,000 equity shares of face value of ₹10 each were allotted to Arun Ediwal, 2,062 equity shares of face value of ₹10 each were allotted to Brij Mohan, 15,000 equity shares of face value of ₹10 each were allotted to Praveen Kumar Singh, 1,000 equity shares of face value of ₹10 each were allotted to Kuldeep Singh Parmar and 7,000 equity shares of face value of ₹10 each were allotted to Manmohan Singh Ubeja.	342,915	10.00	11.54	Cash
	Exercise of stock options pursuant to ESOP 2012	4,000 equity shares of face value of ₹10 each were allotted to Shriram Dudhwala, 2,500 equity shares of face value of ₹10 each were allotted to Chandra Prakash Sanadhya, 1,500 equity shares of face value of ₹10 each were allotted to Mahendra Singh Thakur, 4,000 equity shares of face value of ₹10 each were	229,200	10.00	13.27	Cash

Date of allotment	Reason/Nature of allotment	Details of allottees/ shareholders and equity shares allotted	Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration
		allotted to Ajay Bhardwaj, 6,250 equity shares of face value of ₹10 each were allotted to Bibhuti Chaurasia, 1,500 equity shares of face value of ₹10 each were allotted to Ajay Joshi, 20,000 equity shares of face value of ₹10 each were allotted to Rajul Bhargava, 17,500 equity shares of face value of ₹10 each were allotted to Somesh Tewari, 97,500 equity shares of face value of ₹10 each were allotted to Anil Mehta, 10,000 equity shares of face value of ₹10 each were allotted to Aastha Gupta, 5,600 equity shares of face value of ₹10 each were allotted to Nitin Singh, 750 equity shares of face value of ₹10 each were allotted to Hirendra Chouhan, 1,000 equity shares of face value of ₹10 each were allotted to Neeraj Kumar Gautam, 3,500 equity shares of face value of ₹10 each were allotted to Arun Raghuvanshi, 2,500 equity shares of face value of ₹10 each were allotted to Darshana Kelkar, 10,000 equity shares of face value of ₹10 each were allotted to Shahir Sheikh, 3,750 equity shares of face value of ₹10 each were allotted to Arshad Iqbal, 1,250 equity shares were allotted to Arun Ediwal, 7,000 equity shares of face value of ₹10 each were allotted to Brij Mohan, 15,000 equity shares of face value of ₹10 each were allotted to Ankit Gupta, 250 equity shares of face value of ₹10 each were allotted to Ashish Mishra, 1,750 equity shares of face value of ₹10 each were allotted to Praveen Kumar Singh, 2,800 equity shares of face value of ₹10 each were allotted to Surendra Nagar, 1,000 equity shares of face value of ₹10 each were allotted to Mahendra Kumar Badgujar, 2,800 equity shares of face value of ₹10 each were allotted to Money Khanna and 5,500 equity shares of face value of ₹10 each were				

Date of allotment	Reason/Nature of allotment	Details of allottees/ shareholders and equity shares allotted	Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration
		allotted to Manmohan Singh Ubeja.				
	Exercise of stock options pursuant to ESOP 2012	7,500 equity shares of face value of ₹10 each were allotted to Ankit Aggrawal.	7,500	10.00	14.18	Cash
February 1, 2019	Issue of sweat equity shares	300,000 equity shares of face value of ₹10 each allotted to Anil Mehta.	300,000	10.00	30.00	Cash
April 6, 2019	Exercise of stock options pursuant to ESOP 2012	30,000 equity shares of face value of ₹10 each were allotted to Soumen Joarder.	30,000	10.00	83.20	Cash
	Exercise of stock options pursuant ESOP 2012	45,000 equity shares of face value of ₹10 each were allotted to Soumen Joarder.	45,000	10.00	16.84	Cash
	Exercise of stock options pursuant to ESOP 2012	17,500 equity shares of face value of ₹10 each were allotted to Somesh Tewari, 500 equity shares of face value of ₹10 each were allotted to Vishnu Singh and 750 equity shares of face value of ₹10 each were allotted to Manohar Lal Kharol.	18,750	10.00	13.27	Cash
	Exercise of stock options pursuant to ESOP 2011	57,334 equity shares of face value of ₹10 each were allotted to Sandeep Wanchoo, 5,000 equity shares of face value of ₹10 each were allotted to Vishnu Singh, 1,000 equity shares of face value of ₹10 each were allotted to Yogendra Singh Rajawat and 93,334 equity shares of face value of ₹10 each were allotted to Raman Garg.	156,668	10.00	11.54	Cash
January 6, 2020	Exercise of stock options pursuant to ESOP 2012	1,000 equity shares of face value of ₹10 each were allotted to Neeraj Kumar Gautam, 6,250 equity shares of face value of ₹10 each were allotted to Bibhuti Chourasia, 4,200 equity shares of face value of ₹10 each were allotted to Pradeep Shrivastava, 1,750 equity shares of face value of ₹10 each were allotted to Praveen Singh, 3,750 equity shares of face value of ₹10 each were allotted to Arun Ediwal, 7,500 equity shares of face value of ₹10 each were allotted to Chandra Prakash Sanadhya, 1,250 equity shares of face value of ₹10 each were allotted to Deepak Khanna, 1,500 equity shares	137,750	10.00	13.27	Cash

Date of allotment	Reason/Nature of allotment	Details of allottees/ shareholders and equity shares allotted	Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration
		of face value of ₹10 each were allotted to Ajay Joshi, 3,000 equity shares of face value of ₹10 each were allotted to Pankaj Gupta, 3,750 equity shares of face value of ₹10 each were allotted to Arshad Iqbal, 97,500 equity shares of face value of ₹10 each were allotted to Anil Mehta, 5,500 equity shares of face value of ₹10 each were allotted to Manmohan Singh, 800 equity shares of face value of ₹10 each were allotted to Gajanand Purohit.				
	Exercise of stock options pursuant to ESOP 2012	37,500 equity shares of face value of ₹10 each were allotted to V. Gurusekaran.	37,500	10.00	14.18	Cash
January 10, 2021	Exercise of stock options pursuant to ESOP 2012	120,000 equity shares of face value of ₹10 each were allotted to Anil Mehta, 1,500 equity shares of face value of ₹10 each were allotted to Arif Mohammed, 3,750 equity shares of face value of ₹10 each were allotted to Arshad Iqbal, 2,000 equity shares of face value of ₹10 each were allotted to Gajanand Purohit, 5,500 equity shares of face value of ₹10 each were allotted to Manmohan Singh Ubeja, 3,750 equity shares of face value of ₹10 each were allotted to Pankaj Gupta and 1,750 equity shares of face value of ₹10 each were allotted to Praveen Singh.	138,250	10.00	13.27	Cash
	Exercise of stock options pursuant to ESOP 2012	7,500 equity shares of face value of ₹10 each were allotted to Ritika Soni and 2,500 equity shares of face value of ₹10 each were allotted to Mukti Chaplot.	10,000	10.00	14.18	Cash
April 29, 2021	Exercise of stock options pursuant to ESOP 2012	37,500 equity shares of face value of ₹10 each were allotted to Sunil Jain.	37,500	10.00	20.32	Cash
July 25, 2021	Exercise of stock options pursuant to ESOP 2012	12,500 equity shares of face value of ₹10 each were allotted to Sunil Jain.	12,500	10.00	20.32	Cash
	Exercise of stock options pursuant to ESOP 2012	62,500 equity shares of face value of ₹10 each were allotted to Vikram Chopra and 62,500 equity shares of face value of ₹10 each were allotted to Devraj Dutta.	125,000	10.00	83.20	Cash

Date of allotment	Reason/Nature of allotment	Details of allottees/ shareholders and equity shares allotted	Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration
	Exercise of stock options pursuant to ESOP 2012	3,750 equity shares of face value of ₹10 each were allotted to Arshad Iqbal Shaikh, 1,000 equity shares of face value of ₹10 each were allotted to Ashish Mishra and 1,750 equity shares of face value of ₹10 each were allotted to Praveen Kumar Singh.	6,500	10.00	13.27	Cash
August 8, 2021	Exercise of stock options pursuant to ESOP 2012	100,000 equity shares of face value of ₹10 each were allotted to Sunil Jain, 125,000 equity shares of face value of ₹10 each were allotted to Vikram Chopra and 62,500 equity shares of face value of ₹10 each were allotted to Devraj Dutta.	287,500	10.00	83.20	Cash
	Exercise of stock options pursuant to Employee Stock Option Scheme, 2017 (“**ESOP 2017**”)	12,000 equity shares of face value of ₹10 each were allotted to Varun Guliani.	12,000	10.00	118.48	Cash
	Exercise of stock options pursuant to ESOP 2017	6,000 equity shares of face value of ₹10 each were allotted to Gautam Vijh.	6,000	10.00	159.01	Cash
	Exercise of stock options pursuant to ESOP 2017	500 equity shares of face value of ₹10 each were allotted to R Sudhakara.	500	10.00	179.92	Cash
August 23, 2021	Exercise of stock options pursuant to ESOP 2012	150,000 equity shares of face value of ₹10 each were allotted to Sunil Jain.	150,000	10.00	83.20	Cash
January 6, 2022	Exercise of stock options pursuant to ESOP 2012	75,000 equity shares of face value of ₹10 each were allotted to Anil Mehta, 5,500 equity shares of face value of ₹10 each were allotted to Manmohan Singh Ubeja, 3,750 equity shares of face value of ₹10 each were allotted to Pankaj Gupta and 1,500 equity shares of face value of ₹10 each were allotted to Arif Mohammed.	85,750	10.00	13.27	Cash
	Exercise of stock options pursuant to ESOP 2012	5,000 equity shares of face value of ₹10 each were allotted to Mukti Chaplot.	5,000	10.00	14.18	Cash
April 26, 2022	Exercise of stock options pursuant to ESOP 2012	25,000 equity shares of face value of ₹10 each were allotted to Sunil Jain.	25,000	10.00	20.32	Cash
November 19, 2022	Private placement	135,000 equity shares of face value of ₹10 each were allotted to Anil Mehta.	135,000	10.00	437.00	Cash

Date of allotment	Reason/Nature of allotment	Details of allottees/ shareholders and equity shares allotted	Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration
	(preferential allotment)					
Issue of equity shares in the last one year preceding the date of this Prospectus						
December 22, 2022	Exercise of stock options pursuant to ESOP 2017	3,000 equity shares of face value of ₹10 each were allotted to Sabari Abhilash.	3,000	10.00	179.92	Cash
	Exercise of stock options pursuant to Employee Stock Option Scheme ("**ESOP 2021**")	2,997 equity shares of face value of ₹10 each were allotted to Sabari Abhilash.	2,997	10.00	309.59	Cash
May 9, 2023	Exercise of stock options pursuant to ESOP 2012	37,500 equity shares of face value of ₹10 each were allotted to Sunil Jain.	37,500	10.00	20.32	Cash
	Exercise of stock options pursuant to ESOP 2021	1,606 equity shares of face value of ₹10 each were allotted to Manmohan Singh Ubeja, 17,500 equity shares of face value of ₹10 each were allotted to Ashish Gupta, 3,179 equity shares of face value of ₹10 each were allotted to Shashikant Sharma and 1,100 equity shares of face value of ₹10 each were allotted to Dinesh Kumar Sen.	23,385	10.00	309.59	Cash
July 12, 2023	Exercise of stock options pursuant to ESOP 2021	2,725 equity shares of face value of ₹10 each were allotted to Siddharth Vij.	2,725	10.00	309.59	Cash
July 18, 2023^^	Private placement (preferential allotment)^	355,000 equity shares of face value of ₹10 each were allotted to Anil Mehta.	355,000	10.00	83.20	Cash
Pursuant to the Board resolution dated July 12, 2023, and the Shareholders' resolution dated July 18, 2023, the face value of the equity shares of our Company was sub-divided from ₹10.00 each to ₹5.00 each. Accordingly, the authorised share capital comprising of 81,000,000 equity shares of ₹10.00 each were sub-divided into 162,000,000 Equity Shares of ₹5.00 each and the aggregate issued, subscribed and paid-up equity share capital of our Company of ₹ 442,912,620 consisting of 44,291,262 equity shares of ₹10.00 each were sub-divided into 88,582,524 Equity Shares of ₹5.00 each.						
July 27, 2023	Exercise of stock options pursuant to ESOP 2012	75,000 Equity Shares of face value of ₹5 each were allotted to Sunil Jain	75,000	5.00	10.16	Cash
	Exercise of stock options pursuant to ESOP 2017	120,000 Equity Shares of face value of ₹5 each were allotted to Nilay	120,000	5.00	79.51	Cash
		30,000 Equity Shares of face value of ₹5 each were allotted to Siddharth Vij and 20,000 Equity Shares of face value of ₹5 each were allotted to Prakash Bhawnani	50,000	5.00	89.96	Cash
		136,000 Equity Shares of face value of ₹5 each were allotted to Ashish Gupta	136,000	5.00	92.28	Cash

Date of allotment	Reason/Nature of allotment	Details of allottees/ shareholders and equity shares allotted	Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration
		12,000 Equity Shares of face value of ₹5 each were allotted to Shashikant Sharma	12,000	5.00	94.78	Cash
		400,000 Equity Shares of face value of ₹5 each were allotted to Rupinder Singh, 30,000 Equity Shares of face value of ₹5 each were allotted to Nilay and 20,000 Equity Shares of face value of ₹5 each were allotted to Mukti Chaplot	450,000	5.00	98.90	Cash
	Exercise of stock options pursuant to ESOP 2021	90,000 Equity Shares of face value of ₹5 each were allotted to Nilay, 24,000 Equity Shares of face value of ₹5 each were allotted to Mukti Chaplot, 25,474 Equity Shares of face value of ₹5 each were allotted to Nitin S, 24,000 Equity Shares of face value of ₹5 each were allotted to Prakash Bhawnani, 17,892 Equity Shares of face value of ₹5 each were allotted to Siddharth Bhargava, 15,000 Equity Shares of face value of ₹5 each were allotted to Vinayak Mishra, 12,920 Equity Shares of face value of ₹5 each were allotted to Brij Mohan, 12,000 Equity Shares of face value of ₹5 each were allotted to Nikhil Gupta, 7,800 Equity Shares of face value of ₹5 each were allotted to Banke Bihari, 6,600 Equity Shares of face value of ₹5 each were allotted to Akshay Prajapati, 6600 Equity Shares of face value of ₹5 each were allotted to Nayan Kumar Mohanpuriya, 6,600 Equity Shares of face value of ₹5 each were allotted to Jitendra Singh Parihar, 6,600 Equity Shares of face value of ₹5 each were allotted to Madhu Sharma, 6,600 Equity Shares of face value of ₹5 each were allotted to Vikram Singh Sahota, 6,600 Equity Shares of face value of ₹5 each were allotted to Madhur Sachdeva, 6,600 Equity Shares of face value of ₹5 each were allotted to Naresh Sharma, 6,600 Equity Shares of face value of ₹5 each were allotted to Balachidambaram Chidambaram, 6,600 Equity Shares of face value of ₹5 each were allotted to Mohit	368,750	5.00	154.80	Cash

Date of allotment	Reason/Nature of allotment	Details of allottees/ shareholders and equity shares allotted	Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration
		Singh, 6,600 Equity Shares of face value of ₹5 each were allotted to Vikas Katariya, 5,616 Equity Shares of face value of ₹5 each were allotted to Pankaj Gupta, 5,000 Equity Shares of face value of ₹5 each were allotted to Rameshwar Vishnu Shinde, 4,800 Equity Shares of face value of ₹5 each were allotted to Amit Ajmera, 4,800 Equity Shares of face value of ₹5 each were allotted to Bikash Singh, 4,200 Equity Shares of face value of ₹5 each were allotted to Ankita Mahajan, 4,200 Equity Shares of face value of ₹5 each were allotted to Prerna Singh, 4,200 Equity Shares of face value of ₹5 each were allotted to Shivam Jain, 4,200 Equity Shares of face value of ₹5 each were allotted to Chirag Ganotra, 4,200 Equity Shares of face value of ₹5 each were allotted to Murshid Alam, 4,200 Equity Shares of face value of ₹5 each were allotted to Rahul Gupta, 3,600 Equity Shares of face value of ₹5 each were allotted to Sunil Kumar, 3,600 Equity Shares of face value of ₹5 each were allotted to Deepak Jain, 3,600 Equity Shares of face value of ₹5 each were allotted to Kavit Rajput, 3,600 Equity Shares of face value of ₹5 each were allotted to Pintu Kumar, 3,600 Equity Shares of face value of ₹5 each were allotted to Rajat Gupta, 3,600 Equity Shares of face value of ₹5 each were allotted to Rohit Singh, 1,200 Equity Shares of face value of ₹5 each were allotted to Ajay Bhardwaj, 2,400 Equity Shares of face value of ₹5 each were allotted to Rajkumar Kushwaha, 1,848 Equity Shares of face value of ₹5 each were allotted to Geetesh and 1,200 Equity Shares of face value of ₹5 each were allotted to Gajendra Singh Solanki.				
	Exercise of stock options pursuant to ESOP 2021	36,000 Equity Shares of face value of ₹5 each were allotted to Mukti Chaplot, 16,000 Equity Shares of face value of ₹5 each were allotted to	62,400	5.00	157.79	Cash

Date of allotment	Reason/Nature of allotment	Details of allottees/ shareholders and equity shares allotted	Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration
		Prakash Bhawnani, 5,200 Equity Shares of face value of ₹5 each were allotted to Jignesh Khachariya and 5,200 Equity Shares of face value of ₹5 each were allotted to Vikas Manchanda.				
	Exercise of stock options pursuant to ESOP 2021	52,000 Equity Shares of face value of ₹5 each were allotted to Aman Saini, 48,000 Equity Shares of face value of ₹5 each were allotted to Rohit Gaur, 32,000 Equity Shares of face value of ₹5 each were allotted to Nitin Goel, 24,000 Equity Shares of face value of ₹5 each were allotted to Abhinav Arya, 12,000 Equity Shares of face value of ₹5 each were allotted to Pankaj Khurana, 4,400 Equity Shares of face value of ₹5 each were allotted to Narender Singh, 4,400 Equity Shares of face value of ₹5 each were allotted to Gupta Vijay Ghanshyamdas, 4,400 Equity Shares of face value of ₹5 each were allotted to Ajay Chhabra, 2,400 Equity Shares of face value of ₹5 each were allotted to Ranjit Singh, 2,400 Equity Shares of face value of ₹5 each were allotted to Ritesh Chauhan and 2,400 Equity Shares of face value of ₹5 each were allotted to Deepak Wadhwa.	188,400	5.00	170.36	Cash
October 25, 2023	Exercise of stock options pursuant to ESOP 2017	5,000 Equity Shares of face value of ₹5 each were allotted to Brunda E V.	5,000	5.00	89.96	Cash
	Exercise of stock options pursuant to ESOP 2021	30,000 Equity Shares of face value of ₹5 each were allotted to Nilay, 552 Equity Shares of face value of ₹5 were allotted to Geetesh and 1,200 Equity Shares of face value of ₹5 were allotted to Dilaver Singh.	31,752	5.00	154.80	Cash
	Exercise of stock options pursuant to ESOP 2021	5,766 Equity Shares of face value of ₹5 were allotted to Brij Mohan.	5,766	5.00	170.36	Cash
November 17, 2023	Exercise of stock options pursuant to ESOP 2021	1,200 Equity Shares of face value of ₹5 each were allotted to Gajendra Singh Solanki	1,200	5.00	154.80	Cash
	Exercise of stock options pursuant to ESOP 2021	5,964 Equity Shares of face value of ₹5 each were allotted to Siddharth Bhargava, 2,200 Equity Shares of face value of ₹5 each were allotted to	16,564	5.00	170.36	Cash

Date of allotment	Reason/Nature of allotment	Details of allottees/ shareholders and equity shares allotted	Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration
		Hrusikesha Bagati, 2,200 Equity Shares of face value of ₹5 each were allotted to Madhur Sachdeva, 2,200 Equity Shares of face value of ₹5 each were allotted to Karamjeet Singh, 4,000 Equity Shares of face value of ₹5 each were allotted to Amit Sureshchandra Gupta				
	Exercise of stock options pursuant to ESOP 2021	90,000 Equity Shares of face value of ₹5 each were allotted to Sharad Pareek (jointly held by Anita Pareek and Sharad Pareek), 26,000 Equity Shares of face value of ₹5 each were allotted to Ravinder Dhillon, 5,200 Equity Shares of face value of ₹5 each were allotted to Iqbal Singh, 4,000 Equity Shares of face value of ₹5 each were allotted to Vijaynanda Shenoi, 2,200 Equity Shares of face value of ₹5 each were allotted to Vikram Chugh and 2,200 Equity Shares of face value of ₹5 each were allotted to Puneet Kumar Sachdeva.	129,600	5.00	197.00	Cash
November 30, 2023	Exercise of stock options pursuant to ESOP 2017	64,000 Equity Shares of face value of ₹5 each were allotted to Ashish Gupta.	64,000	5.00	92.28	Cash
		5,000 Equity Shares of face value of ₹5 each were allotted to Brunda EV.	5,000	5.00	89.96	Cash
	Exercise of stock options pursuant to ESOP 2021	145,000 Equity Shares of face value of ₹5 each were allotted to Ashish Gupta.	145,000	5.00	154.80	Cash
		375,000 Equity Shares of face value of ₹5 each were allotted to Rupinder Singh.	375,000	5.00	157.79	Cash

**A Form 2 return of allotment was filed on March 31, 1999, cumulatively accounting for:*
(a) the allotment of 7,000 equity shares pursuant to the initial subscription to the Memorandum of Association dated October 26, 1998;
(b) the further issue of 50,000 equity shares dated November 6, 1998; and
(c) the further issue of 193,000 equity shares dated March 31, 1999.
Accordingly, the Form 2 mentioned the total number of equity shares allotted as 250,000, being an aggregate of the three allotments. Further, this common Form 2 was dated March 31, 1999, and erroneously missed mentioning the previous dates of allotment, being October 26, 1998 and November 6, 1998.

[#]The resolution passed by our Board for the allotment on November 6, 1998 erroneously mentioned the number of equity shares allotted as 57,000, instead of 50,000 (inadvertently including 7,000 equity shares allotted to pursuant to the initial subscription to the Memorandum of Association dated October 26, 1998). Further, the corresponding entry in the register of share allotment for November 6, 1998 also erroneously mentioned the number of equity shares allotted on November 6, 1998 as 57,000. Given that the allottees on November 6, 1998 were the same as the initial subscribers, for determining the number of equity shares allotted on November 6, 1998 for each allottee, the number of equity shares subscribed to by the respective allottee was deducted from the aggregated amount recorded.

[@] Consideration for such equity shares was paid at the time of issuance of preference shares.

[^] Allotment pursuant to the amended and restated letter agreement dated November 4, 2022, read with the acknowledgment of exercise of right to subscribe to equity shares of our Company dated August 1, 2023, pursuant to the amended and restated letter agreement dated November 4, 2022.

^^ Date of Shareholders' resolution approving issuance of Equity Shares. Further, pursuant to sub-division of equity share capital on July 18, 2023, from face value of ₹10 each to ₹5 each, the Board resolution for allotment was passed on July 20, 2023.

$ Nexus Ventures III, Ltd. was incorporated in the year 2012 and Nexus Opportunity Fund II, Ltd. was incorporated in the year 2015. Nexus Ventures III, Ltd. is primarily an early-stage venture capital investor and Nexus Opportunity Fund II, Ltd. has primarily invested in mid to growth stage companies. Nexus Ventures III, Ltd. and Nexus Opportunity Fund II, Ltd. are collectively referred to as the "Nexus Entities". The Nexus Entities, as financial investors, have been formed with the primary purpose of seeking income and gain through the acquisition, holding and disposition of portfolio company securities. Each of the Nexus Entities have been shareholders in the Company for more than six years, with Nexus Ventures III, Ltd. having first invested in 2012 and Nexus Opportunity Fund II, Ltd. in 2017.

1. *1,500,000 fully paid-up compulsorily convertible cumulative preference shares having face value of ₹100 each were allotted on July 30, 2010. Pursuant to conversion of 875,000 fully paid-up compulsorily convertible cumulative preference shares on February 28, 2014, 1,234,968 equity shares having face value of ₹10 each were allotted to Sequoia Capital India Investments III. Further, pursuant to conversion of 6,25,000 fully paid-up compulsorily convertible cumulative preference shares on March 12, 2015, 882,120 equity shares having face value of ₹10 each were allotted to Sequoia Capital India Investments III.*

2. *3,409,295 fully paid-up compulsorily convertible cumulative preference shares having face value of ₹100 each were allotted on July 21, 2012. Pursuant to conversion of 875,000 fully paid-up compulsorily convertible cumulative preference shares on February 28, 2014, 1,385,185 equity shares having face value of ₹10 each were allotted to Nexus Ventures III, Ltd. Pursuant to conversion of 2,534,295 fully paid-up compulsorily convertible cumulative preference shares on March 12, 2015, 4,011,964 equity shares having face value of ₹10 each were allotted to Nexus Ventures III, Ltd.*

3. *1,000,000 fully paid-up compulsorily convertible cumulative preference shares having face value of ₹100 each were allotted on August 16, 2011, to Sequoia Capital India Investments III. Pursuant to conversion of 1,000,000 fully paid-up compulsorily convertible cumulative preference shares on March 12, 2015, 2,272,408 equity shares having face value of ₹10 each were allotted to Sequoia Capital India Investments III.*

4. *500,000 fully paid-up compulsorily convertible cumulative preference shares having face value of ₹100 each were allotted on March 22, 2012, to Sequoia Capital India Investments III. Pursuant to conversion of 500,000 fully paid-up compulsorily convertible cumulative preference shares on March 12, 2015, 864,061 equity shares having face value of ₹10 each were allotted to Sequoia Capital India Investments III.*

5. *90,705 fully paid-up compulsorily convertible cumulative preference shares having face value of ₹100 each were allotted on July 21, 2012, to Sequoia Capital India Investments III. Pursuant to conversion of 90,705 fully paid-up compulsorily convertible cumulative preference shares on March 12, 2015, 143,592 equity shares having face value of ₹10 each were allotted to Sequoia Capital India Investments III.*

2. **Preference share capital history of our Company**

As on the date of this Prospectus, our Company does not have any outstanding preference share capital.

3. ***Shares issued for consideration other than cash or by way of bonus issue***

Our Company has not issued any shares for consideration other than cash or by way of bonus issue at any time since incorporation.

4. ***Shares issued out of revaluation reserves***

Our Company has not issued any shares out of revaluation reserves since its incorporation.

5. ***Issue of shares pursuant to Sections 230 to 234 of the Companies Act, 2013***

Our Company has not allotted any shares pursuant to any scheme approved under Sections 230 to 234 of the Companies Act, 2013.

6. ***Issue of shares at a price lower than the Offer Price in the last year***

Except as disclosed below, our Company has not issued any shares at a price which may be lower than the Offer Price during a period of one year preceding the date of this Prospectus:

Date of allotment	Reason/Nature of allotment	Details of allottees/ shareholders and equity shares allotted	Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration
December 22, 2022	Exercise of stock options pursuant to ESOP 2017	3,000 equity shares of face value of ₹10 each were allotted to Sabari Abhilash.	3,000	10.00	179.92	Cash
	Exercise of stock options pursuant to ESOP 2021	2,997 equity shares of face value of ₹10 each were allotted to Sabari Abhilash.	2,997	10.00	309.59	Cash
May 9, 2023	Exercise of stock options pursuant to ESOP 2012	37,500 equity shares of face value of ₹10 each were allotted to Sunil Jain.	37,500	10.00	20.32	Cash
	Exercise of stock options pursuant to ESOP 2021	1,606 equity shares of face value of ₹10 each were allotted to Manmohan Singh Ubeja, 17,500 equity shares of face value of ₹10 each were allotted to Ashish Gupta, 3,179 equity shares of face value of ₹10 each were allotted to Shashikant Sharma and 1,100 equity shares of face value of ₹10 each were allotted to Dinesh Kumar Sen.	23,385	10.00	309.59	Cash
July 12, 2023	Exercise of stock options pursuant to ESOP 2021	2,725 equity shares of face value of ₹10 each were allotted to Siddharth Vij.	2,725	10.00	309.59	Cash
July 18, 2023^^	Private placement (preferential allotment)^	355,000 equity shares of face value of ₹10 each were allotted to Anil Mehta.	355,000	10.00	83.20	Cash
July 27, 2023	Exercise of stock options pursuant to ESOP 2012	75,000 Equity Shares of face value of ₹5 each were allotted to Sunil Jain	75,000	5.00	10.16	Cash
	Exercise of stock options pursuant to ESOP 2017	120,000 Equity Shares of face value of ₹5 each were allotted to Nilay	120,000	5.00	79.51	Cash
		30,000 Equity Shares of face value of ₹5 each were allotted to Siddharth Vij and 20,000 Equity Shares of face value of ₹5 each were allotted to Prakash Bhawnani	50,000	5.00	89.96	Cash
		136,000 Equity Shares of face value of ₹5 each were allotted to Ashish Gupta	136,000	5.00	92.28	Cash
		12,000 Equity Shares of face value of ₹5 each were allotted to Shashikant Sharma	12,000	5.00	94.78	Cash
		400,000 Equity Shares of face value of ₹5 each were allotted to Rupinder Singh, 30,000 Equity Shares of face value of ₹5 each were allotted to Nilay and 20,000 Equity Shares of face value of ₹5 each were allotted to Mukti Chaplot	450,000	5.00	98.90	Cash
	Exercise of stock options pursuant to ESOP 2021	90,000 Equity Shares of face value of ₹5 each were allotted to Nilay, 24,000 Equity Shares of face value of ₹5 each were allotted to Mukti Chaplot, 25,474 Equity Shares of face value of ₹5 each were allotted to Nitin S, 24,000 Equity Shares of face value of ₹5 each were allotted to Prakash Bhawnani, 17,892 Equity Shares of face value of ₹5 each were allotted to Siddharth Bhargava, 15,000 Equity Shares of face value of ₹5 each were allotted to Vinayak Mishra, 12,920 Equity Shares of face value of ₹5 each were allotted to Brij Mohan, 12,000 Equity Shares of face value of ₹5 each were allotted to Nikhil Gupta, 7,800 Equity Shares of face value of ₹5 each were allotted to Banke Bihari, 6,600 Equity Shares of face value of ₹5 each were allotted to Akshay Prajapati, 6600 Equity Shares of face value of ₹5 each were allotted to Nayan Kumar Mohanpuriya, 6,600 Equity Shares of face value of ₹5 each were allotted	368,750	5.00	154.80	Cash

Date of allotment	Reason/Nature of allotment	Details of allottees/ shareholders and equity shares allotted	Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration
		to Jitendra Singh Parihar, 6,600 Equity Shares of face value of ₹5 each were allotted to Madhu Sharma, 6,600 Equity Shares of face value of ₹5 each were allotted to Vikram Singh Sahota, 6,600 Equity Shares of face value of ₹5 each were allotted to Madhur Sachdeva, 6,600 Equity Shares of face value of ₹5 each were allotted to Naresh Sharma, 6,600 Equity Shares of face value of ₹5 each were allotted to Balachidambaram Chidambaram, 6,600 Equity Shares of face value of ₹5 each were allotted to Mohit Singh, 6,600 Equity Shares of face value of ₹5 each were allotted to Vikas Katariya, 5,616 Equity Shares of face value of ₹5 each were allotted to Pankaj Gupta, 5,000 Equity Shares of face value of ₹5 each were allotted to Rameshwar Vishnu Shinde, 4,800 Equity Shares of face value of ₹5 each were allotted to Amit Ajmera, 4,800 Equity Shares of face value of ₹5 each were allotted to Bikash Singh, 4,200 Equity Shares of face value of ₹5 each were allotted to Ankita Mahajan, 4,200 Equity Shares of face value of ₹5 each were allotted to Prerna Singh, 4,200 Equity Shares of face value of ₹5 each were allotted to Shivam Jain, 4,200 Equity Shares of face value of ₹5 each were allotted to Chirag Ganotra, 4,200 Equity Shares of face value of ₹5 each were allotted to Murshid Alam, 4,200 Equity Shares of face value of ₹5 each were allotted to Rahul Gupta, 3,600 Equity Shares of face value of ₹5 each were allotted to Sunil Kumar, 3,600 Equity Shares of face value of ₹5 each were allotted to Deepak Jain, 3,600 Equity Shares of face value of ₹5 each were allotted to Kavit Rajput, 3,600 Equity Shares of face value of ₹5 each were allotted to Pintu Kumar, 3,600 Equity Shares of face value of ₹5 each were allotted to Rajat Gupta, 3,600 Equity Shares of face value of ₹5 each were allotted to Rohit Singh, 1,200 Equity Shares of face value of ₹5 each were allotted to Ajay Bhardwaj, 2,400 Equity Shares of face value of ₹5 each were allotted to Rajkumar Kushwaha, 1,848 Equity Shares of face value of ₹5 each were allotted to Geetesh and 1,200 Equity Shares of face value of ₹5 each were allotted to Gajendra Singh Solanki.				
	Exercise of stock options pursuant to ESOP 2021	36,000 Equity Shares of face value of ₹5 each were allotted to Mukti Chaplot, 16,000 Equity Shares of face value of ₹5 each were allotted to Prakash Bhawnani, 5,200 Equity Shares of face value of ₹5 each were allotted to Jignesh Khachariya and 5,200 Equity Shares of face value of ₹5 each were allotted to Vikas Manchanda.	62,400	5.00	157.79	Cash
	Exercise of stock options pursuant to ESOP 2021	52,000 Equity Shares of face value of ₹5 each were allotted to Aman Saini, 48,000 Equity Shares of face value of ₹5 each were allotted to Rohit Gaur, 32,000 Equity Shares of face value of ₹5 each were allotted to Nitin Goel, 24,000 Equity Shares of face value of ₹5 each were allotted to Abhinav Arya, 12,000 Equity Shares of face value of ₹5 each were allotted to Pankaj Khurana, 4,400 Equity Shares of face value of ₹5 each were allotted to Narender Singh, 4,400 Equity Shares of	188,400	5.00	170.36	Cash

Date of allotment	Reason/Nature of allotment	Details of allottees/ shareholders and equity shares allotted	Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration
		face value of ₹5 each were allotted to Gupta Vijay Ghanshyamdas, 4,400 Equity Shares of face value of ₹5 each were allotted to Ajay Chhabra, 2,400 Equity Shares of face value of ₹5 each were allotted to Ranjit Singh, 2,400 Equity Shares of face value of ₹5 each were allotted to Ritesh Chauhan and 2,400 Equity Shares of face value of ₹5 each were allotted to Deepak Wadhwa.				
October 25, 2023	Exercise of stock options pursuant to ESOP 2017	5,000 Equity Shares of face value of ₹5 each were allotted to Brunda E V.	5,000	5.00	89.96	Cash
	Exercise of stock options pursuant to ESOP 2021	30,000 Equity Shares of face value of ₹5 each were allotted to Nilay, 552 Equity Shares of face value of ₹5 were allotted to Geetesh and 1,200 Equity Shares of face value of ₹5 were allotted to Dilaver Singh.	31,752	5.00	154.80	Cash
	Exercise of stock options pursuant to ESOP 2021	5,766 Equity Shares of face value of ₹5 were allotted to Brij Mohan.	5,766	5.00	170.36	Cash
November 17, 2023	Exercise of stock options pursuant to ESOP 2021	1,200 Equity Shares of face value of ₹5 each were allotted to Gajendra Singh Solanki	1,200	5.00	154.80	Cash
	Exercise of stock options pursuant to ESOP 2021	5,964 Equity Shares of face value of ₹5 each were allotted to Siddharth Bhargava, 2,200 Equity Shares of face value of ₹5 each were allotted to Hrusikesha Bagati, 2,200 Equity Shares of face value of ₹5 each were allotted to Madhur Sachdeva, 2,200 Equity Shares of face value of ₹5 each were allotted to Karamjeet Singh, 4,000 Equity Shares of face value of ₹5 each were allotted to Amit Sureshchandra Gupta	16,564	5.00	170.36	Cash
	Exercise of stock options pursuant to ESOP 2021	90,000 Equity Shares of face value of ₹5 each were allotted to Sharad Pareek (jointly held by Anita Pareek and Sharad Pareek), 26,000 Equity Shares of face value of ₹5 each were allotted to Ravinder Dhillon, 5,200 Equity Shares of face value of ₹5 each were allotted to Iqbal Singh, 4,000 Equity Shares of face value of ₹5 each were allotted to Vijaynanda Shenoi, 2,200 Equity Shares of face value of ₹5 each were allotted to Vikram Chugh and 2,200 Equity Shares of face value of ₹5 each were allotted to Puneet Kumar Sachdeva.	129,600	5.00	197	Cash
November 30, 2023	Exercise of stock options pursuant to ESOP 2017	64,000 Equity Shares of face value of ₹5 each were allotted to Ashish Gupta.	64,000	5.00	92.28	Cash
		5,000 Equity Shares of face value of ₹5 each were allotted to Brunda EV.	5,000	5.00	89.96	Cash
	Exercise of stock options pursuant to ESOP 2021	145,000 Equity Shares of face value of ₹5 each were allotted to Ashish Gupta.	145,000	5.00	154.80	Cash
		375,000 Equity Shares of face value of ₹5 each were allotted to Rupinder Singh.	375,000	5.00	157.79	Cash

^ *Allotment pursuant to the amended and restated letter agreement dated November 4, 2022, read with the acknowledgment of exercise of right to subscribe to equity shares of our Company dated August 1, 2023, pursuant to the amended and restated letter agreement dated November 4, 2022.*

^^ *Date of Shareholders' resolution approving issuance of Equity Shares. Further, pursuant to sub-division of equity share capital on July 18, 2023, from face value of ₹10 each to ₹5 each, the Board resolution for allotment was passed on July 20, 2023.*

7. ***Issue of equity shares under employee stock option schemes***

For details of equity shares issued by our Company pursuant to the exercise of options which have been granted under the ESOP Schemes, see "*– Equity Share Capital history of our Company*" and "*– Employee Stock Option Schemes*" on pages 94 and 124, respectively.

8. ***History of build-up of Promoters' shareholding and lock-in of Promoters' shareholding (including Promoters' contribution)***

As on the date of this Prospectus, our Promoters hold, in aggregate, 51,701,854 Equity Shares of face value of ₹5 each, which constitutes 56.7% of the issued, subscribed and paid-up Equity Share capital of our Company (on a fully diluted basis). All the Equity Shares held by our Promoters are in dematerialised form. The details regarding our Promoters' shareholding are set forth below.

a) Build-up of Promoters' shareholding in our Company

Set forth below is the build-up of our Promoters' shareholding since the incorporation of our Company.

Date of allotment/ transfer	Number of equity shares allotted/ transferred	Face value per equity share (₹)	Issue/ acquisition/ transfer price per equity share (₹)	Nature of consideration	Nature of transaction	% of the pre-Offer Equity Share capital (on a fully diluted basis)*	% of the post-Offer Equity Share capital (on a fully diluted basis)
Anil Mehta							
September 2, 2009	50,832	10.00	24.20	Cash	Transfer of 4,848 equity shares of face value of ₹10 each from Akhil Grover, 24,584 equity shares of face value of ₹10 each from Kamal Grover HUF and 21,400 equity shares of face value of ₹10 each from Naresh Grover (1)	0.1%	0.1%
November 5, 2009	340,000	10.00	10.00	Cash	Further issue of equity shares of face value of ₹10 each (1)	0.7%	0.6%
February 22, 2010	36,987	10.00	10.00	Cash	Further issue of equity shares of face value of ₹10 each (2)	0.1%	0.1%
May 14, 2010	125,000	10.00	10.00	Cash	Further issue of equity shares of face value of ₹10 each	0.3%	0.2%
July 20, 2010	11,268	10.00	26.00	Cash	Transfer of 11,268 equity shares of face value of ₹10 each from Karan Gupta	Negligible	Negligible
	56,280	10.00	12.87	Cash	Transfer of 56,280 equity shares of face value of ₹10 each from Saurabh Narain	0.1%	0.1%
November 1, 2017	(24,871)	10.00	347.79	Cash	Transfer of 24,871 equity shares of face value of ₹10 each to Madison India Opportunities	(0.1)%	Negligible

Date of allotment/ transfer	Number of equity shares allotted/ transferred	Face value per equity share (₹)	Issue/ acquisition/ transfer price per equity share (₹)	Nature of consideration	Nature of transaction	% of the pre-Offer Equity Share capital (on a fully diluted basis)*	% of the post-Offer Equity Share capital (on a fully diluted basis)
					IV		
November 2, 2017	(132,515)	10.00	347.79	Cash	Transfer of 132,515 equity shares of face value of ₹10 each to Aravali Investment Holdings	(0.3)%	(0.2)%
November 9, 2017	(106,609)	10.00	347.79	Cash	Transfer of 106,609 equity shares of face value of ₹10 each to Nexus Opportunity Fund II, Ltd. (3)	(0.2)%	(0.2)%
November 30, 2017	(61,005)	10.00	347.79	Cash	Transfer of 61,005 equity shares of face value of ₹10 each to Sequoia Capital India Growth Investments I	(0.1)%	(0.1)%
January 8, 2019	185,000	10.00	11.54	Cash	Exercise of stock option pursuant to ESOP 2011	0.4%	0.3%
	97,500	10.00	13.27	Cash	Exercise of stock option pursuant to ESOP 2012	0.2%	0.2%
February 1, 2019	300,000	10.00	30.00	Cash	Issue of sweat equity shares	0.7%	0.6%
January 6, 2020	97,500	10.00	13.27	Cash	Exercise of stock option pursuant to ESOP 2012	0.2%	0.2%
January 10, 2021	120,000	10.00	13.27	Cash	Exercise of stock option pursuant to ESOP 2012	0.3%	0.2%
November 29, 2021	(350,000)	10.00	561.16	Cash	Transfer of 341,600 equity shares of face value of ₹10 each to MIO Starrock and 8,400 equity shares of face value of ₹10 each to Catalyst Trusteeship Limited (acting as trustee for MICP Trust)	(0.8)%	(0.7)%
January 6, 2022	75,000	10.00	13.27	Cash	Exercise of stock option pursuant to ESOP 2012	0.2%	0.1%
November 19, 2022	135,000	10.00	437.00	Cash	Private placement (preferential allotment)	0.3%	0.3%
November 24, 2022	(525,000)	10.00	561.16	Cash	Transfer of 513,417 equity shares of face value of ₹10 each to MIO Starrock and 11,583 equity	(1.2)%	(1.0)%

Date of allotment/ transfer	Number of equity shares allotted/ transferred	Face value per equity share (₹)	Issue/ acquisition/ transfer price per equity share (₹)	Nature of consideration	Nature of transaction	% of the pre-Offer Equity Share capital (on a fully diluted basis)*	% of the post-Offer Equity Share capital (on a fully diluted basis)
					shares of face value of ₹10 each to Catalyst Trusteeship Limited (acting as trustee for MICP Trust)		
July 18, 2023^^	355,000	10.00	83.20	Cash	Private Placement (preferential allotment)	0.8%	0.7%
July 18, 2023	Sub-division of equity shares of face value of ₹10.00 each into Equity Shares of ₹5.00 each						
Total (A)	**1,570,734**					**1.7%**	**1.5%**
WestBridge Crossover Fund, LLC							
June 3, 2015	7,457,750	10.00	153.40	Cash	Rights issue	16.3%	13.9%
August 31, 2015	892,473	10.00	138.06	Cash	Transfer of 203,039 equity shares of face value of ₹10 each from Akshaya Kumar and Anju Jain Kumar, 220,483 equity shares of face value of ₹10 each from Chandra Prakash Sanadhya, 8,599 equity shares of face value of ₹10 each from Mahendrapal Singh Likhari, 203,039 equity shares of face value of ₹10 each from Nitin Prabhudas Shingala and Trupti Nitin Shingala, 56,155 equity shares of face value of ₹10 each from Sarita Nyati and Suresh Nyati, 8,015 equity shares of face value of ₹10 each from Suresh Nyati and 193,143 equity shares of face value of ₹10 each from Sanjaya Gupta and Anuradha Gupta.	2.0%	1.7%
August 12, 2016	2,503,928	10.00	161.69	Cash	Rights issue	5.5%	4.7%
July 18, 2023	Sub-division of equity shares of face value of ₹10 each into Equity Shares of ₹5 each						
Total (B)	**21,708,302**					**23.8%**	**20.2%**
Aravali Investment Holdings							

Date of allotment/ transfer	Number of equity shares allotted/ transferred	Face value per equity share (₹)	Issue/ acquisition/ transfer price per equity share (₹)	Nature of consideration	Nature of transaction	% of the pre-Offer Equity Share capital (on a fully diluted basis)*	% of the post-Offer Equity Share capital (on a fully diluted basis)
October 16, 2017	3,270,664	10.00	347.79	Cash	Preferential allotment (private placement)	7.2%	6.1%
November 2, 2017	132,515	10.00	347.79	Cash	Transfer of 132,515 equity shares of face value of ₹10 each from Anil Mehta	0.3%	0.2%
October 24, 2018	3,270,664	10.00	347.79	Cash	Preferential allotment (private placement)	7.2%	6.1%
March 9, 2021	3,918,230	10.00	561.16	Cash	Transfer of 1,568,419 equity shares of face value of ₹10 each from Sequoia Capital India Investments III and 2,349,811 equity shares of face value of ₹10 each from Sequoia Capital India Growth Investments I	8.6%	7.3%
October 25, 2021	3,619,336	10.00	614.46	Cash	Transfer of 1,448,776 equity shares of face value of ₹10 each from Sequoia Capital India Investments III and 2,170,560 equity shares of face value of ₹10 each from Sequoia Capital India Growth Investment I	7.9%	6.7%
July 18, 2023	Sub-division of equity shares of face value of ₹10 each into Equity Shares of ₹5 each						
Total (C)	**28,422,818**					**31.2%**	**26.4%**
Total (A+B+C)	**51,701,854**					**56.7%**	**48.1%**

* *Our pre-Offer paid up share capital has been considered on a fully diluted basis, considering the vested stock options as on the date of this Prospectus.*

^^ *Date of Shareholders' resolution approving issuance of Equity Shares. Further, pursuant to sub-division of equity share capital on July 18, 2023, from face value of ₹10 each to ₹5 each, the Board resolution for allotment was passed on July 20, 2023.*

(1) Anjali Mehta and Anil Mehta as joint holders. On June 11, 2010 the entire shareholding held jointly by Anjali Mehta and Anil Mehta was registered under the joint holding of Anil Mehta and Anjali Mehta.

(2) Anil Mehta and Anjali Mehta as joint holders. On November 1, 2010, the entire shareholding held jointly by Anil Mehta and Anjali Mehta was dematerialized as holding of Anil Mehta.

As of the date of this Prospectus, none of the Equity Shares held by our Promoters are pledged or are otherwise encumbered.

b) Shareholding of our Promoters and the members of our Promoter Group

Name of shareholder	Pre-Offer		Post-Offer^	
	Number of Equity Shares of face value of ₹5 each	**Percentage of pre-Offer Equity Share capital (on a fully diluted basis)***	**Number of Equity Shares of face value of ₹5 each**	**Percentage of post-Offer Equity Share capital (on a fully diluted basis)**
Promoters				
Anil Mehta	1,570,734	1.7%	1,570,734	1.5%
WestBridge Crossover Fund, LLC	21,708,302	23.8%	21,708,302	20.2%
Aravali Investment Holdings	28,422,818	31.2%	28,422,818	26.4%
Total	**51,701,854**	**56.7%**	**51,701,854**	**48.1%**

* *Percentage of pre-Offer equity share capital (on a fully diluted basis) calculated taking into consideration all outstanding vested employee stock options as on the date of this Prospectus.*
^ *Subject to finalisation of Basis of Allotment.*

As on the date of this Prospectus, none of the members of our Promoter Group hold any Equity Shares.

c) Details of minimum Promoters' contribution locked in for eighteen months or any other period as may be prescribed under applicable law

Pursuant to Regulations 14 and 16 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("**SEBI ICDR Regulations**"), an aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company held by our Promoters shall be considered as minimum promoters' contribution and locked-in for a period of eighteen months or any other period as may be prescribed under applicable law, from the date of Allotment ("**Promoter's Contribution**"). Our Promoter's shareholding in excess of 20% shall be locked in for a period of six months from the Allotment. As on the date of this Prospectus, our Promoters hold 51,701,854 Equity Shares of face value of ₹5 each, constituting 56.7% of our Company's issued, subscribed and paid-up Equity Share capital (on a fully diluted basis), out of which 50,721,854 Equity Shares of face value of ₹5 each, constituting 55.6% of our Company's issued, subscribed and paid-up Equity Share capital (on a fully diluted basis) are eligible for Promoters' Contribution.

Our Promoters have given consent to include such number of Equity Shares held by them, in aggregate, as may constitute 20% of the fully diluted post-Offer Equity Share capital of our Company as Promoter's Contribution. Our Promoters have agreed not to dispose, sell, transfer, charge, pledge or otherwise encumber in any manner the Promoters' Contribution from the date of this Prospectus, until the expiry of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations.

The details of Equity Shares held by our Promoters, which will be locked-in for minimum Promoter's contribution for a period of 18 months, from the date of Allotment as Promoters' Contribution are as provided below:

Name of the Promoter	Number of Equity Shares held^	Number of Equity Shares locked-in	Date of allotment/ transfer#	Face value per Equity Share (₹)	Allotment/ Acquisition price per Equity Share (₹)	Nature of transaction	% of the pre-Offer paid-up capital (on a fully diluted basis)*	% of the post-Offer paid-up capital (on a fully diluted basis)*
Anil Mehta	2,867	2,867	February 1, 2019	10	30.00	Issue of sweat equity shares	Negligible	Negligible
	97,500	97,500	January 6, 2020	10	13.27	Exercise of stock option pursuant to ESOP 2012	0.2%	0.2%
	120,000	120,000	January 10, 2021	10	13.27	Exercise of stock option pursuant to ESOP 2012	0.3%	0.2%
	75,000	75,000	January 6, 2022	10	13.27	Exercise of stock option pursuant to ESOP 2012	0.2%	0.1%
	Pursuant to the Board resolution dated July 12, 2023 and the Shareholders' resolution dated July 18, 2023, the face value of the equity shares of our Company was sub-divided from ₹10 each to ₹5 each.							

Name of the Promoter	Number of Equity Shares held[^]	Number of Equity Shares locked-in	Date of allotment/ transfer[#]	Face value per Equity Share (₹)	Allotment/ Acquisition price per Equity Share (₹)	Nature of transaction	% of the pre-Offer paid-up capital (on a fully diluted basis)[*]	% of the post-Offer paid-up capital (on a fully diluted basis)[*]
Sub total (A)		**295,367**					**0.7%**	**0.5%**
WestBridge Crossover Fund, LLC	7,457,750	7,457,750	June 3, 2015	10	347.79	Rights issue	16.3%	13.9%
	892,473	892,473	August 31, 2015	10	347.79	Transfer of 203,039 equity shares of face value of ₹10 each from Akshaya Kumar and Anju Jain Kumar, 220,483 equity shares of face value of ₹10 each from Chandra Prakash Sanadhya, 8,599 equity shares of face value of ₹10 each from Mahendrapal Singh Likhari, 203,039 equity shares of face value of ₹10 each from Nitin Prabhudas Shingala and Trupti Nitin Shingala, 56,155 equity shares of face value of ₹10 each from Sarita Nyati and Suresh Nyati, 8,015 equity shares of face value of ₹10 each from Suresh Nyati and 193,143 equity shares of face value of ₹10 each from Sanjaya Gupta and Anuradha Gupta.	2.0%	1.7%
	2,100,360	2,100,360	August 12, 2016	10	347.79	Rights issue	4.6%	4.0%
	Pursuant to the Board resolution dated July 12, 2023 and the Shareholders' resolution dated July 18, 2023, the face value of the equity shares of our Company was sub-divided from ₹10 each to ₹5 each.							
Sub total (B)		**10,450,583**					**22.9%**	**19.6%**
Total (A+B)	**10,745,950**	**10,745,950**					**23.6%**	**20.0%**

** Our pre-Offer paid up share capital has been considered on a fully diluted basis, considering the vested stock options as on the date of the Prospectus.*

^ Pursuant to the Board resolution dated July 12, 2023 and the Shareholders' resolution dated July 18, 2023, the face value of the equity shares of our Company was sub-divided from ₹10 each to ₹5 each.

The Equity Shares that are being locked-in are not and will not be ineligible for computation of Promoters' Contribution under Regulation 15 of the SEBI ICDR Regulations. In particular, these Equity Shares do not and shall not consist of:

(i) Equity Shares acquired during the three years preceding the date of this Prospectus (a) for consideration other than cash and revaluation of assets or capitalisation of intangible assets, or (b) as a result of bonus shares issued by utilization of revaluation reserves or unrealised profits or from bonus issue against Equity Shares which are otherwise in-eligible for computation of Promoters' Contribution;
(ii) Equity Shares acquired during the one year preceding the date of this Prospectus, at a price lower than the price at which the Equity Shares are being offered to the public in the Offer; or
(iii) Equity Shares held by the Promoters that are subject to any pledge or any other form of encumbrance.

Further, our Company has not been formed by the conversion of one or more partnership firms or a limited liability partnership firm.

d) Details of share capital locked-in for six months or any other period as may be prescribed under applicable law

In terms of Regulation 17 of the SEBI ICDR Regulations, except for the Promoters' Contribution which shall be locked-in as above and Equity Shares allotted by our Company to the employees (or such persons as permitted under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("**SEBI SBEB Regulations**") or the ESOP Schemes) prior to the Offer, pursuant to exercise of options, whether currently employees or not, in accordance with the ESOP Schemes, the entire pre-Offer Equity Share capital of our Company (including those Equity Shares held by our Promoters in excess of Promoter's Contribution and except to the extent of Equity Shares sold and transferred pursuant to the Offer for Sale by the Selling Shareholders), shall, unless otherwise permitted under the SEBI ICDR Regulations, be locked-in for a period of six months from the date of Allotment or any other period as may be prescribed under applicable law.

As required under Regulation 20 of the SEBI ICDR Regulations, our Company shall ensure that the details of the Equity Shares locked-in are recorded by the relevant Depository.

In terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by our Promoters which are locked-in, may be transferred to Promoters or members of our Promoter Group or to any new Promoters, subject to continuation of lock-in in the hands of the transferees for the remaining period and compliance with provisions of the Takeover Regulations, as applicable and such transferee shall not be eligible to transfer them till the lock-in period stipulated in SEBI ICDR Regulations has expired. The Equity Shares held by persons other than our Promoters and locked-in for a period of six months from the date of Allotment in the Offer or any other period as may be prescribed under applicable law, may be transferred to any other person holding Equity Shares which are locked-in, subject to the continuation of the lock-in the hands of the transferee for the remaining period and compliance with the provisions of the Takeover Regulations.

In terms of Regulation 21 of the SEBI ICDR Regulations, the Equity Shares held by our Promoters which are locked-in as per Regulation 16 of the SEBI ICDR Regulations, may be pledged only with scheduled commercial banks or public financial institutions or systemically important non-banking finance companies or deposit taking housing finance companies as collateral security for loans granted by such entity, provided that such pledge of the Equity Shares is one of the terms of the sanctioned loan. However, such lock-in will continue pursuant to any invocation of the pledge and the transferee of the Equity Shares pursuant to such invocation shall not be eligible to transfer the Equity Shares until the expiry of the lock-in period stipulated above.

e) Lock-in of Equity Shares Allotted to Anchor Investors

50% of the Equity Shares allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period 90 days from the date of Allotment and the remaining 50% shall be locked-in for a period of 30 days from the date of Allotment.

f) Sales or purchases of Equity Shares or other specified securities of our Company by our Promoters, the members of our Promoter Group and/or our Directors and their relatives during the six months immediately preceding the date of this Prospectus.

Except as disclosed above "***– Equity share capital history of our Company***" on page 94, none of our Promoters, members of our Promoter Group, our Directors or their relatives have sold or purchased any Equity Shares of our Company during the six months preceding the date of this Prospectus.

g) Additional Lock-in of Equity Shares by our Individual Promoter

All Equity Shares held by Anil Mehta, including the 710,000 Equity Shares of face value of ₹5 each allotted to Anil Mehta pursuant to the amended and restated letter agreement dated November 4, 2022, executed between the Company and Anil Mehta, the Board resolution dated July 12, 2023, and the Shareholders' resolution dated July 18, 2023, shall be locked-in for a period of 18 months from the date of Allotment of Equity Shares pursuant to the Offer. For details, see "***History and Certain Corporate Matters - Summary of key agreements and shareholders' agreement – Amended and Restated Shareholder's Agreement dated July 30, 2022, executed between (a) our Company, (b) Nexus Ventures III, Ltd. ("Nexus III"), (c) Nexus Opportunity Fund II, Ltd. ("Nexus Opp Fund", together with Nexus III, "Nexus"), (d) WestBridge Crossover Fund, LLC, (e) Aravali Investment Holdings (together with WestBridge Crossover Fund, LLC "WestBridge"), (f) Catalyst Trusteeship Limited, as trustee of Madison India Opportunities Trust Fund ("Madison I"), (g) Madison India Opportunities IV ("Madison II"), (h) MIO Starrock ("Madison III"), (i) Catalyst Trusteeship Limited, as trustee of MICP Trust ("Madison IV", and together with Madison I, Madison II and Madison III, "Madison") and (j) Anil Mehta ("Individual Promoter"), read together with the amendment cum waiver and consent agreement dated August 1, 2023 (together, the "SHA")***" on page 276.

9. ***Our shareholding pattern***

The table below represents the shareholding pattern of our Company as on the date of this Prospectus:

Category (I)	Category of shareholder (II)	Number of shareholders (III)	Number of fully paid up Equity Shares of face value of ₹5 each held (IV)	Number of Partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of Equity Shares of face value of ₹5 each held (VII) =(IV)+(V)+ (VI)	Shareholding as a % of total number 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)				Number of Equity 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 Equity Shares (XII)		Number of Equity Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares of face value of ₹5 each held in dematerialized form (XIV)
								Number of voting rights			Total as a % of (A+B+C)			Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total Shares held (b)	
								Class eg: Equity Shares	Class eg: Others	Total								
(A)	Promoters and Promoter Group	3	51,701,854	-	-	51,701,854	56.93%	Equity Shares		51,701,854	57.3%	-	-	-	-	-	-	51,701,854
(B)	Public	91	39,122,102	-	-	39,122,102	43.07%	Equity Shares		39,122,102	42.7%	-	-	-	-	799,000	0.88%	39,122,102
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	94	90,823,956	-	-	90,823,956	100%	-	-	90,823,956	100%	-	-	-	-	799,000	0.88%	90,823,956

10. As on the date of this Prospectus, our Company has 94 Shareholders.

11. ***Shareholding of our Directors, Key Managerial Personnel and Senior Management in our Company***

Except as stated below, none of our Directors or Key Managerial Personnel or Senior Management hold any Equity Shares.

Name	Number of Equity Shares	Number of Equity Shares of face value of ₹5 each (on a fully diluted basis)*	Percentage of pre-Offer equity share capital (on a fully diluted basis)**
Directors			
Rupinder Singh	775,000	988,000	1.1%
Key Managerial Personnel			
Ashish Gupta	411,994	411,994	0.5%
Mukti Chaplot	107,000	119,000	0.1%
Senior Management			
Nilay	274,000	274,000	0.3%
Sharad Pareek#	90,000	90,000	0.1%
Aman Saini	52,000	52,000	0.1%
Nitin Goel	32,000	32,000	Negligible
Abhinav Arya	24,000	24,000	Negligible
Rohit Gaur	48,000	48,000	Negligible
Ravinder Dhillon	26,000	26,000	Negligible
Total	**1,839,994**	**2,064,994**	**2.3%**

** Number of Equity Shares (on a fully diluted basis) calculated taking into account all outstanding vested employee stock options (if any) held by the Shareholder as on the date of this Prospectus. As on the date of this Prospectus, none of our Promoters and Selling Shareholders hold any vested employee stock options.*
*** Percentage of pre-Offer equity share capital (on a fully diluted basis) calculated taking into consideration all outstanding vested employee stock options as on the date of this Prospectus.*
 # Jointly held by Anita Pareek and Sharad Pareek.

12. ***Details of shareholding of the major Shareholders of our Company***

(a) Set forth below are details of Shareholders holding 1% or more of the issued, subscribed and paid-up share capital of our Company as on the date of this Prospectus:

S. No.	Name of Shareholder	Category of the Shareholder	Number of Equity Shares of face value of ₹5 each #	Percentage of pre-Offer equity share capital (on a fully diluted basis)*
1.	Aravali Investment Holdings(1)	Promoter	28,422,818	31.2%
2.	WestBridge Crossover Fund, LLC(1)	Promoter	21,708,302	23.8%
3.	Nexus Ventures III, Ltd. (2)	Public	19,923,596	21.8%
4.	Nexus Opportunity Fund II, Ltd. (3)	Public	5,820,074	6.4%
5.	Catalyst Trusteeship Limited (acting as Trustee for Madison Opportunities Trust Fund) (4)	Public	4,759,908	5.2%
6.	MIO Starrock (Formerly known as Starrock) (5)	Public	4,435,108	4.9%
7.	Anil Mehta(1)	Promoter	1,570,734	1.7%
8.	Madison India Opportunities IV(6)	Public	1,266,936	1.4%
9.	Rupinder Singh	Public	988,000	1.1%

** Percentage of pre-Offer equity share capital (on a fully diluted basis) calculated taking into consideration all outstanding vested employee stock options as on the date of this Prospectus. As on the date of this Prospectus, none of our Promoters and Selling Shareholders hold any vested employee stock options.*
 # Except Rupinder Singh, who holds 213,000 outstanding vested employee stock options, as on the date of this Prospectus, none of the Shareholders above hold any outstanding vested stock options.
*(1) For details of the share capital build-up, refer to "**Capital Structure - History of build-up of Promoters' shareholding and lock-in of Promoters' shareholding (including Promoters' contribution) – Build-up of Promoters' shareholding in our Company**" on page 114.*
(2) Pursuant to conversion of fully and compulsorily convertible preference shares into equity shares on February 28, 2014, 1,385,185 equity shares having face value of ₹10 each at a price of ₹ 63.17 per equity share were allotted to Nexus Ventures III, Ltd. Pursuant to conversion

of fully and compulsorily convertible preference shares into equity shares on March 12, 2015, 4,011,964 equity shares having face value of ₹10 each at a price of ₹ 63.17 per equity share were allotted to Nexus Ventures III, Ltd. Pursuant to allotment on May 28, 2015, 3,129,126 equity shares having face value of ₹10 each at a price of ₹ 153.40 per equity share were allotted to Nexus Ventures III, Ltd. Pursuant to a transfer on August 31, 2015, 374,470 equity shares having face value of ₹10 each at a price of ₹ 138.06 per equity share were transferred to Nexus Ventures III, Ltd. Pursuant to rights issue on August 18, 2016, 1,061,053 equity shares having face value of ₹10 each at a price of ₹ 161.69 per equity share were allotted to Nexus Ventures III, Ltd.

(3) Pursuant to preferential allotment on October 16, 2017, 1,401,714 equity shares having face value of ₹10 each at a price of ₹ 347.79 per equity share were allotted to Nexus Opportunity Fund II, Ltd. Pursuant to a transfer on November 10, 2017, 106,609 equity shares having face value of ₹10 each at a price of ₹ 347.80 per equity share were transferred to Nexus Opportunity Fund II, Ltd. Pursuant to preferential allotment on October 24, 2018, 1,401,714 equity shares having face value of ₹10 each at a price of ₹ 347.79 per equity share were transferred to Nexus Opportunity Fund II, Ltd.

(4) Pursuant to transfer on December 13, 2016, 2,379,954 equity shares having face value of ₹10 each at a price of ₹ 252.90 per equity share were transferred to Catalyst Trusteeship Limited (acting as Trustee for Madison Opportunities Trust Fund).

(5) Pursuant to transfer on August 5, 2021, 330,834 equity shares having face value of ₹10 each at a price of ₹ 420.00 per equity share were transferred to MIO Starrock (formerly known as Starrock). Pursuant to transfer on August 12, 2021, 692,619 equity shares having face value of ₹10 each at a price of ₹ 420.00 per equity share were transferred to MIO Starrock (formerly known as Starrock). Pursuant to transfer on August 24, 2021, 229,350 equity shares having face value of ₹10 each at a price of ₹ 420.00 per equity share were transferred to MIO Starrock (formerly known as Starrock). Pursuant to transfer on August 24, 2021, 93,334 equity shares having face value of ₹10 each at a price ₹ 420.00 per equity share of were transferred to MIO Starrock (formerly known as Starrock). Pursuant to transfer on August 31, 2021, 16,400 equity shares having face value of ₹10 each at a price of ₹ 420.00 per equity share were transferred to MIO Starrock (formerly known as Starrock). Pursuant to transfer on November 29, 2021, 341,600 equity shares having face value of ₹10 each at a price of ₹ 561.16 per equity share were transferred to MIO Starrock (formerly known as Starrock). Pursuant to transfer on November 24, 2022, 513,417 equity shares having face value of ₹10 each at a price of ₹ 561.16 per equity share were transferred to MIO Starrock (formerly known as Starrock).

(6) Pursuant to preferential allotment on October 16, 2017, 270,998 equity shares having face value of ₹10 each at a price of ₹ 347.79 per equity share were allotted to Madison India Opportunities IV. Pursuant to a transfer on November 1, 2017, 24,871 equity shares having face value of ₹10 each at a price of ₹ 347.79 per equity share were transferred to Madison India Opportunities IV. Pursuant to a transfer on December 15, 2017, 66,601 equity shares having face value of ₹10 each at a price of ₹ 347.79 per equity share were transferred to Madison India Opportunities IV. Pursuant to preferential allotment on October 24, 2018, 270,998 equity shares having face value of ₹10 each at a price of ₹ 347.79 per equity share were transferred to Madison India Opportunities IV.

(b) Set forth below are details of Shareholders holding 1% or more of the issued, subscribed and paid-up share capital of our Company as of 10 days prior to the date of this Prospectus:

S. No.	Name of Shareholder	Category of the Shareholder	Number of Equity Shares of face value of ₹5 each #	Percentage of pre-Offer equity share capital (on a fully diluted basis)*
1.	Aravali Investment Holdings	Promoter	28,422,818	31.2%
2.	WestBridge Crossover Fund, LLC	Promoter	21,708,302	23.8%
3.	Nexus Ventures III, Ltd.	Public	19,923,596	21.8%
4.	Nexus Opportunity Fund II, Ltd.	Public	5,820,074	6.4%
5.	Catalyst Trusteeship Limited (acting as Trustee for Madison Opportunities Trust Fund)	Public	4,759,908	5.2%
6.	MIO Starrock (formerly known as Starrock)	Public	4,435,108	4.9%
7.	Anil Mehta	Promoter	1,570,734	1.7%
8.	Madison India Opportunities IV	Public	1,266,936	1.4%
9.	Rupinder Singh	Public	988,000	1.1%

** Percentage of pre-Offer equity share capital (on a fully diluted basis) calculated taking into consideration all outstanding vested employee stock options as on the date of this Prospectus. As on the date of this Prospectus, none of our Promoters and Selling Shareholders hold any vested employee stock options.*

 # Except Rupinder Singh, who holds 213,000 outstanding vested employee stock options, as of 10 days prior to the date of this Prospectus, none of the Shareholders mentioned above held any outstanding vested stock options.

(c) Set forth below are details of Shareholders holding 1% or more of the issued, subscribed and paid-up share capital of our Company as of one year prior to the date of this Prospectus:

S. No.	Name of Shareholder	Category of the Shareholder	Number of Equity Shares of face value of ₹10 each #	Percentage of pre-Offer equity share capital (on a fully diluted basis)*
1.	Aravali Investment Holdings	Promoter	14,211,409	31.7%

S. No.	Name of Shareholder	Category of the Shareholder	Number of Equity Shares of face value of ₹10 each #	Percentage of pre-Offer equity share capital (on a fully diluted basis)*
2.	WestBridge Crossover Fund, LLC	Promoter	10,854,151	24.2%
3.	Nexus Ventures III, Ltd.	Public	9,961,798	22.2%
4.	Nexus Opportunity Fund II, Ltd.	Public	2,910,037	6.5%
5.	Catalyst Trusteeship Limited (acting as Trustee for Madison Opportunities Trust Fund)	Public	2,379,954	5.3%
6.	MIO Starrock (formerly known as Starrock)	Public	2,217,554	4.9%
7.	Anil Mehta	Promoter	785,367	1.8%
8.	Madison India Opportunities IV	Public	633,468	1.4%

** Percentage of pre-Offer equity share capital (on a fully diluted basis) calculated taking into consideration all outstanding vested employee stock options as on the date of this Prospectus. As on the date of this Prospectus, none of our Promoters and Selling Shareholders hold any vested employee stock options.*

 # As of one year prior to the date of this Prospectus, none of the Shareholders mentioned above held any outstanding vested stock options.

(d) Set forth below are details of shareholders holding 1% or more of the issued, subscribed and paid-up share capital of our Company as of two years prior to the date of this Prospectus:

S. No.	Name of Shareholder	Category of the Shareholder	Number of Equity Shares of face value of ₹10 each #	Percentage of pre-Offer equity share capital (on a fully diluted basis)*
1.	WestBridge Crossover Fund, LLC	Promoter	10,854,151	24.6%
2.	Aravali Investment Holdings	Promoter	14,211,409	32.2%
3.	Nexus Ventures III, Ltd.	Public	9,961,798	22.5%
4.	Nexus Opportunity Fund II, Ltd.	Public	2,910,037	6.6%
5.	Catalyst Trusteeship Limited (acting as Trustee for Madison Opportunities Trust Fund)	Public	2,379,954	5.4%
6.	Anil Mehta	Promoter	1,100,367	2.5%
7.	MIO Starrock (Formerly known as Starrock)	Public	1,704,137	3.9%
8.	Madison India Opportunities IV	Public	633,468	1.4%

** Percentage of pre-Offer equity share capital (on a fully diluted basis) calculated taking into consideration all outstanding vested employee stock options as on the date of this Prospectus. As on the date of this Prospectus, none of our Promoters and Selling Shareholders hold any vested employee stock options.*

 # As of two years prior to the date of this Prospectus, none of the Shareholders mentioned above held any outstanding vested stock options.

13. **Employee Stock Option Schemes**

As on the date of this Prospectus, our Company has three ESOP Schemes, namely Employee Stock Option Scheme 2017 ("**ESOP 2017**"), Employee Stock Option Scheme 2021 ("**ESOP 2021**") and Employee Stock Option Scheme 2023 ("**ESOP 2023**").

ESOP 2017:

Our Company, pursuant to the resolutions passed by the Board of Directors on November 10, 2017, and our Shareholders on January 31, 2018, adopted the ESOP 2017. The ESOP 2017 was most recently amended pursuant to the resolution passed by the Board of Directors on July 13, 2023 and our Shareholders' on July 14, 2023. Under ESOP 2017, an aggregate of 1,022,000* options have been granted (net of options lapsed), an aggregate of 885,000* options have been exercised, an aggregate of 137,000* options have vested, and no options are pending grant, as on the date of this Prospectus. ESOP 2017 is in compliance with the SEBI SBEB Regulations.

The details of the ESOP 2017, as certified by T R Chadha & Co. LLP, Chartered Accountants through a certificate dated December 16, 2023 are as follows:

<table>
<tr><th>Particulars</th><th>Financial Year 2021</th><th>Financial Year 2022</th><th>Financial Year 2023</th><th>April 1, 2023 – date of this Prospectus</th></tr>
<tr><td>Total options outstanding (including vested and unvested options) as at the beginning of the period</td><td>370,000</td><td>541,000</td><td>522,500</td><td>987,000*</td></tr>
<tr><td>Total options granted during the year/period</td><td>225,000</td><td>Nil</td><td>Nil</td><td>Nil</td></tr>
<tr><td>Vesting period (years)</td><td>Five years and three months</td><td>Five years and three months</td><td>Five years and three months</td><td>Five years and three months</td></tr>
<tr><td>Total options exercised</td><td>-</td><td>18,500</td><td>3,000</td><td>842,000*</td></tr>
<tr><td>Exercise price of options granted in ₹ (as on the date of grant of options)</td><td>197.80</td><td>-</td><td>-</td><td>-</td></tr>
<tr><td>Options forfeited/lapsed/cancelled</td><td>54,000</td><td>Nil</td><td>26,000</td><td>8,000*</td></tr>
<tr><td>Variation of terms of options</td><td>Nil</td><td>Yes</td><td>Nil</td><td>Nil</td></tr>
<tr><td>Money realized by exercise of options (in ₹ million)</td><td>Nil</td><td>2.47</td><td>0.54</td><td>79.04</td></tr>
<tr><td>Total number of options (vested and unvested) outstanding as at the end of the period' or 'Total number of options in force'</td><td>541,000</td><td>522,500</td><td>493,500</td><td>137,000*</td></tr>
<tr><td>Total options vested in each Fiscal/period</td><td>51,000</td><td>104,500</td><td>114,000</td><td>423,000*</td></tr>
<tr><td>Options exercised (since implementation of the ESOP scheme)</td><td>Nil</td><td>18,500</td><td>21,500</td><td>885,000*</td></tr>
<tr><td>Total number of Equity Shares that would arise as a result of exercise of granted options</td><td>541,000</td><td>522,500</td><td>493,500</td><td>137,000*</td></tr>
<tr><td rowspan="2">Description of the pricing formula and the method and significant assumptions used during the year to estimate the fair values of options, including weighted-average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends, and the price of the underlying share in market at the time of grant of the option:</td><td>The fair value of stock options is estimated at the date of grant using Black Scholes model taking into account the terms and conditions upon which the share options were granted.</td><td>Nil</td><td>Nil</td><td>Nil</td></tr>
<tr><td><table>
<tr><th>Particulars</th><th>F.Y. 2021</th></tr>
<tr><td>Exercise Price (Rs.)</td><td>197.80</td></tr>
<tr><td>Expected Volatility</td><td>62.5%</td></tr>
<tr><td>Expected life of the option (years)</td><td>6.25</td></tr>
<tr><td>Expected Dividend (%)</td><td>Nil</td></tr>
<tr><td>Risk free interest rate (%)</td><td>5.9%</td></tr>
<tr><td>Weightage average fair value as on grant Date (Rs.)</td><td>127.18</td></tr>
</table></td><td>Nil</td><td>Nil</td><td>Nil</td></tr>
</table>

Particulars	Financial Year 2021	Financial Year 2022	Financial Year 2023	April 1, 2023 – date of this Prospectus
Employee wise details of options granted to:				
(i) Key Managerial Personnel				-
1. Rupinder Singh 2. Mukti Chaplot	200,000 10,000	-	-	-
(ii) Senior Management				
1. Nilay	15,000	-	-	-
(iii)Any other employee who receives a grant in any one year of options amounting to 5% or more of the options granted during the year	Nil			
(iii) Identified employees who were granted options during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of our Company at the time of grant	Nil			
Diluted earnings per share pursuant to the issue of equity shares on exercise of options in accordance with Ind AS 33 'Earnings Per Share'(₹)	9.93*	14.63*	17.47*	Not determinable at this stage
Whether our Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference, if any, between employee compensation cost so computed and the employee compensation calculated on the basis of fair value of the stock options and the impact of this difference, on the profits of our Company and on the earnings per equity share of our Company	NA			
Impact on the profits and on the Earnings Per Share of the last three years if the accounting policies specified in the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 or the SEBI SBEB Regulations had been followed, in respect of options granted in the last three years	Nil			
Increase in loss for the year (₹ million)	Nil			
Revised EPS (₹)	Nil			

Particulars	Financial Year 2021	Financial Year 2022	Financial Year 2023	April 1, 2023 – date of this Prospectus
Intention of key managerial personnel, senior management and whole-time directors who are holders of Equity Shares allotted on exercise of options to sell their shares within three months after the listing of Equity Shares pursuant to the Offer	Yes#			
Intention to sell Equity Shares arising out of the ESOP scheme or allotted under an ESOP scheme within three months after the listing of Equity Shares by directors, key managerial personnel, senior management and employees having Equity Shares arising out of the ESOP scheme, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions)	Nil			

* *After considering the impact of split of equity shares of ₹10 each to Equity Shares of ₹5 each pursuant to a resolution of our Board passed in their meeting held on July 12, 2023 and a resolution of our Shareholders passed in their extraordinary general meeting held on July 18, 2023.*

ESOP 2021:

Our Company, pursuant to the resolutions passed by the Board of Directors on May 12, 2021, and our Shareholders on July 26, 2021, adopted the ESOP 2021. The ESOP 2021 was most recently amended pursuant to the resolution passed by the Board of Directors on July 13, 2023 and our Shareholders' on July 14, 2023. Under ESOP 2021, an aggregate of 4,999,144* options have been granted (net of options lapsed), an aggregate of 1,382,646* options have been exercised, an aggregate of 271,358* options have vested, and 302,544* options are pending grant, as on the date of this Prospectus. ESOP 2021 is in compliance with the SEBI SBEB Regulations.

The details of the ESOP 2021, as certified by T R Chadha & Co. LLP, Chartered Accountants through a certificate dated December 16, 2023 are as follows:

<table>
<tr><th>Particulars</th><th>Financial Year 2021</th><th>Financial Year 2022</th><th>Financial Year 2023</th><th>April 1, 2023 – date of this Prospectus</th></tr>
<tr><td>Total options outstanding (including vested and unvested options) as at the beginning of the period</td><td>NA</td><td>Nil</td><td>1,882,095</td><td>4,715,120*</td></tr>
<tr><td>Total options granted during the year/period</td><td>NA</td><td>1,904,595</td><td>778,098</td><td>575,500*</td></tr>
<tr><td>Vesting period (years)</td><td>NA</td><td>5.25</td><td>5.25</td><td>5.25</td></tr>
<tr><td>Total options exercised</td><td>NA</td><td>Nil</td><td>2,997.00</td><td>1,376,652*</td></tr>
<tr><td>Exercise price of options granted in ₹ (as on the date of grant of options)</td><td>NA</td><td><table><tr><th>Options</th><th>Grant Price</th></tr><tr><td>970,595</td><td>309.59</td></tr><tr><td>849,000</td><td>315.57</td></tr><tr><td>85,000</td><td>340.71</td></tr></table></td><td><table><tr><th>Options</th><th>Grant Price</th></tr><tr><td>343,098</td><td>340.71</td></tr><tr><td>435,000</td><td>394.00</td></tr></table></td><td><table><tr><th>Options</th><th>Grant Price</th></tr><tr><td>171,100</td><td>197.00*</td></tr><tr><td>245,500</td><td>207.70*</td></tr></table></td></tr>
</table>

Particulars	Financial Year 2021	Financial Year 2022	Financial Year 2023	April 1, 2023 – date of this Prospectus
			159,000	207.70*
Options forfeited/lapsed/cancelled	NA	22,500	299,636	297,470*
Variation of terms of options				Nil
Money realized by exercise of options (in ₹ million)	NA	NA	0.93	223.16
Total number of options (vested and unvested) outstanding as at the end of the period' or 'Total number of options in force'	NA	1,882,095	2,357,560	3,616,498*
Total options vested in each Fiscal/period	NA	Nil	337,721	1,019,630*
Options exercised (since implementation of the ESOP scheme)	NA	Nil	2,997	1,382,646*
Total number of Equity Shares that would arise as a result of exercise of granted options	NA	1,882,095	2,357,560	3,616,498*
Description of the pricing formula and the method and significant assumptions used during the year to estimate the fair values of options, including weighted-average	NA	The fair value of stock options is estimated at the date of grant using Black Scholes model taking into account the terms and conditions upon which the share options were granted.		
information, namely, risk-free interest rate, expected life, expected volatility, expected dividends, and the price of the underlying share in market at the time of grant of the option:	NA	Refer Note (1) for table showing method and significant assumptions used during the year.	Refer Note (2) for table showing method and significant assumptions used during the year.	Refer Note (3) for table showing method and significant assumptions used during the year
Employee wise details of options granted to:				
(i) Key Managerial Personnel				
1. Rupinder Singh 2. Ashish Gupta 3. Mukti Chaplot	-	735,000 225,000 80,000	-	-
(ii) Senior Management	-			-
1. Nilay 2. Nitin Goel 3. Rohit Gaur 4. Aman Saini 5. Sharad Pareek 6. Ravinder Dhillon 7. Abhinav Arya		150,000 40,000	 60,000 65,000 225,000 65,000 30,000	

Particulars	Financial Year 2021	Financial Year 2022	Financial Year 2023	April 1, 2023 – date of this Prospectus
(iii) Any other employee who receives a grant in any one year of options amounting to 5% or more of the options granted during the year		NA		
(iii) Identified employees who were granted options during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of our Company at the time of grant	Nil	Rupinder Singh	Nil	Nil
Diluted earnings per share pursuant to the issue of equity shares on exercise of options in accordance with Ind AS 33 'Earnings Per Share'(₹)	NA	14.63*	17.47*	Not determinable at this stage
Where our Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference, if any, between employee compensation cost so computed and the employee compensation calculated on the basis of fair value of the stock options and the impact of this difference, on the profits of our Company and on the earnings per equity share of our Company		NA		
Impact on the profits and on the Earnings Per Share of the last three years if the accounting policies specified in the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 or the SEBI SBEB Regulations had been followed, in respect of options granted in the last three years		Nil		
Increase in loss for the year (₹ million)		Nil		
Revised EPS (₹)		Nil		
Intention of key managerial personnel, senior		Yes#		

Particulars	Financial Year 2021	Financial Year 2022	Financial Year 2023	April 1, 2023 – date of this Prospectus
management and whole-time directors who are holders of Equity Shares allotted on exercise of options to sell their shares within three months after the listing of Equity Shares pursuant to the Offer				
Intention to sell Equity Shares arising out of the ESOP scheme or allotted under an ESOP scheme within three months after the listing of Equity Shares by directors, key managerial personnel, senior management and employees having Equity Shares arising out of the ESOP scheme, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions)	Nil			

** After considering the impact of split of equity shares of ₹10 each to Equity Shares of ₹5 each pursuant to a resolution of our Board passed in their meeting held on July 12, 2023 and a resolution of our Shareholders passed in their extraordinary general meeting held on July 18, 2023.*

Note 1 -

Particulars	***Financial Year 2022***			
Options	***970,595***	***830,500***	***18,500***	***85,000***
Exercise Price (₹)	*309.59*	*315.57*	*315.57*	*340.71*
Expected Volatility (%)	*24.1 to 28.1*	*24.6 to 28.9*	*24.2 to 28.2*	*24.6 to 28.9*
Expected life of the option (years)	*3.6 to 5.6*	*3.6 to 5.6*	*3.6 to 5.6*	*3.6 to 5.6*
Expected Dividend (%)	*Nil*	*Nil*	*Nil*	*Nil*
Risk free interest rate (%)	*5.2 to 5.9*	*5.3 to 5.9*	*5.7 to 6.4*	*5.7 to 6.4*
Weightage average fair value as on grant date (₹)	*101.02*	*104.73*	*106.46*	*116.07*

Note 2 -

Particulars	***Financial Year 2023***					
Options	***84,500***	***65,000***	***60,000***	***133,598***	***368,500***	***66,500***
Exercise Price (₹)	*340.71*	*340.71*	*340.71*	*340.71*	*394.00*	*394.00*
Expected Volatility (%)	*21.5*	*21.5*	*21.7*	*21.8*	*21.8*	*20.4*
Expected life of the option (years)	*3.6 to 5.6*	*3.6 to 5.6*	*3.6 to 5.6*	*3.6 to 5.6*	*3.6 to 5.6*	*3.6 to 5.6*
Expected Dividend (%)	*Nil*	*Nil*	*Nil*	*Nil*	*Nil*	*Nil*
Risk free interest rate (%)	*7.2*	*7.4*	*7.4*	*7.2*	*7.5*	*7.4*
Weightage average fair value as on grant date (₹)	*120.02*	*121.20*	*121.73*	*120.79*	*141.50*	*136.98*

Note 3 -

Particulars	***April 1, 2023 – date of this Prospectus***		
Options	***171,100***	***245,500***	***159,000***
Exercise Price (₹)	*394.00*	*207.70**	*207.70**
Expected Volatility (%)	*16.0*	*12.5*	*12.0*
Expected life of the option (years)	*3.6 to 5.6*	*3.6 to 5.6*	*3.6 to 5.6*
Expected Dividend(%)	*Nil*	*Nil*	*Nil*
Risk free interest rate (%)	*7.1*	*7.2*	*7.3*
Weightage average fair value as on grant date (₹)	*122.96*	*61.78**	*62.21**

ESOP 2023:

Our Company, pursuant to the resolutions passed by the Board of Directors on July 12, 2023, and our Shareholders on July 18, 2023, adopted the ESOP 2023. Under ESOP 2023, an aggregate of 2,438,500 options have been granted (net of options lapsed), an aggregate of nil options have vested, an aggregate of nil options have been exercised, and 914,950 options are pending grant, as on the date of this Prospectus. ESOP 2023 is in compliance with the SEBI SBEB Regulations.

The details of the ESOP 2023, as certified by T R Chadha & Co. LLP, Chartered Accountants through a certificate dated December 16, 2023 are as follows:

<table>
<tr><th>Particulars</th><th>Financial Year 2021</th><th>Financial Year 2022</th><th>Financial Year 2023</th><th>April 1, 2023 – date of this Prospectus</th></tr>
<tr><td>Total options outstanding (including vested and unvested options) as at the beginning of the period</td><td>NA</td><td>NA</td><td>NA</td><td>Nil</td></tr>
<tr><td>Total options granted during the year/period</td><td>NA</td><td>NA</td><td>NA</td><td>2,581,500*</td></tr>
<tr><td>Vesting period (years)</td><td>NA</td><td>NA</td><td>NA</td><td>5.25</td></tr>
<tr><td>Total options exercised</td><td>NA</td><td>NA</td><td>NA</td><td>-</td></tr>
<tr><td>Exercise price of options granted in ₹ (as on the date of grant of options)</td><td>NA</td><td>NA</td><td>NA</td><td>204*</td></tr>
<tr><td>Options forfeited/lapsed/cancelled</td><td>NA</td><td>NA</td><td>NA</td><td>143,000*</td></tr>
<tr><td>Variation of terms of options</td><td></td><td></td><td></td><td>Nil</td></tr>
<tr><td>Money realized by exercise of options (in ₹ million)</td><td>NA</td><td>NA</td><td>NA</td><td>Nil</td></tr>
<tr><td>Total number of options (vested and unvested) outstanding as at the end of the period' or 'Total number of options in force'</td><td>NA</td><td>NA</td><td>NA</td><td>2,438,500*</td></tr>
<tr><td>Total options vested in each Fiscal/period</td><td>NA</td><td>NA</td><td>NA</td><td>Nil</td></tr>
<tr><td>Options exercised (since implementation of the ESOP scheme)</td><td>NA</td><td>NA</td><td>NA</td><td>Nil</td></tr>
<tr><td>Total number of Equity Shares that would arise as a result of exercise of granted options</td><td>NA</td><td>NA</td><td>NA</td><td>2,438,500*</td></tr>
<tr><td rowspan="2">Description of the pricing formula and the method and significant assumptions used during the year to estimate the fair values of options, including weighted-average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends, and the price of the underlying share in market at the time of grant of the option:</td><td>NA</td><td>NA</td><td>NA</td><td>The fair value of stock options is estimated at the date of grant using Black Scholes model taking into account the terms and conditions upon which the share options were granted.</td></tr>
<tr><td>NA</td><td>NA</td><td>NA</td><td><table><tr><th>Particulars</th><th>April 1, 2023 – date of this Prospectus</th></tr><tr><td>Exercise Price (₹)</td><td>204*</td></tr><tr><td>Expected Volatility</td><td>13.8%</td></tr></table></td></tr>
</table>

Particulars	Financial Year 2021	Financial Year 2022	Financial Year 2023	April 1, 2023 – date of this Prospectus
				Expected life of the option (years): 3.6 to 5.6 Expected Dividend (%): Nil Risk free interest rate (%): 7.1 % Weightage average fair value as on grant Date (₹): 61.55*
Method of Valuation	Black Scholes Valuation			
Employee wise details of options granted to:				
(i) Key Managerial Personnel	NA	NA	NA	Nil
(ii) Senior Management 1.Nitin Goel 2.Rohit Gaur 3.Aman Saini 4.Ravinder Dhillon 5.Abhinav Arya	NA	NA	NA	 76,000* 80,000* 90,000* 90,000* 50,000*
(iii)Any other employee who receives a grant in any one year of options amounting to 5% or more of the options granted during the year	NA			
(iii) Identified employees who were granted options during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of our Company at the time of grant	NA	NA	NA	Nil
Diluted earnings per share pursuant to the issue of equity shares on exercise of options in accordance with Ind AS 33 'Earnings Per Share'(₹)	NA	NA	NA	Not determinable at this stage
Where our Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference, if any, between employee compensation cost so computed and the employee compensation calculated on the basis of fair value of the stock options and the impact of this difference, on the	NA			

Particulars	Financial Year 2021	Financial Year 2022	Financial Year 2023	April 1, 2023 – date of this Prospectus
profits of our Company and on the earnings per equity share of our Company				
Impact on the profits and on the Earnings Per Share of the last three years if the accounting policies specified in the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 or the SEBI SBEB Regulations had been followed, in respect of options granted in the last three years			NA	
Increase in loss for the year (₹ million)	NA	NA	NA	Nil
Revised EPS (₹)	NA	NA	NA	Nil
Intention of key managerial personnel, senior management and whole-time directors who are holders of Equity Shares allotted on exercise of options to sell their shares within three months after the listing of Equity Shares pursuant to the Offer				No
Intention to sell Equity Shares arising out of the ESOP scheme or allotted under an ESOP scheme within three months after the listing of Equity Shares by directors, key managerial personnel, senior management and employees having Equity Shares arising out of the ESOP scheme, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions)	NA	NA	NA	Nil

** After considering the impact of split of equity shares of ₹10 each to Equity Shares of ₹5 each pursuant to a resolution of our Board passed in their meeting held on July 12, 2023 and a resolution of our Shareholders passed in their extraordinary general meeting held on July 18, 2023.*

 # Intention to sell by Key Management Personnel and Senior Management (collectively, ESOP Schemes)

Particulars	***No. of equity shares***
Rupinder Singh	*250,000**
Ashish Gupta	*100,000**
Nilay	*100,000**
Mukti Chaplot	*50,000**
Sharad Pareek	*50,000**
Nitin Goel	*10,000**
Abhinav Arya	*8,000**

** After considering the impact of split of equity shares of ₹10 each to Equity Shares of ₹5 each pursuant to a resolution of our Board passed in their meeting held on July 12, 2023 and a resolution of our Shareholders passed in their extraordinary general meeting held on July 18, 2023.*

14. There have been no financing arrangements whereby our Directors or any of their relatives have financed the purchase by any other person of securities of our Company during the six months immediately preceding the date of filing of the Draft Red Herring Prospectus, the Red Herring Prospectus and this Prospectus.

15. Our Company, our Directors and the BRLMs have not entered into any buy-back arrangement for purchase of the Equity Shares being offered through the Offer.

16. The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Prospectus. The Equity Shares to be issued or transferred pursuant to the Offer shall be fully paid-up at the time of Allotment.

17. None of the BRLMs and their respective associates (as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 ("**SEBI (Merchant Bankers) Regulations**") hold any Equity Shares in our Company as on the date of this Prospectus. The BRLMs and their respective associates may engage in transactions with, and perform services for our Company, the Selling Shareholders and their respective affiliates or associates in the ordinary course of business, and have engaged, or may in the future engage in commercial banking and investment banking transactions with our Company or the Selling Shareholders or their respective affiliates or associates for which they may have received and may in future receive compensation.

18. Except for outstanding stock options granted pursuant to the ESOP Schemes, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments into, or which would entitle any person any option to receive Equity Shares of our Company, as on the date of this Prospectus.

19. No person connected with the Offer, including, but not limited to, our Company, the Selling Shareholders, the members of the Syndicate, or our Directors, shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid, except for fees or commission for services rendered in relation to the Offer.

20. Except for the allotment of Equity Shares pursuant to (i) the Fresh Issue, or (ii) exercise of stock options vested under the ESOP Schemes, there will be no further issue of specified securities whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of filing of the Draft Red Herring Prospectus with SEBI until the Equity Shares have been listed on the Stock Exchanges or all application monies have been refunded, as the case may be.

21. Except for the Equity Shares to be allotted pursuant to (i) the Fresh Issue and (ii) exercise of stock options under the ESOP Schemes, there is no proposal or intention, negotiations or consideration by our Company to alter its capital structure by way of split or consolidation of the Equity Shares or issue of Equity Shares or convertible securities on a preferential basis or issue of bonus or rights or further public offer of such securities, within a period of six months from the Bid/Offer Opening Date.

22. The BRLMs and any associates of the BRLMs (except for Mutual Funds sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associates of the BRLMs or Alternative Investment Funds sponsored by entities which are associates of the BRLMs or Foreign Portfolio Investors (other than individuals, corporate bodies and family offices) which are associates of the BRLMs or pension funds sponsored by entities which are associate of the BRLMs) shall not apply in the Offer under the Anchor Investor Portion. Further, no person related to our Promoters or members of our Promoter Group shall apply in the Offer under the Anchor Investor Portion.

23. Our Company shall ensure that there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.

24. Our Company will comply with such disclosure and accounting norms as may be specified by SEBI from time to time. All transactions in Equity Shares by our Promoters and members of our Promoter Group between the date of filing of this Prospectus and the date of closing of the Offer shall be reported to the Stock Exchanges within 24 hours of such transactions.

OBJECTS OF THE OFFER

The Offer comprises the Fresh Issue and the Offer for Sale.

Offer for Sale

Each of the Selling Shareholders will be entitled to their respective portion of the proceeds of the Offer for Sale in proportion to the Equity Shares respectively offered by them after deducting their proportion of Offer expenses and relevant taxes thereon. Our Company will not receive any proceeds from the Offer for Sale and the proceeds received from the Offer for Sale will not form part of the Net Proceeds. Details of participation by each Selling Shareholder in the Offer for Sale are set forth below:

Name of the Selling Shareholder	Category	Post-Offer Shareholding of the Selling Shareholder*	Number of Offered Shares of ₹5 each*	Aggregate proceeds from the sale of Equity Shares of ₹5 each forming part of the Offer for Sale (₹ in million) *
Catalyst Trusteeship Limited (as trustee of MICP Trust)	Investor Selling Shareholder	106,571	405	0.20
Catalyst Trusteeship Limited (as trustee of Madison India Opportunities Trust Fund)	Investor Selling Shareholder	1,285,466	3,474,442	1,712.90
Madison India Opportunities IV	Investor Selling Shareholder	162,880	1,104,056	544.30
MIO Starrock	Investor Selling Shareholder	3,790,889	644,219	317.60
Nexus Ventures III, Ltd.	Investor Selling Shareholder	17,033,130	2,890,466	1,425.00
Total		22,378,936	8,113,588	4,000.00

** Subject to finalisation of Basis of Allotment.*

For further details of the Offer for Sale, see "***Other Regulatory and Statutory Disclosures – Approvals from the Selling Shareholders***" on page 444.

Objects of Fresh Issue

Our Company proposes to utilize the Net Proceeds towards the following:

(i) to meet future capital requirements towards onward lending; and
(ii) general corporate purposes.

In addition, our Company expects to receive the benefits of listing of the Equity Shares on the Stock Exchanges and enhancement of our Company's brand name amongst our existing and potential customers and creation of a public market for our Equity Shares in India.

The main objects clause and objects which are necessary for furtherance of the main objects as set out in the Memorandum of Association enable our Company to undertake the activities for which funds are proposed to be raised by our Company through the Fresh Issue.

Net Proceeds

The following table sets forth details of the Net Proceeds:

Particulars	Estimated Amount (in ₹ million)(1)
Gross proceeds from the Fresh Issue	8,000.00
Less: Offer related expenses to be borne by our Company in relation to the Fresh Issue(2)	490.84

Particulars	Estimated Amount (in ₹ million)[1]
Net proceeds from the Fresh Issue after deducting the Offer related expenses to be borne by our Company ("**Net Proceeds**")	7,509.16

(1) Subject to finalisation of Basis of Allotment.
*(2) See "**– Offer related expenses**" on page 139.*

Requirement of funds and utilisation of Net Proceeds

S. No.	Objects of the Offer	Estimated amount (in ₹ million)	Percentage of Net Proceeds (%)
1.	To meet future capital requirements towards onward lending	6,400.00	85.2%
2.	General corporate purposes[(1)(2)]	1,109.16	14.8%
	Total Net Proceeds	**7,509.16**	**100.0%**

(1) Subject to finalisation of Basis of Allotment.
*(2) The Net Proceeds will first be utilized towards the object of meeting future capital requirements towards onward lending as set out above. Subject to this, our Company intends to deploy any balance Net Proceeds towards general corporate purposes and the business requirements of our Company, as approved by our management, from time to time, subject to such utilization for general corporate purposes not exceeding 25% of the Gross Proceeds, in compliance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("**SEBI ICDR Regulations**").*

Proposed schedule of implementation and utilization of Net Proceeds

(*in ₹ million, unless otherwise specified*)

S. No.	Particulars	Total estimated amount/ expenditure	Percentage of Net Proceeds (%)	Amount to be deployed from the Net Proceeds in the Financial Year 2024	Amount to be deployed from the Net Proceeds in the Financial Year 2025
1.	To meet future capital requirements towards onward lending	6,400.00	85.2%	5,400.00	1,000.00
2.	General corporate purposes*	1,109.16	14.8%	1,109.16	-
	Total Net Proceeds	**7,509.16**	**100.0%**	**6,509.16**	**1,000.00**

**Subject to finalisation of Basis of Allotment. The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds.*

The proposed fund deployment as disclosed in this Prospectus is based on current circumstances of our business and we may have to revise our estimates from time to time on account of various factors, such as financial and market conditions, competition, interest rate fluctuations and other external factors, which may not be within the control of our management. This may entail rescheduling the proposed utilisation of the Net Proceeds and changing the allocation of funds from its planned allocation at the discretion of our management, subject to compliance with applicable laws. See "***Risk Factors – Internal Risk Factors – Our funding requirements and deployment of the Net Proceeds are not appraised by any independent agency and are based on current circumstances of our business and may be subject to change based on various factors. Any variation in the utilization of the Net Proceeds would be subject to certain compliance requirements, including prior shareholders' approval.***" on page 68.

Means of finance

Our Company proposes to utilise the Net Proceeds towards meeting future capital requirements towards onward lending and general corporate purposes. Accordingly, we confirm that there is no need for us to make firm arrangements of finance under Regulation 7(1)(e) read with Paragraph 9(C)(1) of Part A of Schedule VI of the SEBI ICDR Regulations, through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Offer.

Details of the Objects

1. To meet future capital requirements towards onward lending

We are a housing finance company in India and are registered with the National Housing Bank ("**NHB**") and are a notified financial institution under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 ("**SARFAESI Act**"). We primarily offer housing loans and loans against property to customers. See "***Our Business***" beginning on page 232.

As per the RBI Master Directions on-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, as amended ("**RBI Master Directions**"), we are required to maintain a minimum capital adequacy ratio, consisting of Tier I capital and Tier II capital of not less than 15% of our aggregate risk weighted assets and risk adjusted value of off-balance sheet items with Tier-I capital not below 10% at any point of time. Further, we are required to ensure that total Tier-II capital, at any point of time, shall not exceed 100% of the Tier-I capital. See "***Key Regulations and Policies - Registration as a housing finance company and generally applicable regulations***" on page 264.

Details of our Tier I and Tier II capital as of September 30, 2023, September 30, 2022 and March 31, 2023, March 31, 2022 and March 31, 2021, are set out below:

Particulars	**September 30, 2023**	**September 30, 2022**	**March 31, 2023**	**March 31, 2022**	**March 31, 2021**
Share Capital	450.23	437.32	437.65	437.07	429.78
Reserve & Surplus	13,285.00	11,008.34	11,963.97	10,324.20	8,942.91
Intangible Assets	(3.66)	(2.55)	(4.84)	(4.65)	(10.77)
Credit enhancement under Securitisation	(14.67)	(85.52)	(24.75)	(58.80)	(47.67)
Deferred Revenue	(73.91)	(62.01)	(51.45)	(42.79)	(173.76)
Deferred Tax Asset	(42.54)	(34.96)	(30.13)	(29.50)	(93.37)
Capital Redemption Reserve	-	-	-	-	-
Unrealised gain arising on financial instruments	(994.76)	(708.22)	(833.61)	(586.31)	-
Tier I Capital	**12,605.68**	**10,552.40**	**11,456.84**	**10,039.22**	**9,047.12**
Subordinated Debt	-	-	-	-	-
General Provisions & Standard Asset Provision	209.57	78.52	186.05	153.63	137.35
Preference Share Capital	-	-	-	-	-
Credit enhancement under Securitisation	-	-	(24.75)	(58.80)	(47.67)
Tier- II Capital	**209.57**	**78.52**	**161.30**	**94.83**	**89.68**
Total Capital Fund (Tier I & II)	**12,815.25**	**10,630.92**	**11,618.14**	**10,134.05**	**9,136.80**

Set forth below are the details of our CRAR as of September 30, 2023 and September 30, 2022, and as of March 31, 2023, 2022 and 2021, and our Tier I and Tier II capital as a percentage of risk weighted assets as of that date:

Particulars	**As of September 30,**		**As of March 31,**		
	2023	**2022**	**2023**	**2022**	**2021**
	(in ₹ million, except percentages)				
Tier I Capital	12,605.68	10,552.40	11,456.84	10,039.22	9,047.12
Tier II Capital	209.57	78.52	161.30	94.83	89.68
Total Capital	12,815.25	10,630.92	11,618.14	10,134.05	9,136.80
Risk Weighted Assets	26,331.93	21,622.14	22,061.28	18,136.31	12,777.00
Capital Adequacy Ratio (%)	48.7	49.2	52.7	55.9	71.5
Tier I Capital (%)	47.9	48.9	51.9	55.4	70.8

Particulars	As of September 30, 2023	2022	As of March 31, 2023	2022	2021
	(in ₹ million, except percentages)				
Tier II Capital (%)	0.8	0.4	0.7	0.5	0.7

Set forth below are the details of our assets under management ("**AUM**") as of September 30, 2023 and September 30, 2022 and for the Financial Year 2023, Financial Year 2022 and Financial Year 2021:

Particulars	As of September 30, 2023	2022	As of March 31, 2023	2022	2021
	(in ₹ million, except percentages)				
AUM	51,806.89	36,148.74	43,594.31	30,732.93	21,985.27
AUM Growth (%)	43.3%	43.6%	41.8%	39.8%	44.7%

While our Company's CRAR during the Financial Years 2021, 2022 and 2023 exceeds the regulatory thresholds prescribed by the RBI, we believe that in order to maintain our Company's growth rate, we will require further capital in the future in order to remain complaint with such regulatory thresholds. Our Company's business is dependent on its ability to raise funds at competitive rates, which in turn, depends on various factors including our credit ratings. Considering that the higher CRAR would positively impact the credit ratings of our Company, which in turn would lower the borrowing costs, thereby positively impacting our interest margins and financial condition, we accordingly, propose to utilize an amount aggregating to ₹ 6,400 million out of the Net Proceeds towards maintaining higher Tier 1 capital in light of our onward lending requirements. We believe that maintaining higher Tier 1 capital will help us remain competitive with our industry peers. We anticipate that the portion of the Net Proceeds allocated towards this object will be sufficient to satisfy our Company's future capital requirements, which are expected to arise out of growth of our business and assets, primarily our housing loans and other mortgage loans, and to ensure compliance with the RBI Master Directions, for Financial Year 2024 and 2025. Set out below are details of our product-wise disbursements as of September 30, 2023 and September 30, 2022 and for the Financial Years ended March 31, 2023, March 31, 2022 and March 31, 2021:

Product-wise disbursement	As of September 30, 2023	% Share	2022	% Share	For the Financial Year 2023	% Share	2022	% Share	2021	% Share
	(in ₹ million, except percentages)									
Home Loans	7,102.88	58.2	4,915.69	57.0	11,675.52	59.4	6,360.85	49.1	4,714.61	52.7
Loan Against Property	5,100.29	41.8	3,703.25	43.0	7,968.25	40.6	6,591.75	50.9	4,234.15	47.3
Total	12,203.17	100	8,618.94	100	**19,643.77**	**100.0**	**12,952.61**	**100.0**	**8,948.76**	**100.0**

2. *General corporate purposes*

Our Company proposes to deploy the balance Net Proceeds aggregating to ₹ 1,109.16 million towards general corporate purposes, subject to such utilization not exceeding 25% of the Gross Proceeds, in compliance with the SEBI ICDR Regulations, including but not limited to meeting expenses incurred in ordinary course of business such as strategic initiatives including advancement of information technology, meeting future branch and business expansion, repayment of indebtedness from time to time, meeting ongoing working capital requirements and meeting general corporate exigencies and contingencies and any other business requirements, and any other purpose as maybe approved by the Board or a duly appointed committee from time to time, subject to compliance with necessary provisions of the Companies Act, 2013 ("**Companies Act**").

Offer related expenses

The total expenses of the Offer are estimated to be approximately ₹ 736.27 million.

Other than (i) listing fees, audit fees (to the extent not attributable to the Offer), and expenses for any product or corporate advertisements consistent with past practice of our Company (other than the expenses relating to marketing and advertisements in connection with the Offer), which will be borne by our Company; and (ii) fees and expenses in relation to the legal counsel to the Selling Shareholders, any chartered accountant appointed by the Selling Shareholders which shall be borne by the respective Selling Shareholders, all costs, charges, fees and expenses associated with and incurred with respect to the Offer, (including all applicable taxes except securities transaction taxes which shall be solely borne by the respective Selling Shareholders) and directly attributable to the Offer, shall be borne by our Company. Further, the expenses related to the Offer shall be deducted from the Offer proceeds and only the balance amount shall be paid to the Selling Shareholders in proportion to the Offered Shares sold by the respective Selling Shareholders. The Selling Shareholders agree that upon commencement of listing and trading of the Equity Shares on the Stock Exchanges pursuant to the Offer, each Selling Shareholder shall, severally and not jointly, reimburse our Company for any expenses in relation to the Offer, along with applicable taxes, paid by our Company on behalf of such Selling Shareholder, in proportion of their respective portion of the Offered Shares, directly from the Public Offer Account. Further, in the event the Offer is withdrawn or unsuccessful for any reason, all expenses of the Offer will be borne on a pro rata basis by the Company and each of the Selling Shareholders, severally and not jointly, in proportion to the Equity Shares proposed to be issued and allotted by the Company under the Fresh Issue and the Offered Shares proposed to be transferred by each of the Selling Shareholders under the Offer for Sale.

The estimated Offer-related expenses are as follows:

(in ₹ million)

S. No	Activity	Estimated amount[(1)] (in ₹ million)	As a % of total estimated Offer expenses[(1)]	As a % of Offer size[(1)]
1.	Book Running Lead Managers's ("**BRLM**") fees and commissions (including brokerage, underwriting and selling commission)	368.75	50.08%	3.07%
2.	Brokerage, selling commission, bidding charges, processing fees and bidding charges for the Members of the Syndicate, Registered Brokers, Self Certified Syndicate Banks ("**SCSB**"), Registrar and Share Transfer Agents ("**RTA**") and Collecting Depository Participants ("**CDP**") [(2)(3)(4)(5)(6)(7)]	36.03	4.89%	0.30%
3.	Fees payable to the Registrar to the Offer	2.55	0.35%	0.02%
4.	Other expenses	328.94	44.68%	2.74%
	(i) Listing fees, SEBI filing fees, BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**") processing fees, book building software fees	35.72	4.85%	0.30%
	(ii) Printing and stationery expenses	23.00	3.12%	0.19%
	(iii) Fees payable to the legal counsels	80.82	10.98%	0.67%
	(iv) Advertising and marketing expenses for the Offer	79.44	10.79%	0.66%
	(v) Fees payable to other parties to the Offer including but not limited to the Statutory Auditors, independent chartered accountants, industry report provider and Monitoring Agency	13.63	1.85%	0.11%
	(vi) Fees paid to the Depositories for corporate action	18.68	2.54%	0.16%
	(vii) Miscellaneous	77.64	10.54%	0.65%
	Total Estimated Offer Expenses	**736.27**	**100.00%**	**6.14%**

(1) Subject to finalisation of Basis of Allotment.

(2) *Selling commission payable to the SCSBs on the portion for RIIs and NIIs which are directly procured and uploaded by the SCSBs would be as follows.*

Portion for RIIs	*0.35% of the Amount Allotted* (plus applicable taxes)*
Portion for NIIs	*0.20% of the Amount Allotted* (plus applicable taxes)*

**Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.*

Selling commission payable to the SCSBs will be determined on the basis of the bidding terminal id as captured in the Bid book of BSEor NSE.

(3) *No processing fees shall be payable by our Company and the Selling Shareholders to the SCSBs on the applications directly procuredby them.*
Processing fees payable to the SCSBs on the portion for RIIs and NIIs (excluding UPI Bids) which are procured by the Members of the Syndicate/Sub-Syndicate/Registered Broker/RTAs/ CDPs and submitted to SCSB for blocking, would be as follows.

Portion for RIIs and NIIs	*₹10 per valid application (plus applicable taxes)*

Processing fees payable to the SCSBs for capturing Syndicate Member/Sub-syndicate (Broker)/Sub-broker code on the ASBA Form for NIIs and QIBs with bids above ₹ 500,000 would be ₹ 10 plus applicable taxes, per valid application.

(4) *Selling commission on the portion for RIIs (up to ₹200,000) and NIIs which are procured by Members of the Syndicate (including their sub-Syndicate Members), Registered Brokers, RTAs and CDPs or for using 3-in-1 type accounts- linked online trading, demat & bank account provided by some of the Registered Brokers which are Members of the Syndicate (including their Sub-Syndicate Members) would be as follows.*

Portion for RIIs	*0.35% of the Amount Allotted* (plus applicable taxes)*
Portion for NIIs	*0.20% of the Amount Allotted* (plus applicable taxes)*

**Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.*

The selling commission payable to the Syndicate / sub-Syndicate Members will be determined (i) for RIIs and NIIs (up to ₹ 500,000), on the basis of the application form number/ series, provided that the application is also bid by the respective Syndicate/ Sub-Syndicate Member. For clarification, if a Syndicate ASBA application on the application form number/ series of a Syndicate/ sub-Syndicate Member, is Bid by an SCSB, the selling commission will be payable to the SCSB and not the Syndicate/ Sub-Syndicate Member, and (ii) for NIIs (above ₹ 500,000), Syndicate ASBA Form bearing SM Code & Sub-Syndicate Code of the application form submitted to SCSBs for blocking of the funds and uploading on the Stock Exchanges platform by SCSBs. For clarification, if a Syndicate ASBA application on the application form number/ series of a Syndicate/ Sub-Syndicate Member, is bid by an SCSB, the selling commission will be payable to the Syndicate/ sub-Syndicate members and not the SCSB.

Bidding charges payable to Members of the Syndicate (including their sub-Syndicate Members) on the applications made using 3-in-1 accounts would be ₹10 plus applicable taxes, per valid application Bid by the Syndicate (including their sub-Syndicate Members). Bidding charges payable to SCSBs on the QIB Portion and NIIs (excluding UPI Bids) which are procured by the Syndicate/Sub-Syndicate/Registered Broker/RTAs/ CDPs and submitted to SCSBs for blocking and uploading would be ₹10/- per valid application (plus applicable taxes).

The selling commission and bidding charges payable to Registered Brokers the RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the Bid book of BSE or NSE.

Selling commission / bidding charges payable to the Registered Brokers on the portion for RIIs and NIIs which are directly procured by the Registered Broker and submitted to SCSB for processing, would be as follows.

Portion for RIIs and NIIs	*₹10 per valid application (plus applicable taxes)*

Bidding charges / processing fees for applications made by UPI Bidders would be as under:

Members of the Syndicate / RTAs / CDPs	*₹30 per valid application (plus applicable taxes) subject to a maximum of ₹ 10 million (Rupees ten million) payable on a pro rata basis*
Axis Bank Limited	*₹ Nil per valid Bid cum Application Form (plus applicable taxes)* *Axis Bank Limited will also be entitled to a one-time escrow management fee of ₹ Nil* *Sponsor Bank Charges are ₹ Nil* *The Sponsor Banks shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under the SEBI circulars, this Agreement and other applicable laws.*

HDFC Bank Limited	*₹ Nil – per valid Bid cum Application Form (plus applicable taxes)* *HDFC Bank Limited will also be entitled to a one-time escrow management fee of ₹ Nil* *Sponsor Bank Charges are ₹ Nil* *The Sponsor Banks shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under the SEBI circulars, this Agreement and other applicable laws.*
Kotak Mahindra Bank Limited	*₹ Nil – per valid Bid cum Application Form (plus applicable taxes)* *Kotak Mahindra Bank Limited will also be entitled to a one-time escrow management fee of ₹ Nil* *Sponsor Bank Charges are ₹ Nil* *The Sponsor Banks shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under the SEBI circulars, this Agreement and other applicable laws.*

All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and the Cash Escrow and Sponsor Banks Agreement.

Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories). Accordingly, Syndicate / sub-Syndicate Member shall not be able to Bid the Application Form above ₹ 5 lakhs and the same Bid cum Application Form need to be submitted to SCSB for blocking of the fund and uploading on the Stock Exchange bidding platform. To identify bids submitted by Syndicate / sub-Syndicate Member to SCSB a special Bid-cum-application form with a heading / watermark "Syndicate ASBA" may be used by Syndicate / sub-Syndicate Member along with SM code and broker code mentioned on the Bid-cum Application Form to be eligible for brokerage on allotment. However, such special forms, if used for RIIs and NIIs bids up to ₹ 5 lakhs will not be eligible for brokerage.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/570 dated June 2, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and such payment of processing fees to the SCSBs shall be made in compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI ICDR Master Circular.

Appraisal of the objects and bridge financing

The objects of the Fresh Issue have not been appraised by any bank, financial institution or agency and we have not raised any bridge loans against the Net Proceeds. See "***Risk Factors – Internal Risk Factors - Our funding requirements and deployment of the Net Proceeds are not appraised by any independent agency and are based on current circumstances of our business and may be subject to change based on various factors. Any variation in the utilization of the Net Proceeds would be subject to certain compliance requirements, including prior shareholders' approval.***" on page 68.

Monitoring of Utilisation of Funds

In terms of Regulation 41 of the SEBI ICDR Regulations, our Company has appointed Monitoring Agency for monitoring the utilisation of Net Proceeds, as our size of the Offer (excluding the Offer for Sale by the Selling Shareholders) exceeds ₹ 1,000 million, in accordance with Regulation 41 of the SEBI ICDR Regulations. Our Audit Committee and the Monitoring Agency will monitor the utilisation of the Net Proceeds (including in relation to the utilisation of the Net Proceeds towards general corporate purposes). Our Company undertakes to place the report(s) of the Monitoring Agency on receipt before the Audit Committee without any delay. Our Company will disclose the utilisation of the Net Proceeds, including interim use under a separate head in our balance sheet for such periods as required under the SEBI ICDR Regulations, the SEBI Listing Regulations and any other applicable laws or regulations, clearly specifying the purposes for which the Net Proceeds have been utilised if any, of such currently unutilised Net Proceeds. Our Company will also, in its balance sheet for the applicable Financial Years, provide details, if any, in relation to all such Net Proceeds that have not been utilised, if any, of such currently unutilised Net Proceeds.

Pursuant to Regulation 18(3) and Regulation 32(3) of the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Net Proceeds. On an annual basis, our Company shall prepare a statement of funds utilised for purposes other than those stated in this Prospectus and place it before the Audit Committee and make other disclosures as may be required until such time as the Net Proceeds remain unutilised. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the statutory auditor of our Company. Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilisation of the proceeds of the Fresh Issue from the objects of the Fresh Issue as stated above; and (ii) details of category wise variations in the actual utilisation of the proceeds of the Fresh Issue from the objects of the Fresh Issue as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results and explanation for such variation (if any) will be included in our director's report, after placing the same before the Audit Committee. We will disclose the utilisation of the Net Proceeds under a separate head along with details in our balance sheet(s) until such time as the Net Proceeds remain unutilised clearly specifying the purpose for which such Net Proceeds have been utilised. Our Company will indicate investments, if any, of unutilised Net Proceeds in the balance sheet of our Company for the relevant Financial Years subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Interim use of Net Proceeds

The Net Proceeds shall be retained in the Public Offer Account until receipt of the listing and trading approvals from the Stock Exchanges by our Company. Our Company, in accordance with the policies established by our Board from time to time, will have the flexibility to revise the proposed schedule of deployment of the Net Proceeds as disclosed in "***Objects of the Offer – Proposed schedule of implementation and utilization of Net Proceeds***" on page 136, in accordance with applicable law. Pending utilization of the Net Proceeds for the purposes described above, our Company undertakes to deposit the Net Proceeds only in one or more scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as may be approved by our Board or the IPO Committee.

In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

Other Confirmations

No part of the Net Proceeds will be utilized by our Company as consideration to the Promoters, members of our Promoter Group, the Directors, Key Managerial Personnel, or Senior Management. Further, there are no material existing or anticipated transactions with the Promoters, members of our Promoter Group, the Directors, Key Managerial Personnel, or Senior Management in relation to utilization of the Net Proceeds.

Variation in Objects

In accordance with Sections 13(8) and 27 of the Companies Act, 2013 and the applicable rules, and the SEBI ICDR Regulations, our Company shall not vary the objects of the Fresh Issue without our Company being authorised to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution ("**Notice**") shall specify the prescribed details as required under the Companies Act, 2013. The Notice shall simultaneously be published in all the editions of Financial Express (a widely circulated English national daily newspaper) and all editions of Jansatta (a widely circulated Hindi national daily newspaper, Hindi also being the regional language of Haryana, the state where our Registered Office is located). Pursuant to Section 13(8) of the Companies Act, 2013, our Promoters will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal, to vary the objects, subject to the provisions of the Companies Act, 2013 and in accordance with such terms and conditions, including in respect of proving of the Equity Shares, in accordance with the Companies Act, 2013 and the SEBI ICDR Regulations. See "***Risk Factors – Internal Risk Factors - Our funding requirements and deployment of the Net Proceeds are not appraised by any independent agency and are based on current circumstances of our business and may be subject to change based on various factors. Any variation in the utilization of the Net Proceeds would be subject to certain compliance requirements, including prior shareholders' approval***" on page 68.

BASIS FOR OFFER PRICE

The Price Band has been determined by our Company in consultation with the Book Running Lead Managers ("**BRLMs**"). The Offer Price will also be determined by our Company in consultation with the BRLMs, on the basis of the Book Building Process and the quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹5 each and the Offer Price is 98.60 times the face value of the Equity Shares. The financial information included herein is derived from our Restated Consolidated Financial Information. Investors should refer to "***Risk Factors***", "***Our Business***", "***Restated Consolidated Financial Information***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" beginning on pages 29, 232, 332 and 397, respectively, to have an informed view before making an investment decision.

Qualitative factors

Some of the qualitative factors which form the basis for computing the Offer Price are set forth below:

1. One of the fastest growing assets under management among housing finance companies in India, high yields, and granular, retail focused portfolio – Our Company has the second highest asset under management ("**AUM**") and Disbursement Growth between Financial Years 2019 and 2023 amongst industry peers and has the second highest yield on advances as of Financial Year 2023. For more details, see "***Industry Overview - Peer Benchmarking***" on page 222;
2. extensive and diversified Phygital distribution network with significant presence in Tier II and Tier III cities - Our "phygital" model of business, is a blend of physical presence across 15 states through 203 branches and digital interface, which enables our Company in accessing a wider customer base. This model includes our "feet-on-street" approach for physical onboarding of customers through a network of more than 1,500 relationship managers as of September 30, 2023, along with digitization of customer onboarding across loan origination and banking processes. For more details, see "***Our Business – Our Strengths - Extensive and Diversified Phygital Distribution Network with Significant Presence in Tier II and Tier III cities***;" on page 237;
3. in-house origination model to ensure efficient and seamless operations across various key functions;
4. technology and analytics-driven company with scalable operating model;
5. robust underwriting, collection and risk management systems;
6. diversified financing profile with a demonstrated track record of reducing financing costs; and
7. experienced management team supported by qualified and experienced personnel.

For further details in relation to the above qualitative factors, see "***Our Business - Our Strengths***" on page 235.

Quantitative factors

Some of the information presented in this chapter is derived from the Restated Consolidated Financial Information. See "***Restated Consolidated Financial Information***" beginning on page 332. Some of the quantitative factors which may form the basis for computing the Offer Price are set forth below:

1. Basic and diluted earnings per share ("EPS")

Financial Year ended	Basic earnings per share/ EPS (₹)	Diluted earnings per share/ EPS (₹)	Weight
March 31, 2023	17.75	17.47	3
March 31, 2022	14.80	14.63	2
March 31, 2021	10.19	9.93	1
Weighted Average	**15.51**	**15.27**	
Six months ended September 30, 2023*	12.13	12.00	
Six months ended September 30, 2022*	7.09	7.02	

** Not annualised.*

Notes: Pursuant to a resolution of our Board passed in their meeting held on July 12, 2023 and a resolution of our Shareholders passed in their extraordinary general meeting held on July 18, 2023, the authorised share capital of our Company comprising of 81,000,000 equity shares of face value ₹10 was split into 162,000,000 Equity Shares of face value ₹5 each. The impact of sub-division is retrospectively considered for the computation of earnings per share/ EPS in accordance with the requirement of Ind AS 33.

(1) Weighted average is calculated as the aggregate of year-wise weighted earnings per share divided by the aggregate of weights i.e. (earnings per share x weight) for each year/total of weights.
(2) Earnings per share/ EPS has been calculated in accordance with the Ind AS 33. The face value of Equity Shares of our Company is ₹5.
(3) Basic and diluted earnings per share are as per the Restated Consolidated Financial Information.
(4) Basic and Diluted Earnings per Equity Share are computed in accordance with Ind AS 33 notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended) as appearing in Restated Consolidated Financial Information. Pursuant to the Board resolution dated July 12, 2023 and the Shareholders' resolution dated July 18, 2023, the face value of the equity shares of our Company was sub-divided from ₹10 each to ₹5 each. The sub-division of equity shares is retrospectively considered for the computation of basic and diluted earnings per equity share in accordance with Ind AS 33 for all years presented.

2. Price/earning ("P/E") ratio in relation to the Price Band of ₹ 469 to ₹ 493 per Equity Share:

Particulars	P/E ratio at Floor Price (number of times)	P/E ratio at Cap Price (number of times)
Based on basic earnings per share/ EPS as per the Restated Consolidated Financial Information for the financial year ended March 31, 2023	26.42	27.77
Based on diluted earnings per share/ EPS as per the Restated Consolidated Financial Information for the financial year ended March 31, 2023	26.85	28.22

3. Industry price/earning ("P/E") ratio

Based on the peer group information (excluding our Company) given below in this section, details of the highest, lowest and industry average P/E ratio are set forth below:

Particulars	P/E ratio
Highest	37.7x
Lowest	27.4x
Average	**31.7x**

*Notes: The industry high and low has been considered from the industry peer set provided in "**– Comparison with Listed Industry Peers**" on page 145. The industry composite has been calculated as the arithmetic average of P/E for industry peer set disclosed in in "**– Comparison with Listed Industry Peers**" on page 145. The industry P/E ratio mentioned above has been computed based on the closing market price of the peer group's equity shares on BSE as on November 16, 2023, divided by the diluted earnings per share for the year ended March 31, 2023.*

4. Industry price/book ("P/B") ratio

Based on the peer group information (excluding our Company) given below in this section, details of the highest, lowest and industry average P/B ratio are set forth below:

Particulars	P/B ratio
Highest	4.6x
Lowest	3.6x
Average	**4.2x**

*Notes: The industry high and low has been considered from the industry peer set provided in "**– Comparison with Listed Industry Peers**" on page 145. The industry composite has been calculated as the arithmetic average of P/B for industry peer set disclosed in "**– Comparison with Listed Industry Peers**" on page 145.*

5. Average return on net worth

Financial Year ended	Return on net worth (%)	Weight
March 31, 2023	13.4	3
March 31, 2022	12.8	2
March 31, 2021	9.8	1
Weighted average	**12.6**	
Six months ended September 30, 2023*	8.2	
Six months ended September 30, 2022*	5.6	

** Not annualised.*

Notes:

(i) Return on net worth (%) is calculated as restated consolidated profit after tax attributable to the equity shareholders of the Company divided by average total equity as at respective year end. Total equity is calculated as the sum of equity share capital and other equity.

(ii) Profit after tax, equity share capital and other equity numbers are as per the Restated Consolidated Financial Information.

(iii) Weighted average return on net worth is calculated as the aggregate of year-wise weighted return on net worth divided by the aggregate of weights i.e. (return on net worth x weight) for each year/total of weights.

6. Net asset value per Equity Share

Net asset value per Equity Share	(in ₹)
As on March 31, 2023	141.38
As on September 30, 2023	152.70
After the completion of the Offer	
- At the Floor Price	201.61
- At the Cap Price	203.17
At Offer Price	203.17

Notes:

(i) Net asset value per equity share is computed as net worth as of the last day of the relevant year/ period divided by the outstanding number of issued and subscribed equity shares as of the last day of such year/ period.

(ii) Pursuant to a resolution of our Board passed in their meeting held on July 12, 2023 and a resolution of our Shareholders passed in their extraordinary general meeting held on July 18, 2023, the authorised share capital of our Company comprising of 81,000,000 equity shares of face value ₹10 was split into 162,000,000 Equity Shares of face value ₹5 each.

*(iii) The impact of sub-division is retrospectively considered for the computation of net asset value ("**NAV**") in accordance with the requirement of Ind AS 33.*

7. Comparison with listed industry peers

Companies operating in the affordable housing finance segment with AUM greater than ₹30,000 million and average ticket size of loans less than ₹1.5 million have been identified as our peer group companies in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018. Set forth below is a comparison of our accounting ratios with our peer group companies listed in India:

Name of the Company	Face value (₹ per share)	Total revenue from operations (in ₹ million)	Earnings per share for the Financial Year 2023 (₹)		Net asset value per equity share (₹)	Net worth attributable to the owners of the company (in ₹ million)	P/E ratio	P/B ratio	Return on net worth (%)
			Basic	Diluted					
India Shelter Finance Corporation Limited#	5	5,845.30	17.75	17.47	141.38	12,405.28	28.2x^	2.4x^	13.4
Listed peers*									
Aptus Value Housing Finance India Limited	2	10,933.57	10.11	10.08	67.05	33,393.31	29.9x	4.5x	16.1
Aavas Financiers	10	16,087.64	54.38	54.26	413.58	32,696.60	27.4x	3.6x	14.1

Name of the Company	Face value (₹ per share)	Total revenue from operations (in ₹ million)	Earnings per share for the Financial Year 2023 (₹)		Net asset value per equity share (₹)	Net worth attributable to the owners of the company (in ₹ million)	P/E ratio	P/B ratio	Return on net worth (%)
			Basic	Diluted					
Limited									
Home First Finance Company India Limited	2	7,909.85	26.01	25.20	206.48	18,173.39	37.7x	4.6x	13.5

 # Financial information of our Company has been derived from the Restated Consolidated Financial Information.
^ Basis the Offer Price.
** Sources for listed peers information included above:*

(i) *All the financial information for listed industry peers is on a consolidated basis and is sourced from the financial information of such listed industry peer as at and for the year ended March 31, 2023 available on the website of the stock exchanges.*
(ii) *P/E ratio for the listed industry peers has been computed based on the closing market price of equity shares on BSE Limited ("**BSE**") as on November 16, 2023 divided by the diluted earnings per share for the year ended March 31, 2023.*
(iii) *P/B ratio for the listed industry peers has been computed based on the closing market price of equity shares on BSE as on November 16, 2023 divided by the net asset value per equity share as of the last day of the year ended March 31, 2023*
(iv) *Return on net worth (%) is calculated as restated consolidated profit after tax attributable to the equity shareholders of the Company divided by average total equity as at respective year end. Total equity is calculated as the sum of equity share capital and other equity.*
(v) *Net asset value per equity share is computed as net worth as of the last day of the relevant period/ year divided by the outstanding number of issued and subscribed equity shares as of the last day of such period/ year. The impact of sub-division is retrospectively considered for the computation of Net Asset Value in accordance with the requirements of Ind AS 33. Net worth represents aggregate value of equity share capital and other equity and are based on Restated Consolidated Financial Information.*

8. Key performance indicators ("KPIs")

The table below sets forth the details of KPIs that our Company considers as having a bearing for arriving at the basis for Offer Price. The KPIs set forth below, have been approved and verified by the Audit Committee pursuant to its resolution dated November 23, 2023. Further, the Audit Committee has on November 23, 2023 taken on record that other than the KPIs set out below, our Company has not disclosed any other KPIs during the three years preceding this Prospectus with its investors. The KPIs disclosed below have been used historically by our Company or are relevant to understand and analyze the business performance, which in result, help it in analyzing the growth of various verticals in comparison to our Company's listed peers. Additionally, the KPIs have been certified by way of certificate dated November 23, 2023 issued by B. B. & Associates, Chartered Accountants, who hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India. The certificate dated November 23, 2023 issued by B. B. & Associates, Chartered Accountants, has been included in "***Material Contracts and Documents for Inspection – Material Documents***" on page 515.

The Bidders can refer to the below-mentioned KPIs, being a combination of financial and operational metrics, to make an assessment of our Company's performances and make an informed decision.

Details of our key performance indicators as at/ for the six months ended September 30, 2023, September 30, 2022 and Financial Years ended March 31, 2023, March 31, 2022 and March 31, 2021 is set out below:

Key Performance Indicators/ KPIs	As at and for the six months ended September 30,		As at and for the Financial Year ended March 31		
	2023	2022	2023	2022	2021
Operations (Scale)					
Number of states	15	15	15	15	15
Number of branches	203	167	183	130	115
Number of employees	2,997	2,456	2,709	2,200	1,576
AUM (in ₹ million)	51,806.89	36,148.74	43,594.31	30,732.93	21,985.27
AUM Growth (%)(1)	43.3%	43.6%	41.8%	39.8%	44.7%
Disbursements (in ₹ million)	12,203.17	8,618.94	19,643.77	12,952.61	8,948.76
Disbursements Growth (%)(2)	41.6%	83.2%	51.7%	44.7%	62.3%

Key Performance Indicators/ KPIs	As at and for the six months ended September 30,		As at and for the Financial Year ended March 31		
	2023	2022	2023	2022	2021
Average Ticket Size on Disbursements (in ₹ million)	1.03	1.07	1.05	1.06	1.09
Operations (AUM Split)					
Product Wise AUM (in terms of Amount) - Home Loan (%)(3)	57.6%	54.8%	56.5%	54.1%	57.0%
Product Wise AUM (in terms of Amount) – Loan against property (%)(4)	42.4%	45.2%	43.5%	45.9%	43.0%
AUM by Customer Occupation - Self Employed (%)(5)	70.6%	68.8%	69.6%	67.6%	64.2%
AUM by Customer Occupation – Salaried (%)(6)	29.4%	31.2%	30.4%	32.4%	35.8%
Average LTV (%)	50.9%	50.3%	50.7%	49.4%	48.3%
Operations (Efficiency)					
Branch Productivity (AUM / Branch) (in ₹ million)(7)	255.21	216.46	238.22	236.41	191.18
AUM / Employee (in ₹ million) (8)	17.29	14.72	16.09	13.97	13.95
Capital					
Net Worth (in ₹ million) (9)	13,749.66	11,420.09	12,405.28	10,761.27	9,372.69
Capital Adequacy Ratio (%)	48.7%	49.2%	52.7%	55.9%	71.5%
Leverage (Average Total Assets to Average Net Worth) (10)	3.5	3.1	3.2	2.8	2.4
Average Cost of Borrowing (11)	8.9%	8.3%	8.3%	8.3%	8.7%
Profitability					
Net Income (Total Income – Finance Cost) (in ₹ million)(12)	2,594.81	1,773.44	3,975.54	3,123.86	2,182.25
Profit after tax (in ₹ million)	1,073.54	620.21	1,553.42	1,284.47	873.89
Return Ratios					
Average Yield on Advances (%)(13)	14.9%	15.0%	14.9%	15.3%	14.8%
Spread on Advances (%)(14)	6.0%	6.7%	6.6%	7.0%	6.1%
Net Income to Average Total Assets (%)(15)	11.5%	10.2%	10.6%	11.0%	10.2%
Operating Expenses to Average Total Assets (%) (16)	4.9%	5.0%	4.8%	4.7%	4.0%
Profit After Tax to Average Total Assets (ROA) (%) (17)	4.7%	3.6%	4.1%	4.5%	4.1%
Profit After Tax to Average Net Worth (ROE) (%) (18)	8.2%	5.6%	13.4%	12.8%	9.8%
Asset Quality					
DPD 30+(19)	3.15%	3.97%	2.41%	3.96%	3.98%
Stage 3 Assets (%)(20)	1.00%	2.79%	1.13%	2.12%	1.92%
Stage 3 Assets (Net) to Net Carrying Amount (%)(21)	0.72%	2.16%	0.85%	1.60%	1.37%
Provision Coverage Ratio (%)(22)	28.7%	23.6%	26.0%	25.5%	29.6%
Credit cost to Average Total Assets (%)(23)	0.4%	0.5%	0.4%	0.4%	0.9%
Others					
Basic earnings per equity share/ EPS (24) (in ₹)	12.13	7.09	17.75	14.80	10.19
Diluted earnings per equity share/ EPS (24) (in ₹)	12.00	7.02	17.47	14.63	9.93
Credit Rating					
Credit Rating	ICRA A+ Stable; CARE A+ Positive	ICRA A+ Stable; CARE A+ Stable	ICRA A+ Stable; CARE	ICRA A Stable;	ICRA A Stable;

Key Performance Indicators/ KPIs	As at and for the six months ended September 30,		As at and for the Financial Year ended March 31		
	2023	2022	2023	2022	2021
			A+ Stable	CARE A Positive	CARE A Stable

Notes: As certified by B. B. & Associates, Chartered Accountants, by way of their certificate dated December 16, 2023.

(1) AUM Growth (%) represents the percentage growth in AUM as of the last day of the relevant period/ year over AUM as of the last day of the corresponding previous period/ year.

(2) Disbursements Growth (%) represents the percentage growth in Disbursements for the relevant period/ year over Disbursements of the corresponding previous period/ year.

(3) Product Wise AUM (in terms of Amount) - Home Loan (%) represents AUM for loan accounts classified as Home Loan at the time of sanction of loans as a percentage of AUM as of the last day of the relevant year.

(4) Product Wise AUM (in terms of Amount) - Loan Against Property (%) represents AUM for loan accounts classified as Loan Against Property at the time of sanction of loans as a percentage of AUM as of the last day of the relevant year.

(5) AUM by Customer Occupation - Self Employed (%) represents AUM for loan accounts classified as Self Employed at the time of sanction of loans as a percentage of AUM as of the last day of the relevant year.

(6) AUM by Customer Occupation - Salaried (%) represents AUM for loan accounts classified as Salaried at the time of sanction of loans as a percentage of AUM as of the last day of the relevant year.

(7) Branch Productivity (AUM / Branch) is the ratio of AUM as of the last day of the relevant year to Number of branches as of the last day of the relevant year.

(8) AUM / Employee is the ratio of AUM as of the last day of the relevant year to number of employees as of the last day of the relevant year.

(9) Net Worth is equivalent to the sum of equity share capital and other equity as per the Restated Consolidated Financial Information.

(10) Leverage represents the ratio of Average Total Assets to Average Net Worth for the relevant period.

(11) Average Cost of Borrowing represents Finance Costs (excluding interest on lease liabilities) for the relevant period/ year as per Restated Consolidated Financial Information as a percentage of Average Interest-bearing liabilities as of the last day of such period/ year.

(12) Net Income represents the difference between Total Income and Finance Cost for the relevant period/ year.

(13) Average Yield on Advances represents the ratio of interest income on loans and advances for the relevant year as per Restated Consolidated Financial Information divided by Average Loan and Advances as per Restated Consolidated Financial Information.

(14) Spread on Advances represents Average Yield on Advances for the relevant year less Average Cost of Borrowings for such year.

(15) Net Income to Average Total Assets represents net Income for the relevant period/ year to Average Total Assets for such period/ year.

(16) Operating Expenses to Average Total Assets represents Operating Expenses for the relevant period/ year to Average Total Assets for such period/ year.

(17) Profit After Tax to Average Total Assets represents Profit After Tax for the relevant period/ year to Average Total Assets for such period/ year.

(18) Profit After Tax to Average Net Worth represents Profit After Tax for the relevant period/ year to the Average Net Worth for such period/ year. Profit After Tax to Average Net Worth is not annualized for the period ended September 30, 2023 and September 30, 2022.

(19) DPD 30+ represents AUM outstanding for more than 30 days after the due date for the relevant period/ year as a percentage of AUM as of the last day of the corresponding relevant period/ year.

(20) Stage 3 Assets (%) represents the Stage 3 Assets to the Gross Carrying Amount as of the last day of the relevant period, represented as a percentage.

(21) Stage 3 Assets (Net) to Net Carrying Amount (%) represents Stage 3 Assets (Net) as of the last day of the relevant period/ year upon Net Carrying Assets as of the last day of such period/ year, represented as a percentage.

(22) Provision Coverage Ratio (%) represents Impairment Loss Allowance for Stage 3 Assets as a percentage of total Stage 3 assets (Gross)as of the last day of such period/ year.

(23) Credit Cost to Average Total Assets represents the impairment on financial instruments to simple average of Total Assets as of the last day of the relevant period/ year and Total Assets as of the last day of the previous year, represented as a percentage.

(24) Basic and Diluted Earnings per Equity Share are computed in accordance with Ind AS 33 notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended) as appearing in Restated Consolidated Financial Information. Pursuant to the Board resolution dated July 12, 2023 and the Shareholders ' resolution dated July 18, 2023, the face value of the equity shares of our Company was sub-divided from ₹10 each to ₹5 each. The sub-division of equity shares is retrospectively considered for the computation of basic and diluted earnings per equity share in accordance with Ind AS 33 for all period/years presented. Earnings per Equity Share not annualised for the period ended September 30, 2023 and September 30, 2022.

The KPIs of our Company included in this section have also been disclosed, along with other key financial and operating metrics, in "***Our Business***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" beginning on pages 232 and 397, respectively.

Our Company shall continue to disclose the KPIs included in this section on a periodic basis, at least once in a year (or for any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares, on the Stock Exchanges or for such other duration as may be required under the SEBI ICDR Regulations.

A list of our KPIs along with a brief explanation of the relevance of the KPIs to our business operations are set forth below. All such KPIs have been defined consistently and precisely in "***Definitions and Abbreviations – Conventional and General Terms and Abbreviations***" on page 11.

Key Performance Indicators/ KPIs	Explanation for the Key Performance Indicators/ KPIs
Operations (Scale)	
Number of states	Number of states represents the aggregate number of states where our Company has presence as of the last day of the relevant year.
Number of branches	Number of branches represents our aggregate number of branches as of the last day of the relevant period/ year.
Number of employees	Number of employees represents our aggregate number of employees (that receive compensation, where all or a portion is fixed) as of the last day of the relevant period/ year.
AUM (in ₹ million)	AUM represents the aggregate of future principal outstanding and overdue principal outstanding, if any, for all loan assets under management which includes (i) loan assets held by the Company as of the last day of the relevant period/ year (ii) loan assets which have been transferred by the Company by way of securitization or direct assignments and are outstanding as of the last day of the relevant period/ year and excludes the partner share of loan assets originated under co-lending arrangements with the partner banks as of the last day of the relevant period/ year.
AUM Growth (%)	AUM Growth represents the percentage growth in AUM as of the last day of the relevant period/ year over AUM as of the last day of the corresponding previous period/ year.
Disbursements (in ₹ million)	Disbursements represents the aggregate of all loan amounts extended by the Company to its customers in the relevant year.
Disbursements Growth (%)	Disbursements Growth represents the percentage growth in Disbursements for the relevant year over Disbursements of the previous year.
Average Ticket Size on Disbursements (in ₹ million)	Average Ticket Size on Disbursements is calculated as total amount disbursed during the relevant year divided by count of Disbursements during such year.
Operations (AUM Split)	
Product Wise AUM (in terms of Amount) – Home Loan (%)	Share of AUM for loan accounts classified as Home Loan at the at the time of sanction of loans as a % of AUM as of the last day of the relevant year.
Product Wise AUM (in terms of Amount) – Loan Against Property (%)	Share of AUM for loan accounts classified as Loan Against Property at the at the time of sanction of loans as a % of AUM as of the last day of the relevant year.
AUM by Customer Occupation - Self Employed (%)	Share of AUM for loan accounts classified as Self Employed at the time of sanction of loans as a % of AUM as of the last day of the relevant year.
AUM by Customer Occupation – Salaried (%)	Share of AUM for loan accounts classified as Salaried at the at the time of sanction of loans as a % of AUM as of the last day of the relevant year.
Average LTV (%)	Average LTV (%) represents weighted average of LTV at the time of sanction of loan using total principal outstanding for particular loan as on the last date of relevant year as weights.
Operations (Efficiency)	
Branch Productivity (AUM / Branch) (in ₹ million)	Branch Productivity (AUM / Branch) is the ratio of AUM to Number of branches as of the last day of the relevant year.
AUM per Employee (in ₹ million)	AUM / Employee is the ratio of AUM to number of employees as of the last day of the relevant year.
Capital	
Net Worth (in ₹ million)	Net Worth is equivalent to the sum of equity share capital and other equity as per the Restated Consolidated Financial Information.
Capital Adequacy Ratio (%)	The capital to risk assets ratio (CRAR) is calculated as capital funds (Tier I capital plus Tier II capital) divided by risk-weighted assets (the weighted average of funded and non-funded items after applying the risk weights as assigned by the RBI).
Leverage (Average Total Assets to Average Net Worth)	Leverage represents the ratio of Average Total Assets to Average Net Worth for the relevant period.

Key Performance Indicators/ KPIs	Explanation for the Key Performance Indicators/ KPIs
Average Cost of Borrowing	Average Cost of Borrowing represents Finance Costs (excluding interest on lease liabilities) for the relevant year as per Restated Consolidated Financial Information as a percentage of Average Interest-bearing Liabilities as of the last day of such year. Average Interest-bearing Liabilities is the simple average of Interest-bearing Liabilities as of the last day of the relevant year and Interest-bearing Liabilities as of the last day of the previous year. Interest-bearing Liabilities represents total outstanding borrowing in form of debt securities and borrowings (other than debt securities) excluding lease liability as of the last day of the relevant year as per Restated Consolidated Financial Information.
Profitability	
Net Income (in ₹ million)	Net Income represents the difference between total income and finance cost for the relevant year. Total income and finance cost (excluding interest on lease liabilities) are as represented in Restated Consolidated Financial Information.
Profit after tax (in ₹ million)	PAT represents the profit after tax for relevant period/ year as per our Restated Consolidated Financial Information.
Return ratios	
Average Yield on Advances	Average Yield on Advances represents the ratio of interest income on loans and advances for the relevant year as per Restated Consolidated Financial Information divided by Average Loan and Advances as per Restated Consolidated Financial Information.
Spread on Advances	Spread on Advances represents Average Yield on Advances for the relevant year less Average Cost of Borrowings for such year.
Net Income to Average Total Assets	Net Income to Average Total Assets represents Net Income for the relevant period/ year to Average Total Assets for such period/ year.
Operating Expenses to Average Total Assets	Operating Expenses to Average Total Assets represents Operating Expenses for the relevant period/ year upon the simple Average of Total Assets as of the last day of the relevant period/year and total assets as of the last day of the previous year, represented as a percentage. Operating expenses represents the aggregate of employee benefit expenses, depreciation and amortization expense, other expenses and interest expense on lease liabilities and other expenses for the relevant period/year as per Restated Consolidated Financial Information.
Profit After Tax to Average Total Assets (ROA)	PAT to Average Total Assets (ROA) represents Profit After Tax for the relevant period/ year to Average Total Assets for such period/ year.
Profit After Tax to Average Net Worth (ROE)	PAT to Average Net Worth (ROE) represents Profit After Tax for the relevant period/ year to the Average Net Worth for such period/ year.
Asset Quality	
DPD 30+	DPD 30+ represents AUM outstanding for more than 30 days after the due date for the relevant period/ year as a percentage of AUM as of the last date of the relevant period/ year.
Stage 3 Assets (%)	Stage 3 Assets (%) represents the Stage 3 Assets to the Gross Carrying Amount as of the last day of the relevant period, represented as a percentage. Stage 3 Assets (Gross) represents Gross Carrying Amount pertaining to loans which are non-performing assets as per the Income Recognition, Asset Classification and Provisioning Norms issued and modified by RBI from time to time as appearing in Note 6 of the Restated Consolidated Financial Information.
Stage 3 Assets (net) to net carrying amount (%)	Stage 3 Assets (Net) to Net Carrying Amount (%) represents Stage 3 Assets (%) as of the last day of the relevant period/ year upon Net Carrying Assets as of the last day of such period/ year, represented as a percentage. Stage 3 Assets (Net) represents Stage 3 Assets (Gross) less Impairment Loss allowance for Stage 3 Assets as of the last day of the relevant period/ year.
Provision coverage ratio (%)	Provision Coverage Ratio represents Impairment Loss Allowance for Stage 3 Assets as a percentage of total Stage 3 assets (Gross)as of the last day of such period/ year. Impairment Loss Allowance represents expected credit loss (ECL) made on Gross Carrying Amount – Loans as per ECL methodology under Ind AS guidelines as appearing in Note 6 of the Restated Consolidated Financial Information.
Credit cost to Average Total Assets	Credit Cost to Average Total Assets represents Credit Cost for the relevant year to Average Total Assets for such period/ year. Credit Cost represents Impairment on financial instruments as per Restated Consolidated Financial Information.
Others	
Basic earnings per equity share (in ₹)	Basic Earnings per Share are computed in accordance with Ind AS 33 notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended) as appearing in Restated Consolidated Financial Information.

Key Performance Indicators/ KPIs	Explanation for the Key Performance Indicators/ KPIs
Diluted earnings per equity share (in ₹)	Diluted Earnings per Share are computed in accordance with Ind AS 33 notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended) as appearing in Restated Consolidated Financial Information.
Credit Rating	
Credit Rating	Credit rating issued by a registered rating agency under the SEBI for long term bank facilities of our Company.

Description of the historic use of the key performance indicators/KPIs by us to analyze, track or monitor our operational and/or financial performance

In evaluating our business, we consider and use certain KPIs, as stated above, as a supplemental measure to review and assess our financial performance. The presentation of these KPIs is not intended to be considered in isolation or as a substitute for the Restated Consolidated Financial Information. We use these KPIs to evaluate our financial performance. Some of these KPIs are not defined under Ind AS and are not presented in accordance with Ind AS. These KPIs have limitations as analytical tools. Further, these KPIs may differ from the similar information used by other companies and hence their comparability may be limited. Therefore, these metrics should not be considered in isolation or construed as an alternative to Ind AS measures of performance or as an indicator of our operating performance, liquidity or results of operation. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our management believes that it provides an additional tool for investors to use in evaluating our ongoing operating results and trends and in comparing our financial results with other companies in our industry because it provides consistency and comparability with past financial performance, when taken collectively with financial measures prepared in accordance with Ind AS. Investors are encouraged to review the Ind AS financial measures and to not rely on any single financial or operational metric to evaluate our business.

Comparison of financial key performance indicators/ KPIs of our Company and our listed peers

Key Performance Indicators (KPIs)	India Shelter Finance Corporation		Aavas Financiers Limited		Aptus Value Housing Finance India Limited		Home First Finance Company India Limited	
	Six months ended September 30, 2023	Six months ended September 30, 2022	Six months ended September 30, 2023	Six months ended September 30, 2022	Six months ended September 30, 2023	Six months ended September 30, 2022	Six months ended September 30, 2023	Six months ended September 30, 2022
Operations (Scale)								
Number of States	15	15	13	13	5	5	13	13
Number of branches	203	167	350	321	250	213	120	101
Number of employees	2,997	2,456	NA	NA	2,584	2,359	NA	951
AUM (in ₹ million)	51,806.89	36,148.74	1,53,195.00	1,25,437.00	76,037.00	59,320.00	83,654.00	62,754.00
AUM Growth (%)	43.3%	43.6%	22.1%	23.6%	28.2%	32.3%	33.3%	35.9%
Disbursements (in ₹ million)	12,203.17	8,618.94	23,267.00	22,404.00	13,910.00	11,290.00	18,543.00	13,634.00
Disbursements Growth (%)	41.6%	83.2%	3.9%	64.2%	23.2%	69.0%	36.0%	66.3%
Average Ticket Size on Disbursements (in ₹ million)	1.03	1.07	0.93	0.88	0.80	0.80	1.07	1.09
Operations (AUM Split)								
Product Wise AUM (in terms of Amount) – Home Loan (%)	57.6%	54.8%	69.7%	70.9%	59.0%	58.0%	87.0%	89.0%
Product Wise AUM (in terms of Amount) – Loan Against Property (%)	42.4%	45.2%	30.3%	29.1%	NA	NA	12.0%	10.0%
AUM by Customer Occupation - Self Employed (%)	70.6%	68.8%	59.9%	60.2%	72.0%	72.0%	31.0%	29.0%
AUM by Customer Occupation – Salaried (%)	29.4%	31.2%	40.1%	39.8%	28.0%	28.0%	69.0%	71.0%
Average LTV (%)	50.9%	50.3%	NA	NA	NA	NA	NA	NA
Operations (Efficiency)								
Branch Productivity (AUM / Branch) (in ₹ million)	255.21	216.46	437.70	390.77	304.15	278.50	697.12	621.33
AUM / Employee (in ₹ million)	17.29	14.72	NA	NA	29.00	25.15	67.35	65.99
Capital								
Net Worth (in ₹ million)	13,749.66	11,420.09	35,136.21	30,288.42	35,399.46	31,748.00	19,467.32	16,856.19
Capital Adequacy Ratio (%)	48.7%	49.2%	48.2%	50.4%	71.0%	80.3%	45.5%	50.7%
Leverage (Average Total Assets to Average Net Worth)	3.5	3.1	4.2	3.9	2.2	2.1	3.9	3.4
Average Cost of Borrowing	8.9%	8.3%	7.4%	6.6%	8.9%	7.5%	8.3%	6.9%
Profitability								
Net Income (Total Income – Finance Cost) (in ₹ million)	2,594.81	1,773.44	5,777.36	4,742.73	4,789.65	4,043.72	3,144.80	2,273.78
Profit After Tax (in ₹ million)	1,073.54	620.21	2,314.9	1,956.93	2,902.76	2,421.48	1,434.30	1,055.21
Return Ratios								
Average Yield on Advances	14.9%	15.0%	14.0%	13.7%	NA	18.0%	13.9%	13.1%
Spread on Advances	6.0%	6.7%	6.6%	7.1%	NA	10.5%	5.6%	6.2%

Key Performance Indicators (KPIs)	India Shelter Finance Corporation		Aavas Financiers Limited		Aptus Value Housing Finance India Limited		Home First Finance Company India Limited	
	Six months ended September 30, 2023	Six months ended September 30, 2022	Six months ended September 30, 2023	Six months ended September 30, 2022	Six months ended September 30, 2023	Six months ended September 30, 2022	Six months ended September 30, 2023	Six months ended September 30, 2022
Net Income to Average Total Assets	11.5%	10.2%	8.1%	8.3%	12.7%	12.8%	8.5%	8.2%
Operating Expenses to Average Total Assets	4.9%	5.0%	3.8%	3.8%	2.6%	2.4%	3.0%	3.0%
Profit After Tax to Average Total Assets (ROA)	4.7%	3.6%	3.3%	3.4%	7.7%	7.7%	3.9%	3.8%
Profit After Tax to Average Net Worth (ROE)[(1)]	8.2%	5.6%	13.7%	13.4%	16.9%	15.9%	15.2%	13.0%
Asset Quality								
DPD 30+	3.15%	3.97%	NA	NA	5.99%	6.50%	2.90%	3.30%
Stage 3 Assets (%)	1.00%	2.79%	1.04%	1.10%	1.19%	1.47%	1.74%	1.93%
Stage 3 Assets (Net) to Net Carrying Amount (%)	0.72%	2.16%	0.76%	0.84%	0.91%	1.12%	1.22%	1.43%
Provision Coverage Ratio (%)	28.7%	23.6%	27.5%	23.8%	25.0%	25.0%	30.3%	26.4%
Credit cost to Average Total Assets (%)	0.4%	0.5%	0.2%	0.0%	0.2%	0.6%	0.4%	0.3%
Others								
Basic earnings per equity share (in ₹)	12.13	7.09	29.27	24.78	5.82	4.87	16.28	12.04
Diluted earnings per equity share (in ₹)	12.00	7.02	29.25	24.71	5.80	4.85	15.78	11.62
Credit Rating								
Credit Ratings	ICRA A+ Stable; CARE A+ Positive	ICRA A+ Stable; CARE A+ Stable	CARE AA Stable	ICRA AA Stable CARE AA Stable	CARE AA- Stable	ICRA AA- Stable; CARE AA- Stable	ICRA AA- Stable; CARE AA- Stable	ICRA AA- Stable; CARE AA- Stable

[(1)] *Profit After Tax to Average Net Worth (ROE) is not annualized for the period ended September 30, 2023 and September 30, 2022.*

Key Performance Indicators (KPIs)	India Shelter Finance Corporation			Aavas Financiers Limited			Aptus Value Housing Finance India Limited			Home First Finance Company India Limited		
	Financial Year 2023	Financial Year 2022	Financial Year 2021	Financial Year 2023	Financial Year 2022	Financial Year 2021	Financial Year 2023	Financial Year 2022	Financial Year 2021	Financial Year 2023	Financial Year 2022	Financial Year 2021
Operations (Scale)												
Number of States	15	15	15	13	13	11	5	5	4	13	13	12
Number of branches	183	130	115	346	314	280	231	208	190	111	80	72
Number of employees	2,709	2,200	1,576	6,034	5,222	5,679	2,405	2,271	1,910	993	851	687
AUM (in ₹ million)	43,594.31	30,732.93	21,985.27	1,41,667.00	1,13,502.10	94,542.90	67,380.00	51,800.00	40,680.00	71,980.00	53,800.00	41,410.70
AUM Growth (%)	41.8%	39.8%	44.7%	24.8%	20.1%	21.3%	30.1%	27.3%	27.8%	33.8%	29.9%	14.5%
Disbursements (in ₹ million)	19,643.77	12,952.61	8,948.76	50,245.00	36,022.40	26,568.50	23,940.00	16,410.00	12,980.00	30,129.00	20,310.00	10,970.00
Disbursements Growth (%)	51.7%	44.7%	62.3%	39.5%	35.6%	-9.3%	45.9%	26.4%	1.4%	48.3%	85.1%	-32.2%

Key Performance Indicators (KPIs)	India Shelter Finance Corporation			Aavas Financiers Limited			Aptus Value Housing Finance India Limited			Home First Finance Company India Limited		
	Financial Year 2023	Financial Year 2022	Financial Year 2021	Financial Year 2023	Financial Year 2022	Financial Year 2021	Financial Year 2023	Financial Year 2022	Financial Year 2021	Financial Year 2023	Financial Year 2022	Financial Year 2021
Average Ticket Size on Disbursements (in ₹ million)	1.05	1.06	1.09	0.89	0.86	0.85	1.00	NA	NA	1.10	1.05	1.00
Operations (AUM Split)												
Product Wise AUM (in terms of Amount) – Home Loan (%)	56.5%	54.1%	57.0%	69.9%	72.1%	73.5%	58.0%	56.0%	NA	88.0%	91.0%	92.0%
Product Wise AUM (in terms of Amount) – Loan Against Property (%)	43.5%	45.9%	43.0%	30.1%	27.9%	26.5%	NA	NA	NA	11.0%	7.0%	6.0%
AUM by Customer Occupation - Self Employed (%)	69.6%	67.6%	64.2%	60.1%	60.0%	60.4%	71.0%	72.0%	72.0%	30.0%	27.0%	25.0%
AUM by Customer Occupation – Salaried (%)	30.4%	32.4%	35.8%	39.9%	40.0%	39.6%	29.0%	28.0%	28.0%	69.5%	72.0%	74.0%
Average LTV (%)	50.7%	49.4%	48.3%	NA	NA	NA	NA	NA	NA	56.0%	57.2%	59.0%
Operations (Efficiency)												
Branch Productivity (AUM / Branch) (in ₹ million)	238.22	236.41	191.18	409.44	361.47	337.65	291.69	249.04	214.11	648.47	672.50	575.15
AUM / Employee (in ₹ million)	16.09	13.97	13.95	23.48	21.74	16.65	28.02	22.81	21.30	72.49	63.22	60.28
Capital												
Net Worth (in ₹ million)	12,405.28	10,761.27	9,372.69	32,696.60	28,064.30	24,008.10	33,393.31	29,161.63	19,794.52	18,173.39	15,736.85	13,805.43
Capital Adequacy Ratio (%)	52.7%	55.9%	71.5%	47.0%	51.9%	54.4%	77.4%	85.6%	73.6%	49.4%	58.6%	56.2%
Leverage (Average Total Assets to Average Net Worth)	3.2	2.8	2.4	4.0	3.8	3.7	2.1	2.1	2.2	3.5	3.3	3.5
Average Cost of Borrowing	8.3%	8.3%	8.7%	6.6%	6.6%	7.8%	8.5%	8.0%	9.1%	7.3%	6.6%	7.8%
Profitability												
Net Income (Total Income – Finance Cost) (in ₹ million)	3,975.54	3,123.86	2,182.25	10.234.67	8,313.38	6,494.57	8,538.64	6,323.15	4,523.95	4,923.42	3,808.86	2,725.77
Profit After Tax (in ₹ million)	1,553.42	1,284.47	873.89	4,296.44	3,551.81	2,889.19	5,030.15	3,701.40	2,669.45	2,282.92	1,860.98	1,001.42
Return Ratios												
Average Yield on Advances	14.9%	15.3%	14.8%	12.6%	12.8%	13.1%	17.7%	17.2%	17.2%	13.3%	12.5%	12.8%
Spread on Advances	6.6%	7.0%	6.1%	6.0%	6.2%	5.3%	9.2%	9.3%	8.1%	5.9%	5.9%	5.0%
Net Income to Average Total Assets	10.6%	11.0%	10.2%	8.4%	8.3%	7.8%	13.3%	12.4%	10.9%	8.3%	7.9%	6.8%
Operating Expenses to Average Total Assets	4.8%	4.7%	4.0%	3.8%	3.6%	3.1%	2.6%	2.3%	2.5%	3.0%	2.7%	2.7%
Profit After Tax to Average Total Assets (ROA)	4.1%	4.5%	4.1%	3.5%	3.6%	3.5%	7.8%	7.3%	6.5%	3.9%	3.9%	2.5%
Profit After Tax to Average Net Worth (ROE)	13.4%	12.8%	9.8%	14.1%	13.6%	12.8%	16.1%	15.1%	14.5%	13.5%	12.6%	8.7%
Asset Quality												
DPD 30+	2.41%	3.96%	3.98%	NA	NA	NA	5.90%	9.91%	9.38%	2.70%	3.70%	4.10%
Stage 3 Assets (%)	1.13%	2.12%	1.92%	0.92%	0.99%	0.98%	1.15%	1.21%	0.69%	1.61%	2.33%	1.84%
Stage 3 Assets (Net) to Net Carrying Amount (%)	0.85%	1.60%	1.37%	0.68%	0.77%	0.71%	0.87%	0.91%	0.50%	1.07%	1.77%	1.20%

Key Performance Indicators (KPIs)	India Shelter Finance Corporation			Aavas Financiers Limited			Aptus Value Housing Finance India Limited			Home First Finance Company India Limited		
	Financial Year 2023	Financial Year 2022	Financial Year 2021	Financial Year 2023	Financial Year 2022	Financial Year 2021	Financial Year 2023	Financial Year 2022	Financial Year 2021	Financial Year 2023	Financial Year 2022	Financial Year 2021
Provision Coverage Ratio (%)	26.0%	25.5%	29.6%	26.9%	23.1%	27.2%	25.6%	25.3%	27.5%	34.0%	24.9%	36.0%
Credit cost to Average Total Assets (%)	0.4%	0.4%	0.9%	0.1%	0.2%	0.4%	0.5%	0.7%	0.1%	0.4%	0.5%	0.8%
Others												
Basic earnings per equity share (in ₹)	17.75	14.80	10.19	54.38	45.10	36.86	10.11	7.58	5.56	26.01	21.26	12.37
Diluted earnings per equity share (in ₹)	17.47	14.63	9.93	54.26	44.81	36.54	10.08	7.53	5.55	25.20	20.54	12.18
Credit Rating												
Credit Ratings	ICRA A+ Stable; CARE A+ Stable	ICRA A Stable; CARE A Positive	ICRA A Stable; CARE A Stable	ICRA AA Stable; CARE AA Stable	ICRA AA- Positive; CARE AA- Positive	ICRA AA- Stable; CARE AA- Stable	ICRA AA- Stable; CARE AA- Stable	ICRA AA- Stable; CARE A+ Positive	ICRA A+ Stable; CARE A+ Stable	ICRA AA- Stable; CARE AA- Stable	ICRA A+ Positive; CARE A+ Stable	ICRA A+ Stable; CARE A+ Stable

Comparison of KPIs based on additions or dispositions to our business

Our Company has not undertaken a material acquisition or disposition of assets / business for the periods that are covered by the KPIs and accordingly, no comparison of KPIs over time based on additions or dispositions to the business, have been provided.

9. Weighted average cost of acquisition, Floor Price and Cap Price

A. Price per share of the Company based on primary/new issue of Equity Shares or convertible securities (excluding Equity Shares issued under employee stock option plan and issuance of bonus Equity Shares) during the 18 months preceding the date of this Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid up share capital of our Company (calculated based on the pre-Offer capital before such transactions and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days

There has been no issuance of Equity Shares or convertible securities during the 18 months preceding the date of this Prospectus (excluding Equity Shares issued pursuant to exercise of employee stock options or any bonus issuances), where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Offer capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

B. Price per share of the Company based on secondary sale/acquisition of Equity Shares or convertible securities, where any of the Promoters, members of the Promoter Group, the Selling Shareholders or Shareholders having the right to nominate director(s) to the Board of our Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of our Company (calculated based on the pre-Offer capital before such transactions and excluding employee stock options granted but not vested) in a single transaction or multiple transactions combined together over a span of rolling 30 days

There have been no secondary sale/transfers or acquisition of any Equity Shares or convertible securities, where the Promoters, members of the Promoter Group, the Selling Shareholders or Shareholders having the right to nominate Directors to the Board of our Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of our Company (calculated based on the pre-Offer capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

C. Since there are no transactions to report under 9A and 9B above, the following are the details based on the last five primary and secondary transactions (secondary transactions where Promoter, members of the Promoter Group, Selling Shareholders or Shareholders having the right to nominate director(s) to the Board of our Company, are a party to the transaction), not older than the three years preceding the date of this Prospectus, irrespective of the size of transactions:

Date of Allotment/ transfer#	Name of Allotee/ transferor/ transferee	Number of Equity Shares transacted*	Face value per Equity Share (in ₹)	Price per Equity Share*	Nature of consideration	Nature of transaction
Primary issuances						
November 19, 2022	Anil Mehta	270,000	5	218.50	Cash	Private Placement
July 18, 2023^^	Anil Mehta	710,000	5	41.60*	Cash	Private Placement
Secondary transactions						

Date of Allotment/ transfer#	Name of Allotee/ transferor/ transferee	Number of Equity Shares transacted*	Face value per Equity Share (in ₹)	Price per Equity Share*	Nature of consideration	Nature of transaction
October 25, 2021	Aravali Investment Holding	7,238,672	5	307.23	Cash	Transfer
November 29, 2021	MIO Starrock	683,200	5	280.58	Cash	Transfer
November 29, 2021	Catalyst Trusteeship Limited, acting as trustee for MICP Trust	16,800	5	280.58	Cash	Transfer
November 24, 2022	MIO Starrock	1,026,834	5	280.58	Cash	Transfer
November 24, 2022	Catalyst Trusteeship Limited, acting as trustee for MICP Trust	23,166	5	280.58	Cash	Transfer

Note: As certified by B. B. & Associates, Chartered Accountants, by way of their certificate dated December 16, 2023.

 # Excludes Equity Shares issued pursuant to exercise of employee stock options pursuant to the ESOP Schemes.

** After considering the impact of split of equity shares of ₹10 each to Equity Shares of ₹5 each pursuant to a resolution of our Board passed in their meeting held on July 12, 2023 and a resolution of our Shareholders passed in their extraordinary general meeting held on July 18, 2023.*

^^ Date of Shareholders' resolution approving issuance of Equity Shares. Further, pursuant to sub-division of equity share capital on July 18, 2023, from face value of ₹10 each to ₹5 each, the Board resolution for allotment was passed on July 20, 2023.

D. Floor Price, Cap Price and the weighted average cost of acquisition based on primary issuances/secondary transactions

Type of transactions	Weighted average cost of acquisition (in ₹)	Floor Price (₹ 469)	Cap Price (₹ 493)
Weighted average cost of acquisition for last 18 months based on primary/new issue of shares (equity/ convertible securities), excluding shares issued under an employee stock option plan/employee stock option scheme and issuance of bonus shares, during the 18 months preceding the date of filing of this Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-Offer capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days	Not applicable		
Weighted average cost of acquisition for last 18 months based on secondary sale/acquisition of shares equity/convertible securities), where promoter/ promoter group entities or selling shareholders or shareholder(s) having the right to nominate director(s) or selling shareholder in the Board are a party to the transaction (excluding gifts), during the 18 months preceding the date of filing of this Prospectus, where either acquisition or sale is equal to or more than five per cent of the fully diluted paid-up share capital of the Company (calculated based on the pre-Offer capital before such transaction/s and excluding employee stock options granted but not vested), in a single	Not applicable		

Type of transactions	Weighted average cost of acquisition (in ₹)	Floor Price (₹ 469)	Cap Price (₹ 493)
transaction or multiple transactions combined together over a span of rolling 30 days			
Since there are no transactions to report under 9A and 9B above, the following are the details based on the last five primary and secondary transactions (secondary transactions where Promoter, members of the Promoter Group, Selling Shareholders or Shareholders having the right to nominate Director(s) to the Board of our Company, are a party to the transaction), during the three years preceding the date of this Prospectus, irrespective of the size of transactions, is as below:			
Weighted average cost of acquisition of primary issuance by the Company	90.34	5.19	5.46
Weighted average cost of acquisition of secondary transactions (sale or acquisition) of Equity Shares of the Company	302.04	1.55	1.63

Note: As certified by B. B. & Associates, Chartered Accountants, by way of their certificate dated December 16, 2023.

10. The Offer Price is 98.60 times of the face value of the Equity Shares

The Offer Price of ₹ 493.00 has been determined by our Company in consultation with the BRLMs, on the basis of the demand from investors for the Equity Shares through the Book Building Process. Our Company, in consultation with the BRLMs, are justified of the Offer Price in view of the above qualitative and quantitative parameters. Investors should read the above-mentioned information along with "***Risk Factors***", "***Our Business***", "***Management Discussion and Analysis of Financial Condition and Revenue from Operations***" and "***Restated Consolidated Financial Information***" beginning on pages 29, 232, 397 and 332, respectively, to have a more informed view.

The trading price of the Equity Shares could decline due to the factors mentioned in the section "***Risk Factors***" beginning on page 29 and any other factors that may arise in the future and you may lose all or part of your investments.

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

Date: August 4, 2023

To:

The Board of Directors
India Shelter Finance Corporation Limited
6th Floor, Plot No. 15
Sector 44, Institutional Area, Gurgaon
Haryana – 122 002, India

ICICI Securities Limited
ICICI Venture House
Appasaheb Marathe Marg, Prabhadevi
Mumbai 400 025
Maharashtra, India

Citigroup Global Markets India Private Limited
1202, 12th Floor
First International Financial Center
G-Block, C54 & 55, Bandra Kurla Complex
Bandra (East), Mumbai 400098
Maharashtra, India

Kotak Mahindra Capital Company Limited
1st Floor, 27 BKC, Plot No. 27
G Block, Bandra Kurla Complex
Bandra (East), Mumbai 400 051
Maharashtra, India

Ambit Private Limited
Ambit House, 449, Senapati Bapat Marg
Lower Parel, Mumbai 400 013
Maharashtra, India

(ICICI Securities Limited, Citigroup Global Markets India Private Limited, Kotak Mahindra Capital Company Limited and Ambit Private Limited who are appointed in relation to the Offer are collectively referred to as the "**Book Running Lead Managers**" or the "**BRLMs**")

Re: Proposed initial public offering of equity shares of face value of ₹ 5 each ("Equity Shares") by India Shelter Finance Corporation Limited (the "Company") comprising a fresh issue of the Equity Shares by the Company and an offer for sale of Equity Shares by certain existing shareholders of the Company ("the Offer for Sale", and together with the Fresh Issue, the "Offer")

In connection with the Offer, we have been requested by the Company to verify the statement of possible special tax benefits available to the Company and its shareholders (hereinafter referred to as the "**Statement**") under the Income Tax Act, 1961 (read with Income Tax Rules, circulars, notifications) as amended by the Finance Act, 2023, hereinafter referred to as the "**Indian Income Tax Regulations**" presented in **Annexure 1** and under the central goods and services tax act, 2017, the integrated goods and services tax act, 2017 and the applicable state/union territory goods and services tax act, 2017 ("GST Acts") as amended from time to time, as amended by the Finance Act 2023 as presented in **Annexure 2** (together the "Annexures").

Management's Responsibility

The preparation of the Statement as of the date of our certificate which is to be included in the draft red herring prospectus, red herring prospectus and prospectus for the Offer is the responsibility of the management of the Company and has been approved by the board of directors of the Company at its meeting held on August 3, 2023.

The management's responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Statement, and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances. The management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities.

We have performed the following procedures in this regard:

We have reviewed the enclosed **annexures 1** and **2** (together, the "Annexures"), prepared by the company, which provides the special tax benefits available to the company and to the shareholders of the company as stated in those annexures, as under:

- The Income-tax Act, 1961(the "Act") as amended by the Finance Act, 2023 applicable for the financial year 23-24 relevant to the assessment year 2024-25, presently in force in India; and
- The central goods and services tax act, 2017, the integrated goods and services tax act, 2017 and the applicable state/union territory goods and services tax act, 2017 ("GST Acts") as amended from time to time, as amended by the Finance Act 2023 applicable for the financial year 2023-24, presently in force in India.

Several of the benefits mentioned in the Statement are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the respective tax laws. Hence, the ability of the Company or its shareholders to derive the tax benefits as mentioned in **Annexure 1** is dependent upon fulfilling such conditions by them as prescribed under the Income-tax provisions, which, based on business imperatives the Company faces in the future, the Company or its shareholders may or may not choose to fulfil and may or may not be able to fulfil, which may or may not be fulfilled. The benefits discussed in the Statement are not exhaustive and also do not cover any general tax benefits available to the Company.

The Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for a 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 her own tax consultant with respect to the specific tax implications arising out of their participation in the Offer.

Further, we give no assurance that the revenue authorities / courts will concur with our views expressed herein. Our views are based on the existing provisions of Indian Income Tax Regulations and its interpretation and GST Acts, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

We shall not be liable to the Company for any claims, liabilities or expenses arising from facts and disclosure in statement of tax benefits determined to have resulted primarily from bad faith or intentional misrepresentation.

We will not be liable to any other person in respect of the Statement.

In our opinion, the Statement prepared by the Company presents, in all material respects, the possible special tax benefits available as on the date of signing of this certificate, to the Company and its shareholders, in accordance with the Indian Income Tax Regulations. However, we cannot express any opinion or provide any assurance as to whether:

(i) The Company or its shareholders will continue to obtain the benefits per the Statement in future; or
(ii) The conditions prescribed for availing the benefits per the Statement have been/ would be met with.

We conducted our examination of the information given in this certificate (including the annexures thereto) in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)' ("Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"), as revised from time to time, to obtain a reasonable assurance that such details are in agreement with the books of accounts and other relevant records provided to us, in all material respects. The aforesaid Guidance Note requires that we comply with the ethical requirements of the 'Code of Ethics' issued by the ICAI, as revised from time to time.

Further, we have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, 'Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements', as revised from time to time.

This certificate may be relied on by the Company, the BRLMs and their legal counsels, appointed in relation to the Offer.

We undertake to update you of any change in the above-mentioned position on obtaining or becoming aware of any relevant information, until the Equity shares of the company issued pursuant to the Offer commence trading on the stock exchanges. In the absence of any such communication from us, the above information should be considered as updated information until the Equity Shares commence trading on the stock exchanges, pursuant to the Offer.

All capitalized terms used herein and not specifically defined shall have the meaning ascribed to them in the Offer Documents.

We hereby consent to this certificate being disclosed by the BRLMs, if required (i) by reason of any law, regulation or order of a court or by any governmental or competent regulatory authority, or (ii) in seeking to establish a defence in connection with, or to avoid, any actual, potential or threatened legal, arbitral or regulatory proceeding or investigation.

We hereby consent to the aforementioned details being included in the Offer Documents and submission of this certificate as may be necessary, to any regulatory authority and/or for the records to be maintained by the BRLMs in connection with the Offer and in accordance with applicable law.

Our report is made solely to the Company's management and BRLMs for the purpose as set forth in the first paragraph of this report and for your information and is not to be used for any other purpose or to be distributed to any other parties. This report relates only to the items specified above and does not extend to any financial statements of the Company, taken as a whole. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Yours Sincerely,

For **T R Chadha & Co LLP**
Chartered Accountants
ICAI Firm Registration No: 006711N/N500028

Aashish Gupta
Partner
Membership No. 097343
Certificate No.014544
UDIN: 23097343BGQJVS5021
Place: Gurugram

Encl: As above

ANNEXURE 1

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS

The information provided below sets out the possible special tax benefits available to the Company and to shareholders of the Company in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the subscription, ownership and disposal of equity shares of the Company, under the current tax laws presently in force in India. Several of these benefits are dependent on the shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence the ability of the shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on business imperatives it faces in the future, it may not choose to fulfil. We do not express any opinion or provide any assurance as to whether the Company or its shareholders will continue to obtain these benefits in future. The following overview is not exhaustive or comprehensive and is not intended to be a substitute for professional advice.

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

Direct Taxation

A. Special tax benefits available to the Company under the Income tax Act, 1961 (read with Income Tax Rules, circulars, notifications) as amended by the Finance Act, 2023 (the "IT Act")

1. Deduction under section 36 (1) (viii) of the IT Act

   As per section 36(1)(viii) of the IT Act, a housing finance company ("**HFC**") (being a public company formed or registered in India with the main object of carrying on the business of providing long-term finance for construction or purchase of houses in India for residential purposes) is allowed a deduction of an amount not exceeding 20% of the profits derived from eligible business computed under the head "Profits and gains of business or profession" (before making any deduction under the said clause (viii) carried to any special reserve created and maintained by the HFC.

   The term 'eligible business' means the business of providing long-term finance for the construction or purchase of houses in India for residential purposes. Provided that where the aggregate of the amounts carried to such reserve account from time to time exceeds twice the amount of the paid-up share capital and of the general reserves of the specified entity, no allowance under section 36(1)(viii) shall be made in respect of such excess.

2. Deduction under section 36 (1) (viia) of the IT Act

   The Company is entitled to accelerated deduction in respect of bad and doubtful debts up to the limit specified under section 36(1) (viia) of the IT Act in computing its income under the head "Profits and gains of business or profession", to the extent of five per cent (5%) of the total income (computed before making any deduction under this clause and Chapter VI-A), and subject to satisfaction of prescribed conditions.

   As per section 36(1)(vii) of the IT Act, where the Company has claimed deduction under section 36(1)(viia) of the Act, then the subsequent claim of deduction of actual bad debts under section 36(1)(vii) of the IT Act shall be reduced to the extent of deduction already claimed under section 36(1)(viia) of the IT Act.

   Further, as per section 41(4) of the IT Act, where any deduction has been claimed by the Company in respect of a bad debt under Section 36(1)(vii) of the IT Act, then any amount subsequently recovered on any such debt is greater than the difference between such debt and the amount so allowed as a deduction under section 36(1)(vii) of the IT Act, the excess shall be deemed to be business income of the year in which it is recovered.

3. Concessional corporate tax rates–- Section 115BAA of the IT Act

The Taxation Laws (Amendment) Act, 2019 introduced section 115BAA wherein domestic companies are entitled to avail a concessional tax rate of 22% (plus applicable surcharge and cess) on fulfilment of certain conditions. The option to apply this tax rate is available from Financial Year ('FY') 2019-20 relevant to Assessment Year ('AY') 2020-21and the option once exercised shall apply to subsequent AYs. The concessional rate is subject to a company not availing any of the following deductions under the provisions of the IT Act:

- Section10AA: Tax holiday available to units in a Special Economic Zone.
- Section 32(1)(iia): Additional depreciation;
- Section 32AD: Investment allowance.
- Section 33AB/33ABA: Tea coffee rubber development expenses/site restoration expenses
- Section 35(1)/35(2AA)/ 35(2AB): Expenditure on scientific research.
- Section 35AD: Deduction for capital expenditure incurred on specified businesses.
- Section 35CCC/35CCD: expenditure on agricultural extension /skill development.
- Chapter VI-A except for the provisions of section 80JJAA and section 80M.

The total income of a company availing the concessional rate of 25.17% (i.e. 22% along with surcharge and health and education cess) is required to be computed without set-off of any carried forward loss and depreciation attributable to any of the aforesaid deductions/incentives.

A company can exercise the option to apply for the concessional tax rate in its return of income filed under section 139(1) of the IT Act. Further, provisions of Minimum Alternate Tax ('MAT') under section 115JB of the IT Act shall not be applicable to companies availing this reduced tax rate, thus, any carried forward MAT credit also cannot be claimed.

The provisions do not specify any limitation/condition on account of turnover, nature of business or date of incorporation for opting for the concessional tax rate. Accordingly, all existing as well as new domestic companies are eligible to avail this concessional rate of tax.

The Company has already opted for the concessional tax rate benefit for the FY 2019-20 relevant to the AY 2020-21 as mentioned in the Section 115BAA for which declaration in Form 10-IC has already been filed with the income tax authority.

4. Deductions in respect of employment of new employees –Section 80JJAA of the IT Act

As per Section 80JJAA of the IT Act, where a company is subject to tax audit under section 44AB of the IT Act and derives income from business, it shall be allowed to claim a deduction of an amount equal to 30% of additional employee cost incurred in the course of such business in a previous year, for 3 consecutive assessment years including the assessment year relevant to the previous year in which such additional employment cost is incurred.

The eligibility to claim the deduction is subject to fulfilment of prescribed conditions specified in subsection (2) of section 80JJAA of the IT Act.

B. Special tax benefits available to the shareholders of the Company under the IT Act.

There are no special tax benefits available to the shareholders of the Company under the IT Act.

Notes:

1. This Annexure sets out only the possible special tax benefits available to the Company and the shareholders under the Indian Income Tax Regulations presently in force in India.This Annexure covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.
2. This Annexure is as per the current direct tax laws relevant for the assessment year 2024-2025. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed

under the relevant tax laws.

3. Though benefit of section 80JJAA as mentioned above is also available to assessee other than housing finance companies, however same has been covered in the Annexure as the Company has claimed the same in earlier years.
4. This Annexure is intended only 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 tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax arising out of their participation in the Proposed IPO.
5. In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant Double Tax Avoidance Agreement(s), if any, between India and the country in which the non-resident has fiscal domicile.
6. These comments are based upon the provisions of the specified direct tax laws, and judicial interpretation thereof prevailing in India, as on the date of this Annexure.
7. No assurance is provided 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.

For and on behalf of
INDIA SHELTER FINANCE CORPORATION LIMITED

Ashish Gupta
Chief Financial Officer

Annexure 2

Indirect Taxation

The Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, each as amended (collectively, the "Indirect Tax Regulations")

There are no special tax benefits available to the Company or Shareholders of the Company under the Indirect Tax Regulations

Notes:

1. This Annexure sets out only the possible special tax benefits available to the Company and its Shareholders under the Central Goods and Services Tax Act, 2017 and respective State/Union Territory Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017 ("GST Act"), as amended by the Finance Act 2023, i.e., applicable for the Financial Year 2023-24, presently in force in India.
2. This Annexure 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, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Proposed IPO.
3. Our comments are based on our understanding of the specific activities carried out by the Company from April 1, 2022 till the date of this Annexure as per the information provided to us. Any variation in the understanding could require our comments to be suitably modified.
4. This annexure covers only indirect tax laws benefits other than the specific compliance provisions prescribed in relevant laws for a Housing finance company.
5. This annexure does not cover any income tax law benefits or benefit under any other law.
6. These comments are based upon the provisions of the specified Indirect tax laws, and judicial interpretation thereof prevailing in the country, as on the date of this Annexure.
7. 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.

For and on behalf of
INDIA SHELTER FINANCE CORPORATION LIMITED

Ashish Gupta
Chief Financial Officer

SECTION IV – ABOUT OUR COMPANY

INDUSTRY OVERVIEW

*Unless otherwise indicated, the information in this section is derived from the industry report titled "Industry Report on Housing Finance market in India" dated November 2023, prepared by CRISIL MI&A, a division of CRISIL Limited (the "**CRISIL Report**"). We have commissioned and paid for the CRISIL Report for the purposes of confirming our understanding of the industry exclusively in connection with the Offer. We officially engaged CRISIL in connection with the preparation of the CRISIL Report pursuant to engagement letters dated June 6, 2023 and October 23, 2023. The CRISIL Report will be available on the website of our Company at https://indiashelter.in/investor-relations from the date of the Red Herring Prospectus till the Bid/Offer Closing Date and has also been included in "**Material Contracts and Documents for Inspection – Material Documents**" on page 515. The data included in this section includes excerpts from the CRISIL Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the Offer), that have been left out or changed in any manner. For further details and risks in relation to commissioned reports, see "**Risk Factors — Internal Risk Factors — We have referred to the data derived from industry report paid for and commissioned by our Company from CRISIL MI&A and reliance on such information for making an investment decision in the Offer is subject to certain inherent risks.**" on page 67.*

Macroeconomic Scenario

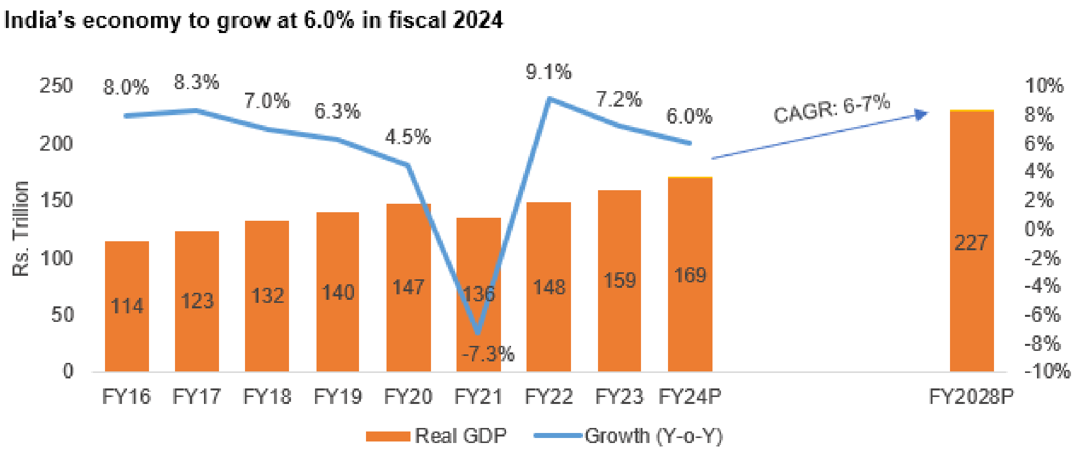
India is expected to remain among the fastest growing economies in the world with GDP growth of 6% in Fiscal 2024

The Indian economy was among the fastest-growing in the world prior to the onset of the Covid-19 pandemic. In the years leading up to the global health crisis, the country's economic indicators posted gradual improvements. The twin deficits, namely current account and fiscal deficits, narrowed, while the growth-inflation mix showed a positive and sustainable trend. Despite geopolitical instability, India continues to maintain its position as one of the fastest-growing economies globally. This can be attributed to various factors such as demographic advantage, robust domestic demand, economic reforms, manufacturing and infrastructure development, technological advancements, and digital push.

In fact, the International Monetary Fund ("IMF"), in its October 2023 economic outlook update, revised its India economic growth forecast in real terms for the current financial year to 6.3% from previous 6.1% estimate in July 2023, citing momentum from stronger-than-expected growth in the fourth quarter of financial year 2023 as a result of stronger domestic investment. In contrast, according to the IMF, global economic growth is projected to decelerate from an estimated 3.5% in 2022 to 3.0% in 2023 and 2.9% in 2024. While the forecast for 2023 is slightly higher by 0.2% than the earlier estimate, it remains weaker than the historical average.

CRISIL MI&A expects growth outlook for the Financial Year 2024 to be fettered with multiple risks including sluggish exports and lagged impact of rate hikes manifested fully into the economy. Nevertheless, India is expected to remain among the fastest growing economies in the world with GDP growth of 6.0% projected in Financial Year 2024 as per CRISIL MI&A.

India's economy to grow at 6.0% in Financial Year 2024.

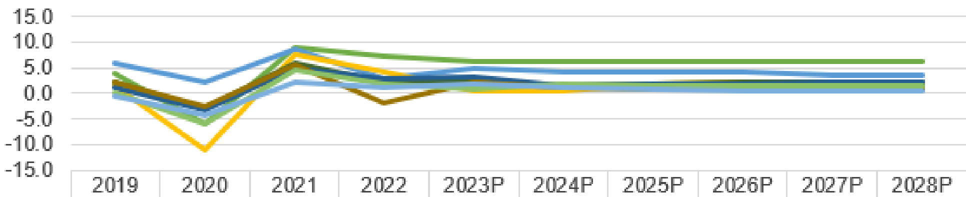


Note: P = Projected; GDP growth till fiscal 2023 is actuals. GDP Projections for fiscals 2023- 2024 is projected based on CRISIL MI&A estimates and that for fiscals 2025-2028 based on IMF estimates.

Source: NSO, CRISIL MI&A, IMF (World Economic Outlook – October 2023 update)

Over the past three Financial Years, Indian economy has outperformed its global counterparts by witnessing a faster growth. Going forward as well, IMF projects that Indian economy will remain strong and would continue to be one of the fastest growing economies.

India is the among fastest-growing major economies (GDP growth, % year-on-year)



	2019	2020	2021	2022	2023P	2024P	2025P	2026P	2027P	2028P
India	3.9	-5.8	9.1	7.2	6.3	6.3	6.3	6.3	6.3	6.3
China	6.0	2.2	8.5	3.0	5.0	4.2	4.1	4.1	3.7	3.4
United Kingdom	1.6	-11.0	7.6	4.1	0.5	0.6	2.0	2.1	1.8	1.5
United States	2.3	-2.8	5.9	2.1	2.1	1.5	1.8	2.1	2.1	2.1
Brazil	1.2	-3.3	5.0	2.9	3.1	1.5	1.9	1.9	2.0	2.0
Russia	2.2	-2.7	5.6	-2.1	2.2	1.1	1.0	1.0	1.0	1.0
South Africa	0.3	-6.0	4.7	1.9	0.9	1.8	1.6	1.4	1.4	1.4
Japan	-0.4	-4.2	2.2	1.0	2.0	1.0	0.7	0.5	0.4	0.4

Note: All forecasts refer to IMF forecasts. GDP growth is based on constant prices, Data represented is for calendar years, P: Projected
Source: IMF (World Economic Outlook – October 2023 update), CRISIL MI&A

Indian economy to be a major part of world trade

Along with being one of the fastest growing economies in the world, India ranked fifth in the world in terms of nominal GDP for 2023 according to forecasts by the IMF (World Economic Outlook – April Update). India overtook the United Kingdom to become the fifth largest economy in the world in calendar year 2022. In terms of purchasing power parity, India is the third largest economy in the world, only after China and the United States.

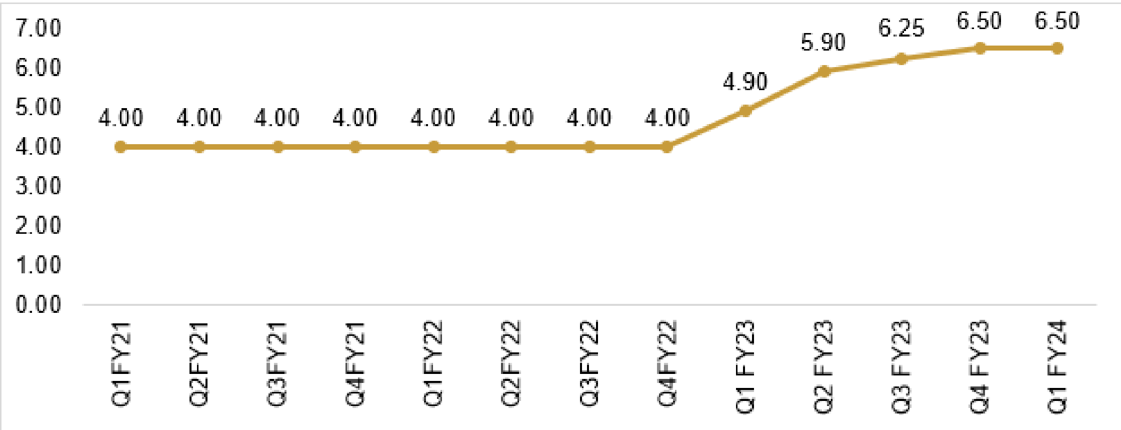
Financial conditions stabilize, broader economy to face elevated rates

The RBI's Monetary Policy Committee (MPC) is expected to be on an extended pause for the next few meetings, as it evaluates the inflation trajectory and growth momentum. The impact of past rate hikes on growth will be the most prominent in the current Financial Year. As growth slows, CRISIL MI&A expects RBI to initiate rate cuts in the last quarter of Financial Year 2024. While the pause on rate hikes has augured well for financial markets, elevated bank lending rates could tighten financial conditions for some segments of the economy which could ease down subsequently basis the direction of the economy.

Repo rate remains unchanged, with phase of aggressive rate hikes behind us

In financial year 2023, the RBI raised the repo rate by 90 basis points ("bps") in the first quarter, and since then, it has continued to increase every quarter. By the first quarter of financial year 2024, the repo rate reached 6.50%, which signifies a substantial increase of 250 bps from the first quarter of financial year 2023. The initial rate hike occurred in May 2022, when the RBI's rate-setting panel unanimously raised the benchmark lending rate by 40 bps. However, the repo rate remained unchanged in the first quarter of financial year 2024 as compared to the fourth quarter of financial year 2023.

Repo rate in India (%)



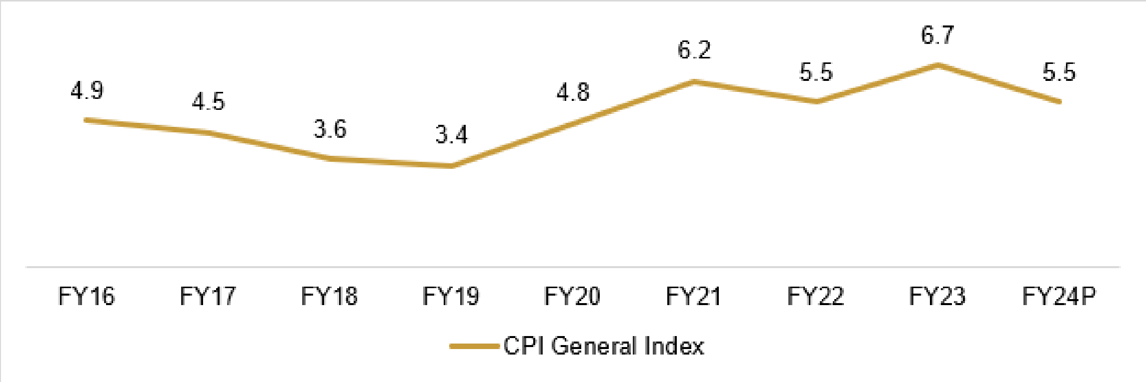
Source DBIE RBI, CRISIL MI&A

Consumer Price Index ("CPI") inflation to average at 5.5% in Financial Year 2024

CPI based inflation softened to 6.8% in August after surging to 7.4% in July aided by lower food inflation. While the non-food components stayed unchanged, a slight moderation in food inflation pulled down the headline number. Inflation in all commonly constructed non-food CPI categories remained low and unchanged from July: non-food CPI at 4.8%, core CPI (excluding food and fuel) at 4.9%, services CPI at 4.5% and core CPI goods (excluding food and services) at 5.1%.

Food inflation eased to 9.9% from 11.5% led by some cooling of inflation in vegetables, cereals, pulses and milk. Fuel inflation increased marginally from 3.7% in July to 4.3% in August led by high electricity inflation. Core inflation which has been a major concern in financial year 2023, cooled to 4.9% in July and remained the same in August. Since August's monetary policy, CPI inflation breached the MPC's upper tolerance band of 6.0%, averaging 7.1% in July-August driven by sharp increases in food inflation over the two months. CRISIL MI&A expects CPI inflation to average 5.5% in financial year 2024 from 6.7% in financial year 2023 on the assumption of a normal monsoon. For financial year 2024, CRISIL MI&A expects CPI inflation to come down, averaging 5.5% on-year, within the RBI's target range of 4-6%. A combination of three factors — impact of rising interest rates on domestic demand, a global demand slowdown leading to falling international commodity prices, and the base effect — should lead to lower inflation.

Inflation to moderate to 5.5% in financial year 2024



Source: Note: P = Projected, CRISIL MI&A

Macroeconomic outlook for Financial Year 2024

Macro variables	FY23	FY24P	Rationale for outlook
GDP (y-o-y)	7.2%	6.0%	Slowing global growth is likely to weaken India's exports in Financial Year 2024. Domestic demand could also come under pressure as Reserve Bank of India (RBI) rate hikes are transmitted to consumers. Despite the lower forecast, India continuous to grow at highest rate in world.
Consumer Price Index (CPI) Inflation (y-o-y)	6.7%	5.5%	Lower commodity prices, base effect, and cooling off domestic demand is likely to help in moderating inflation in Financial Year 2024.
10-year Government security yield (Financial Year-end)	7.4%	7.0%	A moderate increase in gross market borrowings is budgeted for Financial Year 2024. This, coupled with lower inflation, is likely to moderate yields in Financial Year 2024.
CAD (Current account balance)/GDP (%)	-2.0%	-1.8%	Lower commodity prices, especially in energy space and support from healthy services exports is expected to lead to moderation of trade deficit in Financial Year 2024.
Rs/$ (March average)	82.3	83.0	While a lower current account deficit (CAD) will support the rupee, challenging external financing conditions will continue to exert pressure in the next Financial Year. However, the overall impact on the rupee is expected to remain below the levels indicated by current forward premiums for the year.

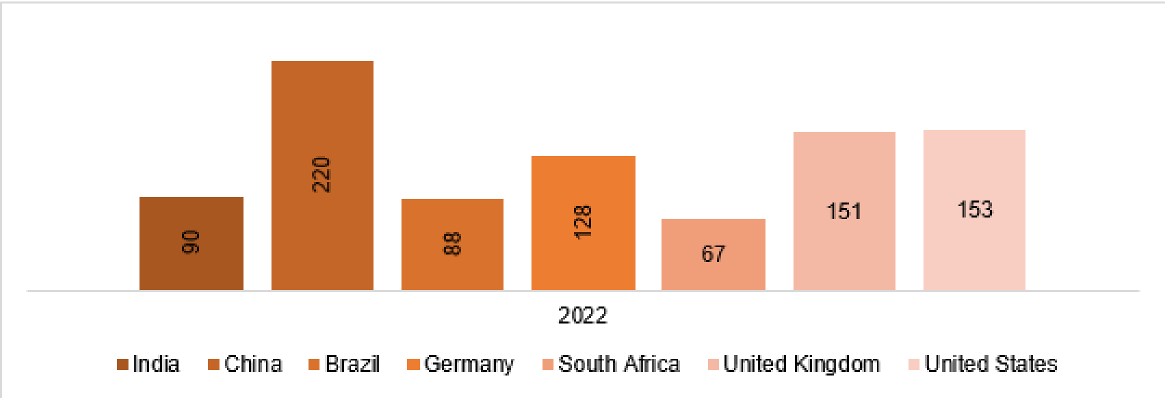
Note: P – Projected; Source: Reserve Bank of India (RBI), National Statistics Office (NSO), CRISIL MI&A

Credit penetration in India

Credit penetration is lower in India compared to other countries

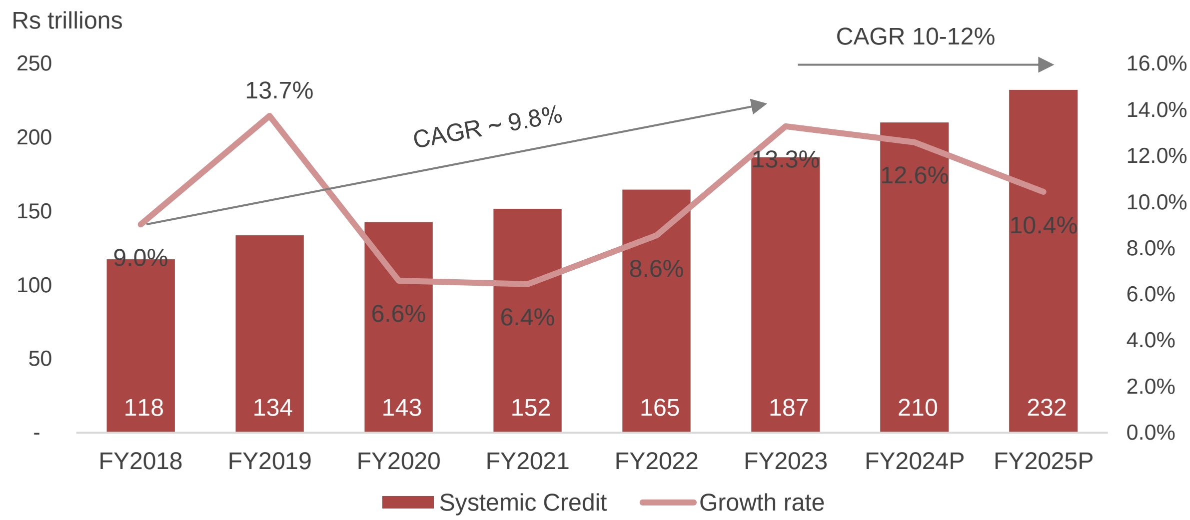
In terms of the credit to GDP ratio, India has a low credit penetration compared with other developing countries, such as China indicating the potential that can be tapped. Similarly, in terms of credit to households as a proportion of GDP as well, India lags other markets, with retail credit hovering at around 26% of GDP as of Financial Year 2023.

Credit to GDP ratio for calendar year 2022 (%)



Note: Data is represented for calendar years for all countries except India. For India, numbers are for Financial Year 2021; Source: Bank of International Settlements, CRISIL MI&A

Systemic credit to grow at 10%-12% CAGR between 2023-2025

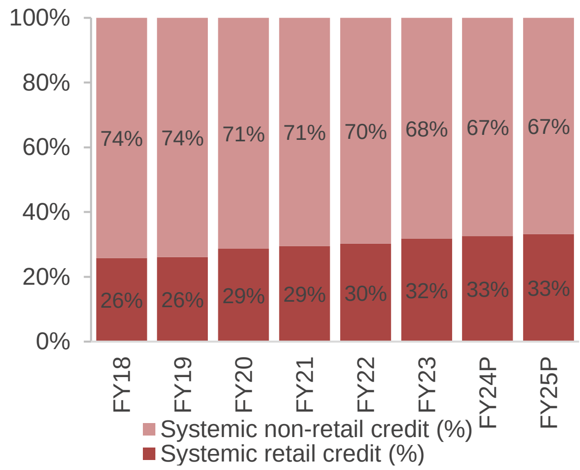


Note: P: Projected; Systemic credit includes domestic banking credit, NBFC credit, commercial papers, external borrowings, corporate bonds excluding those issued by Banks and NBFC

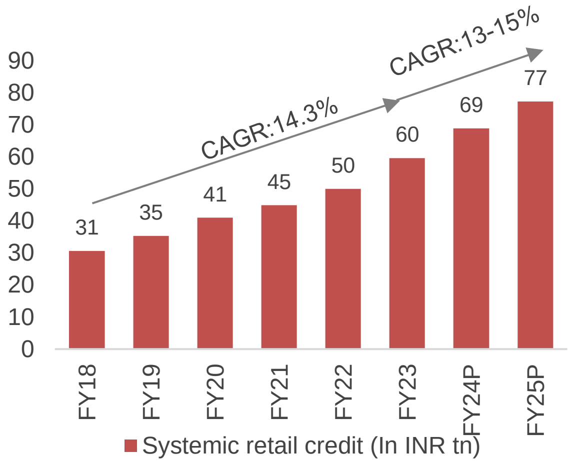
Source: RBI, Company Reports, CRISIL MI&A

While systemic credit in India grew at a tepid rate of 9.8% CAGR annually between financial year 2018 and financial year 2023, systemic retail credit grew at a much faster rate of 14.3% CAGR during the same period. CRISIL MI&A expects retail credit growth to continue in the long term with banks and NBFCs' continued focus on the segment.

Retail segment is estimated to account for 32% of overall systemic credit as of Fiscal 2023



Retail credit growth to continue a strong footing in Fiscal 2024

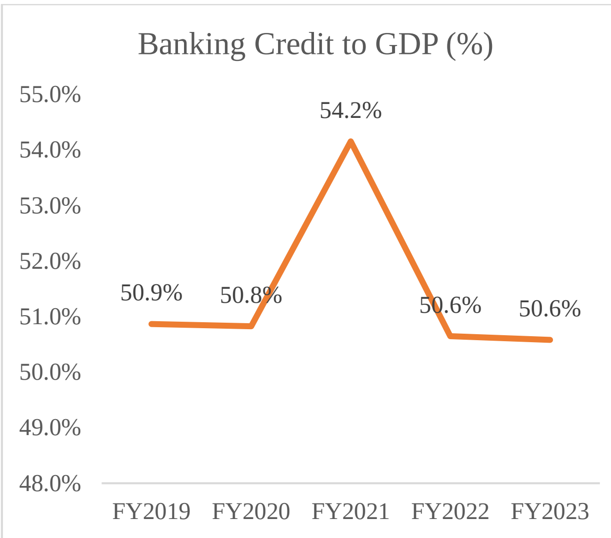


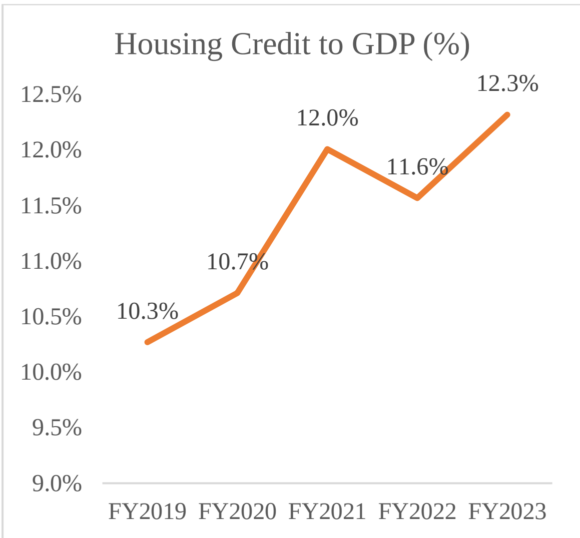
Note: P = Projected

Source: RBI, CRISIL MI&A

Trend in Banking Credit to GDP and Housing Credit to GDP during financial years 2019 to 2023

Overall banking credit to GDP ratio has remained stable; Housing credit to GDP has increased over the years





Note: Outstanding credit of all scheduled banks taken for banking credit
Source: DBIIE RBI, NSO, CRISIL MI&A

Source: CRIF Highmark, CRISIL MI&A

Delhi, Maharashtra, Telangana, and Chandigarh have a higher credit penetration compared to other states

State-wise credit penetration (FY23)

	Credit Penetration as of March 2023	GSDP (FY21-FY22) in ₹ billion	Percentage share in India's GDP	Rural Credit Share	Semi Urban Credit Share	Urban Credit Share	Metropolitan Credit Share
Maharashtra*	206%	18,893	12.70%	2%	4%	4%	90%
Chandigarh*	271%	279	0.20%	0%	0%	100%	0%
Delhi	240%	6,224	4.20%	0%	1%	0%	99%

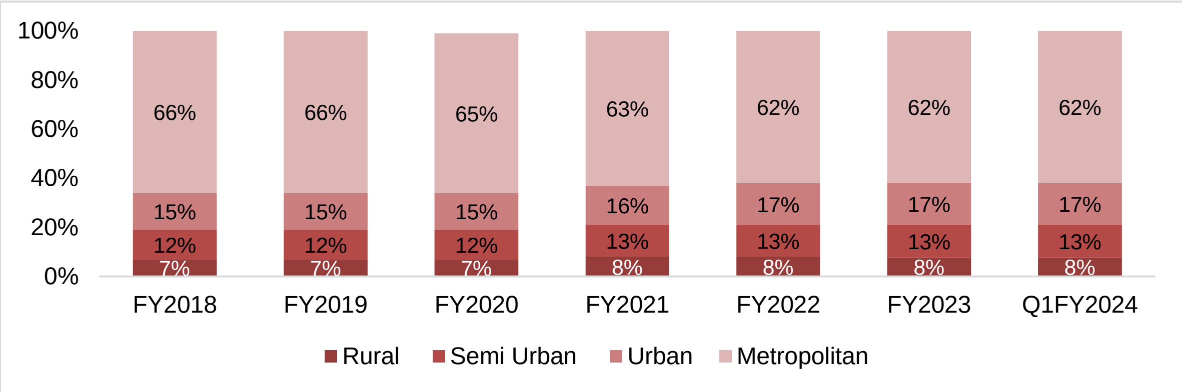
	Credit Penetration as of March 2023	GSDP (FY21-FY22) in ₹ billion	Percentage share in India's GDP	Rural Credit Share	Semi Urban Credit Share	Urban Credit Share	Metropolitan Credit Share
Telangana	102%	6,763	4.50%	7%	11%	9%	74%
Tamil Nadu	94%	13,451	9.00%	11%	23%	14%	51%
Kerala	83%	5,509	3.70%	2%	50%	48%	0%
Andhra Pradesh	77%	7,469	5.00%	15%	25%	30%	30%
Karnataka	73%	12,522	8.40%	8%	12%	16%	64%
Jammu & Kashmir	71%	1,215	0.80%	35%	26%	21%	19%
Haryana	68%	5,888	4.00%	9%	15%	68%	8%
Punjab	68%	4,275	2.90%	18%	29%	26%	28%
West Bengal*	62%	7,927	5.30%	13%	10%	20%	58%
Rajasthan	62%	7,330	4.90%	13%	24%	25%	38%
Puducherry	62%	266	0.20%	9%	20%	71%	0%
Chhattisgarh*	61%	2,455	1.60%	8%	17%	26%	49%
Madhya Pradesh	60%	6,217	4.20%	11%	22%	18%	48%
Gujarat*	58%	12,482	8.40%	8%	13%	17%	62%
Uttar Pradesh	57%	11,231	7.50%	16%	16%	32%	36%
Manipur*	50%	208	0.10%	30%	21%	49%	0%
Goa*	48%	534	0.40%	18%	82%	0%	0%
Bihar	46%	4,281	2.90%	21%	24%	25%	30%
Odisha	46%	4,203	2.80%	19%	23%	58%	0%
Assam*	45%	2,285	1.50%	21%	30%	49%	0%
Jharkhand	42%	2,368	1.60%	17%	20%	28%	35%
Nagaland*	42%	180	0.10%	22%	46%	32%	0%
Meghalaya	41%	257	0.20%	33%	18%	49%	0%
Uttarakhand	37%	1,899	1.30%	21%	21%	58%	0%
Arunachal Pradesh*	37%	189	0.10%	28%	72%	0%	0%
Himachal Pradesh	34%	1,244	0.80%	58%	32%	10%	0%
Sikkim	28%	207	0.10%	28%	10%	62%	0%
Mizoram*	28%	144	0.10%	8%	25%	67%	0%
Tripura	27%	405	0.30%	27%	27%	46%	0%

*Note: Credit penetration calculated as banking credit to states as of Financial Year 2023 divided by state GSDP (at constant prices) as of Financial Year 2022; Region wise credit % calculated as credit divided by total credit, GDP taken as GSDP at constant prices, Base Year: 2011-12., * GDSP taken for Financial Year 2021, Source: RBI, MOSPI, CRISIL MI&A Estimates*

Rural India – Under penetration and untapped market presents a huge opportunity for growth for financiers

As of March 31, 2023, rural areas, which accounted for 47% of GDP, received just 8% of the overall banking credit, which shows the vast market opportunity for banks and NBFCs to lend in these areas. With increasing focus of government towards financial inclusion, rising financial awareness, increasing smartphone and internet penetration, CRISIL expects delivery of credit services in rural area to increase. Further, usage of alternative data to underwrite customers will also help the financiers to assess customers and cater to the informal sections of the society in these regions.

Share of rural and semi-urban credit has increased marginally between March 2018 & June 2023

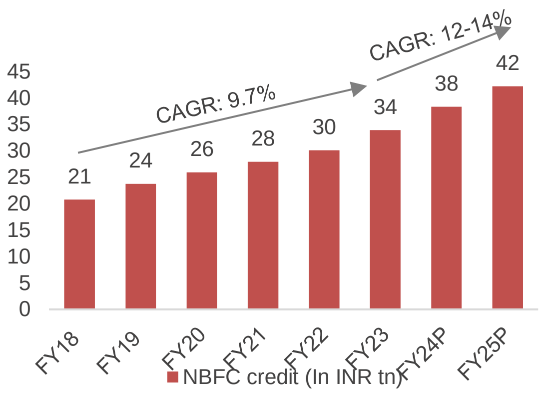


Note: As at the end of each Fiscal and as of June 2023 for Q1 FY 2024; Source: RBI, MOSPI, CRISIL MI&A

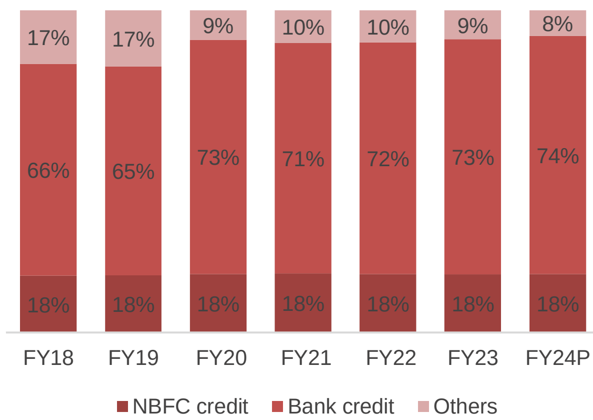
NBFC credit to grow faster than systemic credit between Fiscals 2023 and 2025

CRISIL MI&A projects NBFC credit to grow at 12%-14% between financial year 2023 and financial year 2025. The credit growth will be driven by the retail vertical, including housing, auto, and microfinance segments. Rapid revival in the economy is expected to drive consumer demand in financial year 2024, leading to healthy growth NBFCs. Moreover, organic consolidation is underway with larger NBFCs gaining share. Further, growth of the non-banking industry will be driven mainly by NBFCs with strong parentage who have funding advantage over other NBFCs.

NBFC credit to grow at CAGR 12-14% between fiscals 2023 and 2025



Share of NBFC Credit in Systemic Credit remained at 18% in financial year 2023

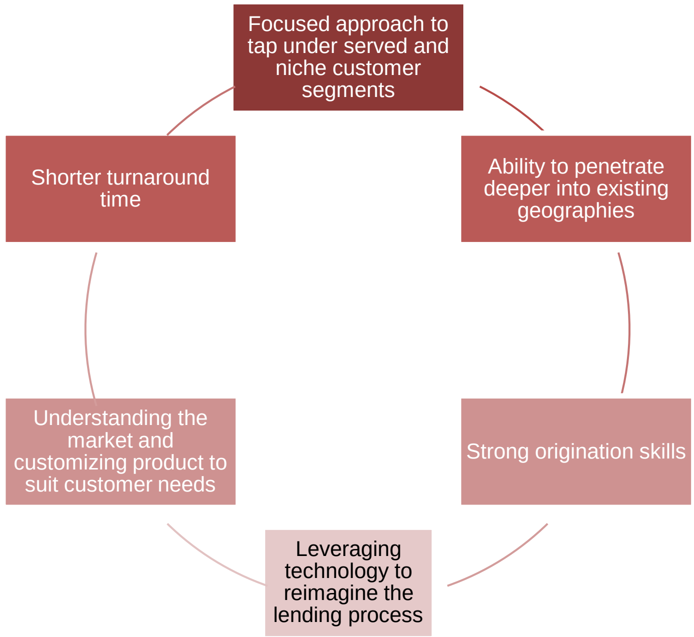


Note: P = Projected; Note: Others include Commercial papers, External borrowings, corporate bonds excluding those issued by Banks and NBFCs

Source: RBI, Company reports, CRISIL MI&A

NBFCs have shown remarkable resilience and gained importance in the financial sector ecosystem, growing from less than ₹2 trillion AUM at the turn of the century to ₹34 trillion at the end of financial year 2023. CRISIL MI&A expects NBFC credit to grow at 12-14% CAGR between financial year 2023 and financial year 2025. Their share in the overall credit pie has increased from 12% in financial year 2008 to 18% in financial year 2023 and projected to be remained stable in financial year 2024. CRISIL MI&A believes that NBFCs will remain a force to reckon within the Indian credit landscape, given their inherent strength of providing last-mile funding and catering to customer segments that are not catered by Banks.

Growth of NBFCs reflects the customer value proposition offered by them

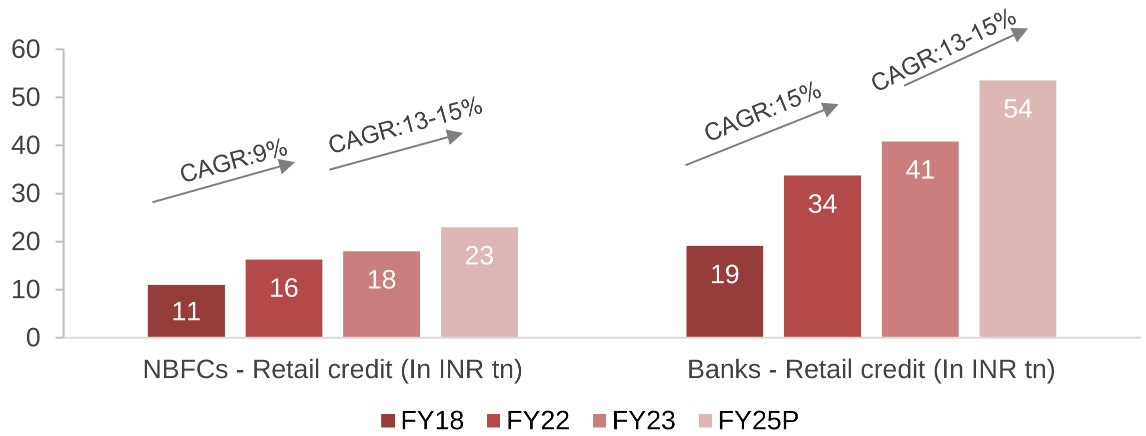


Source: CRISIL MI&A

Retail segment to support NBFCs overall credit growth

The COVID-19 pandemic and consequent acceleration in both adoption of technology and change in consumer habits as well as increasing availability of data for credit decision-making has made it possible to build an NBFC lending business without investing large sums to have brick-and-mortar presence on the ground. Overall, between Fiscal 2023 to Fiscal 2025, CRISIL MI&A forecasts NBFC credit to grow at a CAGR of 12%-14%. Further, retail credit given out by NBFCs is forecast to grow at a pace of 13%-15% CAGR over the same time.

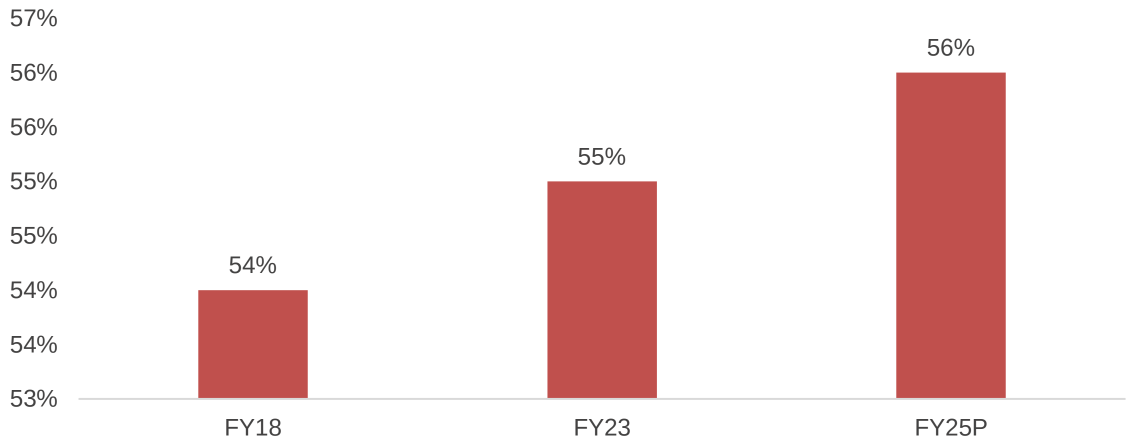
NBFCs retail credit is expected to grow at 13% - 15% CAGR in the next two years



Note: P = Projected; Retail credit above includes housing finance, auto finance, microfinance, gold loans, consumer durable finance, MSME loans, education loans & others

Source: Company reports, RBI, CRISIL MI&A

Share of retail credit in total NBFC credit to continue to grow



Note: P = Projected; Retail credit above includes housing finance, auto finance, microfinance, gold loans, consumer durable finance, MSME loans, education loans & others

Source: Company reports, CRISIL MI&A

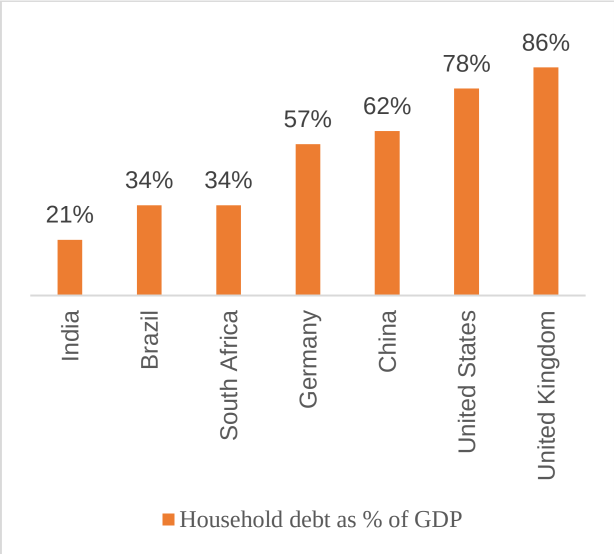
Housing and autos to lead NBFC credit growth

With continued support from the government, the central bank and increase in demand for housing and deeper penetration in tier-II and -III cities, the affordable HFCs are back on a healthy double digit growth trend with an estimated growth of 14-16% during financial year 2023, outpacing the credit growth in retail housing segment. Going ahead, CRISIL MI&A expects affordable HFCs to grow at 15-17% during financial year 2024.

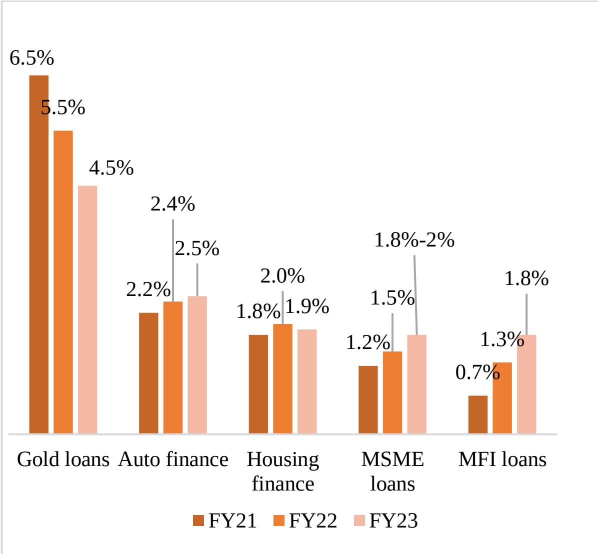
Retail credit market continue to remain profitable in the coming years

From a profitability perspective as well, retail lending is an attractive proposition with NBFCs across various asset classes being able to earn fairly healthy return on assets over the course of a business cycle. Given that the market is large, has good growth prospects, is under penetrated and profitable, CRISIL MI&A expects retail credit to continue to remain a key focus area for banks and NBFCs.

India most underpenetrated in terms of retail credit indicating significant potential for growth

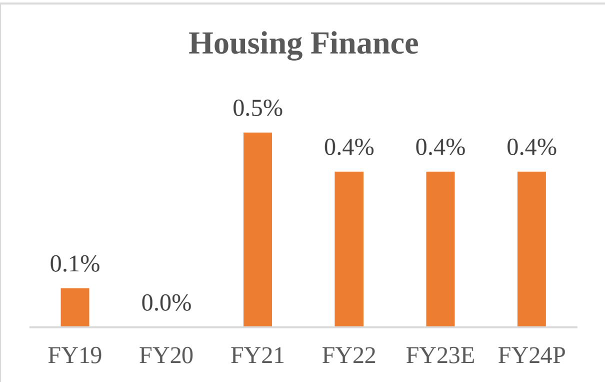


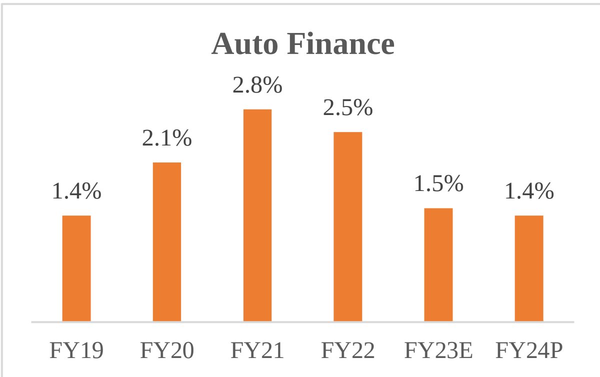
Retail lending is profitable for NBFCs across various asset classes as indicated by their Return on Assets

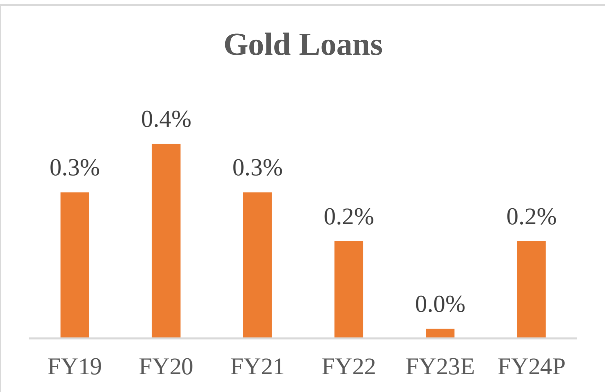


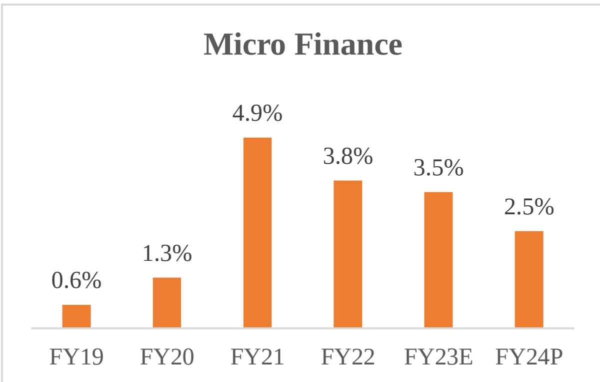
Note: E = Estimated; P = Projected, above retail credit market includes housing finance, Auto finance, microfinance, gold loans, construction equipment finance, consumer durable finance, MSME loans and education loans
For countries except India, data is represented for calendar years. For India, data represented is for Financial Year 2022.
Source: RBI, Bank of International Settlements, Company reports, CRISIL MI&A

Housing Finance had second lowest credit cost among retail loans, which is expected to continue



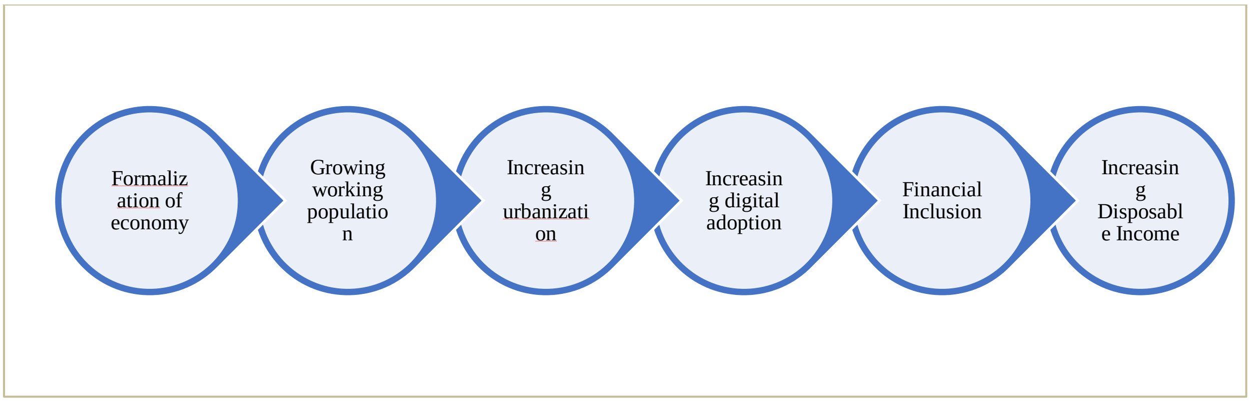






Note: E = Estimated; P = Projected, Source: CRISIL MI&A

Factors that will support retail credit growth

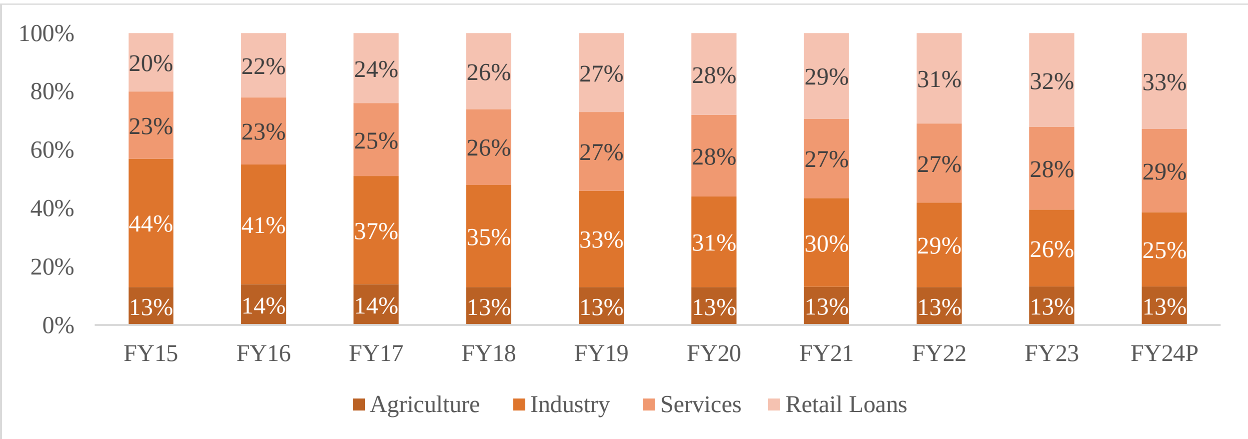


Source: CRISIL MI&A

Retail Loan and Service segment to drive credit growth in Financial Year 2024

Industrial credit accounted for nearly one fourth of the overall banking credit mix in Financial Year 2023. The demand has been lower in the past three Financial Years, owing to subdued capital expenditure, low commodity prices and low asset quality. This has led to gradual reduction of share of industry credit in the overall banking sector's credit. In contrast, credit towards the retail and services segments has risen rapidly over the past five Financial Years, driven by strong consumer demand, lower NPA and better margins. Retail Loans segment grew in Financial Year 2023 driven by demand in housing segment and pent-up demand in vehicle loans segment. Going forward, CRISIL MI&A expects personal loans and services segment to drive credit growth in Financial Year 2024. Retail Loans segment is expected to show strong growth in Financial Year 2024 on back of credit demand from housing loans, consumer durables and other retail loan segment. Going forward, CRISIL MI&A expected overall housing loan to grow at 14-16% in the Financial Year 2024.

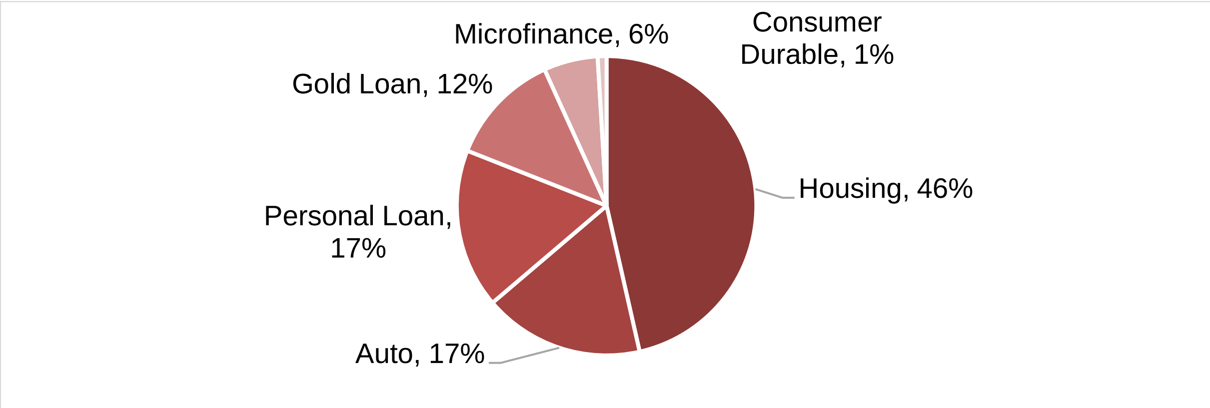
Retail loan share reached 32% as of March 31, 2023



Note: As at end of each Financial Year 2023, P: Projected, Source: RBI; CRISIL MI&A

Housing loans accounts for 46% of overall retail loans as of March 31, 2023

Retail credit mix as of March 31, 2023

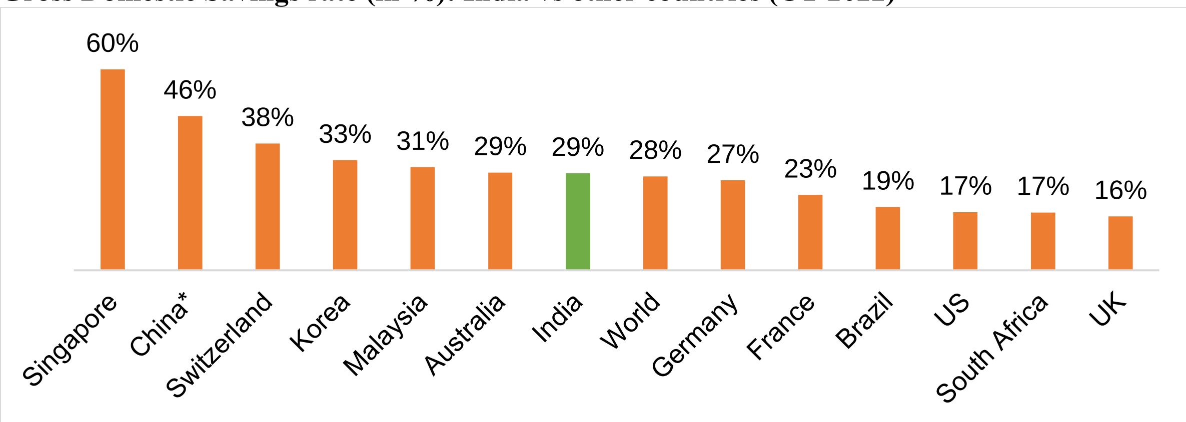


Source: CRISIL MI&A

Household savings to increase

India's savings touched a 15 year low in financial year 2020 with gross domestic savings witnessing a decline to 27.1%, post which in the next two fiscals the savings have witnessed a growth and touched ~29% during financial year 2022. Despite the slow-down, with rise in India's savings rate it remains favourable as compared with most emerging market peers with 29% in financial year 2022, greater than the world average of 28%.

Gross Domestic Savings rate (in %): India vs other countries (CY 2022)



Note: Gross Domestic Saving consists of savings of household sector, private corporate sector and public sector; (*) Data as of CY2020; Source: World Bank, Handbook of Statistics on Indian Economy 2020-21, RBI, MOSPI, CRISIL MI&A

India is also in a sweet spot to harness the economic dividend from demographic change. A larger working-age population is expected to lead to increased labour force participation, driving economic growth and productivity. Further, individuals in this group tend to also accumulate savings at a higher rate, facilitating further investment-led growth and development.

CRISIL MI&A expects India to be a savings economy, although households' savings in physical assets has declined to 61% in fiscal 2022 from 69% in fiscal 2012, it constitutes a substantial share in overall savings. On the other hand, the share of net financial savings has witnessed an uptrend to 39% in fiscal 2022 from 31% in fiscal 2012. In the long-term, with increase in financial literacy, CRISIL MI&A expects the share of financial assets as a proportion of net household savings to increase over the next five years, thereby boosting investments in assets such as insurance and mutual funds.

Housing Scenario in India

Housing is regarded as the engine of economic growth and can give a big push to the economy through its forward and backward linkages with more than 250 ancilliary industries. The sector has strong inter-industry linkages and investments in housing can have multiplier effects on generation of income and employment in the country. Recognising the importance of housing as a basic human need, the government has announced multiple schemes to conitnue their focus on housing in the country.

As per 2011 census, India has 330.84 million houses of which only 130 million houses were good habitable condition

As per 2011 census, India has 330.84 million houses of which 244.64 million houses were used for residence purpose or residence-cum-other use purpose. Further, 130.12 million house amongst the occupied ones were classfiied as 'good habitable condition', followed by 101.44 million (41%) as 'liveable habitable condition' and remaining as 'dilapidated habitable condition'.

Housing shortage in India (in million)

Area	Total Number of Census Homes	Occupied Census House	Distribution of Occupied Census Houses			
			Residence	Residence cum other use	Total of Residence and Residence cum other use	All other Non-Residential Use
Rural	220.70	207.12	159.93	6.23	166.16	40.96
Urban	110.14	99.04	76.13	2.35	78.48	20.56
Total	330.84	306.16	236.06	8.58	244.64	61.52

**Other use – Shop, Office, School, College, Hotel, lodge, guest house, hospital dispensary, Factory, workshop, work shed, place of worship, etc; Source: Census 2011, Ministry of Housing and Urban Poverty Alleviation National Buildings Organisation; Planning Commission, CRISIL MI&A*

Housing shortage in India

Despite the constant focus on the housing segment, housing in India is far from adequate. The shortage of housing in India has been a perpetual problem, deterring the economic growth of the country. The shortage of overall house is much higher at 62.5 million (as per twelfth five-year plan 2012-17) due to changing social and demographic pattern in India such as nuclearization of families and rapid growth of urbanisation. The below graph clearly states that Urban housing shortage arising more from congestion and rural housing shortage due to non-serviceable and kutcha house (low quality house) followed by congested houses.

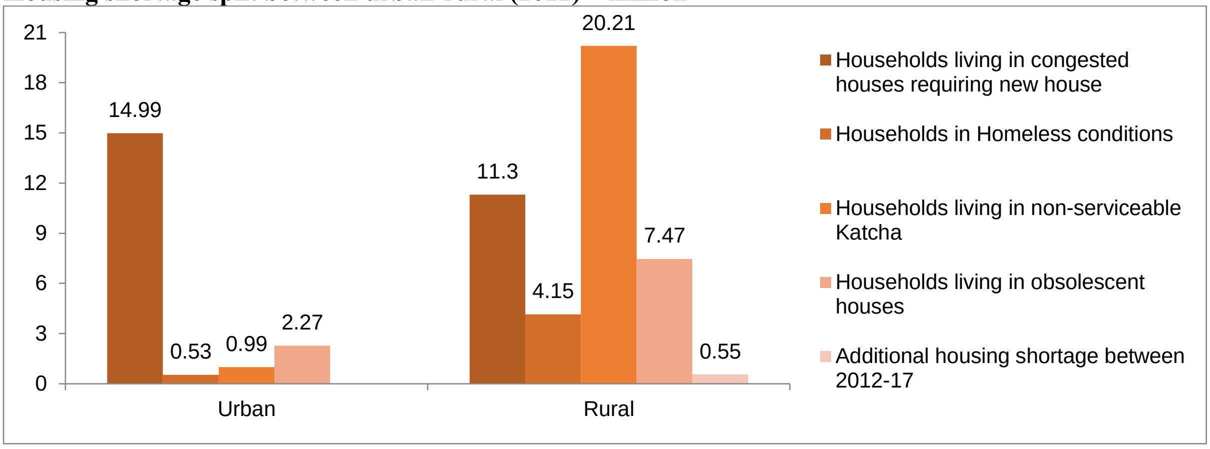
Urban Housing shortage split among Socio-Economic Group (2012) – million

Category	Urban Housing Shortage	(in %)
EWS	10.55	56.2%
LIG	7.41	39.5%
MIG & HIG	0.82	4.3%
Total	18.78	100%

Note: 2012 Estimates; Source: Ministry of Rural development, Ministry of Housing and Urban Poverty Alleviation National Buildings Organisation; Planning Commission, CRISIL MI&A

The erstwhile Planning Commission and Ministry of Rural Development, Government of India, has taken official initiative to assess the quantum of housing shortage in rural India. As per the estimates of the Twelfth Five Year Plan, the shortage of housing in the rural segment of society stood at 43.13 million.

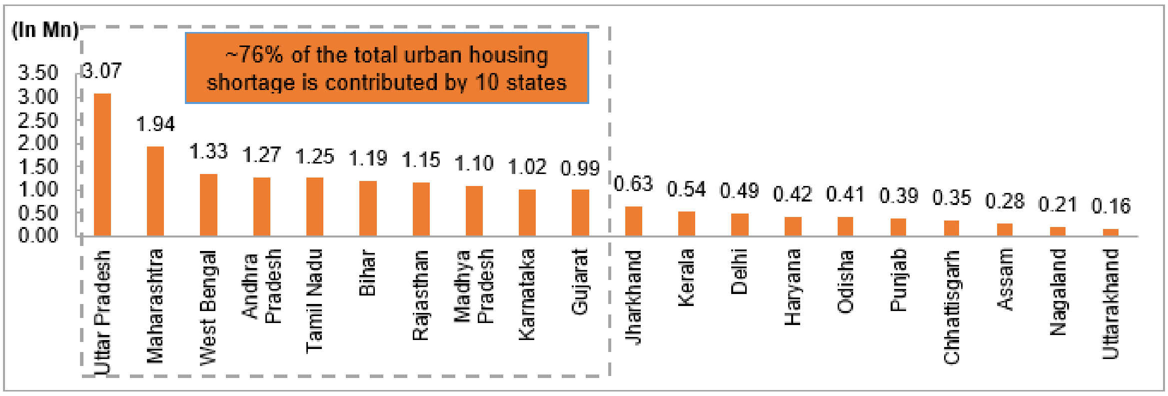
Housing shortage split between urban-rural (2012) – million



Source: 2012 Estimates, Ministry of Rural development, Planning commission, CRISIL MI&A

76% of total urban housing shortage is contributed by top 10 states (2012)

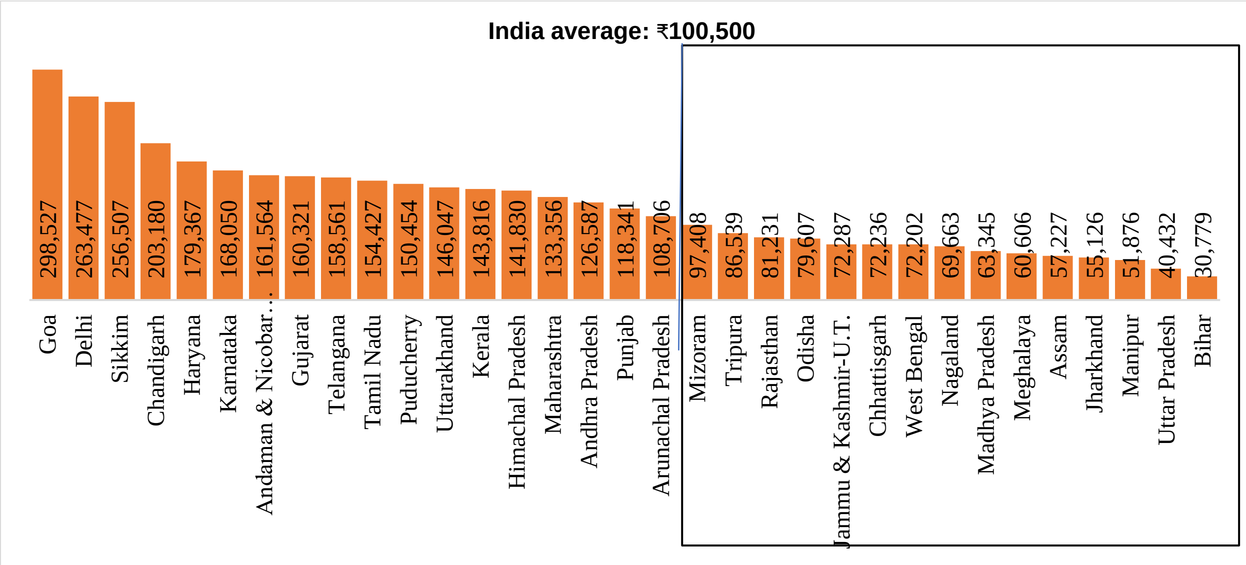
State-wise housing shortage



Source: Report of the Technical Urban Group on Urban Housing Shortage (TG-12), CRISIL MI&A

Amongst the top states with high shortage of homes, some states such as Uttar Pradesh, Bihar, West Bengal, Rajasthan & Madhya Pradesh have a lower per capita income, as compared to the national average. This shows that there is significant headroom for growth in terms of increasing per capita income and reducing the housing shortage in the country.

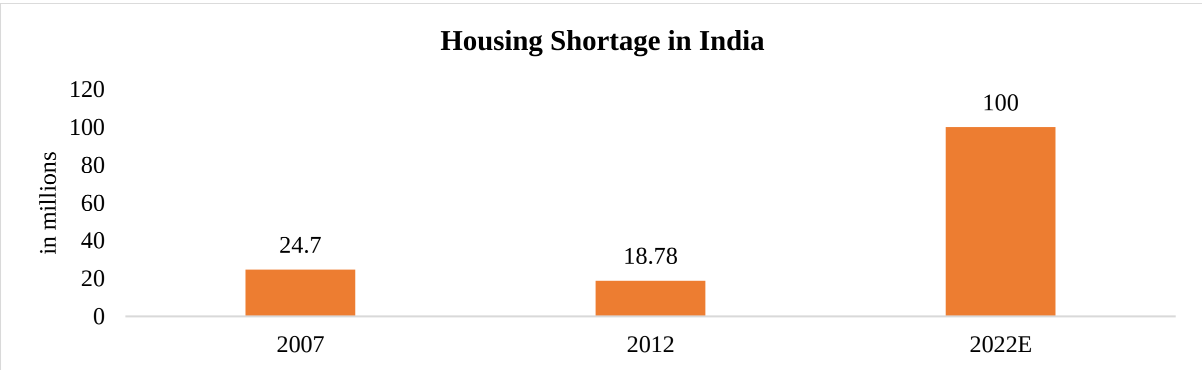
45% of the India's state have lower per capita income than national average (Financial Year 2023)



Source: RBI CRISIL MI&A

Estimated shortage and requirement of ~100 million houses in 2022

The housing shortage in India has only increased since the estimates at the time of the Twelfth Five-year plan. As per the report of RBI-appointed Committee on the Development of housing finance securitisation market (September 2019), the housing shortage in India is estimated to increase to 100 million units by 2022. Majority of the household shortage is for Lower income group (LIG) and Economic weaker section (EWS) with a small proportion of shortage (5-7%) of the shortage coming from middle income group or above. Total incremental housing loans demand, if this entire shortage is to be addressed, is estimated to be in the region of ₹ 50 trillion to ₹ 60 trillion, as per the Committee report. In comparison, the overall housing loans outstanding (excluding PMAY loans) as of March 2023 is around ₹ 31.1 trillion. This indicates the immense latent potential of the market, in case, a concrete action is taken for addressing the shortage of houses in the country.



Note: E: Estimated; Source: RBI, Planning Commission, CRISIL MI&A

Opportunity for financiers well established in Affordable Housing segment

As per the report of RBI-appointed Committee on the Development of housing finance securitisation market (September 2019), the total value of units to fulfil the entire shortage is estimated at ₹149 trillion, out of which ₹58 trillion is estimated to be the aggregate loan demand for housing.

Estimates for aggregate demand for Housing

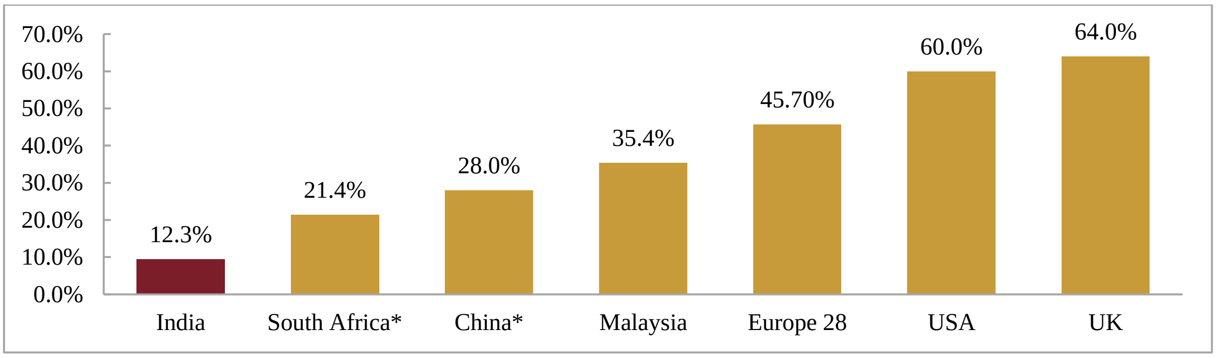
Income Segment	Housing Shortage (in ₹ million)	Average ticket size (in ₹ million)	Value of Units (in ₹ trillion)	LTV	Credit Penetration	Aggregate loans demand (in ₹ trillion)
EWS	45	0.75	34	40%	40%	5
LIG	50	1.5	75	50%	80%	30
MIG & above	5	8	40	65%	85%	22
Total	**100**		**149**			**58**

Source: RBI Committee Discussion (Sept 2019), CRISIL MI&A

India's mortgage penetration is lower than other economies

India has very low penetration in terms of housing finance as compared to its rising peers which shows the higher potential for Indian housing finance companies to expand. Housing finance market continues to face supply constraints from Banks and NBFCs, particularly for lower income group as they are perceived as risky due to informal sector.

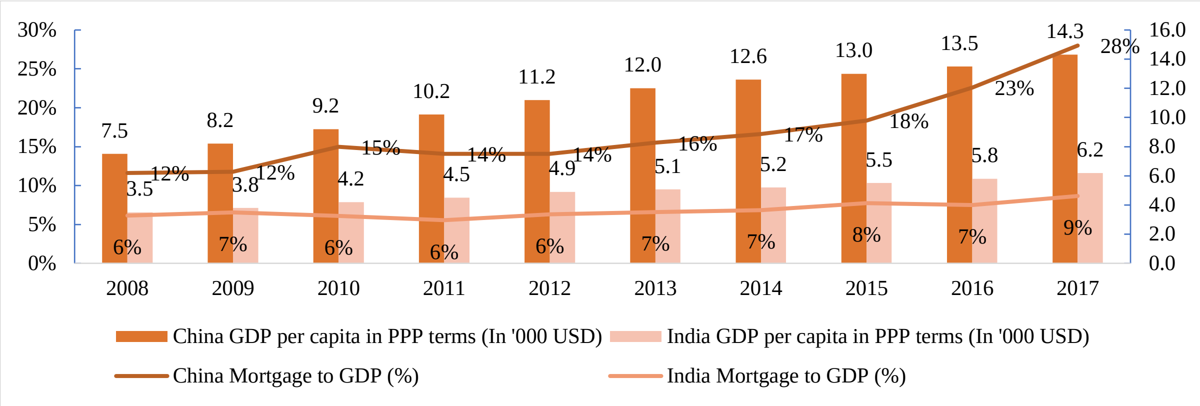
Mortgage-to-GDP ratio in India (FY23) compared with other countries (CY18)



Note: (*) – As of CY17, Indian mortgage to GDP is for Financial Year 2023 – 12.3%; Europe 28 includes the 28 European Union Member states as of December 2018; Source: HOFINET, European Mortgage Federation, NHB, CRISIL MI&A

Rise in per capita income to drive the growth of mortgage penetration in India

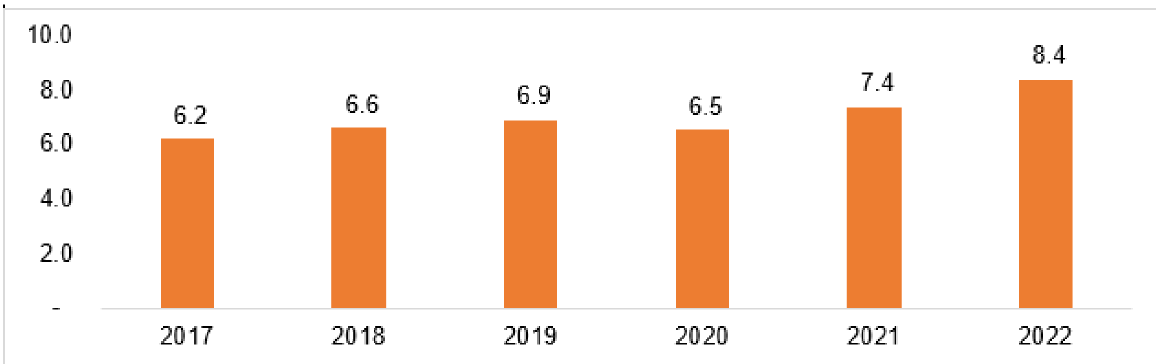
The mortgage penetration in China is correlated to the GDP per capita of the country and the GDP-to-mortgage ratio of China has grown from 12% in 2008 to 26% in 2017. The per capita income of the country has increased from USD 7,900 in 2008 to USD 15,300 in 2017. India has gone through a similar trajectory with mortgage penetration in the country increasing from 6% in 2008 to 9% in 2017 which is correlated to the increase in per capita income of the country from USD 3,500 in 2008 to USD 6,200 in 2017.



Source – HOFINET, Peoples Bank of China, World Bank, CRISIL MI&A

Between 2017 and 2022, the per capital income of the country has increased to USD 8,379, which is also one of the major reasons for rise in mortgage penetration in the country.

India GDP per capita in PPP (in 000 USD) has increased to 8.4 in 2022 from 6.2 in 2017

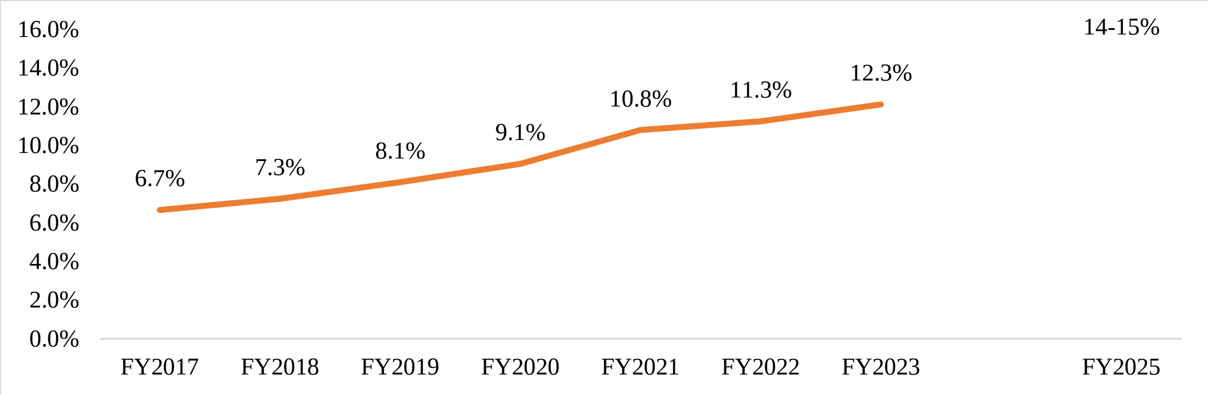


Source: World Bank, CRISIL MI&A

Mortgage-to-GDP ratio in India to grow to 14-15% by Financial Year 2025

In Financial Year 2023, India's mortgage-to-GDP ratio stood at 12.3%. Though low compared with other developing countries, it has significantly improved from 6.5% in Financial Year 2009. The factors that contributed to the improvement are rising incomes, improving affordability, growing urbanisation and nuclearization of families, emergence of tier-II and tier-III cities, ease of financing, tax incentives, and widening reach of financiers. Given the expected steady growth from Financial Year 2023, CRISIL MI&A projects the ratio at 14-15% by Financial Year 2025.

Trend in mortgage-to-GDP ratio in India

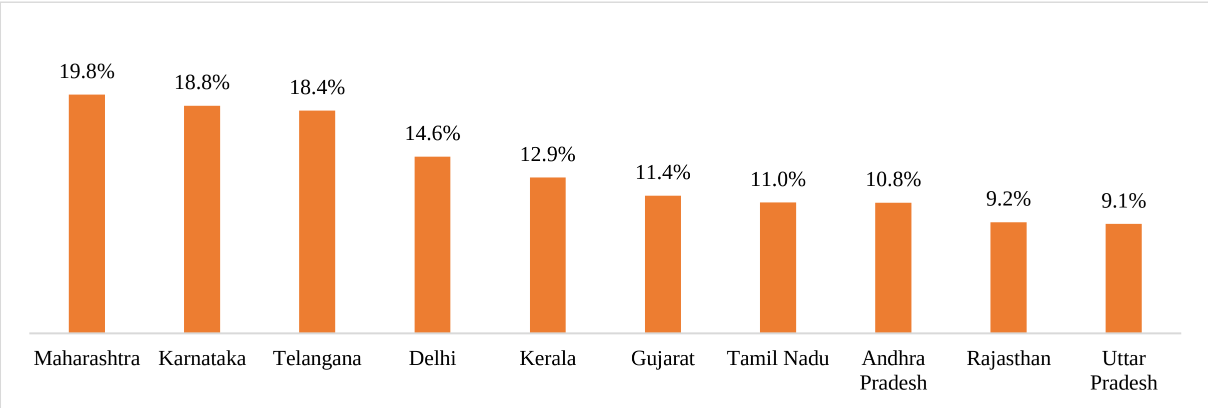


Note: P – Projected, Data for mortgage to GDP for India includes both Housing loans outstanding over constant GDP for India; Source – NHB, World Bank, CRISIL MI&A Estimates

State-wise mortgage penetration in India

The mortgage-to-GDP ratio varies widely for the top 10 states based on home loan market size, ranging between ~9% and ~20%.

Housing Loan Penetration in top 10 states by Housing Loan Outstanding as of Financial Year 2023



Note: Housing loans penetration is computed as Housing loan outstanding over GSDP at current prices; Source: CRIF Highmark, CRISIL MI&A, NSO, MOSPI, GOI, RBI, Indian Brand Equity Foundation, State Budgets 23-24

The table below indicates the housing loan penetration for top 10 states by housing loan outstanding and clearly indicates an increasing trend across all the geographies (except Tamil Nadu which has remained stable). Amongst the top states, Karnataka and Telangana has witnessed the sharpest rise.

States	Housing Loan Penetration (FY19)	Housing Loan Penetration (FY23)
Maharashtra	16.8%	19.8%
Karnataka	13.7%	18.8%
Telangana	13.9%	18.4%
Delhi	13.4%	14.6%
Kerala	10.8%	12.9%
Gujarat	9.7%	11.4%
Tamil Nadu	11.0%	11.0%
Andhra Pradesh	8.8%	10.8%
Rajasthan	7.3%	9.2%

Uttar Pradesh	7.1%	9.1%

Note: Housing loans penetration is computed as Housing loan outstanding over GSDP at current prices; Source: CRIF Highmark, CRISIL MI&A, NSO, MOSPI, GOI, RBI, Indian Brand Equity Foundation, State Budgets 23-24

Factors affecting mortgage-to-GDP ratio in India

Mortgage penetration in India is far lower than other emerging economies owing to lower per capita income and higher proportion of informal employment in the country. However, CRISIL MI&A believes rising urbanisation, growing disposable income, favourable demographics and government measures will lead to higher mortgage penetration going forward.

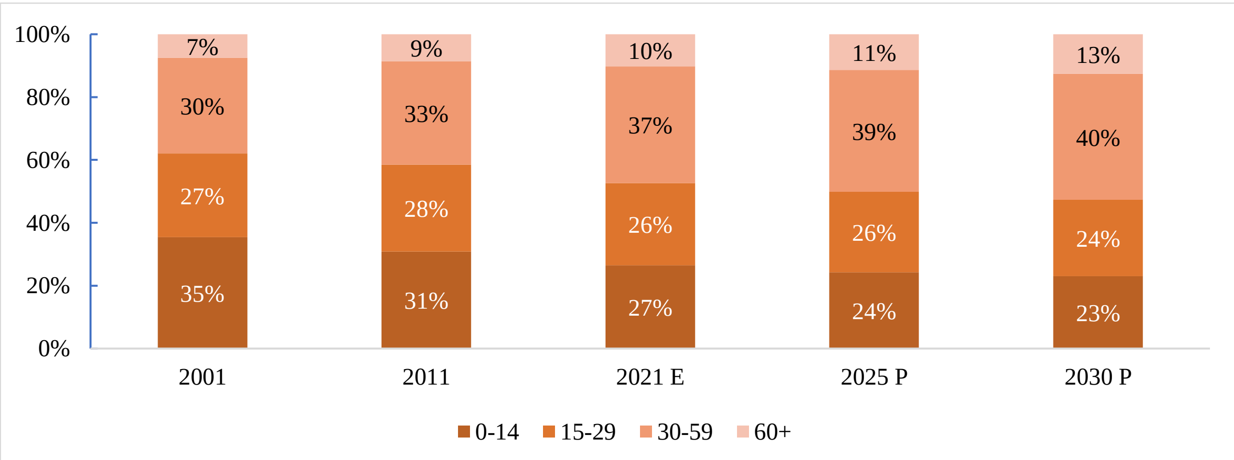
1- Higher affordability led by increase in disposable income
2- Rapid growth in urbanisation
3- Higher proportion of young population
4- Government measures to push housing sector such as "Housing for all", impetus packages to tackle the pandemic, NHB Refinance scheme, SARFAESI Act, etc.

1- Relatively high house prices
2- High percentage of population in informal employement
3- Information asymmetry in smaller cities
4- Insufficient long-term capital

Source: CRISIL MI&A

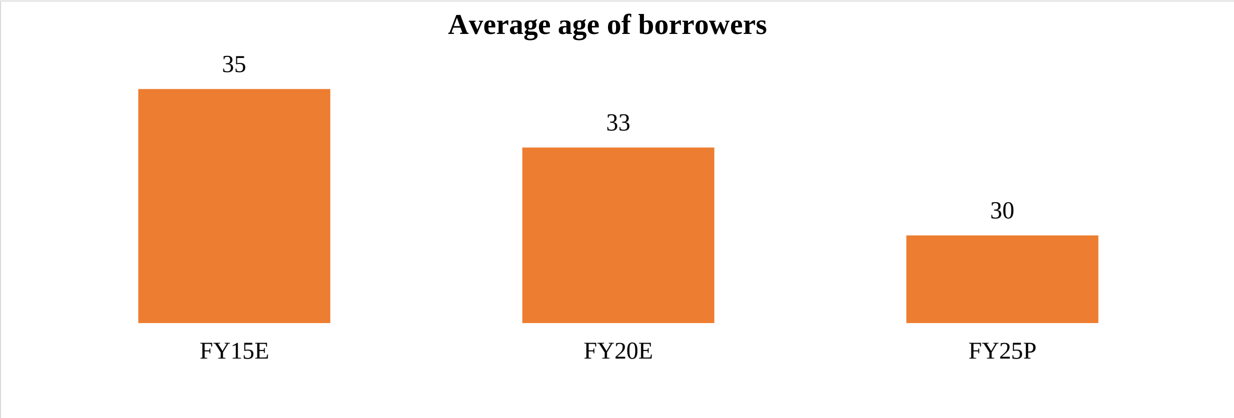
Favourable demographic & Declining age of home loan borrowers

India's demographic dividend



Note: E: Estimated, P: Projected; Source: United Nations Department of Economic and Social affairs, CRISIL MI&A

Declining age of borrowers

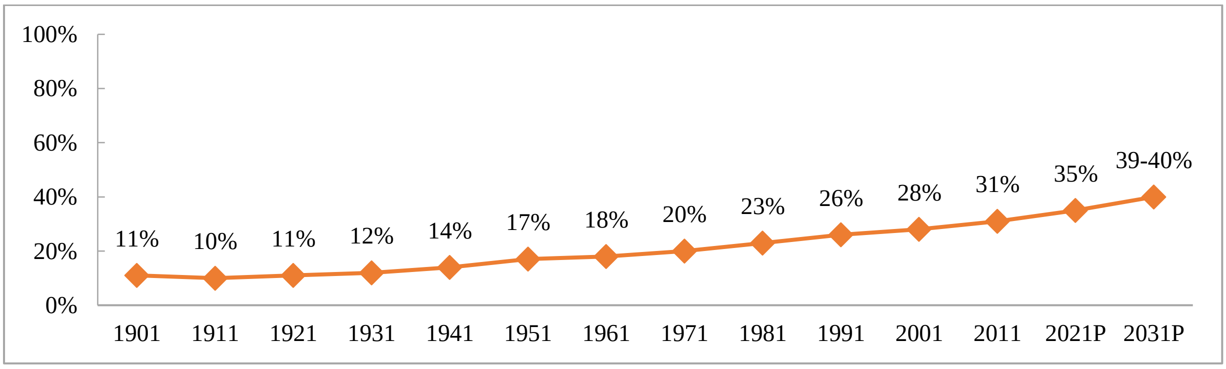


Note: E – Estimated, P – Projected, Source: CRISIL MI&A

Urbanisation crossed 35% in 2021

The share of urban population in relation to the total population has been consistently rising over the years. This percentage is expected to increase further in the years to come, thereby translating into higher demand for housing and related amenities in the urban areas.

Urban population as a percentage of total population

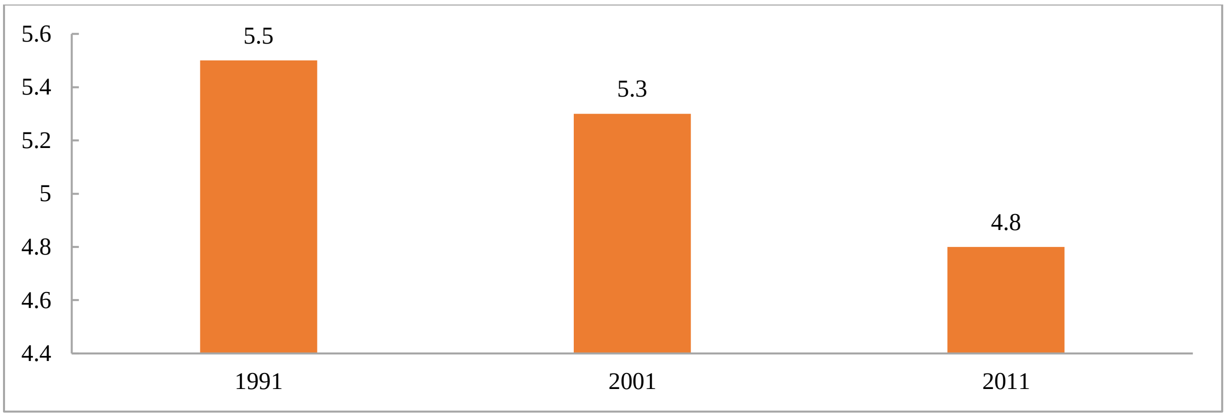


Note: P: Projected; Source: Census 2011, World Urbanisation Prospects: The 2011 Revision (UN), CRISIL MI&A

Rise in number of nuclear families leads to formation of new houses

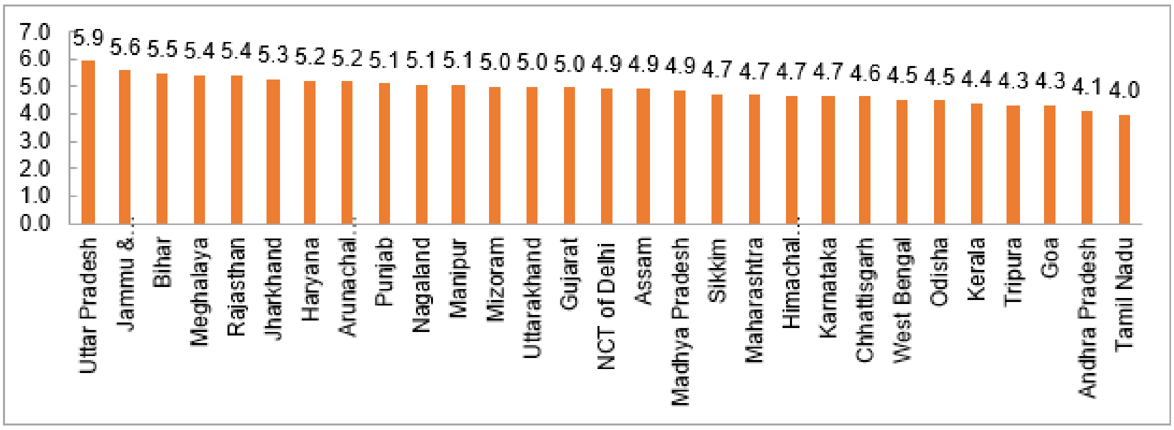
Nuclearization in urban areas is primarily driven by changing lifestyle of people, individualism, changing social/cultural attitudes, and increased mobility of labour in search of better employment opportunities. These trends are expected to continue in future.

Trend in average household size



Source: Census 2011, CRISIL MI&A

Furthermore, according to the census of 2011, a majority of Indian households live in a one-room or two-room house. According to the NSSO Survey on Housing Conditions conducted in 2012, the average floor area of a dwelling unit was 40.03 sq. m in rural India and 39.20 sq. m in urban India during 2012. The average household size in India was 4.5. It was 4.8 in rural India and 4.2 in urban India.

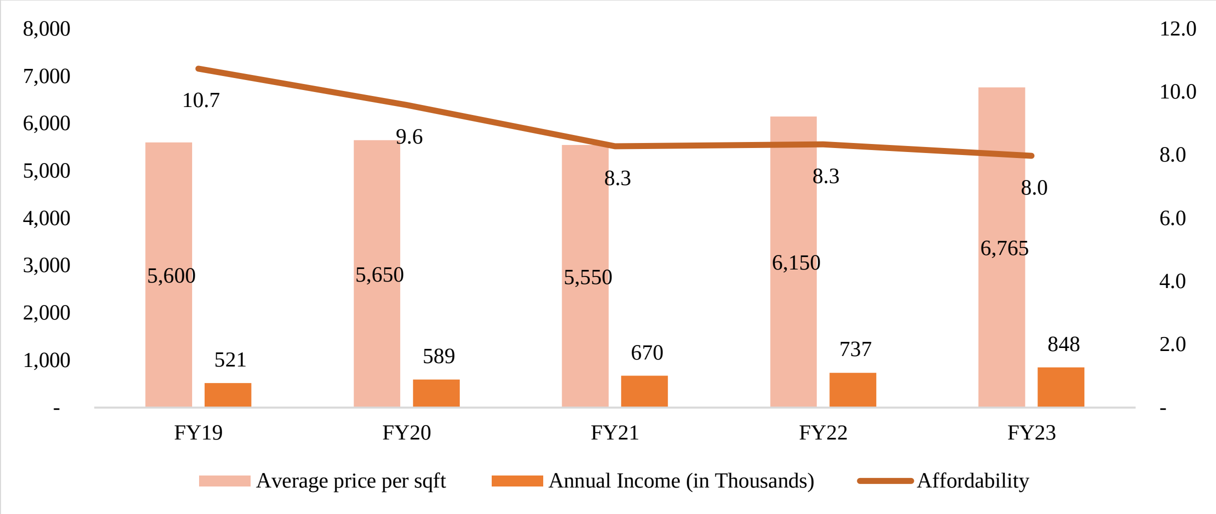


Source: NSSO (National Sample Survey Organisation), CRISIL MI&A

Higher affordability

CRISIL forecasts that the per capita income will gradually improve with a pick-up in GDP growth and sustained low inflation. This will be an enabler for domestic consumption leading to rise in demand for housing. Further, increase in household savings over the last decade coupled with availability of underwrite and provide credit to the vulnerable or informal segment owing to advancement in technology has also led to higher demand for housing.

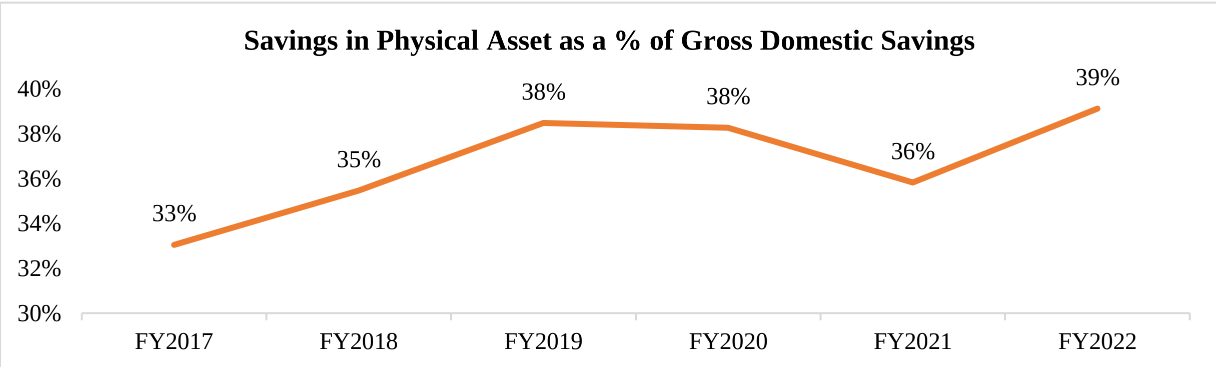
Real estate prices relatively higher though affordability has only improved historically



Note: The charts indicate the price per sqft based on top 10 markets -Delhi NCR, Mumbai, Pune, Ahmedabad, Chennai, Kolkata, Bangalore, Chandigarh, Hyderabad, and Kochi, at a Pan India level, the overall prices could be way lower than estimates, Affordability is computed as average price per sqft / annual income; Source: CRISIL MI&A

Shift in savings pattern of Indian household

Indian housing savings in physical assets (real estate, gold, and silver) has increased in Financial Year 2022



Note: The data is for financial year ending March 31; Physical assets are those held in physical form, such as real estate, Gold & Silver etc. Source: MOSPI, National Accounts National Accounts Statistics 2023, CRISIL MI&A

Overview of Indian Housing Finance market

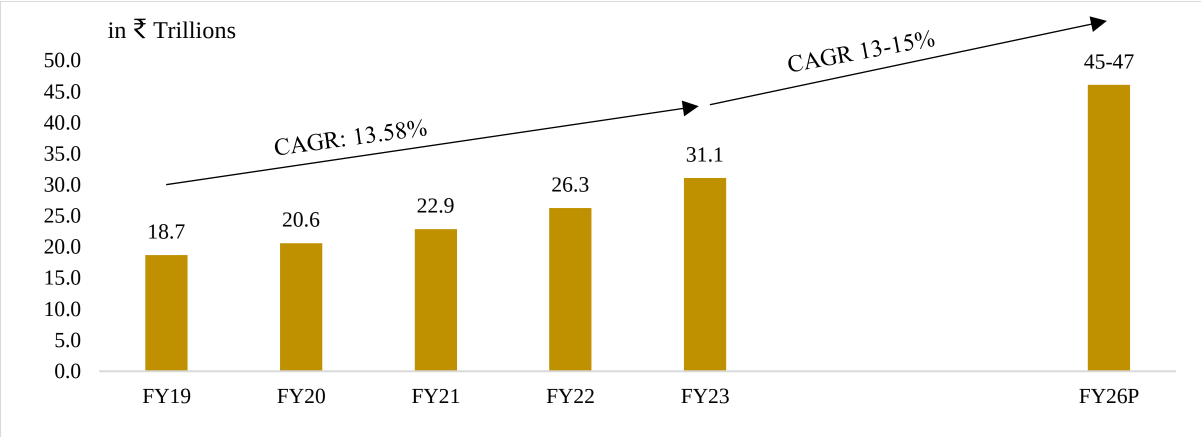
Housing Finance to log a CAGR of 13-15% in the long term between Financial Year 2023 and 2026

The Indian housing finance market clocked a healthy ~13.5% CAGR (growth in loan outstanding) over Financial Years 2019-2023 on account of rise in disposable incomes, healthy demand, and greater number of players entering the segment. Over the past two Financial Years, housing finance segment has seen favourable affordability on account of stable property rates and improved annual income of individual borrowers. The overall housing finance segment credit outstanding is ~ ₹ 31.1 trillion as of March 2023.

Rise in disposable income: India's per capita income grew at a 10% CAGR between Financial Years 2012 and 2020. This continuous increase in per capita income, will aid housing finance demand in the country. As per IMF's estimates, India's nominal GDP per capita (at current prices) is projected to increase at a CAGR of 10-11% between Financial Years 2023 and 2027 which will lead to demand for homes.

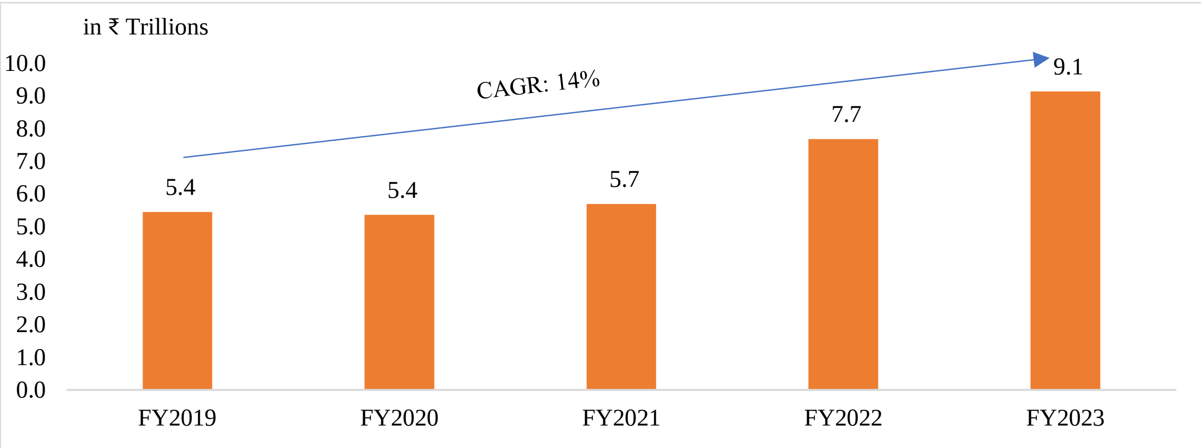
Healthy demand emanating from smaller markets: Faster growth in smaller districts and relatively muted demand for high ticket housing in metros have led to increased share of smaller districts (tier-II and below cities) in housing loans over the last couple of years. The top 50 districts in the country accounted for 63% of the housing loan outstanding in the country as of March 2023 compared to 73% as of March 2019. The districts where India Shelter Finance Corporation is present account for 44% of overall housing loans market. Amongst the top 50 districts, India Shelter is present in 21 districts.

Housing loans outstanding projected to grow at 13-15% over Financial Year 2023-2026 (₹ trillion)



Note: P- Projected, Data includes only Housing loan excluding PMAY; Source: CRIF Highmark, CRISIL MI&A

Housing loans disbursements increased by ~14% CAGR between Financial Year 2019 & 2023



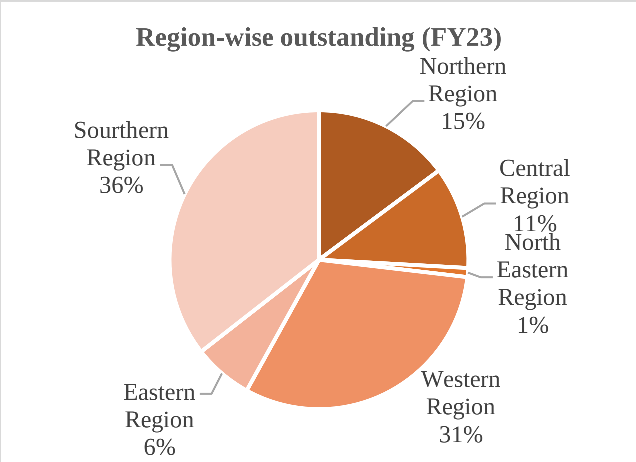
Note: Sanctioned amount has been taken for gauging disbursement trend for all the Financial Years (excludes PMAY); Source: CRIF Highmark, CRISIL MI&A

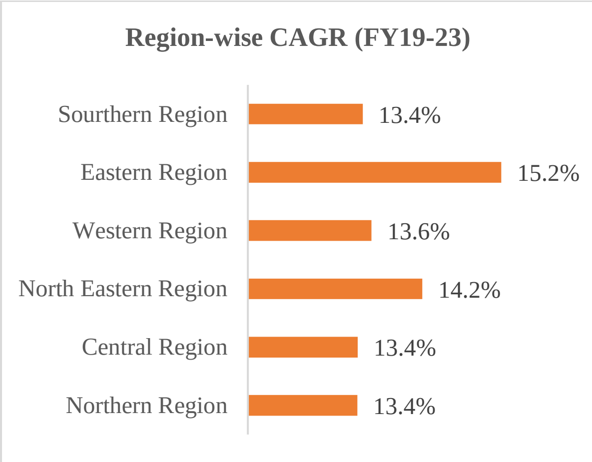
In Financial Year 2021, credit growth slowed owing to outbreak of the Covid-19 pandemic, which impacted especially the low- and middle-income groups. However, there was a faster-than-envisaged revival in the second half of Financial Year 2021 on the back of the RBI, the Centre and state governments providing impetus to the segment with tax sops, lower stamp duty and favourable interest rates. The growth in the housing sector continued in Financial Year 2022, with middle income groups opting for homes in tier II and III cities. Also, the customers shifted their preference towards large homes on account of work from policies.

In Financial Year 2023, the RBI started increasing repo rates owing to concerns over increasing inflation and its impact on the macro economy amid geopolitical issues. Despite the aggressive rate hikes during the Financial Year, credit growth remained intact, with healthy growth by both banks and HFCs/NBFCs. In the past, demand for home loans rose due to higher demand from tier II and III cities, rising disposable incomes and government steps, such as interest rate subvention schemes and Financial Year incentives. In Financial Year 2024, the credit growth momentum is expected to continue for HFCs/NBFCs, with affordable HFCs getting back on track, and expected to post robust growth.

Region wise analysis of Housing Loan Market

Southern Region had the largest share of Outstanding at end of Financial Year 2023





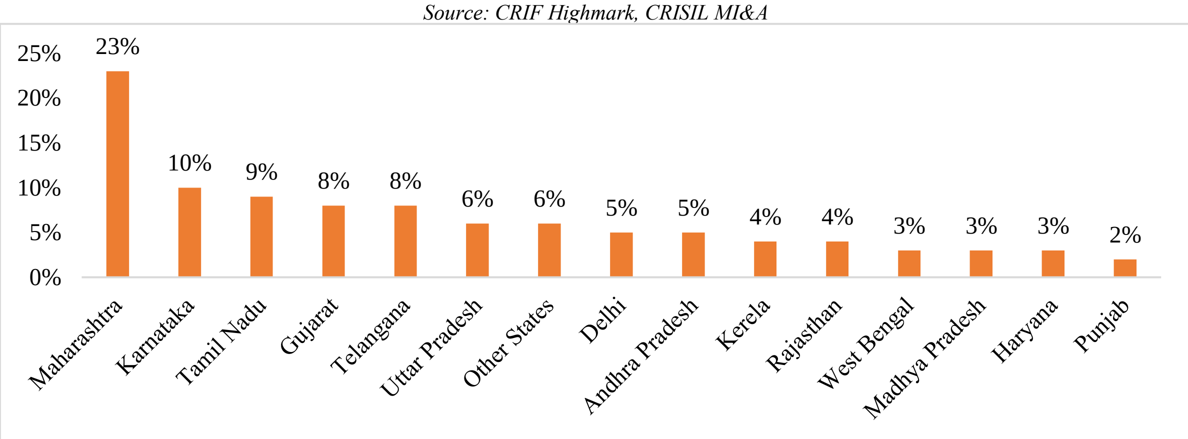
Source: CRIF Highmark, CRISIL MI&A

State wise analysis of Housing Loan Market

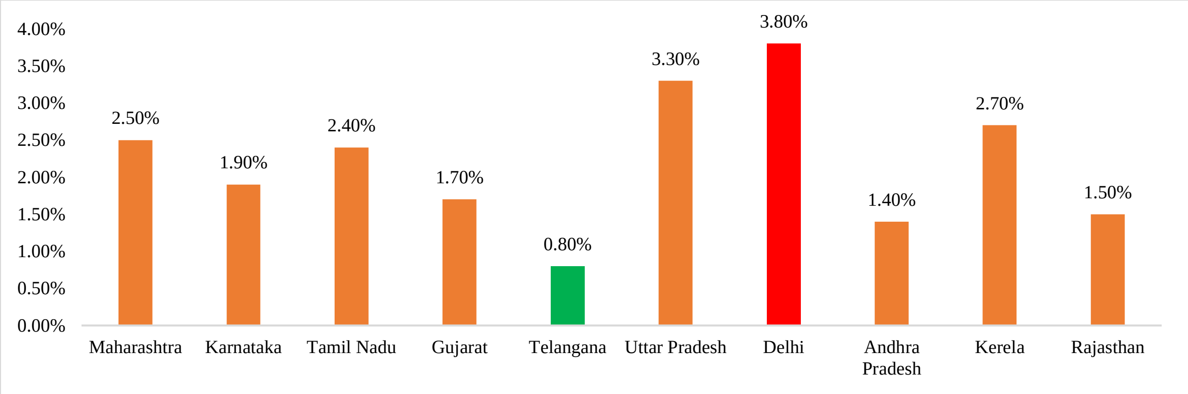
The housing loan market remains concentrated in top 15 states which account for ~94% of the loan outstanding as of March-2023.

Maharashtra accounts for ~23% of Overall Housing Finance market at end of Financial Year 2023

Source: CRIF Highmark, CRISIL MI&A



Telangana, Andhra Pradesh and Rajasthan has the best asset quality amongst top 10 states in Housing loan market



Note: GNPA includes portfolio greater than 90 days excluding write-offs, Source: CRIF Highmark, CRISIL MI&A

Portfolio Outstanding and Asset Quality of states (Financial Year 2023)

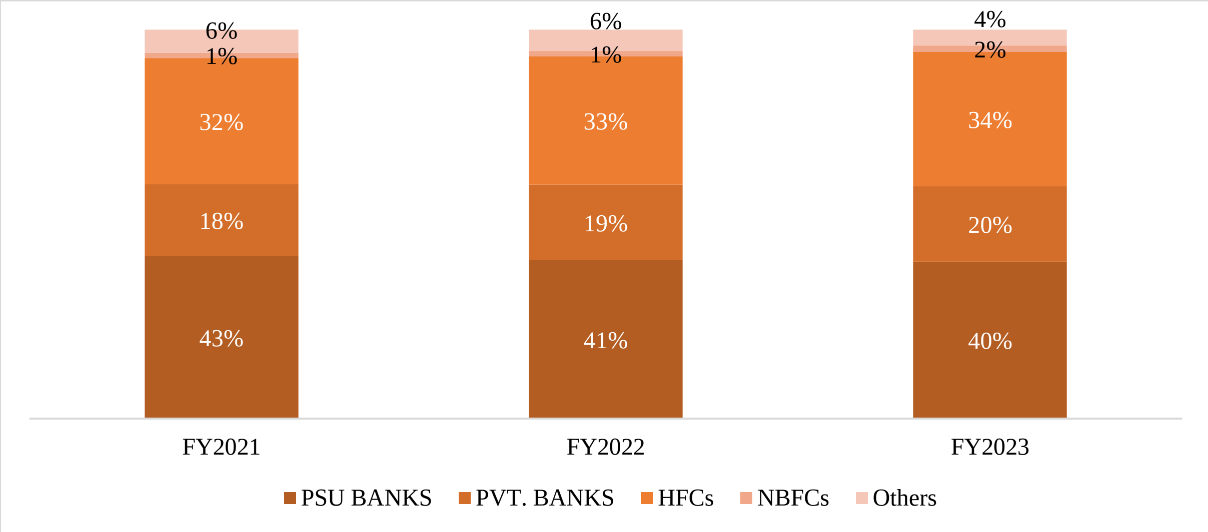
All States	Total Home Loans Outstanding (₹ Billion – FY23)	Housing Outstanding CAGR (FY19-23)	Overall GNPA (in FY23)
Maharashtra	7,077	13.2%	2.5%
Karnataka	3,207	12.1%	1.9%
Tamil Nadu	2,693	10.5%	2.4%
Gujarat	2,512	14.8%	1.7%
Telangana	2,404	19.1%	0.8%
Uttar Pradesh	1,854	13.1%	3.3%
Delhi	1,524	11.3%	3.8%
Andhra Pradesh	1,425	16.5%	1.4%
Kerela	1,289	10.9%	2.7%
Rajasthan	1,227	16.3%	1.5%
West Bengal	1,042	14.1%	2.7%
Madhya Pradesh	967	13.7%	3.9%
Haryana	958	13.0%	2.8%
Punjab	541	12.4%	3.4%
Bihar	391	19.4%	1.8%
Orissa	332	15.0%	2.2%
Uttarakhand	314	13.2%	2.2%
Chhattisgarh	309	13.6%	1.8%
Assam	197	12.1%	1.5%
Jharkhand	193	14.3%	2.1%
Himachal Pradesh	139	12.0%	4.5%
Jammu & Kashmir	123	20.3%	1.3%
Goa	101	8.9%	2.1%
Chandigarh	98	14.4%	1.1%
Puducherry	41	9.0%	2.1%
Tripura	31	21.8%	1.6%
Sikkim	29	12.1%	1.5%
Mizoram	23	20.7%	1.8%
Manipur	20	17.9%	0.9%
Meghalaya	16	10.6%	2.1%
Andaman & Nicobar Islands	11	11.1%	0.5%
Arunachal Pradesh	9	24.4%	1.3%
Dadra and Nagar Haveli	8	9.0%	0.9%
Nagaland	6	13.4%	2.0%
Daman and Diu	4	7.1%	1.4%
Lakshadweep	1	16.6%	0.0%
Total	31,116	13.6%	2.3%

Source: CRIF Highmark, CRISIL MI&A

Market share of HFCs increased to 34% in overall housing loans Financial Year 2023

The housing finance sector of India comprises of Public Sector Banks, Private Sector Banks, Housing Finance Companies, NBFCs and other players (including foreign banks, Small Finance Banks etc.), Of the total ~ ₹31 trillion credit outstanding of the housing loans market, public sector banks dominated the sector with a 40% market share, followed by HFCs with the second highest market share of 34% during the Financial Year 2023, similarly Private Banks had a market share of 20% followed by other players and NBFCs with 4% and 2% market share, respectively. During Financial Years 2021-23, HFCs witnessed a compounded annual growth rate of 13% in their total credit outstanding. HFCs have maintained the second highest market share in the segment, with public sector banks leading the pack.

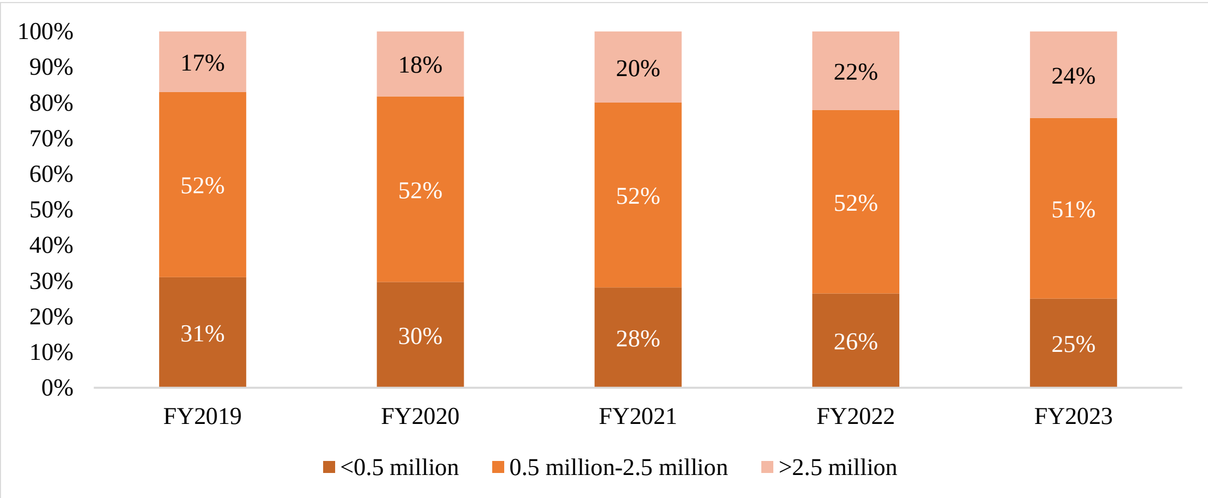
HFCs had the 2nd highest market share in overall housing loans at end of Financial Year 2023



Note: Numbers are rounded off to show the market share; Source: CRIF Highmark, CRISIL MI&A

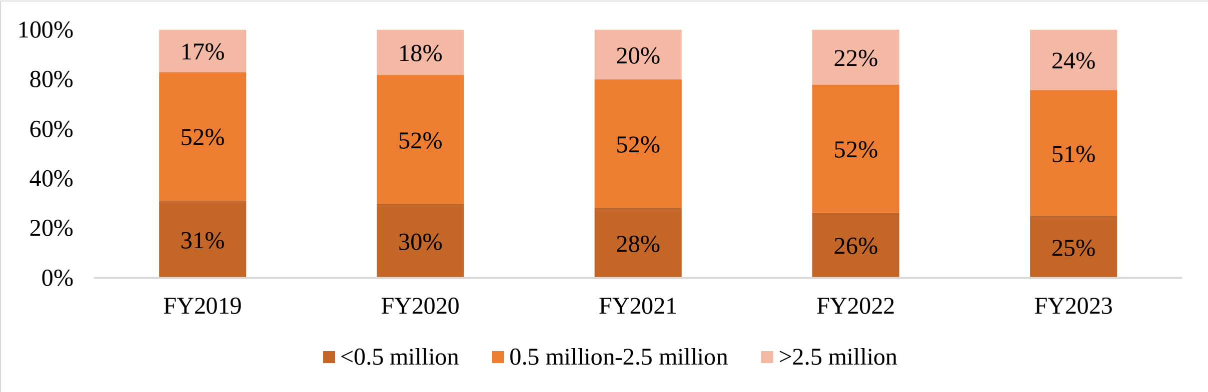
Housing loan market is dominated by lower ticket size loans (₹ <2.5 million) in volume terms

Ticket size wise loan outstanding mix: Volume terms



Note: Data excludes PMAY loans, Source: CRIF Highmark, CRISIL MI&A

Ticket size wise loan outstanding mix: Value terms



Note: Data excludes PMAY loans, Source: CRIF Highmark, CRISIL MI&A

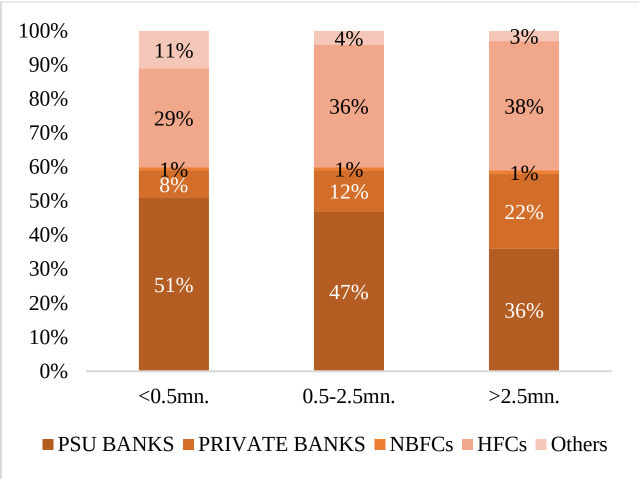
	Ticket Size wise loan outstanding (₹ trillion)					**Ticket Size wise loan outstanding mix (Value Terms) %**				
Ticket Size	**FY 2019**	**FY 2020**	**FY 2021**	**FY 2022**	**FY 2023**	**FY 2010**	**FY 2020**	**FY 2021**	**FY 2022**	**FY 2023**
<0.5 million	0.68	0.68	0.66	0.65	0.69	4%	3%	3%	2%	2%
0.5 million-2.5 million	8.03	8.59	9.17	9.91	10.83	43%	42%	40%	38%	35%
>2.5 million	9.99	11.34	13.05	15.74	19.58	53%	55%	57%	60%	63%
Overall	**18.70**	**20.61**	**22.88**	**26.30**	**31.12**	**100%**	**100%**	**100%**	**100%**	**100%**

Note: Data excludes PMAY loans, Source: CRIF Highmark, CRISIL MI&A

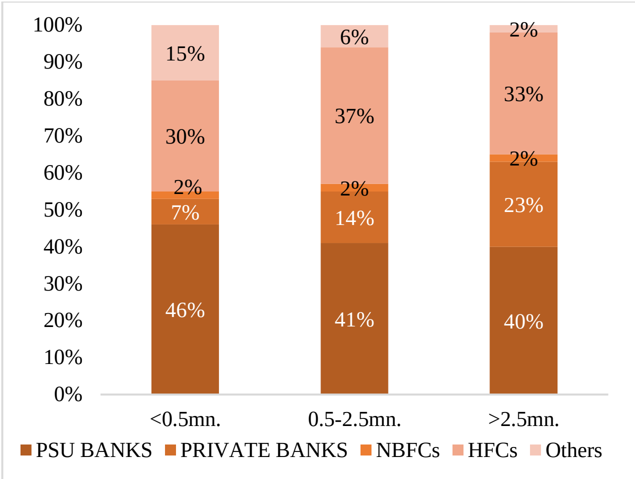
PSU Banks lost share in terms of outstanding below ₹2.5 million over Financial Year 2019-23

This can be attributed to the fact that Banks primarily caters to the customers who have documented income proofs and banking history. On the other hand, HFCs cater to customers whose formal income proofs may not be strong, and therefore, an HFC's understanding of underwriting for this customer segment as well as micro market related dynamics are critical for success. In overall housing loans, HFCs have been able to maintain their share in the market with a CAGR of 12% between Financial Years 2019 and 2023. With categories, HFCs witnessed an CAGR of ~15.3% in the above ₹2.5 million ticket size buckets, followed by a CAGR of ~8.3% in the ₹0.5 million to 2.5 million ticket size segments.

Lender and ticket wise share in Financial Year 2019



Lender and ticket wise share in Financial Year 2023



Note: Others includes SFBs, foreign banks, regional rural banks, and co-operative banks; Source: CRIF Highmark, CRISIL MI&A

Financial Year 2023	Player ticket-wise credit outstanding (in ₹ billions)			Player ticket-wise credit outstanding market share (%)		
Lender	**<0.5 million**	**0.5-2.5 million**	**>2.5 million**	**<0.5 million**	**0.5-2.5 million**	**>2.5 million**
PSU Banks	321	4,499	7,744	46%	41%	40%
Private Banks	51	1,553	4,432	7%	14%	23%
NBFCs	14	195	295	2%	2%	2%
HFCs	205	3,970	6,557	30%	37%	33%
Others	100	624	555	15%	6%	2%
Overall	**692**	**10,841**	**19,583**	**100%**	**100%**	**100%**

Note: Others includes SFBs, foreign banks, regional rural banks, and co-operative banks; Source: CRIF Highmark, CRISIL MI&A

Growth drivers of the Housing Finance Industry

Government initiatives

- **PMAY-U**: Aims to fill the supply-demand gap in the housing sector. On the supply side, the scheme offers incentives for beneficiary-led housing, public-private partnerships in building homes for economically weaker sections and low-income groups by offering incentives such as allowing higher floor space index, and announcing grants and subsidies for slum redevelopment. On the demand side, PMAY provides credit-linked subsidies to stimulate demand
- **Relaxation of ECB guidelines**: The relaxed external commercial borrowing (ECB) guidelines will enable easier access to overseas funds and stimulate the sector
- **EPF corpus withdrawal**: Permission to withdraw 90% of Employees' Provident Fund (EPF) corpus enables prospective home buyers to make down payment and pay their home loan EMIs

Regulatory growth drivers

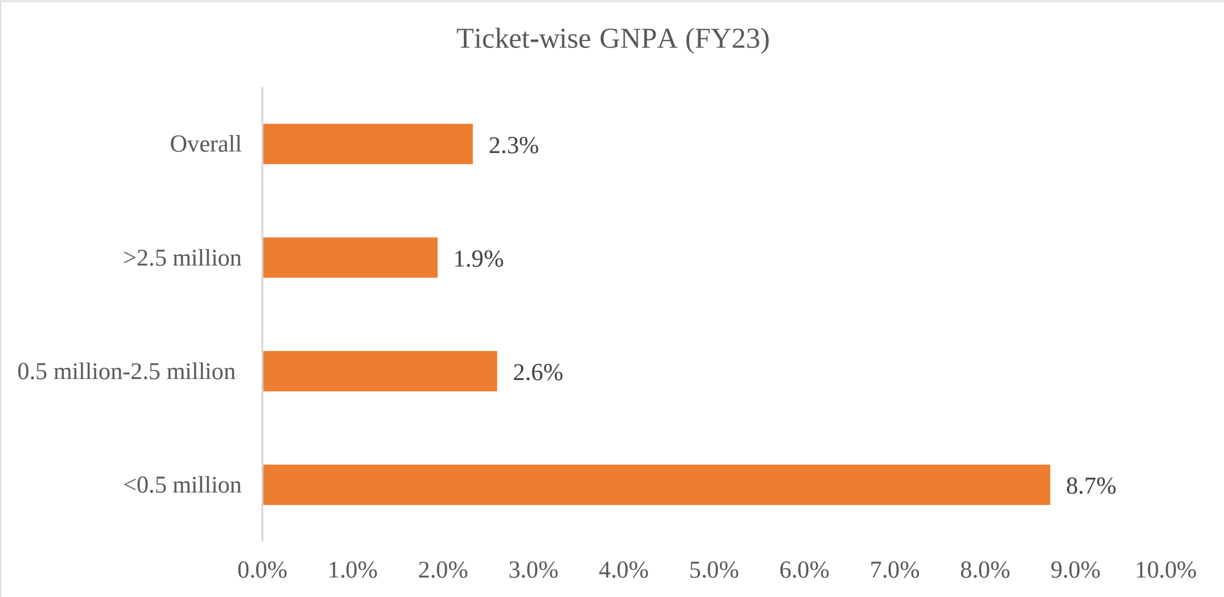
- **Risk weight rationalisation** on housing loans to improve sentiment for the real estate sector
- **Regulatory authority of HFCs to shift from NHB to RBI**: Union Budget 2019-20 proposed a change in regulatory oversight and supervision of HFCs from the NHB to the RBI. This shift will lead to more streamlined regulations and better risk management framework for HFCs
- **SARFAESI Act**: Bringing HFCs under the ambit of SARFAESI Act has helped them accelerate recoveries
- **NHB refinance**: The NHB refinancing schemes help HFCs lower their borrowing costs
- **PSL guidelines revised**: The RBI increased the threshold limit for home loans to be classified as PSL to promote PMAY
- **RERA to Improve Transparency and Accountability in the Sector**

Asset Quality in Housing loans

Overall housing finance market had GNPA of 2.3% with loans above ₹2.5 million having the lowest GNPA levels

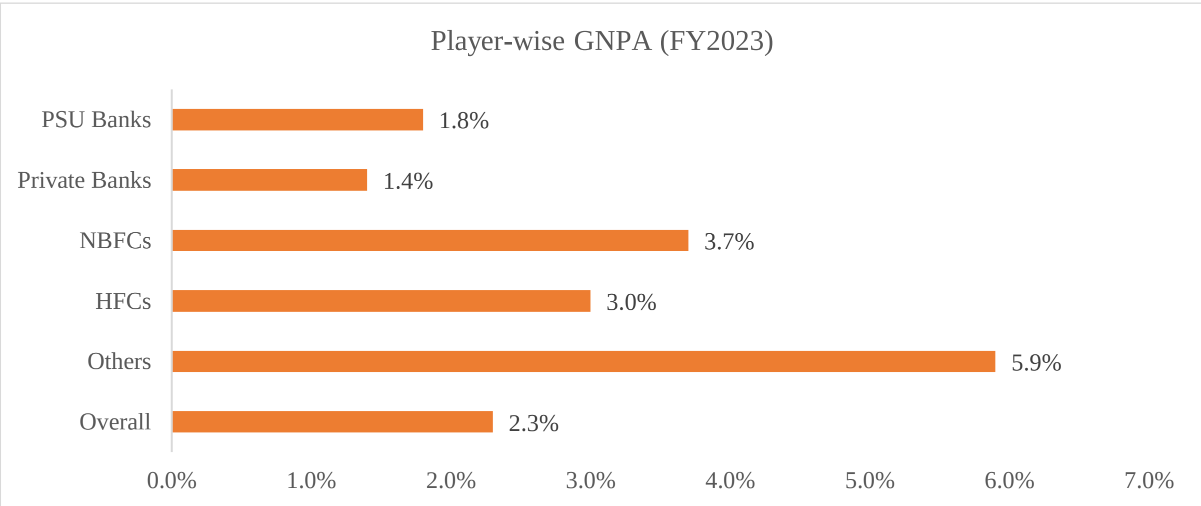
GNPA across all ticket sizes witnessed a growing trend among all ticket sizes, with loans above Rs. 2.5 mn having the lowest GNPAs.

GNPA (%) across ticket size buckets in Housing loans



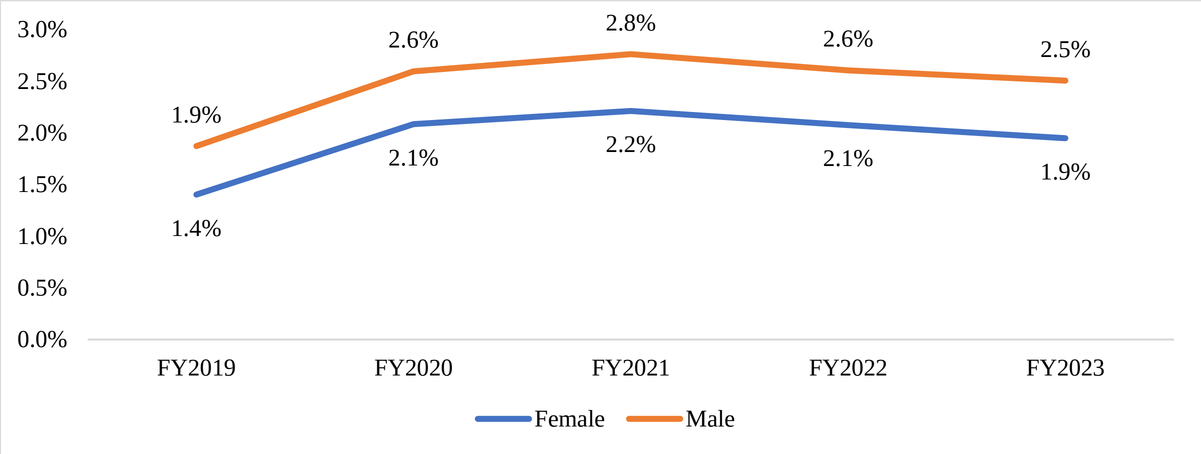
Note: Data excludes write-offs, Source: CRIF Highmark, CRISIL MI&A

Player wise Overall GNPA during Financial Year 2019 to 2023



Note: Data excludes write offs
Source: CRIF Highmark, CRISIL MI&A

Loans given to women borrowers performed better in comparison to male borrowers



Source: CRIF Highmark, CRISIL MI&A

Home loans have the second lowest annual credit costs across major asset segments

Housing finance as an asset class has the second lowest annual credit costs amongst all large financial asset classes mainly on account of the collateral and the secured nature of the funding.

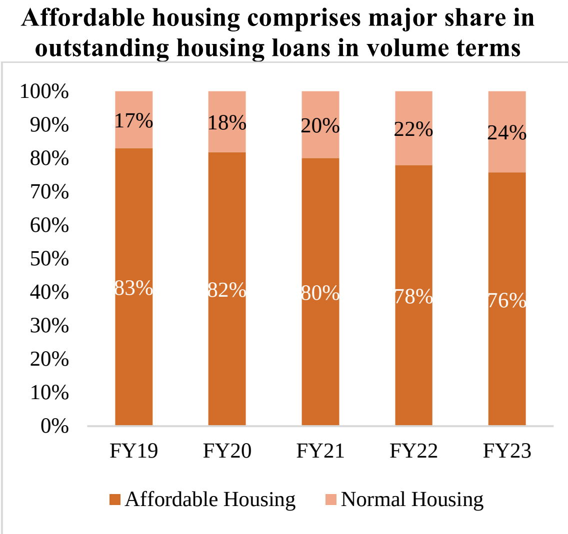
GNPA levels across asset segments at end of Financial Year 2023

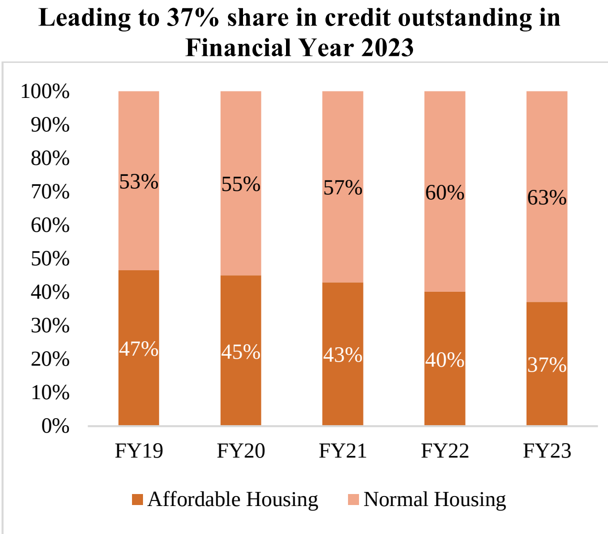
Note: GNPA levels for Gold Loans, Micro-finance, Auto and MSME loans are Crisil estimates for Financial Year 2023, GNPA for Housing Loan is actual figure for Financial Year 2023. Source: CRIF Highmark, CRISIL MI&A

Affordable Housing Finance Market (< ₹ 2.5 Million)

India's mortgage market can broadly be divided into two segments by ticket size of the housing loan at the time of disbursement – prime loans or normal housing loans and affordable housing loans. In this report, housing loans with ticket size greater than ₹2.5 million are termed normal housing loans. Affordable Housing Loans consider Loans to individuals with a ticket size of less than ₹2.5 million as per the criteria set out in the Refinance Scheme under Affordable Housing Fund for the Financial Year2021-22 issued by the National Housing Bank, read with the Master Directions–Reserve Bank of India (Priority Sector Lending–Targets and Classification) Directions, 2020. The former, called normal housing loans, is prominent in the metro/urban areas, and the latter which generally includes houses in the outskirts of these areas and semi-urban and rural areas i.e., defined as housing finance market focusing on low-income housing segment.

Affordable housing finance accounts for 37% in overall Housing loans



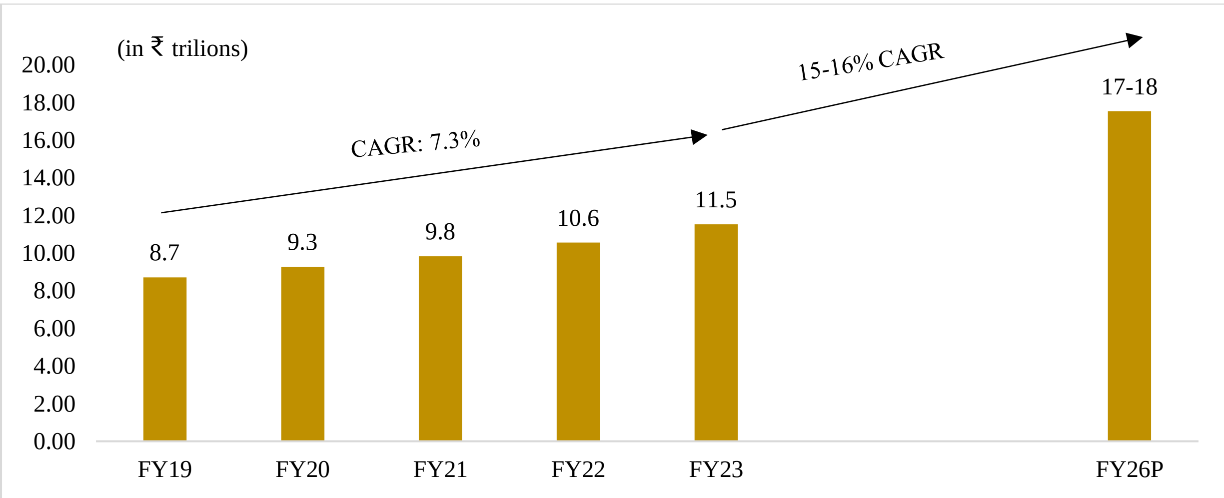


Source: CRIF Highmark, CRISIL MI&A

Encouraging trends in Affordable Housing Finance market (loans < ₹2.5 million.); Market to bounce back more strongly in long term

The overall size of the affordable housing finance market in terms of loan outstanding was around ₹11.5 trillion as of March 2023, constituting around 37% of the overall housing finance market, as per CRIF data. Between Financial Years 2019 and 2023, the growth in the affordable housing loans has remained subdued, with the segment having witnessed a CAGR of 7.3% as compared to overall housing loans, which has grown by ~13.5% during the same time. This can be primarily attributed to a slowdown in economic activity, funding challenges due to NBFC crisis and the Covid-19 pandemic. Further, rise of hybrid work model and working from home led to an increase in demand for bigger residential homes. As a result, the sale in affordable housing took a beating whereas high-end and mid-segment housing gained the maximum in the last couple of years.

Affordable Housing finance market to grow at 15-16% between Financial Years 2023 and 2026

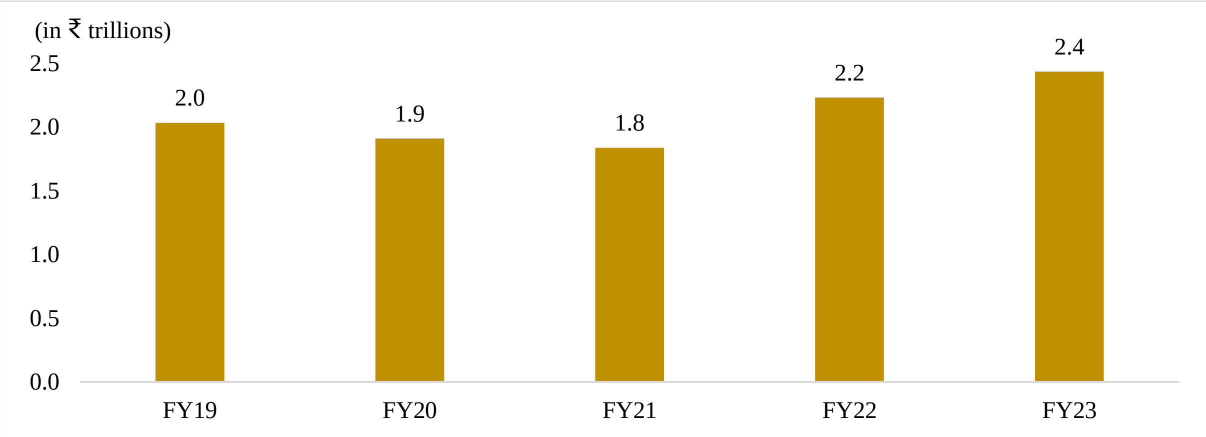


Note: P: Projected; Source: CRIF Highmark, CRISIL MI&A

In the longer term, CRISIL MI&A expects the segment to bounce back sharply in terms of loan outstanding and grow at ~15-16% CAGR over Financial Years 2023-2026. While the market has grown at a tepid pace in the past 2-3 years, CRISIL MI&A is sanguine on future growth due to the following reasons:

- Economic recovery post Covid-19 pandemic and Return to Office initiated by employers
- Government focus on housing and sops being given by some state governments such as lowering stamp duties to aid housing demand
- Increased supply of affordable homes
- Rising demand for affordable homes as consumers increasingly work out of Tier 2/3/4 cities in a post-Covid world
- Preference for owning homes seems to be on the rise in the post-Covid world

Disbursements trend in Affordable Housing Market (Financial Year 2023)



Source: CRIF Highmark, CRISIL MI&A

HFCs reported second highest CAGR growth of 13% from Financial Year 2020 to 2023

Lender wise Affordable Housing Finance market loan outstanding

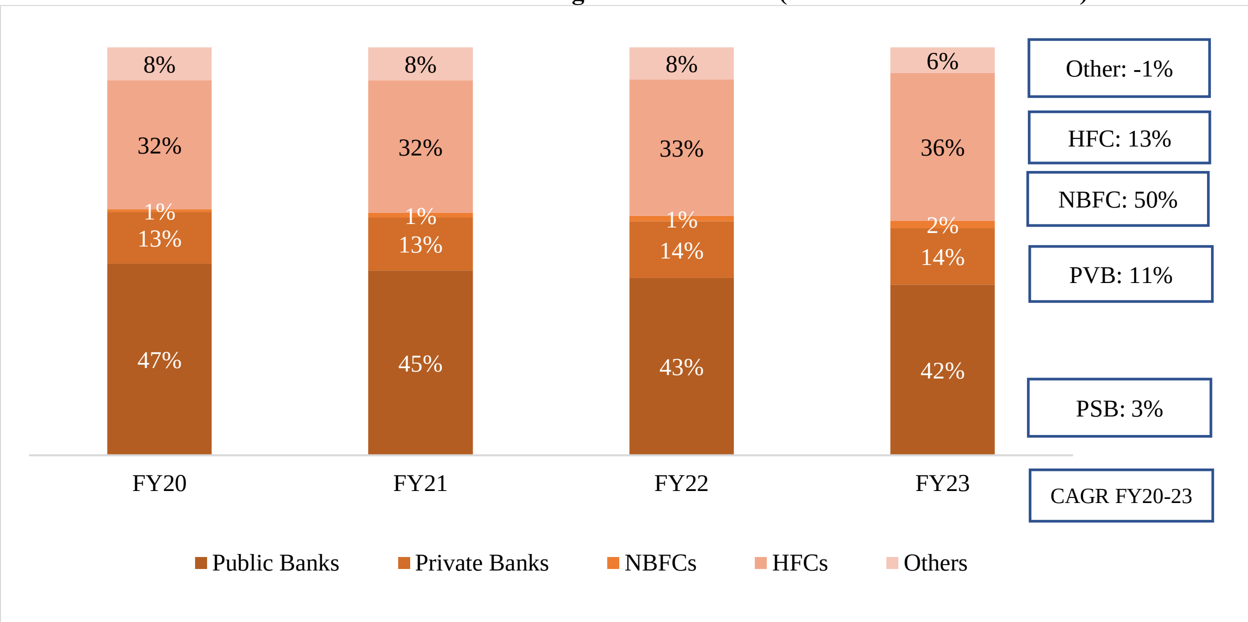
In ₹ trillion	FY20	FY21	FY22	FY23	CAGR (FY20-23)
Public Banks	4.36	4.45	4.59	4.82	3%
Private Banks	1.17	1.28	1.46	1.60	11%
NBFCs	0.06	0.11	0.14	0.21	50%
HFCs	2.93	3.19	3.53	4.18	13%
Others	0.75	0.80	0.84	0.72	-1%
Total	9.27	9.83	10.56	11.53	8%

Source: CRIF Highmark, CRISIL MI&A

HFCs gaining share in affordable housing finance market

Public banks reported highest market share at 42%. However, public banks have been continuously losing market share from fiscal 2020 as the affordable housing finance market requires a focused approach and a deep understanding on underwriting the informal segment and proper technology. As this segment caters to customers from the low-income group, it requires high engagement with clients and last mile service, which are well suited and are strengths of HFCs. This has led to increase in market share of HFCs from 32% in Financial Year 2020 to 36% in Financial Year 2023.

Lender wise share in Affordable Housing Finance market (Financial Year 2020-2023)



Note: Others include foreign banks & other small lenders; Source: CRIF Highmark, CRISIL MI&A

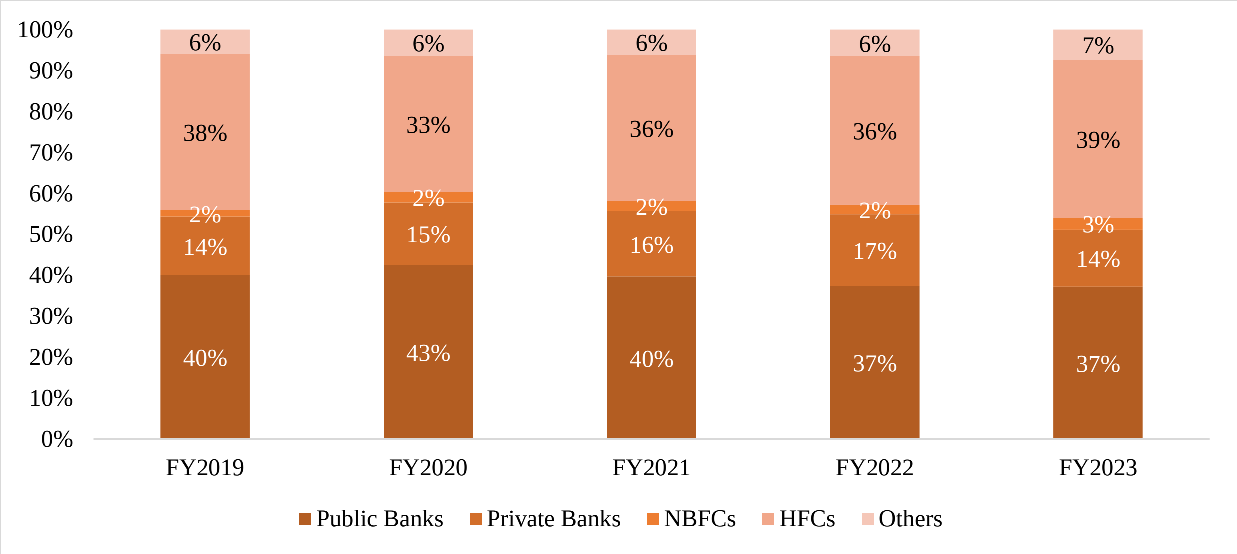
HFCs have the highest share in housing finance disbursement (<₹ 2.5 million)

HFCs have 39% market share in terms of Disbursement in housing finance market during the Financial Year 2023. They have been able to cultivate a strong market position in this segment due to the following:

- Strong origination skills and focused approach
- Creation of niches in catering to specific categories of customers
- Strong understanding of customer segment, excellent customer service and diverse channels of business sourcing
- Non salaried customer profile – around 50-55% of customers
- Focus and presence in smaller cities as well

These factors will help them maintain market share in the future as banks primarily focus on high ticket customers with. good credit profiles. By virtue of being largely focused on metros and urban areas, ticket sizes of banks and large HFCs have followed rising property prices. A focus on the urban salaried segment by banks and large HFCs has left non-salaried as well as Tier III, and rural market open to HFC/NBFCs with the capability to operate in that segment.

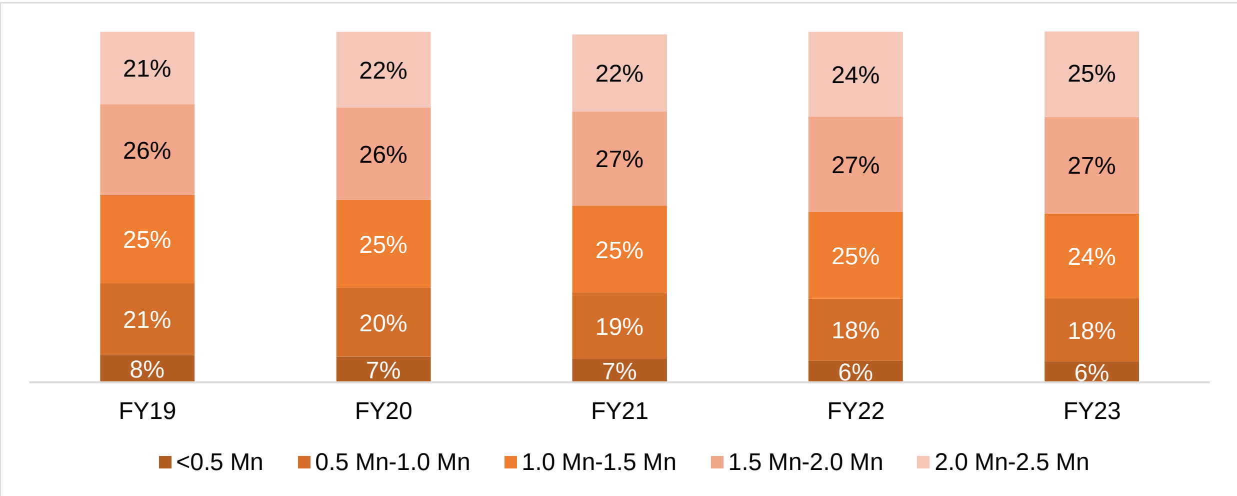
Lender wise share in affordable housing finance market (in term of disbursements)



Note: Others include foreign banks and other small players. Source: CRIF Highmark, CRISIL MI&A

Ticket size between Rs 1.5-2.0 million have the highest share in affordable housing finance market

Ticket wise share in Affordable Housing finance Outstanding

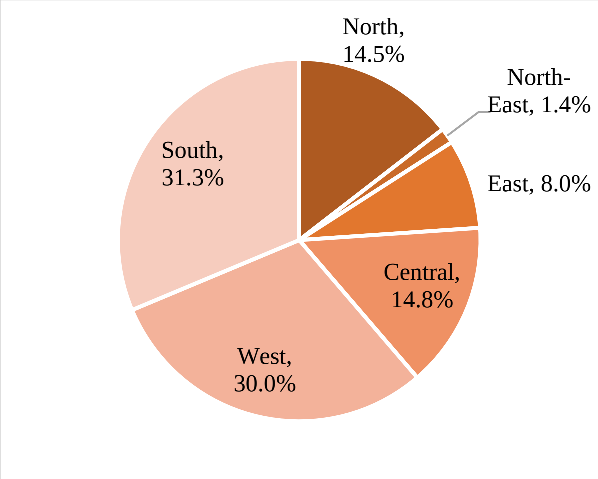


Source: CRIF Highmark, CRISIL MI&A

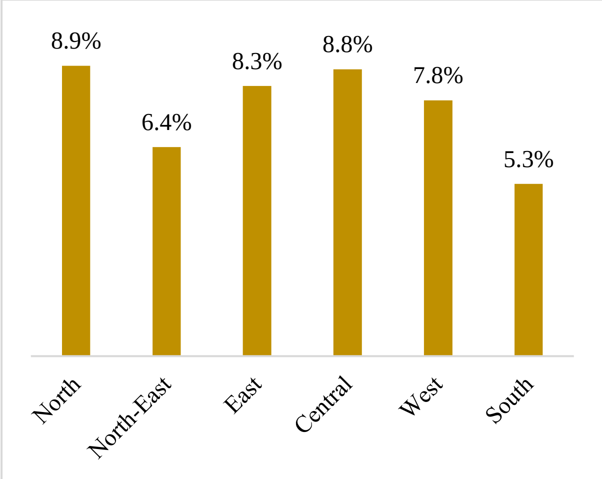
Region-wise loans outstanding in affordable housing finance market (Financial Year 2023)

Region wise share for Affordable housing finance market as of Financial Year 2023

Region wise growth rate (FY19-FY23) for Affordable Housing finance segment



Source: CRIF Highmark, CRISIL MI&A

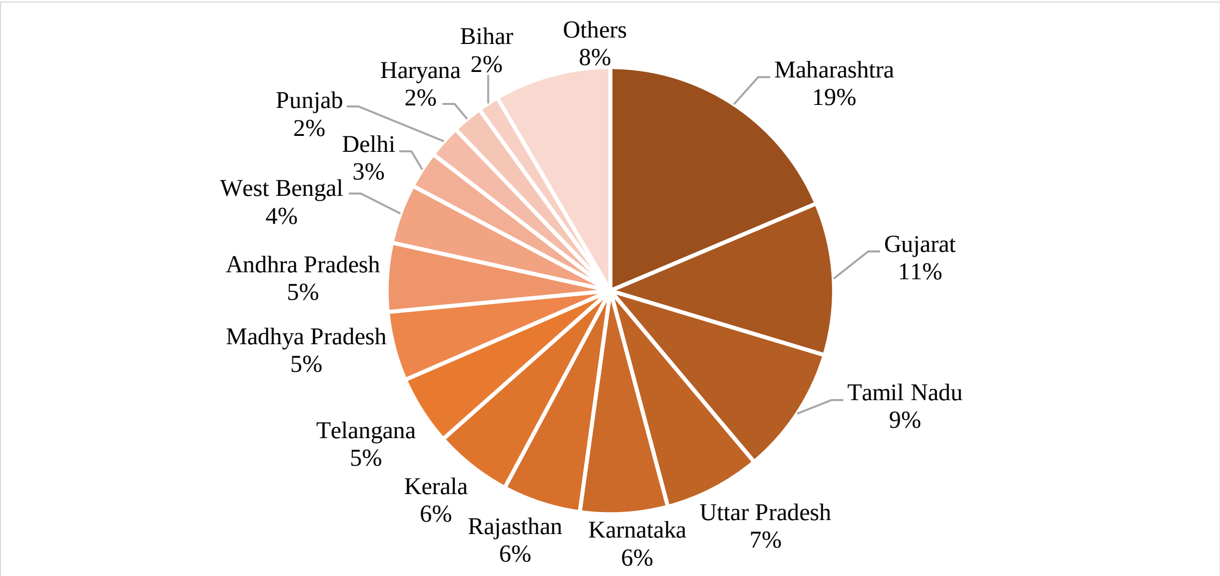


Source: CRIF Highmark, CRISIL MI&A

State-wise loans outstanding for Affordable housing finance market (Financial Year 2023)

There are wide variations in size and growth in the Affordable Housing finance segment across states and within various districts in the same state as well, which indicate latent opportunity for offering loans to unserved or underserved customers. Based on loans outstanding in the affordable housing finance market, the top 15 states/union territories account for ~92% of the market size as of March 2023. Maharashtra tops the list with the highest share of 19%, followed by Gujarat (11%), Tamil Nadu (9%), Uttar Pradesh (7%), Karnataka (6%) and Rajasthan (6%).

Maharashtra has the highest share in Affordable Housing finance segment



Source: CRIF Highmark, CRISIL MI&A

Rajasthan witnessed the fastest growth between Financial Year 2020 and Financial Year 2023 in Affordable Housing Finance market

Below table indicates the credit outstanding of affordable housing finance and the growth witnessed by the states:

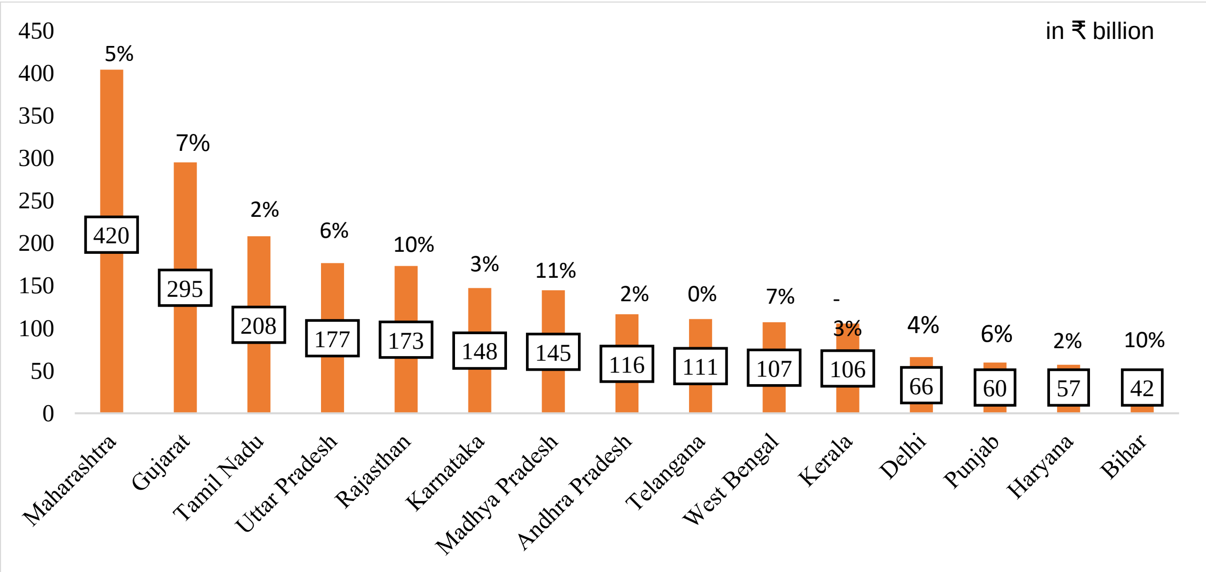
State wise analysis of top 15 states in affordable housing finance market

(In ₹ Billion)	FY2020	FY2021	FY2022	FY2023	CAGR FY20-23
Maharashtra	1,749	1,844	1,970	2,148	7%
Gujarat	954	1,055	1,188	1,272	10%
Tamil Nadu	894	945	993	1,065	6%
Uttar Pradesh	619	663	718	804	9%
Karnataka	636	643	661	729	5%
Rajasthan	455	498	568	651	13%
Kerala	553	586	616	648	5%
Telangana	502	518	541	580	5%
Madhya Pradesh	429	467	512	577	10%
Andhra Pradesh	479	498	525	573	6%
West Bengal	387	410	448	498	9%
Delhi	262	274	287	309	6%
Punjab	217	229	248	275	8%
Haryana	209	218	232	254	7%
Bihar	130	140	154	176	11%
Other States	793	841	896	972	7%
Overall AHL	**9,269**	**9,829**	**10,559**	**11,533**	**8%**

Source: CRIF Highmark, CRISIL MI&A

Madhya Pradesh, Rajasthan, and Bihar reported highest CAGR growth (disbursements) between Financial Year 2019 and 2023

State-wise Disbursement and Growth (FY2019-23) in affordable housing finance market



Note: the % on top of graph represents the CAGR Growth between Financial Year 2019 and Financial Year 2023, The number in boxes represent the disbursements in Financial Year 2023; Source: CRIF Highmark, CRISIL MI&A

Business Model of housing financiers focused on affordable housing finance market

Housing financiers focused on Affordable housing finance market typically serve the underserved category of low-income or mid-income customers who may be salaried, working in the informal sector or self-employed running a small business. Many a times, these customers do not have adequate documentation that can serve as proof of their income.

The high cost of serving this category of customers has prompted financiers to adopt innovative models to source business. An HFC targeting this segment of customers usually has a hub and spoke model where retail branches of the HFC operate as 'hubs' in urban areas, while small kiosks are set up near areas where construction activity is taking place to source customers. Financiers also spread awareness about their products in rural areas by setting up kiosks at **'gram-sabhas'** and arranging 'loan melas' for potential customers. However, some players also rely on customers indulging in self-construction of their houses in tier-2 and 3 cities in need of credit. These players have sourcing strategies focussed on attracting customers with touch points in nearby locations.

Usually, close to 70% of the overall business of housing finance companies focused on affordable housing segment is sourced through direct sales teams. Direct customer contact through these teams enables better visibility and helps limit fraud, thus making for reliable customer assessment. Moreover, all critical functions like origination, verification and credit appraisal are performed in-house, while certain non-core activities like loan documentation and document processing may be outsourced. This allows HFCs in this segment to allocate more internal resources towards vital aspects of lending such as verification, credit appraisal and Credit assessment.

HFCs focused on Affordable Segment vs. Normal Housing finance players

The type of borrower's profile and higher risk-taking ability of players focused on affordable housing segment led these financiers to charge higher yields in comparison to that charged by normal housing players. Given below is the list of factors explaining higher yields charged by housing players focused on affordable housing segment.

S. no.	Parameters	Housing finance players focused on affordable housing segment	Normal housing finance players
1.	Borrower profile	Mostly self-employed customers and customers having weaker income documents; some HFCs though focus on salaried but low-income customers	Majorly focus on customers having proper income documents
2.	Surrogate usage	High surrogate usage to derive the income of borrowers	Very minimal usage of surrogates
3.	Geographical focus	Mainly focus on smaller towns, semi-urbans areas and outskirts of larger cities	Mainly present in major locations and Tier 1 cities
4.	Credit appraisal	Credit appraisal process involves high level of subjectivity to derive income and cash flow patterns	Credit appraisal process is based on pre-defined income and eligibility policies
5.	Collection	Relatively lower share of repayment through ECS / NACH leading to higher OPEX	Higher proportion of ECS and NACH in EMI payment leading to higher collection efficiency
6.	Cost and sources of funds	Higher reliance on bank borrowings leading to relatively higher cost of funds	Higher reliance on capital markets leading to cheaper funds

Source: CRISIL MI&A

Operational Parameters

CRISIL MI&A estimates the proportion of DSTs in sourcing business for affordable housing at ~70% in comparison with ~60% for normal housing players. In terms of customer profile, affordable players have higher share of self-employed customers (~50-55%) in comparison to normal housing players (~40-50%), which makes their portfolio relatively riskier (due to uncertainty of cash inflows for self-employed customers). This also leads to lower approval rates and lower LTV.

S. no.	Parameters	Affordable Housing Finance Players	Normal Housing Finance Players
1.	Sourcing mix	DSTs: 70%, DSAs: 20%, Branch walk-ins & others: 10%	DSTs: 60%, DSAs: 30%, Branch walk-ins & others: 10%
2.	Average TAT	8-10 Working days	9-11 Working days
3.	Loan to value	Average: 68%	Average: 75%
4.	Customer profile mix	Salaried: 45-50%, Self-employed: 50-55%	Salaried: 50-60%, Self-employed: 40-50%

Note: DSTs - Direct Sales Teams, DSAs – Direct Selling Agents; Source: Industry, CRISIL MI&A

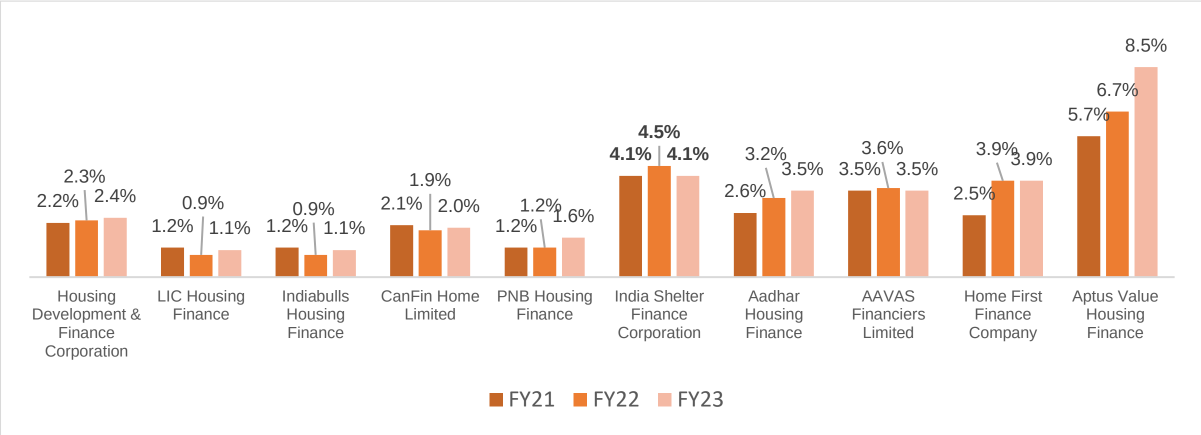
Comparison of Affordable HFCs & Normal HFCs

Comparison Metric	Affordable Housing Finance Companies	Normal Housing Finance Companies

Portfolio Composition	Portfolio majorly dominated by Housing Loans followed by Loan Against Property (LAP)	Major Composition of portfolio is housing loans also have significant share of other loan types (Project Loans, Construction Loans, etc.)
Loan Seeker Occupation	Majorly Dominated by Self Occupied Individuals (Avg.: 70%+)	Majorly Dominated by Salaried Individuals (Avg.: 75%+)
Collection Efficiency	Average collection efficiency of 100% at par with Generic Housing Finance Companies	Average Collection efficiency of 100%.

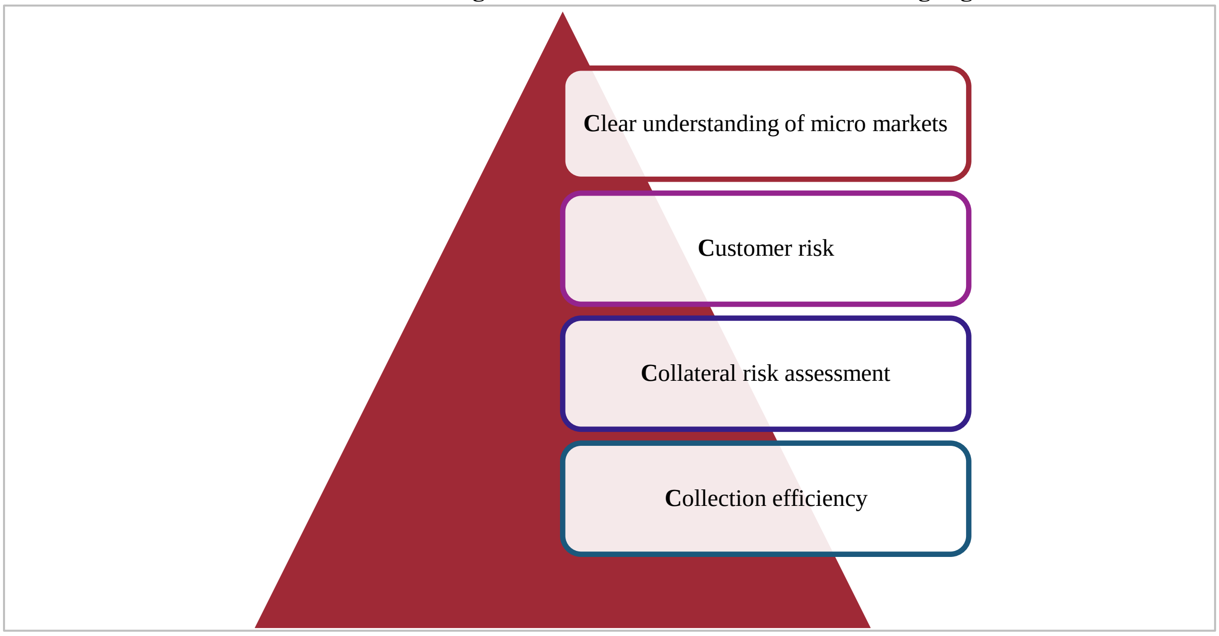
Note: Companies taken in consideration: India Shelter Finance Corporation, Aptus Housing Finance, HDFC, LIC Housing Finance, CanFin Homes, Aavas Financiers, Home First Home Finance; Source: CRISIL MI&A, Company Documents

HFCs primarily catering towards affordable housing segment reported superior RoA



Source: Company Reports, CRISIL MI&A

4C's to succeed in Housing Finance focused on affordable housing segment



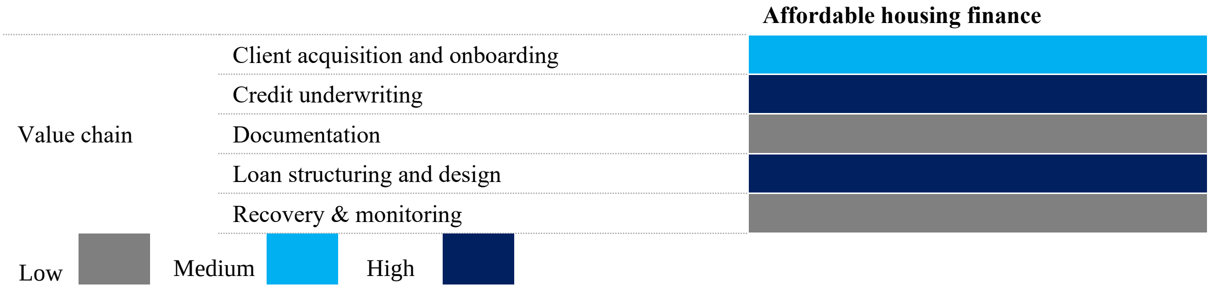
Source: CRISIL MI&A

Technology Adoption

The financial ecosystem is evolving rapidly with the advent of tech enabled and branchless lending models. Housing Finance players are increasingly using digital field applications and credit scoring plarforms to improve customer experience, reach out to newer customer segments and enhance operational efficiency. Financiers in recent times have partnered with various technology providers in order to gain efficiency in sourcing of loans by using customer level data analytics tools, which helps them in generation of leads. For instance, large players like HDFC and Bajaj Finance use Salesforce to automate their lending processes.

Given that players in the affordable housing segment typically cater to the lower income customer segment, where proper income proofs and necessary documents for loans are inadequate. In order to improve efficiency in the credit assessment process, financiers are using various analytical tools to analyse the risk and eligibility of customers. For example, Home First Finance Company has a technology led ecoystem to digitally capture customer data points and all customer, internal communication, dcouments etc are available on a single cloud based platform. They have also developed internal lead management system for their business.

Usage of technology across value chain



Source: CRISIL MI&A

Technology usage in value chain of Affordable Housing Finance Industry

Parameter	Objective	Measures Used	Intensity of Technology Usage
Digital Loan Approval Process	To understand the magnitude of paperless process in the industry	Existence of paperless leads to approval process Availability of scanning facility for data and documents from field for credit evaluation. Facility to view the data centrally.	High
Data Capture	To understand the intensity of customer data capture through digital channels in the industry	Number of data points captured for each customer for each loan transaction and is it digitally captured. Access to all the data captured on a real time basis	Medium
Third Party Data Integration	To understand intensity of API integration with third party aggregators and public databases in the industry	Existence of API integration with third party aggregators. Number of third party, aggregator tie-ups.	Medium
Tech enabled processes	To understand how many processes are tech-enabled in the lifecycle of a loan	Intensity of technology usage in different stages of loan processing such as credit approval, sanction, disbursal, fraud check, collections and query resolutions.	Medium
e-Payments and NACH	To understand mechanisms in place for cashless and digital payments/collections	ACH/ECS penetration in EMI repayment Cash, cheque, UPI and NEFT penetration in processing fee collection. Penetration of electronic mode in field collection.	High
Mobility Solutions	To evaluate if any mobility solutions exist for various stakeholders	Existence of mobile application for customers, employees and channel partners. Intensity of customer application usage.	Medium
Customer 360° View	To understand if customer information is available to all the	Complete access to customer information on an ongoing basis.	Medium

Parameter	Objective	Measures Used	Intensity of Technology Usage
	employees on real-time and need-to-know basis	Real time tracking of current loan stage of any customer.	
Digital marketing	To identify existence of any digital presence and loan origination through digital channels	Presence on social media websites. Intensity of presence on social media. Website ranking analysis, Organic and Inorganic Traffic. Proportion of total leads originated through digital channels. Proportion of total leads converted through digital channels	High

Source: CRISIL MI&A

Potential for risk adjusted returns across different customer profiles

The below table indicates the estimates of return on assets on various segment of customers catered by financiers.

Risk adjusted returns in housing across different customer segments (Financial Year 2023E)

Particulars	Salaried Customer	Self Employed Home Loan	Affordable Housing
Yield on advances	9.5%	10.5%	14.0%
Cost of Funds	8.0%	8.5%	9.5%
Spread	1.5%	2.0%	4.5%
Other Income	0.3%	0.5%	1.0%
Total Income	1.8%	2.5%	5.5%
Opex	-0.6%	-0.9%	-1.5%
Credit Cost	-0.2%	-0.4%	-1.0%
PBT	1.0%	1.2%	3.0%
PAT	0.7%	0.9%	2.1%

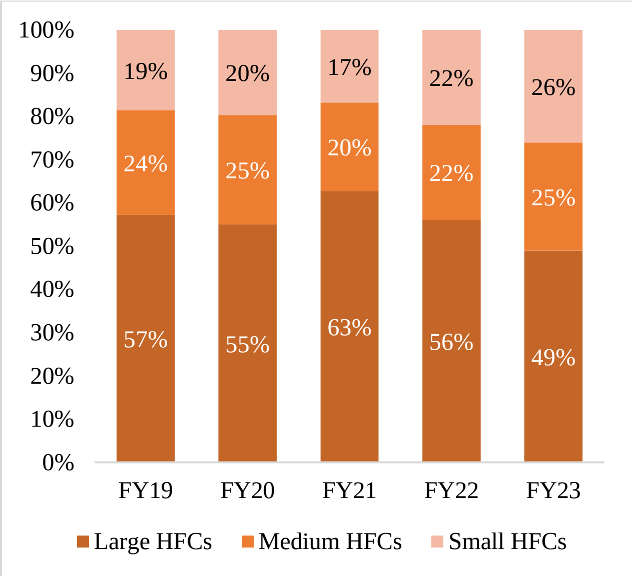
Note: The numbers are estimated based on Industry interactions and Profile of customers
Source: CRISIL MI&A Estimates

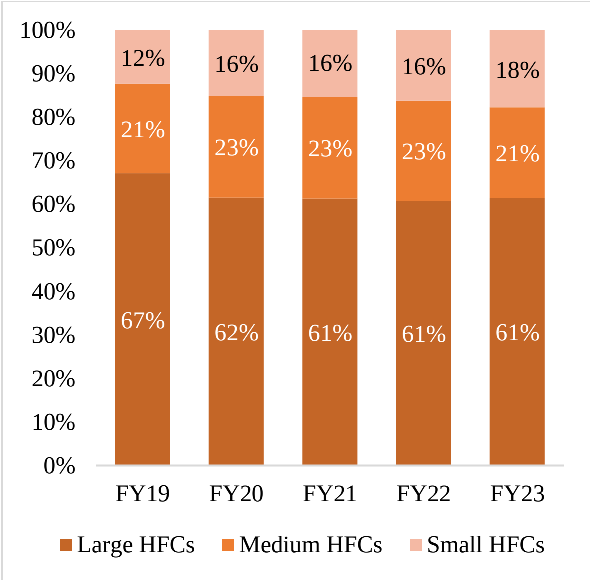
Competitive landscape among HFCs in Affordable Housing Finance

The share of small HFCs, in terms of credit outstanding, increased from 12%, as of March 2019, to 18%, in the same period. This increase in market share was majorly driven by penetration of these financiers in rural markets and semi-urban areas, government and regulatory thrust, as well as increased affordability and aspirations of the borrowers.

Small HFCs continue to gain share in Affordable Housing Market in terms of disbursement

Leading to rise in share of small HFCs in outstanding loans in affordable housing

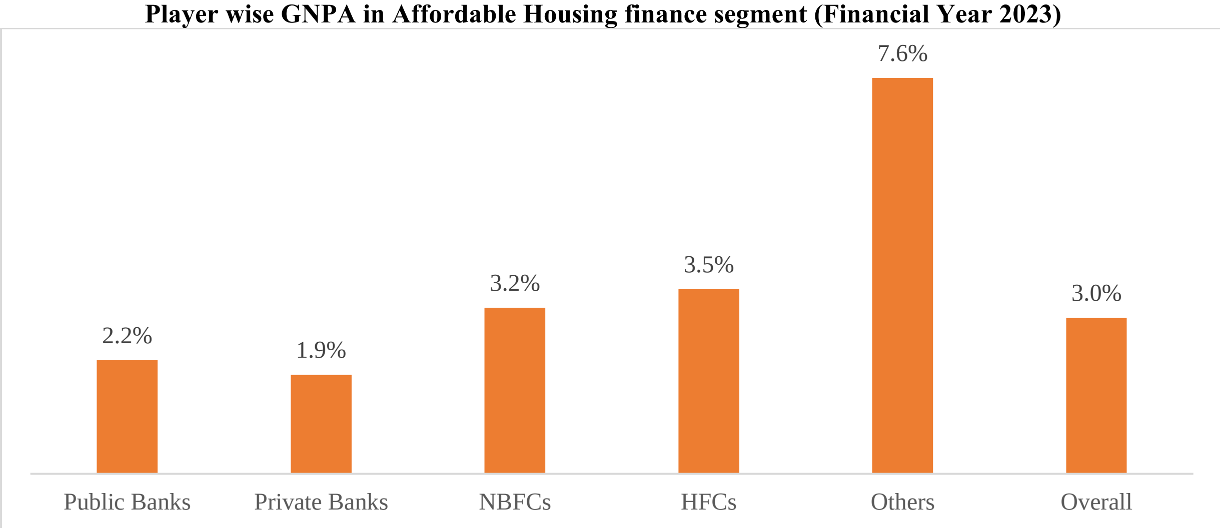




Source: CRIF Highmark, CRISIL MI&A

Asset quality in affordable housing segment

Player wise GNPA in Affordable Housing finance segment (Financial Year 2023)

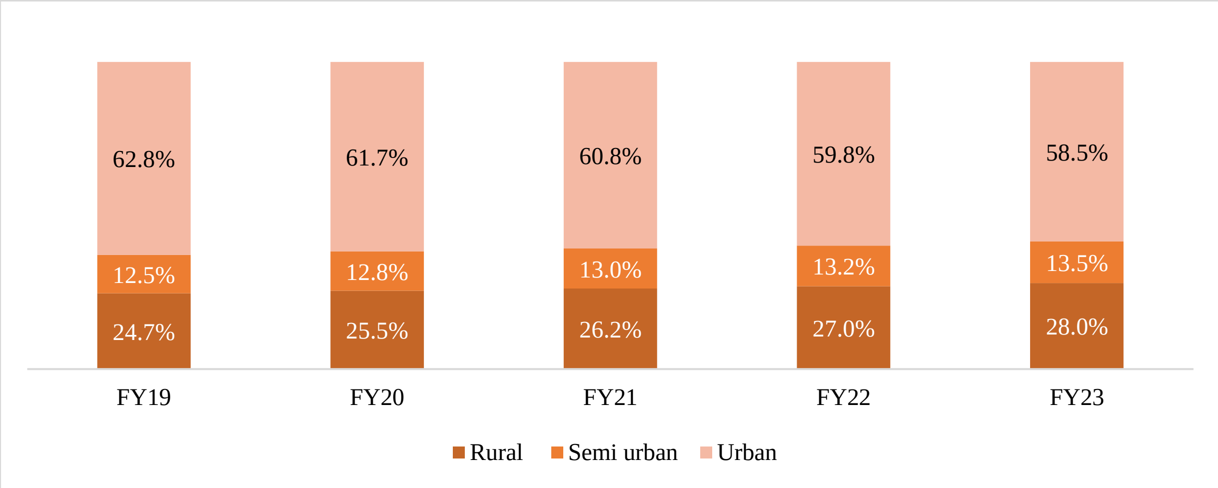


Note: GNPA considered as portfolio greater than 90 days excluding write-offs, Others in the above data set, include foreign banks and other lenders in the affordable housing loans, Source: CRIF Highmark, CRISIL MI&A

Rural areas witnessed highest CAGR growth in Affordable Housing finance at 10.8% from Financial Year 2019 and 2023

Rural areas witnessed the fastest growth during Financial Years 2019-23, with a CAGR of ~10.8%, followed by semi urban areas witnessing a growth of CAGR ~9.2% and urban areas with a CAGR of ~5.4%.

Share of rural and semi-urban is increasing in Affordable housing finance market



Source: CRIF Highmark, CRISIL MI&A

PSU has lost its share in rural markets, while HFCs continue to gain share in all markets – rural, semi-urban and urban areas

Lender wise share in Affordable Housing finance market in rural areas

Rural Share	**FY19**	**FY20**	**FY21**	**FY22**	**FY23**
Public Banks	52%	51%	49%	47%	45%
Private Banks	10%	11%	11%	12%	12%
NBFCs	1%	1%	1%	2%	2%
HFCs	32%	29%	30%	31%	33%
Others	5%	9%	9%	9%	8%
Total	**100%**	**100%**	**100%**	**100%**	**100%**

*Source: CRIF Highmark, CRISIL MI&A; *Others include foreign banks & other small lenders*

Lender wise share in Affordable Housing finance market in semi-urban areas

Semi Urban Share	FY19	FY20	FY21	FY22	FY23
Public Banks	51%	50%	48%	46%	44%
Private Banks	11%	12%	12%	13%	13%
NBFCs	0%	0%	1%	1%	2%
HFCs	32%	28%	29%	31%	34%
Others	6%	10%	10%	9%	8%
Total	100%	100%	100%	100%	100%

*Source: CRIF Highmark, CRISIL MI&A; *Others include foreign banks & other small lenders*

Lender wise share in Affordable Housing finance market in Urban areas

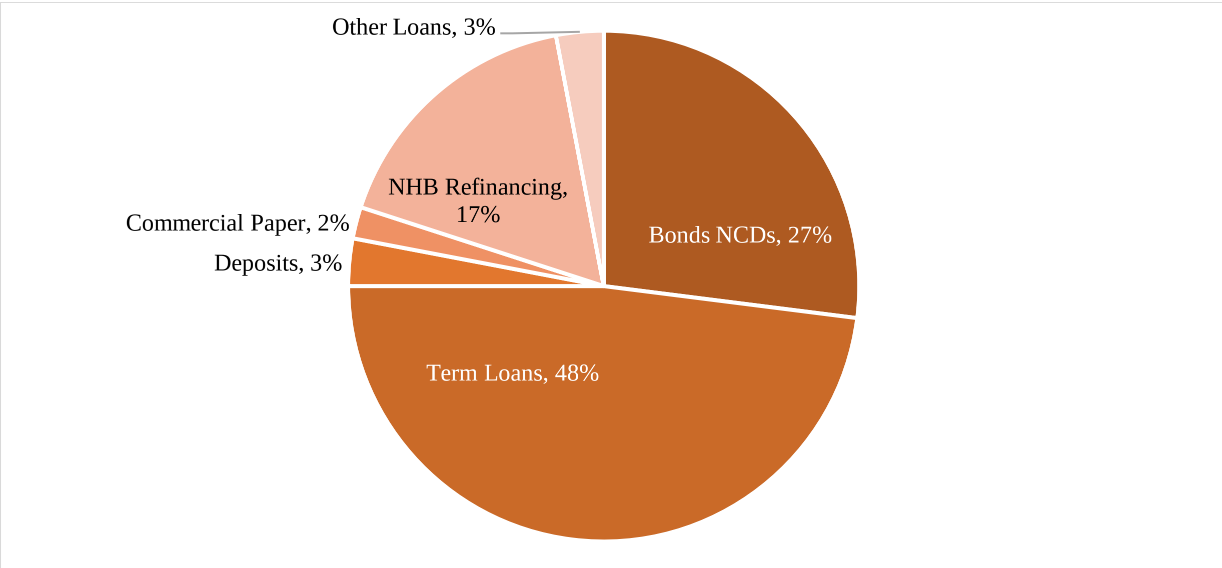
Urban Share	FY19	FY20	FY21	FY22	FY23
Public Banks	45%	45%	43%	41%	40%
Private Banks	13%	14%	14%	15%	15%
NBFCs	1%	1%	1%	1%	2%
HFCs	37%	33%	34%	35%	38%
Others	4%	7%	7%	7%	5%
Total	100%	100%	100%	100%	100%

*Source: CRIF Highmark, CRISIL MI&A; *Others include foreign banks & other small lenders*

Term loans dominate the borrowing mix for affordable players in Financial Year 2023

Term loan is the largest source of borrowing for affordable HFCs, while for large HFCs, it is non-convertible debentures (NCDs). CRISIL MI&A estimates the share of term loans in borrowing to have increased by ~200 bps to 48% in Financial Year 2023 and is projected to stabilise at 49% in Financial Year 2024, with the improving economic activities and demand for housing credit. The share of National Housing Bank (NHB) borrowings remains at a healthy 17% as of Financial Year 2023. This enables the affordable HFCs to avail of the benefit of lower cost of funds (based on HFCs' credit ratings) from NHB. CRISIL MI&A Research expects the support from NHB to continue in Financial Year 2024.

Borrowing mix for players in affordable housing segment for Financial Year 2023



Note: Source: Company Reports, CRISIL MI&A

Profitability metrics of players in Affordable housing finance market

The housing segment showed signs of a recovery in the second half of Financial Year 2021, supported by various initiatives by the Central and state governments to revive economic activities.

Profitability Metrics for Affordable Housing Players

Parameter	2019-20	2020-21	2021-22	2022-23
NIMs	5.2%	5.6%	5.7%	6.0%
Yield on Advances	14.4%	12.9%	13.4%	13.6%
Cost of borrowings	8.9%	8.9%	7.3%	7.7%
Opex	3.5%	3.2%	3.3%	3.6%
Credit Cost	0.4%	1.0%	0.4%	0.3%
RoE	12.3%	11.1%	12.4%	13.1%
RoA	4.0%	3.4%	3.9%	4.0%

Note: Small HFCs include data for Aadhar Housing Finance Limited, AAVAS Financiers Limited, Aptus Value Housing Finance India Limited, Home First Finance Company India, India Shelter Finance Corporation, Vastu Housing Finance Corporation Limited; Source: Company reports, CRISIL M&A Estimates

Analysis of Housing Finance Companies based on Book Size

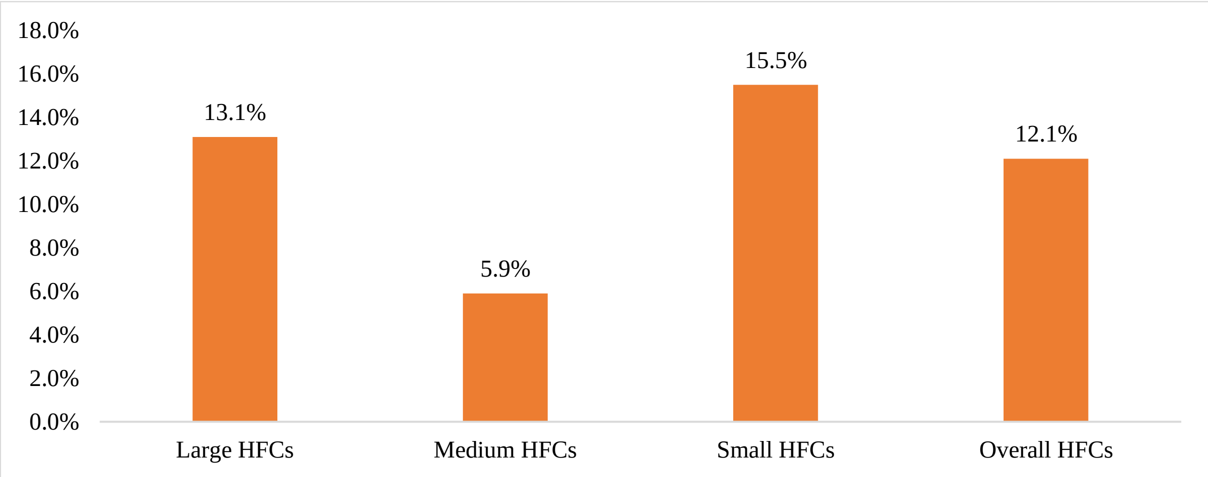
CRISIL MI&A has analysed the variation in performance of HFCs based on assets under management as well as focus segment in terms of ticket size. Accordingly, the HFCs have been classified as large HFCs, medium HFCs, and small HFCs based on the book size of the company.

Small HFCs focused on low ticket segment have grown the fastest amongst player groups

Outstanding in ₹ trillion	FY2019	FY2020	FY2021	FY2022	FY2023	CAGR (FY19-23)	CAGR (FY21-23)
Large HFCs	4.98	4.85	5.49	6.51	8.15	13.1%	21.9%
Medium HFCs	1.24	1.22	1.26	1.37	1.56	5.9%	11.3%
Small HFCs	0.57	0.64	0.68	0.80	1.02	15.5%	22.4%
Overall HFCs	6.79	6.71	7.43	8.67	10.73	12.1%	20.2%

Source: CRIF Highmark, CRISIL MI&A

CAGR Growth (FY19-23) across Large, Medium and Small HFCs vis-à-vis Overall HFC Industry



Note: Large HFCs – AUM>=300Bn, Medium HFCs – 300 Billion >AUM>=100Bn, Small HFCs – AUM<100Bn
Source: CRIF Highmark, CRISIL MI&A

Large HFCs maintain a dominant share in the industry, while small HFCs witnessed continuous growth in market share

Large HFCs continue to have a dominant share in the Housing Finance Market within the HFC pie, while the smaller HFCs have witnessed a continuous growth in their market share.

Credit Outstanding & Market Share of HFC player groups during Financial Year 2019 to 2023

Total HL Outstanding	HFC Player Group Wise Credit Outstanding (in ₹ trillion)					HFC Player Group Wise Credit Outstanding Market Share (%)				
	FY2019	FY2020	FY2021	FY2022	FY2023	FY2019	FY2020	FY2021	FY2022	FY2023
Large HFCs	4.98	4.85	5.49	6.51	8.15	73.3%	72.3%	73.8%	75.0%	75.9%
Medium HFCs	1.24	1.22	1.26	1.37	1.56	18.2%	18.2%	17.0%	15.8%	14.5%
Small HFCs	0.57	0.64	0.68	0.80	1.02	8.5%	9.5%	9.2%	9.2%	9.6%
Overall HFCs	6.79	6.71	7.43	8.67	10.73	100.0%	100.0%	100.0%	100.0%	100.0%

Source: CRIF Highmark, CRISIL MI&A

Disbursements & Market Share of HFC player groups during Financial Year 2019 to 2023

Overall HL Disbursement	HFC Player Group Wise Disbursements (in ₹ trillion)					HFC Player Group Wise Disbursements Market Share (%)				
	FY19	FY20	FY21	FY22	FY23	FY19	FY20	FY21	FY22	FY23
Large HFCs	1.42	1.24	1.51	2.04	2.33	70.0%	73.5%	80.4%	77.9%	73.4%
Medium HFCs	0.38	0.27	0.22	0.34	0.49	19.0%	16.0%	11.5%	12.9%	15.4%
Small HFCs	0.22	0.18	0.15	0.24	0.35	10.9%	10.5%	8.1%	9.2%	11.2%
Overall HFCs	2.02	1.68	1.88	2.61	3.17	100.0%	100.0%	100.0%	100.0%	100.0%

Source: CRIF Highmark, CRISIL MI&A

A similar trend was witnessed in disbursements, where large HFCs and small HFCs have increased their share in overall disbursement of HFCs, while medium HFCs continued to lose its market share.

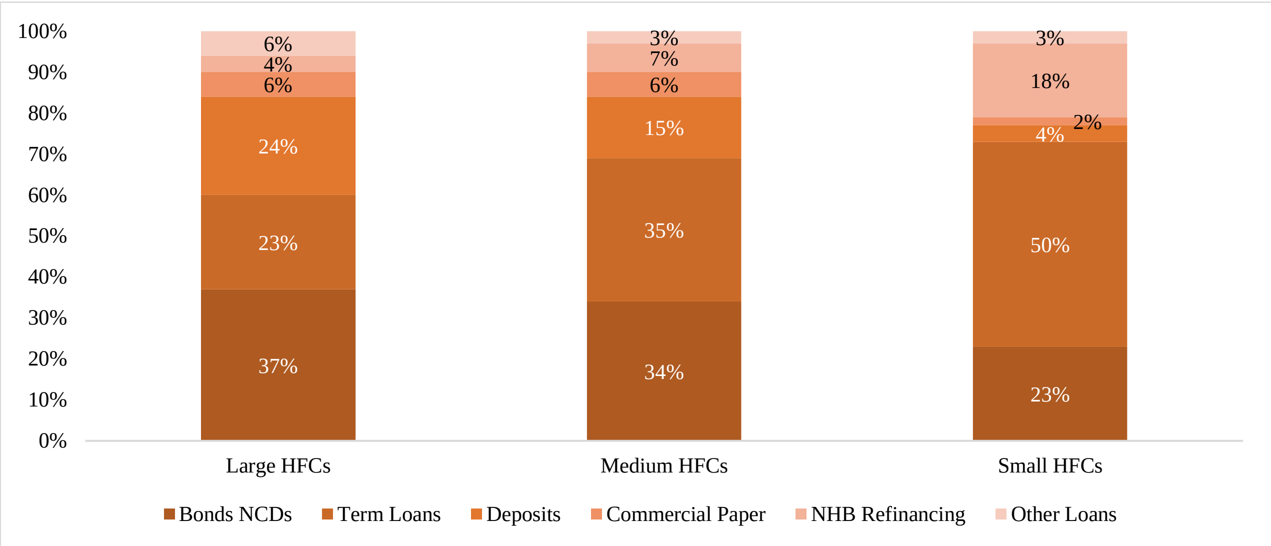
Dependence on Bank borrowings higher for small HFCs

HFCs have a well-diversified and stable resource base, comprising fixed deposits, bank borrowings, debentures, bonds and foreign currency borrowings. This lends flexibility to their borrowings, allowing them to manage costs.

Large HFCs have better access to the debt market, given their size and parentage, making it easier for them to mobilize resources. The share of bank borrowings in the total resources mix stood at 23% at end of financial year 2023. On the other hand, mid-sized HFCs incur higher borrowing costs, given their limited ability to tap the bond market. These HFCs have greater reliance on bank borrowings and refinancing from the National Housing Bank (NHB), which runs various schemes under which it refinances banks and HFCs.

Small-size HFCs traditionally rely on commercial banks and the National Housing Bank (NHB) for their borrowings. The share of bank borrowings in the overall borrowing mix of small HFCs stood at ~50% at end of financial year 2023. Over the past few years, the government's focus on affordable housing and rural housing has raised the budgetary support for NHB. CRISIL MI&A believe that this will continue, boosting the prospects of HFCs focused on affordable housing.

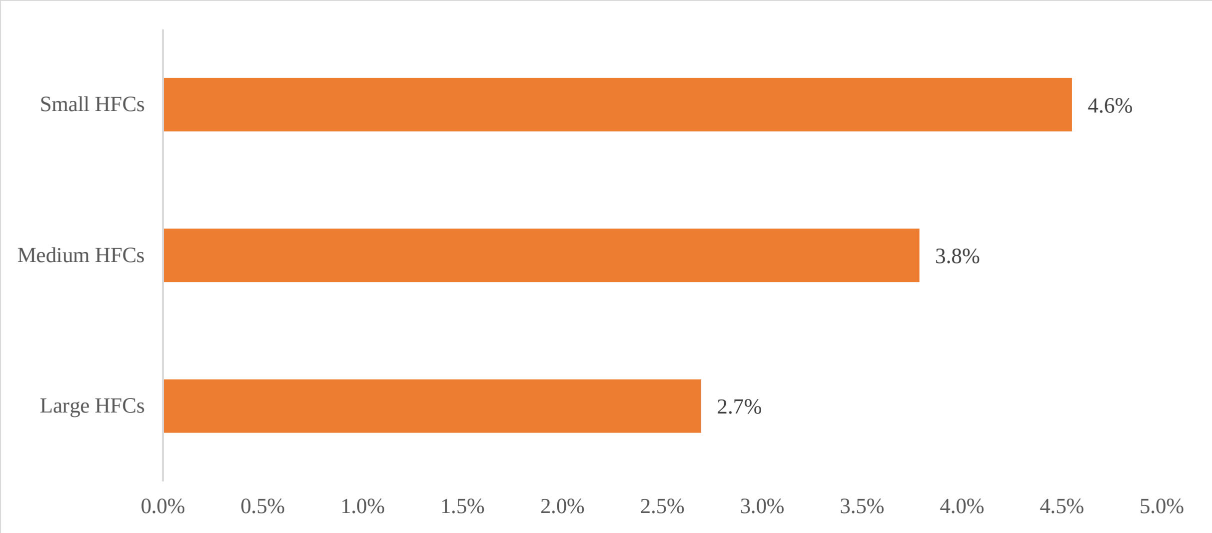
Borrowing mix of HFCs based on their asset size



Source: Company Reports, CRISIL MI&A Estimates

Significant variation in asset quality of HFCs players witnessed during the Financial Year, with rising GNPAs across all HFC groups

GNPA ratio of HFC groups in the overall Housing Finance Segment at end of Financial Year 2023



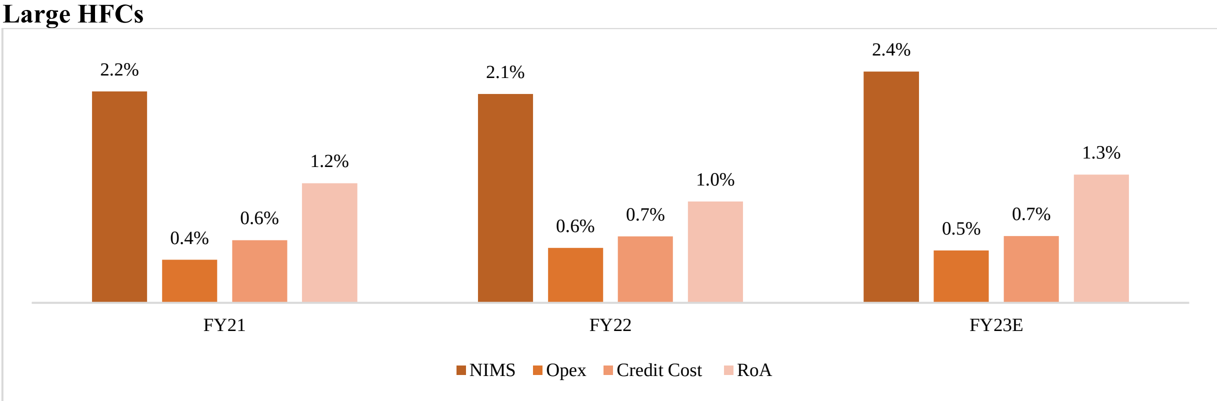
Note: Portfolio greater than 90, excluding write-offs used for calculation of GNPA; Source: CRIF Highmark, CRISIL MI&A

Higher returns make small HFCs attractive amongst the HFCs

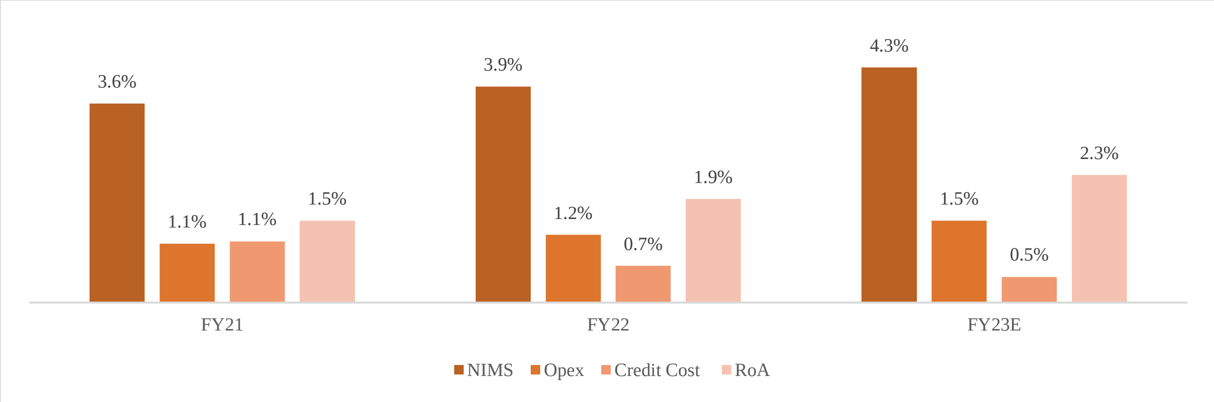
Housing loans are a safer asset class compared with other asset classes such as vehicle loans, construction equipment loans and personal loans, as borrowing is usually for a self-occupied residential property of the borrower, where the propensity of default is relatively lower. Among the peer group set (large, medium, small HFCs), small HFCs segment have highest profitability (RoA). The higher RoA of small HFCs – 3.8-4.0% in Financial Year 2023 – can be attributed to the relatively higher net interest margins (NIMs) they enjoy despite their higher cost of funds. The higher NIMs is due to the higher interest rates they charge the customers.

Over the longer term, CRISIL MI&A expects the industry's profitability to gradually improve. Additionally, for small players in housing finance focused on affordable housing segment, operating expenses, too, would moderate, as business volumes increase and the level of standardisation and digitalisation in credit assessment increases. Below chart indicates the profitability metrics for large, medium, and small HFCs:

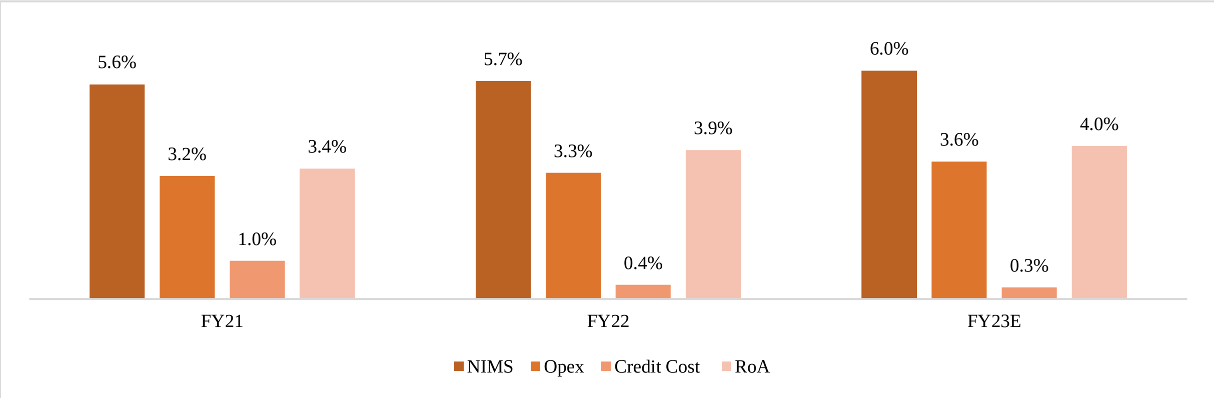
Large HFCs



Medium HFCs



Small HFCs



Note – E: Estimated basis available financial disclosures for Financial Year 2023, Numbers are computed basis Standalone numbers

1) *Large HFCs include data for Indiabulls Housing Finance Ltd, LIC Housing Finance Ltd, PNB Housing Finance Ltd, Piramal Capital and Housing Finance Ltd and Bajaj Housing Finance Ltd; Data for HDFC Limited is excluded from the analysis owing to its merger with HDFC Bank*

2) *Medium HFCs include data for Can Fin Homes Ltd, ICICI Home Finance Ltd, GIC Housing Finance Ltd, REPCO Home Finance Ltd, TATA Capital Housing Finance Ltd and India Infoline Housing Finance Ltd*

3) *Small HFCs include data for Aadhar Housing Finance Limited, AAVAS Financiers Limited, Aptus Value Housing Finance India Limited, Home First Finance Company India, India Shelter Finance Corporation, Vastu Housing Finance Corporation Limited*

4) *NIM has been calculated as Net Interest Margin/ Average Assets, Opex has been calculated as Operating expenses/ Average Assets, Credit cost has been calculated as Provisions/ Average Assets and RoA has been calculated as PAT/ Average Assets*

Source – Company Reports, Rating Rationale, CRISIL MI&A

Regulatory Initiatives

Risk weight rationalization of Housing Loan for real estate sector by RBI

Until October 2020, risk weightage was assigned on the basis of ticket size and loan to value (LTV) ratio. However, for all new housing loans sanctioned up to March 31, 2022, risk weights will be assigned only on the basis of LTV. While these risk weights will be applicable to all ticket sizes. Housing loans above ₹7.5 million will benefit the most as risk weights for these loans will reduce from 50% to 35%.

Existing risk weight allocation

Outstanding loan	LTV ratio	Risk weight
< ₹ 3.0 million	<80%	35%
	80-90%	50%
₹ 3.0-7. 5 million	<80%	35%
> ₹ 7. 5 million	<75%	50%

Source: RBI, CRISIL MI&A

Revised risk weight allocation

LTV ratio	Risk weight
<80%	35%
80-90%	50%

Source: RBI, CRISIL MI&A

Regulatory Authority on HFCs shifted from NHB to the RBI

The Union Budget 2019-20 announced the transfer of regulatory power on housing finance companies (HFCs) from National Housing Bank (NHB) to the Reserve Bank of India (RBI). This has resulted in streamlined regulations and implementation as well as better risk management framework for HFCs. The RBI Act will be amended to give the central bank powers to regulate HFCs. This move is expected to ensure there is greater parity in regulations for NBFCs and HFCs.

PSL eligibility increased in Housing

The RBI has increased (under the notification released in June 2018) eligibility for priority sector lending (PSL) in housing loans with a view to converge PSL guidelines with Pradhan Mantri Awas Yojana (PMAY). The eligibility has been increased from ₹2.8 million to ₹3.5 million for metropolitan centers and from ₹2 million to ₹2.5 million for other centers. The cost of dwelling unit has been capped at ₹4.5 million in metropolitan centers and at ₹3 million in other centers. The on-lending limits given to NBFC/HFCs from Banks was also raised from ₹1 million to ₹2 million.

Under the eligibility criteria prescribed by the National Housing Bank under The Refinance Scheme under Affordable Housing Fund for the Financial Year 2021-22 ("**Refinance Scheme**") read with paragraph 12.1(i) of the Master Directions – Reserve Bank of India (Priority Sector Lending – Targets and Classification) Directions, 2020 ("**PSL Master Directions**"), individual housing loans with a ticket size lower than ₹2.5million in non-metropolitan areas are considered as affordable housing loans. Furthermore, paragraph12.1(i) of the PSL Master Directions sets out that loans up to ₹3.5 million to individuals in metropolitan centres (with population of one million and above); and up to ₹2.5 million to individuals in other centers, for the purchase or construction of a dwelling unit, per family, will be eligible for priority sector classification, provided the overall cost of the dwelling unit in the metropolitan centre and at other centres does not exceed ₹4.5 million and ₹3.0 million, respectively.

NHB's Refinance to aid borrowing cost for HFCs catering to Affordable housing

While access to the debt markets allows large HFCs to mobilize resources at competitive rates, niche HFCs have benefited from the NHB's refinance schemes. The NHB runs various schemes under which it refinances banks and HFCs. This funding is available to affordable housing players at a very low rate but its comes with an with interest rate capping. It leads to improvement in borrowing cost but at the same time reduces the yield too, while keeping the spread at similar levels.

Real Estate (Regulation and Development) Act

The year 2017 stands out for policy initiatives in the real estate sector. One such initiative was the implementation of the Real Estate (Regulation and Development) Act (RERA), which had a direct impact on the supply-demand dynamics in the sector. The RERA is expected to improve transparency, timely delivery, and organised operations over time.

The Act does not permit developers to launch new projects before registering them with the real estate authority. This is a major shift from the practices followed earlier by developers, wherein they managed to sell part of the project through soft/pre-launch activities. The RERA puts an end to fund diversion across projects as it mandates 70% of the funds collected from customers for a specific project should be maintained in a separate escrow account and used only for the same project. Besides, developers have to disclose project-related information, such as project plan, layout, government approvals, carpet area of units, construction status and delivery schedule. However, more than three years after it came into force the implementation of the RERA – which was aimed at bringing some discipline into the real estate sector and protecting consumers against unscrupulous builders – remains tardy.

Only a few states such as Maharashtra have seen significant project registrations. The RERA regulation passed by several states diverges from the centre's model RERA in key aspects such as definition of ongoing project. With consumers facing the brunt of delays in projects, a strong and effective RERA law, and stringent implementation are critical to boost the consumer confidence.

Loan Against Property (LAP)

Loan Against Property (LAP) is availed by mortgaging a property (residential or commercial) with the lender. LAP is a secured loan, as it provides collateral to the financier in the form of the property. Its interest rate is lower than personal or business loans. It could be used for either business or personal purposes. It can be availed by both salaried and self-employed individuals. For all these reasons, LAP has become popular among borrowers in recent years. The financiers offering housing loans, also provide LAP loans primarily due to synergies between the two products, higher yields offered by LAP, while continuing to cater to similar customer profile, collateral requirement and ticket size.

Key factors that contributed to high LAP growth are:

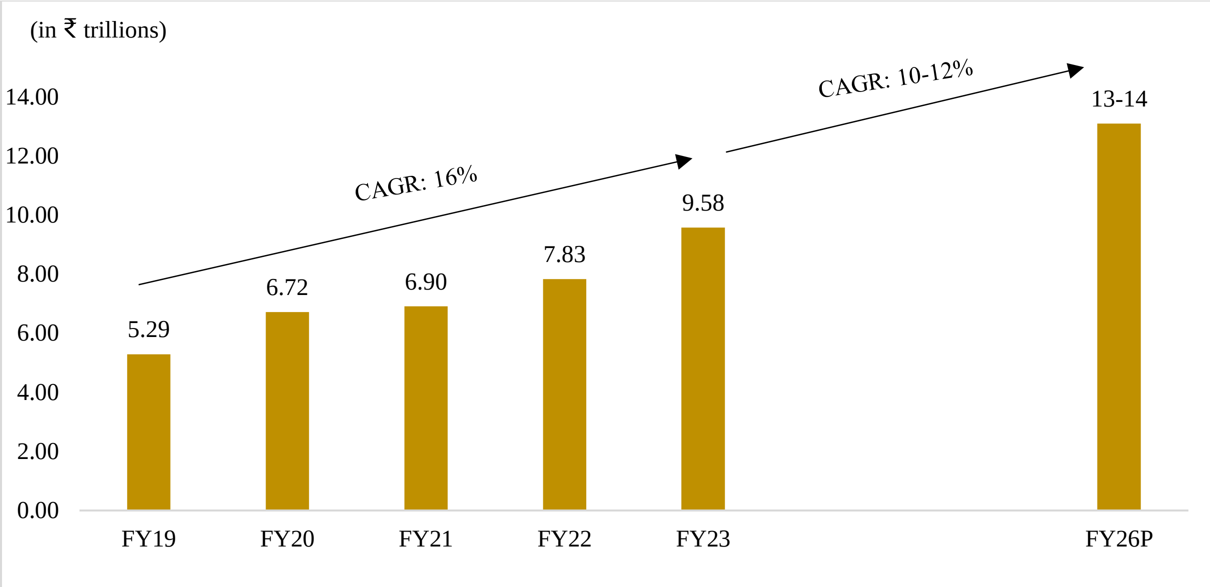
- **Quick turnaround time, lower interest rate, lesser documentation:** LAP loans are disbursed in about half the time taken for a secured MSME loan. It is also offered at a lower interest rate than unsecured MSME loans, personal and business loans. LAPs require lesser documentation than other secured SME products, leading to fewer hassles for customers.

- **Greater transparency in the system:** Demonetization, GST, and the government's strong push for digitization have led to higher transparency in the system. This will keep pushing up loan amount eligibility of borrowers. Formalization will also help many new borrowers come under the ambit of formal lending channels.

- **Rising penetration of formal channels:** Increase in penetration and availability of formal lending channels outside the top 10 cities will eat into the market share of moneylenders.

- **Higher comfort for lenders:** Lenders are comfortable disbursing LAP loans, as they offer favorable risk-return characteristics, compared with MSMEs and unsecured loans. They also offer higher recovery in case of default (supported by the Securitization and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002) and better asset quality, which is partly offset by lower yields.

LAP portfolio to grow at 10-12% CAGR between Financial Year 2023 and Financial Year 2026



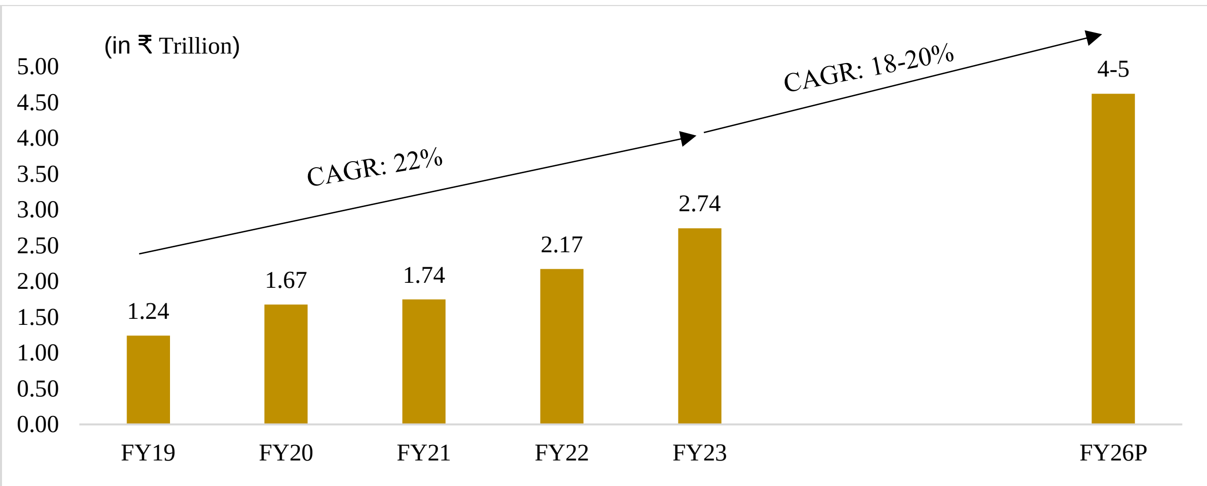
Note:
P:Projected
Source: CRIF Highmark, CRISIL MI&A

The growth in this segment is attributed to increasing financial penetration and an increase in number of players in the targeted market. Going forward, CRISIL MI&A expects overall LAP portfolio to grow at 10-12% CAGR between Financial Year 2023 and Financial Year 2026 aided by increasing lender focus and penetration of such loans, enhanced availability of data increasing lender comfort while underwriting such loans, enhanced use of technology, newer players entering the segment, and continued government support.

LAP Portfolio (< ₹2.5 million) to grow by 18-20% over Financial Years 2023-2026

LAP portfolio (< ₹2.5 million) has grown at a relatively higher CAGR of 22% between Financial Year 2019 and 2023 as compared to overall LAP portfolio which grew by 16% during the same time interval, driven by rising penetration of formal channels and higher comfort for the lenders to lend.. The share of LAP portfolio (< ₹2.5 million) in overall LAP market has increased from 23% in Financial Year 2019 to around 29% in Financial Year 2023.

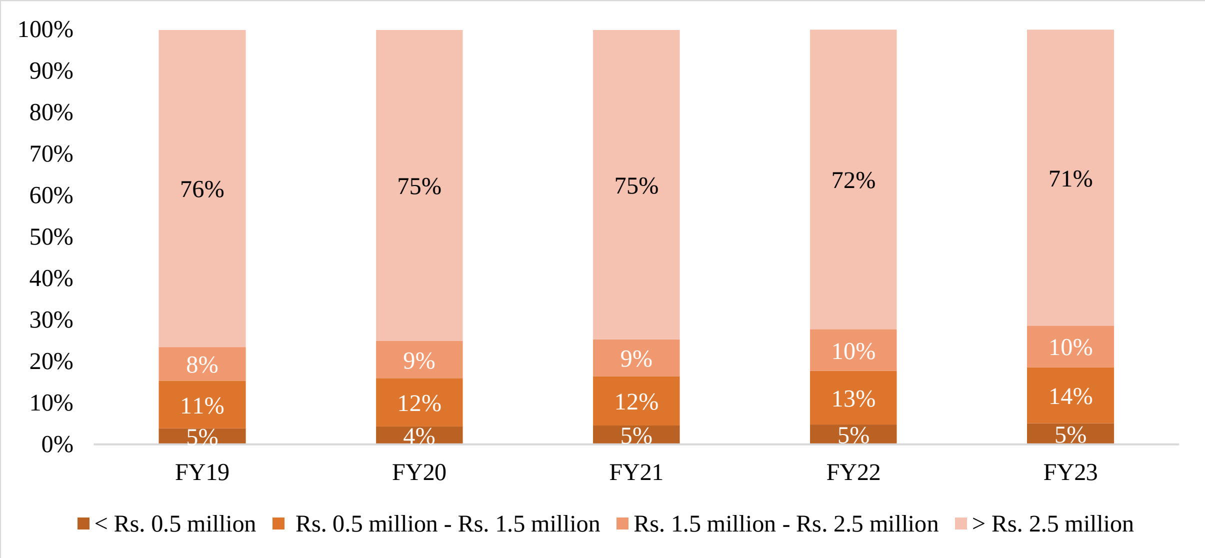
LAP portfolio (< ₹2.5 million) witnessed a CAGR of 22% between Financial Years 2019 and 2023



Note: P: Projected
Source: CRIF Highmark, CRISIL MI&A

With increase in data availability and enhanced use of technology and experience gained across several cycles while lending to the same customer segment, lenders have increased focus on the underserved MSME segment. This has led to a continued increase in share of relatively smaller ticket size secured MSME loans in the overall lending pie.

Trend of various ticket sizes in overall LAP portfolio



Source: CRIF Highmark, CRISIL MI&A

Going forward in Financial Year 2024, LAP market will see continued growth aided by increasing lender focus and penetration of such loans, enhanced availability of data increasing lender comfort while underwriting such loans, enhanced use of technology, newer players entering the segment, and government's continued support to enhance MSME lending. Within the player groups, HFCs are expected to register strong growth in the segment due to their higher market share, deeper penetration in tier- II and tier – III cities and adequate liquidity support. CRISIL MI&A projects LAP portfolio (<₹2.5 million) to grow at 18-20% CAGR between Financial Year 2023 and Financial Year 2026 as compared to 10-12% growth in the overall LAP portfolio during the same time interval.

Self-employed customers' accounts for a large part of LAP portfolio's (< ₹2.5 million) borrower base

According to CRISIL MI&A, self-employed people account for almost 80-85% of LAP disbursements; of these, approximately 70-75% are self-employed non-professionals (SENP) and the rest self-employed professionals (SEP). For borrowers, who have taken several personal and business loans earlier at higher interest rates, LAPs offer an attractive option, helping them foreclose old loans and take a single loan (LAP) at comparatively lower interest rates. Majority of the HFCs in this segment operate around a low average LTV of 50-55% as of Financial Year 2023.

Key factors driving competitiveness of HFCs in the LAP portfolio (< ₹2.5 million)

Housing finance companies had the highest market share among players in the loan against property portfolio (< ₹2.5 million) segment during Financial Year 2023, and have been able to maintain this major share in the total market owing to various metrics in which HFCs have proven to be better than other players:

- Faster processing time, lower turnaround times in loans as compared to peers
- HFCs offer flexible repayment terms on LAPs as compared to other players
- HFCs have higher on-ground knowledge and a better understanding of the real estate market as compared to other peers, giving them a competitive edge among peers

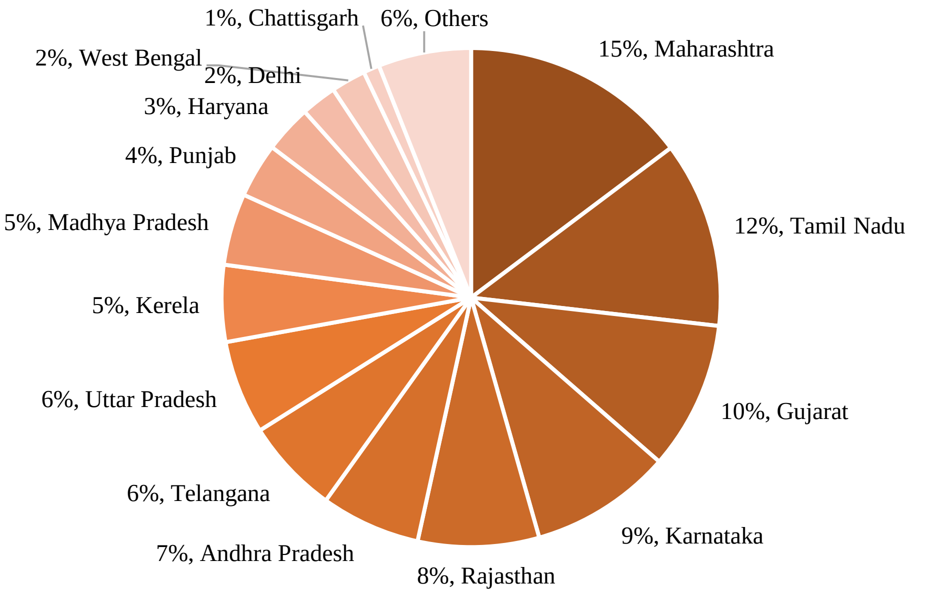
- HFCs also have a higher expertise in underwriting the informal segment along with borrowers with no or limited credit information along with a focused underwriting process

- Completely digitized processes along with 24*7 disbursements to borrowers

State-wise analysis of loans in LAP portfolio (< ₹2.5 million)

The top 15 states accounted for 95% of the market size in this segment as of March 2023.
Maharashtra tops the list with the highest share of 15%, followed by Tamil Nadu (12%), Gujarat (10%), Karnataka (9%) and Rajasthan (8%).

Maharashtra has the highest share in overall LAP portfolio (< ₹2.5 million)



Source: CRIF Highmark, CRISIL MI&A

State-wise credit outstanding of LAP portfolio (<2.5 million) between Financial Years 2019-2023:

State wise analysis of LAP portfolio (< ₹2.5 million)

(in ₹ Millions)	FY2019	FY2020	FY2021	FY2022	FY2023	CAGR FY19-23
Maharashtra	192	249	281	328	409	21%
Tamil Nadu	179	223	235	275	334	17%
Gujarat	126	167	184	215	266	21%
Karnataka	120	150	169	199	254	21%
Rajasthan	87	125	127	166	217	26%
Andhra Pradesh	78	103	108	137	179	23%
Telangana	63	86	97	131	171	28%
Uttar Pradesh	71	107	94	127	168	24%
Kerela	64	89	95	123	138	21%
Madhya Pradesh	46	69	71	96	129	29%
Punjab	48	68	60	79	98	20%
Haryana	42	59	53	69	85	19%
Delhi	29	39	43	52	64	21%
West Bengal	23	36	38	48	62	29%
Chhattisgarh	14	19	17	23	29	20%
Other States	60	86	73	102	138	23%
Overall LAP <₹2.5 million	**1,241**	**1,673**	**1,745**	**2,171**	**2,742**	**22%**

Source: CRIF Highmark, CRISIL MI&A

State-wise disbursements of LAP portfolio (< 2.5 million) between Financial Years 2019-2023

During fiscal 2023, Tamil Nadu witnessed the highest disbursement among all states followed by Maharashtra, Karnataka, Rajasthan and Gujarat

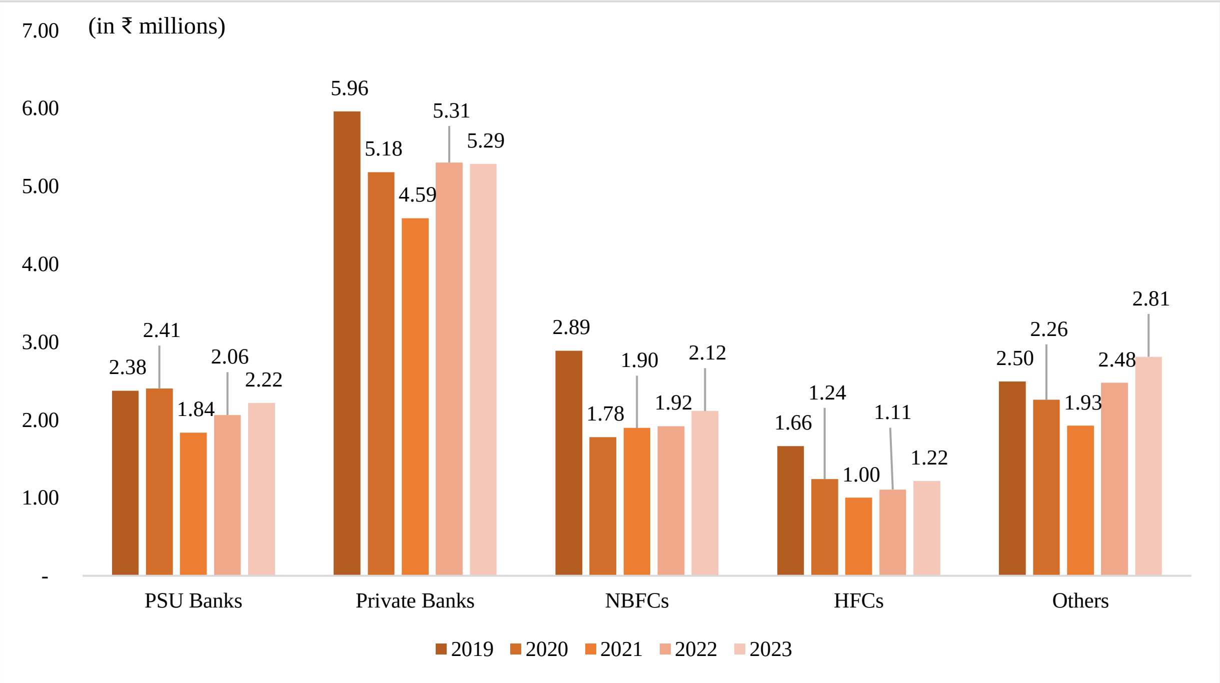
(In ₹Millions)	FY2019	FY2020	FY2021	FY2022	FY2023	CAGR FY19-23
Tamil Nadu	71.1	68.1	58.1	79.7	112.2	12.1%
Maharashtra	78.4	76.9	72.8	94.7	108.6	8.5%
Karnataka	48.4	50.3	44.4	57.0	78.8	12.9%
Rajasthan	39.5	40.6	40.2	55.1	76.7	18.1%
Gujarat	51.3	52.2	51.7	64.1	73.9	9.5%
Andhra Pradesh	35.8	36.1	30.3	44.5	65.0	16.1%
Telangana	29.1	33.5	28.9	47.7	61.0	20.3%
Uttar Pradesh	30.5	29.4	28.2	40.5	57.4	17.2%
Madhya Pradesh	21.2	21.2	22.9	33.1	50.8	24.4%
Punjab	19.5	20.6	17.5	23.9	31.8	13.0%
Kerela	33.4	34.9	24.1	28.1	29.5	-3.1%
Haryana	17.2	16.5	15.6	21.0	28.7	13.7%
West Bengal	12.1	12.4	11.4	16.5	21.4	15.2%
Delhi	12.3	12.0	15.0	15.2	16.3	7.3%
Bihar	3.6	3.8	3.4	6.3	10.9	32.0%
Other States	24.8	25.8	25.6	35.6	48.7	18.3%
Overall Disbursement < ₹2.5 million	**528.3**	**534.3**	**490.1**	**662.9**	**871.6**	**13.3%**

Source: CRIF Highmark, CRISIL MI&A

Average ticket size lowest for HFCs in overall LAP portfolio as well as LAP portfolio (< ₹2.5 million)

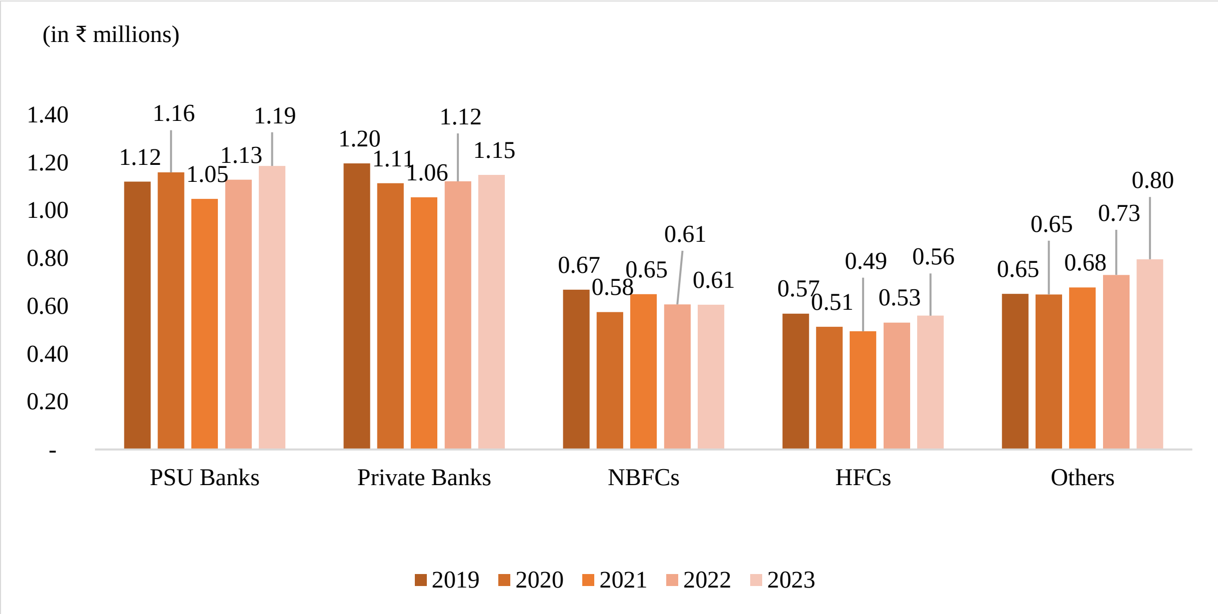
HFCs have the lowest ticket size as compared to private banks which have the highest average ticket size. Apart from NBFC, all others in the category witnessed a significant decline in their average ticket size during the fiscal 2021, due to the pandemic induced lockdown and economic slowdown in the nation. This decline was then followed by a recovery in the following financial years.

HFCs have lower average ticket size as compared to other lenders in the overall LAP portfolio



Note: Others include foreign banks and other players
Source: CRIF Highmark, CRISIL MI&A

HFCs have lower average ticket size as compared to other lenders in the LAP portfolio (< ₹2.5 million)



Note: Others include foreign banks and other players
Source: CRIF Highmark, CRISIL MI&A

Asset Quality for overall LAP portfolio

In the past, intense competition in the LAP segment led to aggressive lending by non-banks. They sourced major proportion of the book through balance transfer, whereby additional top-up loans were given leading to higher loan-to-value (LTV) ratios and thus higher risks in the LAP book. Asset quality in the overall LAP segment deteriorated in Financial Year 2021 on account of Covid-19 pandemic in which income of the borrowers was impacted severely, the impact of which can be witnessed in Financial Year 2022. However, asset quality has improved in Financial Year 2023 on back of better collection efficiencies and improvement in the income of the borrower profile. Asset Quality of overall LAP portfolio decreased from 5.03% in Financial Year 2022 to 3.94% in Financial Year 2023. Players in the segment have turned cautious while lending against property and are expected to remain cautious owing to difficulty and cost involved in selling these physical assets. In the long run, better availability of borrower data with GST implementation will help lenders assess borrower's profile (in terms of business sales and cash flow) and hence control NPAs.

LAP portfolio with ticket size between ₹1.5 and ₹2.0 million had the lowest GNPA levels as of Financial Year 2023

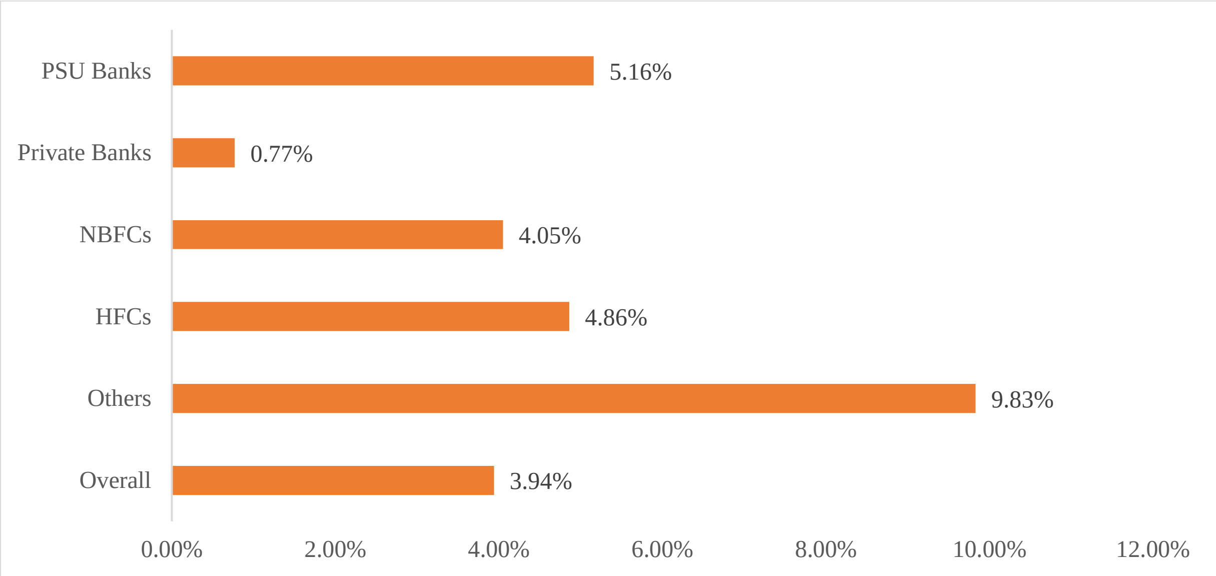
	FY19	FY20	FY21	FY22	FY23
LAP with ticket size below ₹0.5 million	6.42%	7.59%	8.49%	7.75%	5.53%
LAP with ticket size between ₹0.5 million and ₹1 million	3.65%	4.45%	4.91%	5.35%	3.99%
LAP with ticket size between ₹1 million and ₹1.5 million	2.79%	3.69%	4.07%	4.36%	3.39%
LAP with ticket size between ₹1.5 million and ₹2 million	2.63%	3.49%	3.93%	4.26%	3.28%
LAP with ticket size between ₹2.0 million and ₹2.5 million	2.83%	3.95%	4.52%	4.92%	3.61%
LAP with ticket size greater than ₹2.5 million	3.01%	4.04%	5.13%	4.93%	3.93%
Overall LAP portfolio	**3.17%**	**4.18%**	**5.14%**	**5.03%**	**3.94%**

Note: GNPA considered as portfolio greater than 90 days excluding write-offs. Source: CRIF Highmark, CRISIL MI&A

Asset Quality among players in the overall LAP segment as of Financial Year 2023

Despite lending to the risky segment, HFCs, due to their expertise in the product have been effective in maintaining their asset quality and going forward, private banks and SFBs are expected to replicate this behavior and on account of the lower cost of funds, can aggressively target selected profiles at better rates and thus maintain asset quality on the books.

Asset quality in the Overall LAP segment as of Financial Year 2023

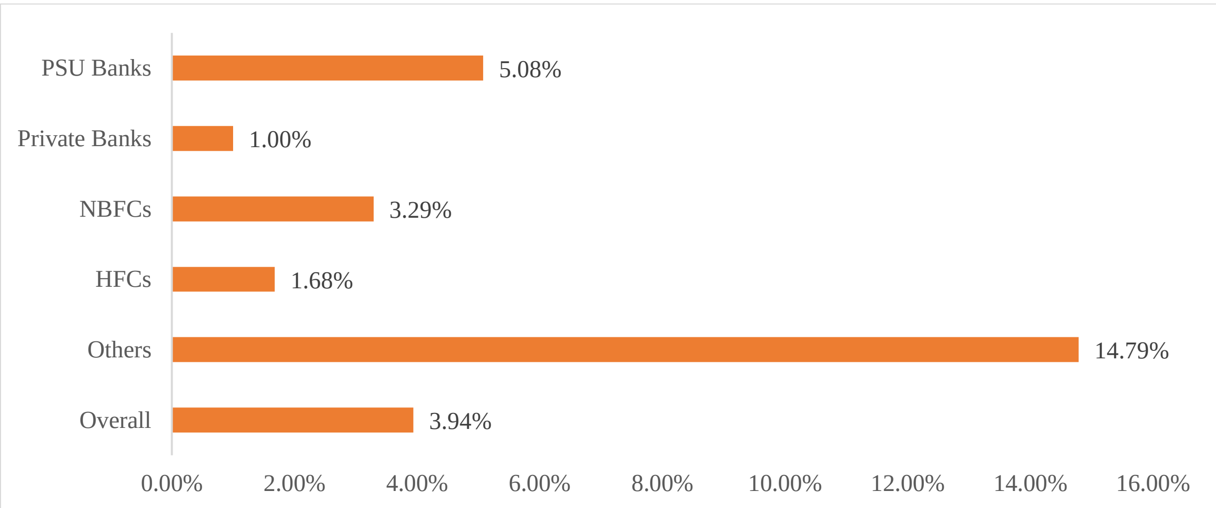


Note: GNPA considered as portfolio greater than 90 days excluding write-offs, Others include foreign banks and other players Source: CRIF Highmark, CRISIL MI&A

HFCs have the best asset quality among other lender types in the LAP portfolio (< ₹2.5 million) segment during the Financial Years 2019 to 2023

HFCs have witnessed a significant improvement in asset quality in the LAP portfolio (< ₹2.5 million) during Financial Year 2023, and now is in line with Private Banks having the best asset quality among the players in the segment. Private Banks have been able to keep their asset quality under control in this segment owing to lending selectively during the pandemic. While HFCs despite lending to the risky segment, HFCs, due to their expertise in the product have been effective in maintaining their asset quality, going forward this is expected to continue with improvement in economic activity, better collection efficiency alongside faster credit growth.

Asset quality in the LAP < ₹2.5 million segment as of Financial Year 2023



Note: GNPA considered as portfolio greater than 90 days excluding write-offs, Others include foreign banks and other players Source: CRIF Highmark, CRISIL MI&A

NBFC/HFCs Profitability in LAP improved in Financial Year 2023

NBFCs in LAP segment operate with yield in the range of 15-18%, on an average. With average cost of funds being in the range of 10-11%, net interest margins (NIMs) for this segment are in the range of 5-7%. CRISIL MI&A estimates the profitability in this segment to have increased in Financial Year 2023 owing to improving credit costs and increase in interest yields. Going forward, in Financial Year 2024, borrowing costs are expected to stabilize and overall profitability of MSMEs loans is still expected to be sustained, on account of higher interest income.

Peer Benchmarking

In this section, CRISIL MI&A has compared financial and operating parameters for housing loan players based on the latest available data for Financial Year 2022 and Financial Year 2023. For analysis, India Shelter Finance Corporation is compared with listed and unlisted entities such as Aadhar Housing, Aavas Financiers Limited, Aptus Value Housing, Home First Finance Company, Shubham Housing Finance, Poonawalla Housing Finance & Vastu Housing Finance. The peers are chosen with AUM greater than ₹30 billion and average ticket size less than ₹1.5 million operating in the affordable housing segment.

India Shelter Finance Corporation witnessed growth in disbursements of 41.6% and AUM growth of 43.3% in the six months ended September 30, 2023.

Asset Under Management & Disbursement of Peer Set (H1FY24)

Peers	AUM (₹ mn.) H1FY23	AUM (Rs. mn.) H1FY24	Y-o-Y Growth	Disbursement (₹ Mn.) H1FY23	Disbursement (₹ Mn.) H1FY24	Y-o-Y Growth
Aadhar Housing Finance	157,000	179,000*	N/A	N/A	N/A	N/A
Aavas Financiers Limited	125,437	153,195	22.1%	22,404	23,267	3.9%
Aptus Value Housing Finance	59,320	76,037	28.2%	11,290	13,910	23.2%
Home First Finance Company	62,754	83,654	33.3%	13,634	18,543	36.0%
India Shelter Finance Corporation	**36,149**	**51,807**	**43.3%**	**8,619**	**12,203**	**41.6%**
Poonawalla Housing Finance	56,120	65,710*	N/A	NA	NA	NA
Shubham Housing Finance	N/A	N/A	N/A	N/A	N/A	N/A
Vastu Housing Finance	44,130	67,700*	N/A	N/A	N/A	N/A

*Note: * Data as of Q1FY24, NA: Not Applicable or Available, Data is on Consolidated basis, Table is arranged in alphabetical order.*

Source: Company reports, Rating Rationale, CRISIL MI&A

India Shelter Finance Corporation registered 2nd highest AUM & Disbursement growth between Financial Years 2019 and 2023 amongst compared peers

Amongst the compared peers, India Shelter Finance Corporation had the second highest CAGR between Financial Years 2019 and 2023 in terms of asset under management (38.7%), only behind Vastu Housing Finance (46.2%). With a strong focus on the affordable housing market and a keen focus on the retail loans segment, India Shelter recorded the second highest CAGR of 37.1% in disbursement during the same period, after Vastu Housing Finance (47.6%). Between Financial Year 2021 and Financial Year 2023, India Shelter Finance Corporation witnessed a 2- year AUM CAGR growth of 40.8%.

Asset Under Management & Disbursement of Peer Set (Financial Year 2023)

Peers	AUM (Rs million) FY23	AUM growth (YoY)	AUM growth (CAGR FY19-23)	AUM growth (CAGR FY21-23)	Disbursements (Rs million) FY23	Disbursements growth (CAGR FY19-23)	Disbursements growth (CAGR FY21-23)
Aadhar Housing Finance	172,230	16.5%	14.5%	13.7%	59,030	16.6%	29.0%
Aavas Financiers Limited	141,667	24.8%	24.3%	22.4%	50,245	17.1%	37.5%
Aptus Value Housing Finance	67,380	30.1%	31.6%	28.7%	23,940	19.3%	35.8%
Home First Finance Company	71,980	33.8%	31.0%	31.8%	30,129	17.6%	65.7%
India Shelter Finance Corporation	**43,594**	**41.8%**	**38.7%**	**40.8%**	**19,644**	**37.1%**	**48.2%**
Poonawalla Housing Finance	62,890	24.3%	26.8%	25.7%	25,850	24.2%	43.7%
Shubham Housing Finance	31,140	29.7%	25.1%	26.7%	17,030	NA	45.1%
Vastu Housing Finance	60,970	66.8%	46.2%	54.4%	36,160	47.6%	95.0%

Note:
1. *NA: Not applicable or available*
2. *Data is on Consolidated basis*
3. *Table is arranged in alphabetical order*
4. *Numbers are rounded off*

Source: Company reports, Rating Rationale, CRISIL MI&A.

India Shelter Finance Corporation reported yield of 14.9% on advances

In the six months ended September 30, 2023, among its peers India Shelter Finance Corporation reported highest income to advance ratio of 18.7% marking a 1.9% rise from Financial Year 2023, followed by Vastu Housing Finance (17.8%) and Aptus Value Housing (17.7%) during the same period (six months ended September 30, 2023). India Shelter's Net Income to Average Total Assets was at 11.5% during the six months ended September 30, 2023, an increase of ~0.9% from the previous financial year, and Aptus Value Housing's Net Income to Average Total Assets was at 12.7% during the six months ended September 30, 2023, a drop of approximately 0.6% from the previous financial year.

India Shelter's credit cost remained unchanged at 0.4% in both Financial Year 2023 and the six months ended September 30, 2023, while India Shelter Finance Corporation maintained a spread of 6.1% in the six months ended September 30, 2023.

Operational Metrics of Peer Set (six months ended September 30, 2023)

Peers	Total Income to advance	Net Income to Average Total Assets	Yield on Advances	Cost of Borrowings	Spread	Credit Cost
Aadhar Housing Finance	15.6%	8.5%	N/A	7.6%	N/A	0.4%
Aavas Financiers Limited	15.6%	8.1%	14.0%#	7.4%	6.6%	0.2%
Aptus Value Housing Finance	17.7%	12.7%	N/A	8.9%	N/A	0.2%
Home First Finance Company	15.3%	8.5%	13.9%	8.3%	5.6%	0.4%
India Shelter Finance Corporation	**18.7%**	**11.5%**	**14.9%**	**8.9%**	**6.1%**	**0.4%**
Poonawalla Housing Finance	15.9%	8.2%	NA	8.2%	N/A	0.7%

Peers	Total Income to advance	Net Income to Average Total Assets	Yield on Advances	Cost of Borrowings	Spread	Credit Cost
Shubham Housing Finance	N/A	N/A	N/A	N/A	N/A	N/A
Vastu Housing Finance	17.8%	17.6%	N/A	9.9%	N/A	0.3%

Note

1. *Total income to advance has been calculated as Total income/loans and advances (annualized)*
2. *Net income to average of total assets has been calculated as (Total income- Interest expense (excluding interest on lease liabilities))/Average of total assets (annualized)*
3. *Yield on advance has been calculated as interest income from loan and advances/average total assets (annualized)*
4. *Cost of borrowing has been calculated as interest expense (excluding interest on lease liabilities)/average of deposits and borrowings (annualized)*
5. *Interest expenses on lease liabilities has not been included in Poonawalla Housing Finance*
6. *N/A- Not available*
7. *Yield on Advances for Aavas Financiers is calculated on the basis of standalone statements for H1FY24*
8. *Financials for Aadhar Housing Finance and Vastu Housing Finance for H1FY24 are on standalone basis*

India Shelter Finance Corporation registered 2nd highest total income to advance ratio & 3rd highest yield on advances as of Financial Year 2023

India Shelter reported 2nd highest total income to advance ratio at 16.8% compared to its peers after Aptus Value Housing Finance (17.1%) as of Financial Year 2023. During the same period, it also reported 3rd highest yield on advances of 14.9% after Aptus Value Housing Finance (17.7%) and Shubham Housing Finance (15.6%) as compared to peers. India Shelter Finance Corporation also reported 3rd highest net income to average of total assets at 10.6% after Aptus Value Housing Finance (13.3%) and Vastu Housing Finance (11.3%).

Operational Metrics of Peer Set (Financial Year 2023)

Peers	Total Income to advance	Net Income to Average Total Assets	Yield on advances	Cost of borrowings	Spread	Credit Cost
Aadhar Housing Finance	14.8%	8.1%	13.0%	7.0%	6.0%	0.3%
Aavas Financiers Limited	14.0%	8.4%	12.6%	6.6%	6.0%	0.1%
Aptus Value Housing Finance	17.1%	13.3%	17.7%	8.5%	9.2%	0.5%
Home First Finance Company	13.3%	8.3%	13.3%	7.3%	5.9%	0.4%
India Shelter Finance Corporation	**16.8%**	10.6%	**14.9%**	**8.3%**	**6.6%**	**0.4%**
Poonawalla Housing Finance	13.2%	8.5%	12.9%	7.1%	5.8%	0.7%
Shubham Housing Finance	15.3%	10.0%	15.6%	9.0%	6.6%	0.1%
Vastu Housing Finance	14.8%	11.3%	14.4%	6.8%	7.6%	0.4%

Note

1. Total income to advance has been calculated as Total income/loans and advances

2. Net income to average of total assets has been calculated as (Total income- Interest expense (excluding interest on lease liabilities))/Average of total assets

3. Yield on advance has been calculated as interest income from loan and advances/average total assets

4. Cost of borrowing has been calculated as interest expense (excluding interest on lease liabilities)/average of deposits and borrowings

5. Credit costs have been calculated as impairment on financial instruments/ average total assets

6. Financial Ratios for all the peers are calculated based on consolidated number

Source: Company reports, Rating rationale, CRISIL MI&A

Term loans form the major source of funding for the select peers

Term loans make up a significant portion of the total borrowing mix for all the peers compared. Bonds/NCDs hold the second-largest share as a source of funding amongst the players. India Shelter is more reliant on term loans, which accounts for 94% of the overall borrowings as of September 30, 2023. Bonds/NCDs make up 4% of total borrowings, while 2% comes from other sources. In terms of number of lenders, India Shelter has the highest number of lenders amongst the selected peers.

Borrowing Mix of peers for the six months ended September 30, 2023

Peers	No. of lenders	NCD	Term Loans	Deposit	Commercial Papers	Others
Aadhar Housing Finance	NA	20%	80%	0%	0%	0%
Aavas Financiers Limited	34	11%	68%	0%	0%	21%
Aptus Value Housing Finance	20+	7%	88%	N/A	N/A	5%
Home First Finance Company	27	4%	78%	0%	0%	18%
India Shelter Finance Corporation	**37**	**4%**	**94%**	**0%**	**0%**	**2%**
Poonawalla Housing Finance	23	18%	81%	0%	0%	0%
Shubham Housing Finance*	N/A	0%	100%	0%	0%	0%
Vastu Housing Finance	N/A	1.6%	98.4%	N/A	N/A	N/A

*Note: N/A – Not available; *Data as of Q1FY24, Others include cash credit, securitisation, bank overdraft, working capital loans etc, term loans include loan from banks, FIs, Other parties and NHB, Source: Company reports, CRISIL MI&A*

Term loans form the major source of funding for the select peers

Term loans make up a significant portion of the total borrowing mix for all of the peers compared. India Shelter gets the maximum share of its funding source as term loan at 91% as of financial year 2023. Bonds/NCDs hold the second-largest share as a source of funding amongst the players.

Borrowing Mix of peers for Financial Year 2023

Peers	No. of lenders	NCD	Term Loans	Deposit	Commercial Papers	Others
Aadhar Housing Finance	NA	21%	79%	0%	0%	0%
Aavas Financiers Limited	31	15%	84%	0%	0%	1%
Aptus Value Housing Finance	NA	10%	85%	0%	0%	4%
Home First Finance Company	26	7%	93%	0%	0%	0%
India Shelter Finance Corporation	38	**6%**	**91%**	**0%**	**0%**	**3%**
Poonawalla Housing Finance	18	8%	90%	0%	0%	2%
Shubham Housing Finance*	NA	3%	97%	0%	2%	0%
Vastu Housing Finance	NA	8%	92%	0%	0%	0%

Note: N/A – not available; Others include cash credit, securitisation, bank overdraft, working capital loans etc, term loans include loan from banks, FIs, other financiers and NHB, Source: Company reports, CRISIL MI&A

India Shelter Finance Corporation has second highest annualized return on assets (RoA) of 4.7% for the six months ended September 30, 2023 amongst the selected peer set

India Shelter Finance Corporation had annualized return on assets (4.7%) in the six months ended September 30, 2023 among its peers, trailing only Aptus Value Housing which had higher return on assets among the peers (7.7%) India Shelter's total borrowing to equity ratio was at 2.4 times. India Shelter's return on equity was at 16.4%, up by approximately 3% from the previous Financial Year and had a leverage at 3.5 times as of September 30, 2023.

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Profitability Metrics of Peer Set (the six months ended September 30, 2023)

Peers	Return on Assets	Total Borrowings to Equity ratio	Return on Equity	Leverage
Aadhar Housing Finance	4.0%	3.2	17.8%	4.4

Peers	Return on Assets	Total Borrowings to Equity ratio	Return on Equity	Leverage
Aavas Financiers Limited	3.3%	3.2	13.7%	4.2
Aptus Value Housing Finance	7.7%	1.2	16.9%	2.2
Home First Finance Company	3.9%	3.1	15.2%	3.9
India Shelter Finance Corporation	**4.7%**	**2.4**	**16.4%**	**3.5**
Poonawalla Housing Finance	1.7%	3.1	7.6%	4.5
Shubham Housing Finance	N/A	N/A	N/A	N/A
Vastu Housing Finance	4.5%	1.4	11.3%	2.5

Note: $ Financials for Aadhar Housing Finance and Vastu Housing Finance for the six months ended September 30, 2023 are on standalone basis
Source: Company reports, CRISIL MI&A; NA – Not Available.

India Shelter Home Loans has the 3rd highest RoA at end of Financial Year 2023

Among the peers analysed, India Shelter Finance Corporation has the third highest RoA of 4.1% at end of Financial Year 2023 after Aptus Value Housing (7.8%), and Vastu Housing Finance (5.4%). In Financial Year 2022, India Shelter reported third highest RoA at 4.5% after Aptus Value Housing Finance (7.3%), Vastu Housing Finance (5.3%). It reported RoE of 12.8% at end of Financial Year 2022.

Profitability Metrics of Peer Set (Financial Year 2023)

Peers	Return on Assets	Total Borrowings to Equity ratio	Return on Equity	Leverage
Aadhar Housing Finance	3.5%	3.3	15.9%	4.5
Aavas Financiers Limited	3.5%	3.0	14.1%	4.0
Aptus Value Housing Finance	7.8%	1.1	16.1%	2.1
Home First Finance Company	3.9%	2.6	13.5%	3.5
India Shelter Finance Corporation	**4.1%**	**2.4**	**13.4%**	**3.2**
Poonawalla Housing Finance	2.2%	3.8	10.1%	4.5
Shubham Housing Finance	3.2%	1.5	10.3%	3.3
Vastu Housing Finance	5.4%	1.4	12.6%	2.3

Source: Company reports, CRISIL MI&A

India Shelter witnessed a ~1.8% reduction in GNPA in the six months ended September 30, 2023 from the six months ended September 30, 2022

India Shelter Finance Corporation had a gross non-performing asset (GNPA) of 2.79% at end of H1FY23 which declined significantly to 1.00% as of September 30, 2023. India Shelter's net non-performing asset (NNPA) also witnessed a decline from 2.16% as of September 30, 2022 to 0.72% as of September 30, 2023.

Asset quality of Peer Set (H1FY24)

Peers	Gross Non-Performing Asset^^			Net Non-Performing Asset##			Restructured assets#	
	FY22	FY23	Change in GNPA	FY22	FY23	Change in NNPA	FY22	FY23
Aadhar Housing Finance	1.89%	1.38%	-0.51%	N/A	0.85%	N/A	N/A	N/A
Aavas Financiers Limited	1.10%	1.04%	-0.06%	0.84%	0.76%	-0.08%	N/A	N/A
Aptus Value Housing Finance	1.47%	1.19%	-0.27%	1.12%	0.91%	-0.21%	N/A	N/A
Home First Finance Company	1.93%	1.74%	-0.19%	1.43%	1.22%	-0.21%	N/A	N/A
India Shelter Finance Corporation	**2.79%**	**1.00%**	**-1.79%**	**2.16%**	**0.72%**	**-1.43%**	**0.61%**	**0.43%**
Poonawalla Housing Finance	0.84%	0.80%*	-0.04%	0.53%	0.50%*	-0.03%	NA	2.8%*
Shubham Housing Finance*	3.3%	1.80%*	-1.50%	N/A	0.80%*	N/A	1.60%	N/A
Vastu Housing Finance*	1.25%	1.12%	-0.13%	0.96%	0.81%	-0.15%	1.09%	N/A

*Note: *Data as of Q1FY24; Source: Company Reports, Rating Rationale, CRISIL MI&A*

India Shelter registered the second highest reduction in GNPA and had fourth lowest pool of restructured assets in Financial Year 2023

India Shelter Finance Corporation had a gross non-performing asset (GNPA) of 2.12% at end of Financial Year 2022 which declined significantly to 1.13% at the end of Financial Year 2023, causing India Shelter Finance

Corporation to register the second highest reduction (after Shubham Housing Finance) in GNPA in Financial Year 2023. India Shelter's net non-performing asset (NNPA) also witnessed a decline from 1.60% in Financial Year 2022 to 0.85% in Financial Year 2023. Amongst the peers, Poonawalla Housing Finance has reported the lowest Net NPA at 0.40%.

Asset quality of Peer Set (FY23)

Peers	Gross Non-Performing Asset^^			Net Non-Performing Asset##			Restructured assets#	
	FY22	FY23	Change in GNPA	FY22	FY23	Change in NNPA	FY22	FY23
Aadhar Housing Finance	1.46%	1.16%	-0.30%	1.07%	0.76%	-0.31%	3.90%	2.20%
Aavas Financiers Limited	0.99%	0.92%	-0.07%	0.77%	0.68%	-0.09%	1.30%	0.90%
Aptus Value Housing Finance	1.19%	1.15%	-0.04%	0.88%	0.86%	-0.02%	1.50%	0.7%
Home First Finance Company	2.30%	1.60%	-0.70%	1.80%	1.10%	-0.70%	0.4%	0.20%
India Shelter Finance Corporation	2.12%	1.13%	-0.99%	1.60%	0.85%	-0.75%	0.97%	0.58%
Poonawalla Housing Finance	1.65%	0.81%	-0.84%	1.20%	0.40%	-0.80%	N/A	3.1%
Shubham Housing Finance	3.59%	1.80%	-1.79%	2.46%	1.27%	-1.19%	1.80%	0.50%
Vastu Housing Finance	1.14%	0.88%	-0.26%	0.85%	0.68%	-0.17%	1.80%	0.80%

Note: NA: Data Not Available; Source: Company Reports, Rating Rationale, CRISIL MI&A

India Shelter reported credit cost of 0.42% in the six months ended September 30, 2023

India Shelter's credit cost in the six months ended September 30, 2023 was 0.42% which was the fourth lowest among its peers, while Aavas Financiers had the lowest credit cost (0.16%) among the peers during the same period. India Shelter reported two-year lagged GNPA at 1.90% in the six months ended September 30, 2023.

Peers	Credit Cost (H1FY2024)	2 yr. lagged GNPA (H1FY2024)
Aadhar Housing Finance	0.39%	N/A
Aavas Financiers Limited	0.16%	1.58%
Aptus Value Housing Finance	0.21%	2.07%
Home First Finance Company	0.42%	3.39%
India Shelter Finance Corporation	**0.42%**	**1.90%**
Poonawalla Housing Finance	0.73%	N/A
Shubham Housing Finance	N/A	N/A
Vastu Housing Finance$	0.3%	N/A

Note: NA: Data not yet available; $ Financials for Aadhar Housing Finance and Vastu Housing Finance for H1FY24 are on standalone basis; Source: Company Reports, Credit Rating Rationale, CRISIL MI&A

India Shelter reported 4th lowest credit cost in Financial Year 2023

India Shelter reported fourth lowest credit cost at 0.37% in Financial Year 2023 whereas Poonawalla Housing Finance reported highest credit cost at 0.70%. India Shelter reported 2 yr. lagged GNPA at 2.11% in Financial Year 2023 which reduced from 3.87% in Financial Year 2022. Poonawalla Housing Finance reported lowest 2 yr. lagged GNPA at 1.32% in Financial Year 2023 while Home First Finance Company reported highest 2 yr. lagged GNPA at 2.93% in Financial Year 2023.

Credit Cost and Lagged GNPA for Financial Year 2022 and 2023

Peers	Credit Cost		2 yr. lagged GNPA	
	FY22	FY23	FY22	FY23
Aadhar Housing Finance	0.35%	0.32%	2.06%	1.53%
Aavas Financiers Limited	0.23%	0.10%	1.46%	1.42%
Aptus Value Housing Finance	0.68%	0.53%	1.98%	1.93%
Home First Finance Company	0.52%	0.36%	3.37%	2.93%
India Shelter Finance Corporation	**0.42%**	**0.37%**	**3.87%**	**2.11%**
Poonawalla Housing Finance	0.24%	0.70%	1.72%	1.32%
Shubham Housing Finance	1.06%	0.15%	5.04%	2.82%
Vastu Housing Finance	0.61%	0.38%	2.28%	1.98%

Note: NA: Data not yet available; Source: Company Reports, Credit Rating Rationale, CRISIL MI&A

India Shelter added twenty new branches in the six months ended September 30, 2023

India Shelter added twenty new branches during the six months ended September 30, 2023, which grew to 203 as of September 30, 2023. Aptus Value Housing had the highest number of branches (250) among the peer set as of September 30, 2023. India Shelter's employee count was at 2,997 as of September 30, 2023 with an increase of 288 employees as of March 31, 2023.

Branch & Employees of Peers	Branches (H1FY24)	Employees (H1FY24)
Aadhar Housing Finance	478*	N/A
Aavas Financiers Limited	350	N/A
Aptus Value Housing Finance	250	2,800
Home First Finance Company	120	1,242
India Shelter Finance Corporation	**203**	**2,997**
Poonawala Housing Finance	175*	NA
Shubham Housing Finance	145*	N/A
Vastu Housing Finance	186*	N/A

*Source: *Data as of Q1FY24; Company Reports, CRISIL MI&A*

India Shelter added fifty-three new branches in Financial Year 2023

India Shelter had 130 branches at end of Financial Year 2022, which grew to 183 branches at end of Financial Year 2023, simultaneously, the number of employees increased from 2,200 in the Financial Year 2022 to 2,709 in the Financial Year 2022.

Branch & Employees of Peers	Branches		Employees	
	FY22	FY23	FY22	FY23
Aadhar Housing Finance	341	479	2,769	3,663
Aavas Financiers Limited	314	346	5,222	6,034
Aptus Value Housing Finance	208	231	2,271	2,405
Home First Finance Company	80	111	851	993
India Shelter Finance Corporation	**130**	**183**	**2,200**	**2,709**
Poonawala Housing Finance	128	182	1,749	2,637
Shubham Housing Finance	140	143	2,026	2,465
Vastu Housing Finance	126	179	1,850	3,659

Source: Company Reports, CRISIL MI&A

Geographical concentration of portfolio (six months ended September 30, 2023)

Among the selected peers, for the six months ended September 30, 2022, India Shelter had the least portfolio concentration in top state at 31%. Additionally, from financial year 2023 to the six months ended September 30, 2023, its portfolio concentration dropped by approximately 10% for the top 5 states, from 86% to 76%.

Peers	State/ UTs	Portfolio Concentration in				
		Top State	Top 2 States	Top 3 States	Top 5 States	Top State
Aadhar Housing Finance	20	N/A	N/A	N/A	N/A	N/A
Poonawalla Housing Finance	19	NA	NA	42%	NA	NA
India Shelter Finance Corporation	**15**	**31%**	**49%**	**63%**	**76%**	**Rajasthan**
Vastu Housing Finance	14	NA	NA	NA	NA	NA
Home First Finance Company	13	32%	46%	60%	74%	Gujarat
AAVAS Financiers Limited	13	37%	NA	68%	NA	Rajasthan
Shubham Housing Finance	12	N/A	N/A	N/A	N/A	N/A
Aptus Value Housing Finance	5	40%	78%	92%	100%	Tamil Nadu

*Note: *Q1FY24, NA: Data not available; Source: Company Reports, Rating Rationale, CRISIL MI&A*

Geographical concentration of portfolio (Financial Year 2023)

Peers	State/ UTs	Portfolio Concentration in				Top State
		Top State	Top 2 States	Top 3 States	Top 5 States	
Aadhar Housing Finance	20	15%	N/A	41%	N/A	NA
Poonawalla Housing Finance	19	N/A	N/A	40%	N/A	NA
India Shelter Finance Corporation	15	31%	49%	55%	86%	**Rajasthan**
Vastu Housing Finance	14	16%	N/A	N/A	N/A	NA
Home First Finance Company	13	33%	47%	61%	74%	Gujarat
AAVAS Financiers Limited	13	38%	N/A	69%	N/A	Rajasthan
Shubham Housing Finance	12	36%	N/A	64%	N/A	Maharashtra
Aptus Value Housing Finance	5	43%	78%	92%	100%	Tamil Nadu

Note: NA: Data not available; Source: Company Reports, Rating Rationale, CRISIL MI&A

70% of customer base of India Shelter is Self-employed

Based on occupation type, 70% of the AUM for India Shelter Housing Finance comes from Self-employed individuals (including rentals and others) followed by 30% from salary-based individuals. Amongst the peers, Vastu Housing Finance has the highest share of self-employed individual customers at 81% and Poonawalla Housing Finance having the lowest share of self-employed individuals (25%) at end of Financial Year 2023.

Customer mix as of Financial Year 2023	Occupation Category	
Peers	Self Employed	Salaried
Aadhar Housing Finance	41%	59%
Aavas Financiers Limited	60%	40%
Aptus Value Housing Finance	71%	29%
Home First Finance Company	30%	70%
India Shelter Finance Corporation	70%*	30%
Poonawalla Housing Finance	75%	25%
Shubham Housing Finance	48%	52%
Vastu Housing Finance	81%	NA

*Note: NA: Data not available; *includes rental and others; Source: Company Reports, Rating Rationale, CRISIL MI&A*

Average ticket size of India Shelter Finance Corporation is in line with peer set operating in the same segment

Aadhar Housing Finance	Aavas Financiers Limited	Aptus Value Housing Finance	Home First Finance Company	**India Shelter Finance Corporation**	Poonawalla Housing Finance	Shubham Housing Finance	Vastu Housing Finance
~0.92 million	~0.93 million	~0.80 million	~1.13 million	**~1.00 million**	~1.00 million	~0.80 million	~1.00 million

Source: Company Reports, Rating Rationale, CRISIL MI&A

Digital Applications of select players

Peers	Application
Aadhar Housing Finance	Aadhar Housing Finance, AHFL Connect, Aadhar Go Collect, Aadhar On The Go
Aavas Financiers Limited	Aavas Loan, Aavas Nirman, Aavas Scanner, Aavas Mitra, Aavas Technical, Aavas Omnifin, Risk Management
Aptus Value Housing Finance	Aptus E-Seva, Aptus Bandhu Partner App
Home First Finance Company	HomeFirst Connect, HomeFirst Customer Portal, RM Pro, Intern Pro
India Shelter Finance Corporation	IndiaShelter iServe, IndiaShelter Connector App, IndiaShelter iCredit, IndiaShelter iTech, IndiaShelter iCollect, IndiaShelter iSales
Poonawalla Housing Finance	NA
Shubham Housing Finance	ShubhFTR, Shubham Learning Academy
Vastu Housing Finance	Vastu Connect

Note: NA: Not Available, Source: Google Play Store, CRISIL MI&A

Credit Ratings of players for the six months ended September 30, 2023

Peers	Short Term Rating	Long Term Rating
Aadhar Housing Finance	ICRA A1+ (Stable)	IND AA (Stable), ICRA AA (Stable), CARE AA (Stable), BWR AA (Stable)
Aavas Financiers Limited	CARE A1+ (Stable), IND A1+	CARE AA (Stable)
Aptus Value Housing Finance	-	CARE AA- (Stable)
Home First Finance Company	-	CARE AA- (Stable), ICRA AA- (Stable)
India Shelter Finance Corporation	**-**	**ICRA A+ (Stable), CARE A+ (Positive)**
Poonawalla Housing Finance	CRISIL A1+, CARE A1+ (Stable), ICRA A1+	CARE AA- (Stable)
Shubham Housing Finance	ICRA A1 (Stable)	IND A+ (Stable), ICRA A (Stable)
Vastu Housing Finance	ICRA A1+ (Stable)	CRISIL A+ (Positive), ICRA AA- (Stable), CARE AA- (Stable)

Note: Credit rating for Home First Finance and Aptus Value Housing Finance as of July 3, 2023 and June 27, 2023, respectively.

Credit Ratings of players for Financial Year 2023

Peers	Short Term Rating	Long Term Rating
Aadhar Housing Finance	CRISIL A1+, ICRA A1+ (Stable)	CARE AA (Stable), ICRA AA (Stable),
Aavas Financiers Limited	CARE A1+ (Stable), ICRA A1+(Stable)	ICRA AA (Stable), CARE AA (Stable)
Aptus Value Housing Finance	-	CARE AA-(Stable)
Home First Finance Company	-	CARE AA- (Stable), IND AA- (Stable), ICRA AA- (Stable)
India Shelter Finance Corporation	**-**	**ICRA A+ (Stable), ICRA AAA(CE) (Stable), CARE A+ (Stable)**
Poonawalla Housing Finance	CRISIL A1+/ Watch Negative	CRISIL AA+/ Watch Negative
Shubham Housing Finance	ICRA A1	CRISIL A (Stable), ICRA A (Stable)
Vastu Housing Finance	ICRA A1+ (Stable)	CRISIL A+ (Stable), ICRA AA- (Stable), CARE AA- (Stable)

Source: Company Reports, Rating Rationale, CRISIL MI&A

Leadership team of the peers at the end of the Financial Year 2023

Aadhar Housing Finance Management team is the most experienced of its peers, with average experience of ~22 years, followed by Aptus Value Housing Finance (22.0). For India Shelter Finance Corporation, the management team has an average of ~20 (19.8) years of experience.

Board of directors of set peers

Peers	No. of board directors	No. of independent directors	No. of nominee directors	Members in management team	Average experience of management team (in years)
Aadhar Housing Finance	8	3	3	8	22.1
Aavas Financiers Limited	9	3	5	12	21.8
Aptus Value Housing Finance	10	5	2	9	22.0

Peers	No. of board directors	No. of independent directors	No. of nominee directors	Members in management team	Average experience of management team (in years)
Home First Finance Company	8	4	3	8	21.8
India Shelter Finance Corporation	10	5	4	9	19.8
Poonawalla Housing Finance	3	2	0	10	20.1
Shubham Housing Finance	11	4	5	19	19.5
Vastu Housing Finance	9	5	3	12	17.1

Source: Company Website, CRISIL MI&A

List of Formulae

Parameters	Formula
Return on Assets (RoA)	Profit after tax / average of total assets on book
Return on Equity (RoE)	Profit after tax / average net worth
Net Interest Margin (NIM)	(Interest income – interest expense (excluding interest on lease liabilities))/average of total assets on book
Average Yield on advances	Interest earned on loans and advances / average of total advances on book
Cost of borrowing	Interest expenses (excluding interest on lease liabilities)/ (average of deposits and borrowings)
Spread	Yield on advances – cost of borrowings
Opex	Operating expenditure (employee expenses + depreciation and amortization expense + other expenses + interest expense on lease liabilities) / average of total assets on book
Credit Cost	Provisions / average total assets on book
Net Interest Income to Average Total Assets	(Total income - interest expense (excluding interest on lease liabilities))/ average of total assets)
Leverage	Average of total assets/ average of shareholder’s equity
Gross non-performing assets	Gross non-performing assets calculated as stage 3 assets (gross)/ gross carrying assets
Net non-performing assets	Net non-performing assets calculated as stage 3 assets (net) / net carrying assets
Restructured Assets	Exposure to accounts classified as standard assets (disclosures under the RBI resolution framework) / advances

*Some of the information in this section, including information with respect to our business plans and strategies, contains forward-looking statements that involve risks and uncertainties. You should read "**Forward-Looking Statements**" on page 18 for a discussion of the risks and uncertainties related to those statements and also the section "**Risk Factors**" on page 29 for a discussion of the risks that may affect our business, financial condition, or results of operations, "**Restated Consolidated Financial Information**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" on pages 332 and 397, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.*

We have included various operational and financial performance indicators in this Prospectus, many of which may not be derived from our Restated Consolidated Financial Information or otherwise be subject to an examination, audit or review by our auditors or any other expert. The manner in which such operational and financial performance indicators are calculated and presented, and the assumptions and estimates used in such calculations, may vary from that used by other companies in India and other jurisdictions.

*Unless otherwise indicated, industry and market related data used in this section have been derived from the report titled "Industry Report on Housing Finance market in India" dated November 2023 (the "**CRISIL Report**"), prepared and released by CRISIL MI&A, a division of CRISIL Limited ("**CRISIL**"), which has been exclusively commissioned and paid for by our Company pursuant to engagement letters dated June 6, 2023 and October 23, 2023, for the purpose of confirming our understanding of the industry we operate in, in connection with the Offer. The CRISIL Report was available on the website of our Company at https://indiashelter.in/investor-relations from the date of the Red Herring Prospectus until the Bid/Offer Closing Date, and has also been included in "**Material Contracts and Documents for Inspection – Material Documents**" on page 515.The data included herein includes excerpts from the CRISIL Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the proposed Offer), that has been left out or changed in any manner. Unless otherwise indicated, financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant Financial Year. See "**Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation – Industry and Market Data**" and "**Risk Factors — Internal Risk Factors — We have referred to the data derived from industry report paid for and commissioned by our Company from CRISIL MI&A and reliance on such information for making an investment decision in the Offer is subject to certain inherent risks.**" on pages 15 and 67, respectively.*

*Our Company's Financial Year commences on April 1 and ends on March 31 of the immediately subsequent year, and references to a particular Financial Year are to the 12 months ended March 31 of that particular year. Unless otherwise indicated or the context otherwise requires, the financial information for Financial Years ended March 31, 2021, 2022 and 2023 and the six months ended September 30, 2022 and 2023, included herein is derived from the Restated Consolidated Financial Information included in this Prospectus. For further information, see "**Restated Consolidated Financial Information**" on page 332. All ratios as of and for the six months ended September 30, 2023 and 2022, have been annualized, unless otherwise specified.*

Unless otherwise indicated or the context otherwise requires, in this section, references to "we", "us" and "our" are to the Company together with its Subsidiary on a consolidated basis.

Overview

We are a retail focused affordable housing finance company with an extensive distribution network comprising 203 branches as of September 30, 2023 and a scalable technology infrastructure across our business operations and throughout the loan life cycle. Between Financial Year 2021 and Financial Year 2023, we witnessed a two-year CAGR growth of 40.8% in terms of assets under management ("**AUM**") (Source: *CRISIL Report*). Our target segment is the self-employed customer with a focus on first time home loan takers in the low and middle income group in Tier II and Tier III cities in India, and affordable housing loans, i.e., loans with ticket size lower than ₹2.5 million as per the criteria set out in the Refinance Scheme under Affordable Housing Fund for the Financial Year 2021-22 issued by the National Housing Bank, read with the Master Directions – Reserve Bank of India (Priority Sector Lending – Targets and Classification) Directions, 2020 (Source: *CRISIL Report*). This helps in generating relatively high yields on advances. For the Financial Year 2023, our yield to advances was 14.9%, which was the third highest in India for such period (Source: *CRISIL Report*). Our credit and risk management policies, backed by technology and data analytics throughout our business processes, help us maintain asset quality leading to our GNPA being 1.00% and 2.79% as of September 30, 2023 and September 30, 2022, respectively.

Our Company was incorporated on October 26, 1998 as "Satyaprakash Housing Finance India Limited", a public limited company under the Companies Act, 1956. Subsequently, Mr. Anil Mehta, our Individual Promoter, acquired control of our Company in 2009 and the name of our Company was changed to "India Shelter Finance Corporation Limited", as approved by our Shareholders pursuant to a special resolution dated May 13, 2010. For details, see "***History and Certain Corporate Matters - Brief history of our Company***" on page 273.

We have an extensive and well-established network of 203 branches spread across 15 states with a significant presence in the states of Rajasthan, Maharashtra, Madhya Pradesh, Karnataka and Gujarat wherein our branch vintage is five year and above, as of September 30, 2023. We have presence in states which cover 94% of the affordable housing finance market in India, as of March 31, 2023 (Source: *CRISIL Report*). We have increased the scale of our operations and grown our branches by adopting a strategy of deepening our penetration in regions with a substantial demand for affordable housing finance. Our vintage in these states has facilitated a better understanding of the location-specific intricacies in affordable housing finance. This experience has empowered us with insights into local businesses and property by-laws, enabling us to make better underwriting decisions based on accurate assessments of cash flows and collateral.

We leverage technology and analytics across our operations and throughout the customer life cycle. This includes onboarding, underwriting, asset quality monitoring, collections and customer services. We have implemented a paperless approach to customer acquisition and onboarding, with tailored mobile solutions that cater to different stages of the lending process. Our iSales application integrates, streamlines and optimizes our customer acquisition process whereas our IndiaShelter iCredit application facilitates underwriting. Through our integrated approach combining digital solutions with personal interaction, overall sales and productivity is enhanced while maintaining customer relationships. To ensure customer satisfaction, we have introduced IndiaShelter iServe application, our dedicated customer service solution designed to promptly address concerns and queries from our existing customers online.

We have an integrated customer relationship management and loan management system set up on a cloud-based platform. This provides us with connectivity and access to real time information with a holistic view of the profile of all our customers, throughout the loan lifecycle. Our information technology systems allow us to increase productivity and reduce turnaround times and transaction costs. During the six months ended September 30, 2023 and September 30, 2022, 92.4% and 92.2%, respectively, of our collections were made through digital modes. Further, during the Financial Year 2023, 91.9% of our collections were made through digital modes, as compared to 86.7% in the Financial Year 2021, reflecting our commitment to leveraging technology for enhanced productivity and customer convenience.

We have also adopted an end-to-end in-house approach to key aspects of our lending operations including customer acquisition, underwriting, collateral valuation, legal assessment, and collections. This allows us to directly connect with our customers, minimize turnaround times, increases customer retention, and mitigate the risk of fraudulent activities. Our underwriting processes are customized to assess creditworthiness of the low and middle-income segment and consequently, we have developed data centric and iterative processes. We have different and separate verticals to underwrite customer's creditworthiness, collateral legal verification, and collateral valuation. All these verticals work in parallel and are independent to each other. We have also established a centralized team that serves as a credit control unit prior to disbursement. All properties are visited by qualified staff to evaluate the valuations of collaterals. This team is further augmented with our tech infrastructure which helps us validate our assessment of collateral. We have been able to maintain our average sanction loan to value ("**LTV**") on portfolio at 50.9% as of September 30, 2023. By conducting our operations in-house, we are able to maintain direct control over our processes, ensuring efficiency and reliability. Our customer-centric approach emphasizes personalized interactions and prompt decision-making.

Our debt financing requirements have been historically met from diverse and long-term sources, including public and private sector banks, refinancing from the NHB, external commercial borrowings and the issuance of non-convertible debentures. As of September 30, 2023, we obtained long-term funding from a diversified lender base comprising over 37 counterparties, including 24 scheduled commercial banks. We have a healthy credit rating of ICRA A+ (stable) from ICRA Limited and CARE A+ (Positive) from CARE Limited, as of September 30, 2023.

Our credit ratings as of the relevant dates indicated are set forth below:

RatingAgency	Instrument	Credit Ratings as of				
		September 30, 2023	September 30, 2022	March 31, 2023	March 31, 2022	March 31, 2021
ICRA Limited	Non-convertible debentures	A+ (Stable)	A+ (Stable)	A+ (Stable)	A (Stable)	A (Stable)
	Long term borrowings	A+ (Stable)	A+ (Stable)	A+ (Stable)	A (Stable)	A (Stable)
Care Ratings	Long term borrowings	A+ (Positive)	A+ (Stable)	A+ (Stable)	A (Positive)	A (Stable)

See "***Our Business — Credit Ratings***" on page 260.

The RBI increased the repo rate:

- by 40 bps from 4.00% to 4.40% on May 4, 2022,
- by 50 bps from 4.40% to 4.90% on June 8, 2022,
- by 50 bps from 4.90% to 5.40% on August 5, 2022,
- by 50 bps from 5.40% to 5.90% on September 30, 2022,
- by 35 bps from 5.90% to 6.25% on December 7, 2022, and
- by 25 bps from 6.25% to 6.50% on February 8, 2023.

However, despite such increase in the repo rate by the RBI by 250 basis points, our average cost of borrowings as of September 30, 2023 and September 30, 2022 was 8.9% and 8.3%, and our average incremental cost of borrowings as of September 30, 2023 and September 30, 2022 was 8.4% and 7.6%, respectively. Further, we have been able to reduce our average cost of borrowings to 8.3% as of March 31, 2023 from 8.7% as of March 31, 2021. Our average incremental cost of borrowings as of March 31, 2023 was 7.9%, as compared to 8.0% as of March 31, 2021. We seek a disciplined approach to asset liability management ("**ALM**") by focusing to raise long term liability in order to maintain a balance in tenure of assets and liabilities and a positive ALM across tenors. As of September 30, 2023, we had a positive cumulative ALM gap of ₹13,369.96 million.

We have a professional and experienced management team with experience in the banking and finance sectors. We are led by Mr. Rupinder Singh, our Managing Director and Chief Executive Officer, who has extensive experience in mortgage financing. Mr. Anil Mehta, is our Individual Promoter and WestBridge Crossover Fund, LLC and Aravali Investment Holdings are our Corporate Promoters, and our other Shareholders include Nexus Ventures III, Ltd., MIO Starrock and Madison India Opportunities IV (Madison India Capital). We benefit from the capital sponsorship and professional experience of our Shareholders, enhanced credibility in the market, and access to valuable expertise and guidance.

The following table sets forth certain key financial and operational information, as of and for the period/years indicated below:

Metric	As of and for the				
	Six months ended September 30, 2023	Six months ended September 30, 2022	Financial year ended March 31, 2023	Financial year ended March 31, 2022	Financial year ended March 31, 2021
AUM (₹ million)(1)	51,806.89	36,148.74	43,594.31	30,732.93	21,985.27
AUM Growth (%)(2)	43.3	43.6	41.8	39.8	44.7
Loan – Principal Outstanding (₹ million)	43,331.04	31,228.55	36,666.95	26,882.01	20,335.84
Disbursements (₹ million) (3)	12,203.17	8,618.94	19,643.77	12,952.61	8,948.76
Disbursements Growth (%)(4)	41.6	83.2	51.7	44.7	62.3
Total Income (₹ million) (5)	3,985.76	2,728.86	6,062.31	4,598.06	3,227.99

Metric	As of and for the Six months ended September 30, 2023	Six months ended September 30, 2022	Financial year ended March 31, 2023	Financial year ended March 31, 2022	Financial year ended March 31, 2021
Profit after Tax (₹ million)	1,073.54	620.21	1,553.42	1,284.47	873.89
Net Worth (₹ million) (6)	13,749.66	11,420.09	12,405.28	10,761.27	9,372.69
Capital Adequacy Ratio (%)(7)	48.7	49.2	52.7	55.9	71.5
Stage 3 Assets (%)(8) (15) (16)	1.00	2.79	1.13	2.12	1.92
Stage 3 Assets (Net) (%)(9) (15) (16)	0.72	2.16	0.85	1.60	1.37
Average Yield on Loan – Principal Outstanding (%)(10)	14.7	14.7	14.6	14.9	14.4
Average Cost of Borrowings (%)(11)	8.9	8.3	8.3	8.3	8.7
Net Income to Average Total Assets (%)(12)	11.5	10.2	10.6	11.0	10.2
Profit after Tax to Average Total Assets (ROA) (%)(13)	4.7	3.6	4.1	4.5	4.1
Profit after Tax to Average Net Worth (ROE) (%)(14)	8.2	5.6	13.4	12.8	9.8
Total Branches	203	167	183	130	115

(1) AUM represents the aggregate of future principal outstanding and overdue principal outstanding, if any, for all loan assets under management which includes (i) loan assets held by us as of the last day of the relevant period/year (ii) loan assets which have been transferred by us by way of securitization or direct assignments and are outstanding as of the last day of the relevant period/year; and excludes the partner share of loan assets originated under co-lending arrangements with the partner banks as of the last day of the relevant period/year.

(2) AUM Growth represents the percentage growth in AUM as of the last day of the relevant period/year over AUM as of the last day of the corresponding previous period.

(3) Disbursements represents the aggregate of all loan amounts extended to our customers in the relevant period/year.

(4) Disbursements Growth represents the percentage growth in disbursements for the relevant period/year over disbursements of the corresponding previous period/year.

(5) Total Income represents the aggregate total income for relevant period/year as per the Restated Consolidated Financial Information.

(6) Net Worth is equivalent to the sum of equity share capital and other equity as per the Restated Consolidated Financial Information.

(7) Reported Capital Adequacy Ratio is in accordance with Restated Consolidated Financial Information.

(8) Stage 3 Assets (%) represents the stage 3 assets to the gross carrying amount as of the last day of the relevant period/year, represented as a percentage.

(9) Stage 3 Assets (Net) to Net Carrying Amount represents stage 3 assets (net) as of the last day of the relevant period/year upon net carrying assets as of the last day of such period/year, represented as a percentage.

(10) Average Yield on Disbursement represents weighted average yield on disbursement, weights being disbursed amount of each loan disbursed during the relevant period/year.

(11) Average Incremental Cost of Borrowing represents weighted average rate of interest on borrowings incurred during the relevant period/year, weights being borrowing amount for each borrowings taken during the relevant period/year.

(12) Net Income to Average Total Assets represents net income for the relevant period/year to average total assets for such period/year.

(13) Profit After Tax to Average Total Assets represents profit after tax for the relevant period/year to average total assets for such period/year.

(14) Profit After Tax to Average Net Worth represents profit after tax for the relevant period/year to the average net worth for such period/year. Profit After Tax to Average Net Worth is not annualized for the period ended September 30, 2023 and September 30, 2022.

(15) Gross Carrying Amount - Loans represents aggregate of loan - principal outstanding, interest overdue and interest accrued but not due from borrowers pertaining to loans held in our books as on the last day of the relevant period/year. Classification of gross carrying amount in stage I, stage II and stage III as per ECL methodology under Ind AS guidelines where stage I assets are classified as performing assets, stage II assets are classified as underperforming assets and stage III assets are classified as non-performing assets.

(16) Net Carrying Assets represents aggregate of loan - principal outstanding, interest overdue and interest accrued but not due from borrowers pertaining to loans held in our books as on the last day of the relevant period/year reduced by impairment loss allowance classification of gross carrying amount in stage I, stage II and stage III as per ECL methodology under Ind AS guidelines where stage I assets are classified as performing assets, stage II assets are classified as underperforming assets and stage III assets are classified as non-performing assets.

See also "***Selected Statistical Information***" on page 314.

Our Strengths

One of the Fastest Growing Assets under Management among Housing Finance Companies in India, High Yields, and Granular, Retail Focused Portfolio

The percentage of urbanisation is expected to increase further in the years to come, thereby translating into higher demand for housing and related amenities in the urban areas. (Source: *CRISIL Report*). Several drivers such as rising urbanization, growing disposable income, favourable demographics and government measures are expected to lead to higher mortgage penetration going forward. (Source: *CRISIL Report*).

We primarily finance the purchase and self-construction of residential properties by first-time home loan takers through home loans and also offer loans against property. As of September 30, 2023, 70.7% of our customers were first-time home loan takers. As of September 30, 2023, home loans account for 57.6% of our AUM, while loans against property represent 42.4% of our AUM. According to the *CRISIL Report*, we achieved AUM with a growth of 40.8%, among housing finance companies in India, between Financial Years 2021 and 2023. These growth rates reflect the effectiveness of our operational model and our ability to underwrite and serve the customers in the targeted segments in Tier II and Tier III cities in India.

We maintain a focus on serving low and middle-income, salaried and self-employed individuals, catering to their financial needs. We have gained domain knowledge and understanding of the specific financial circumstances and challenges faced by the low and middle-income customer segment, and our underwriting process is tailored towards assessing their creditworthiness. As of September 30, 2023, the majority of our customers were within a monthly income of up to ₹50,000. Furthermore, as of September 30, 2023, approximately 75.7% of our loan portfolio comprises loans with principal amounts less than ₹1.5 million, while 95.0% of our loan portfolio comprises loans with principal amounts less than ₹2.5 million. In line with our risk management practices, our average loan-to-value ratio for home loans and loan against property is at 55.1% and 45.3% respectively as of September 30, 2023. See also "—***Description of our Business—Our product portfolio***" on page 247.

We remain focused on providing loans with self-occupied residential property as collateral, and our lending portfolio showcases our commitment to serve retail customers. As of September 30, 2023, 100% of our loans catered to the retail segment.

As of September 30, 2023, September 30, 2022, March 31, 2023, March 31, 2022 and March 31, 2021, loans to self-employed customers aggregated to ₹36,582.20 million, ₹24,869.97 million, ₹30,362.88 million, ₹20,783.05 million and ₹14,112.31 million, respectively, representing, 70.6%, 68.8%, 69.6%, 67.6% and 64.2% of our AUM, respectively. Furthermore, set forth below are details of our product-wise disbursements and loans availed by first-time customers and existing customers for the six months ended September 30, 2023 and September 30, 2022 and the Financial Years 2023, 2022 and 2021, respectively:

Particulars	Six months ended September 30, 2023		Six months ended September 30, 2022		For the Financial Year 2023		Financial Year 2022		Financial Year 2021	
	Amount	% Share	Amount	% Share	Amount	% Share	Amount	% Share	Amount	% Share
	(in ₹ million, except percentages)									
Home Loans	7,102.88	58.2	4,915.69	57.0	11,675.52	59.4	6,360.85	49.1	4,714.61	52.7
Loan Against Property	5,100.29	41.8	3,703.25	43.0	7,968.25	40.6	6,591.75	50.9	4,234.15	47.3

Particulars	Six months ended September 30, 2023		Six months ended September 30, 2022		For the Financial Year 2023		Financial Year 2022		Financial Year 2021	
	Amount	% Share	Amount	% Share	Amount	% Share	Amount	% Share	Amount	% Share
	(in ₹ million, except percentages)									
First-time customers	11,493.97	94.2	8,198.77	95.1	18,525.00	94.3	12,359.03	95.4	8,666.07	96.8
Existing customers	709.21	5.8	420.17	4.9	1,118.77	5.7	593.58	4.6	282.69	3.2

As of September 30, 2023, 97.9% of our loans had one or more borrowers as women. Lending to women has much significance including their involvement in financial decisions leading to better management of household expenses and disciplined approach towards credit. We have been able to maintain consistently high yield of more than 14% on our portfolio driven by our commitment to deliver strong financial performance during the last three Financial Years.

Extensive and Diversified Phygital Distribution Network with Significant Presence in Tier II and Tier III cities

With over 13 years of operations as a housing finance company, our distribution network has grown to 203 branches across 15 states in India, as of September 30, 2023. We have a significant presence in the states of Rajasthan, Maharashtra, Madhya Pradesh, Karnataka and Gujarat, which, as of March 31, 2023 account for 47% of the affordable housing finance market in India (Source: *CRISIL Report*). As of September 30, 2023, we have a branch vintage ranging from five to eight years in 12 states in which we are present. We have presence in states which cover 94% of the affordable housing finance market in India, as of March 31, 2023 (Source: *CRISIL Report*).

We have implemented a strategy of penetrative expansion across India by targeting areas with high economic growth and substantial demand for affordable housing finance, and a focused approach to serving low- and middle-income groups in Tier II and Tier III cities in India. As of September 30, 2023, 89.8% of our portfolio is concentrated in Tier II and Tier III cities.

AUM by City Tier Classification

Particulars	As of									
	September 30, 2023		September 30, 2022		March 31, 2023		March 31, 2022		March 31, 2021	
	Amount	% Share	Amount	% Share	Amount	% Share	Amount	% Share	Amount	% Share
	(in ₹ million, except percentages)									
Tier I [1]	5,291.54	10.2	3,430.86	9.5	4,601.02	10.6	3,028.84	9.9	1,097.65	5.0
Tier II	21,062.34	40.7	16,013.72	44.3	18,435.37	42.3	13,792.31	44.9	11,018.17	50.1
Tier III	25,453.00	49.1	16,704.15	46.2	20,557.92	47.2	13,911.78	45.3	9,869.45	44.9
Total	**51,806.89**	**100.0**	**36,148.74**	**100.0**	**43,594.31**	**100.0**	**30,732.93**	**100.0**	**21,985.27**	**100.0**

(1) City Tier classification is based on Government of India's segregation of various cities into X, Y and Z category for grant of HRA to central government employees. Cities in X and Y category are specifically listed. "X" includes 8 metro cities (Delhi, Bangalore (Karnataka), Mumbai (Maharashtra), Chennai (Tamil Nadu), Kolkata (West Bengal), Hyderabad (Telangana), Pune (Maharashtra), Ahmedabad (Gujarat)), "Y" includes 87 cities and anything not listed is construed as "Z". For the purpose of our analysis, we have construed category X as Tier I, Category Y as Tier II and rest as Tier III.

Our expansion strategy involves initially establishing a presence with a few branches in a new state or region and subsequently expanding our footprint based on the potential of the market as demonstrated by the performance of such initial branches. The table below sets forth additional details on branch productivity calculated on the basis of vintage, as of and for the six months ended September 30, 2023 and September 30, 2022 and the Financial Years ended March 31, 2023, March 31, 2022, and March 31, 2021:

(*in ₹ million*)

Particulars	As of and for the six months ended September 30, 2023	As of and for the six months ended September 30, 2022	As of and for the Financial Year ended March 31,		
			2023	2022	2021
Branch Productivity (AUM /Branch)	255.21	216.46	238.22	236.41	191.18
Vintage upto 1 Year	67.26	39.95	73.52	77.46	12.59
Vintage 1-3 Years	198.27	145.17	195.44	115.67	138.82
Vintage >3 Years	400.66	340.21	363.56	327.45	302.91

Particulars	As of and for the six months ended September 30, 2023	As of and for the six months ended September 30, 2022	As of and for the Financial Year ended March 31,		
			2023	2022	2021
Branch Productivity (Disbursement / Branch)	60.11	51.61	107.34	99.64	77.82
Vintage upto 1 Year[(1)]	52.01	64.65	78.78	86.76	51.28
Vintage 1-3 Year	128.29	109.88	123.32	84.25	87.49
Vintage >3 Year	146.95	128.82	137.48	113.86	105.51

(1) Branch productivity (Disbursement/Branch) for branches having vintage up to 1 year at the end of relevant period/year has been annualized on the basis of Weighted Average Operational Months for such branches.

See also "***Selected Statistical Information***" on page 314.

Our "*phygital*" model of business, which is a blend of physical presence across 15 states through 203 branches and digital interface, assists us in accessing a wider customer base. This model includes our "*feet-on-street*" approach for physical onboarding of customers through a network of more than 1,500 relationship managers as of September 30, 2023, along with digitization of customer onboarding across loan origination and banking processes.

Set forth below are the details of our source-wise disbursements for the six months ended September 30, 2023 and September 30, 2022 and the Financial Years 2023, 2022 and 2021:

Particulars	For the six months ended				For the Financial Year					
	September 30, 2023		September 30, 2022		March 31, 2023		March 31, 2022		March 31, 2021	
	Amount (in ₹ million)	(% Share)	Amount (in ₹ million)	(% Share)	Amount (in ₹ million)	(% Share)	Amount (in ₹ million)	(% Share)	Amount (in ₹ million)	(% Share)
Inhouse Sourcing	12,023.69	98.5%	8,368.46	97.1%	19,196.59	97.7%	12,522.32	96.7%	8,413.01	94.0%
Direct Selling Agents ("**DSA**") Sourcing	179.48	1.5%	250.48	2.9%	447.18	2.3%	430.29	3.3%	535.76	6.0%
Grand Total	**12,203.17**	**100.0%**	**8,618.94**	**100.0%**	**19,643.77**	**100.0%**	**12,952.61**	**100.0%**	**8,948.76**	**100.0%**

In addition to our branch-based sourcing model, we have expanded our sourcing network by forming alliances for lead generation. Our sourcing alliances contribute to the diversification of our sourcing strategy. Our targeted social media campaigns also enable us to effectively connect with prospects in real-time. Through the implementation of an enhanced digital funnel, our alliances and organic digital activities generate relevant leads, which are further assessed based on propensity scores developed in-house. The fulfilment of these leads is carried out by our field teams and serviced by our branch network. This integrated approach, combining digital solutions with personal interaction, fosters robust trust-based business transactions. By leveraging this "phygital" strategy, we not only seek to optimize the cost of acquiring such customers but also enhance overall sales and productivity while maintaining our customer relationships.

In-house Origination Model to Ensure Efficient and Seamless Operations across Various Key Functions

We maintain a robust in-house infrastructure seeking to ensure seamless operations and independence across various key functions. During the six months ended September 30, 2023, 98.5% of disbursed loans were originated in-house. To strengthen our customer connections and build trust, we have undertaken initiatives such as prioritizing localized hiring for our branches. This helps us leverage the understanding and relationship rapport that our local employees build with customers. Our in-house origination model further enhances our operations by enabling us to conduct all aspects of our lending operations in-house, including sourcing, underwriting, valuation, collections and customer service, and reduce turnaround times and transaction costs. The chart below sets forth our in-house loan origination, customer evaluation, collection and servicing model.

Onboarding: Our sales team, comprising 1,620 field officers, is strategically stationed across our branch network. These professionals adhere to a systematic plan and creating synergy with internal and external stakeholders in the housing industry. This approach enables us to generate valuable leads. Moreover, our sales team plays a vital role in assisting customers with the necessary documentation and guiding them through the various stages of the home acquisition process. We have also implemented a streamlined and paperless onboarding process, leveraging technology to enhance our customer experience. Our digital solutions enable quick and hassle-free customer acquisition while adhering to regulatory requirements and ensuring data security.

Underwriting: We have an experienced field underwriting team that operates independently of sales and other functions. This field team is structured into three verticals, i.e., credit underwriters, legal verification, and technical valuation. These teams work in parallel and independently to ensure efficient decision-making and are supported by our mobile-first digital infrastructure, enhancing their capabilities. Additionally, we have a dedicated centralized team that provides oversight to the field credit team, ensuring a strong maker checker process.

Collection: Our dedicated collection team employs a customer-centric approach to effectively manage delinquent accounts. We utilize historical data to predict customer behaviour regarding repayment, enabling us to implement a proactive and efficient collection strategy. Moreover, we have a dedicated legal recovery team responsible for managing the recovery proceedings.

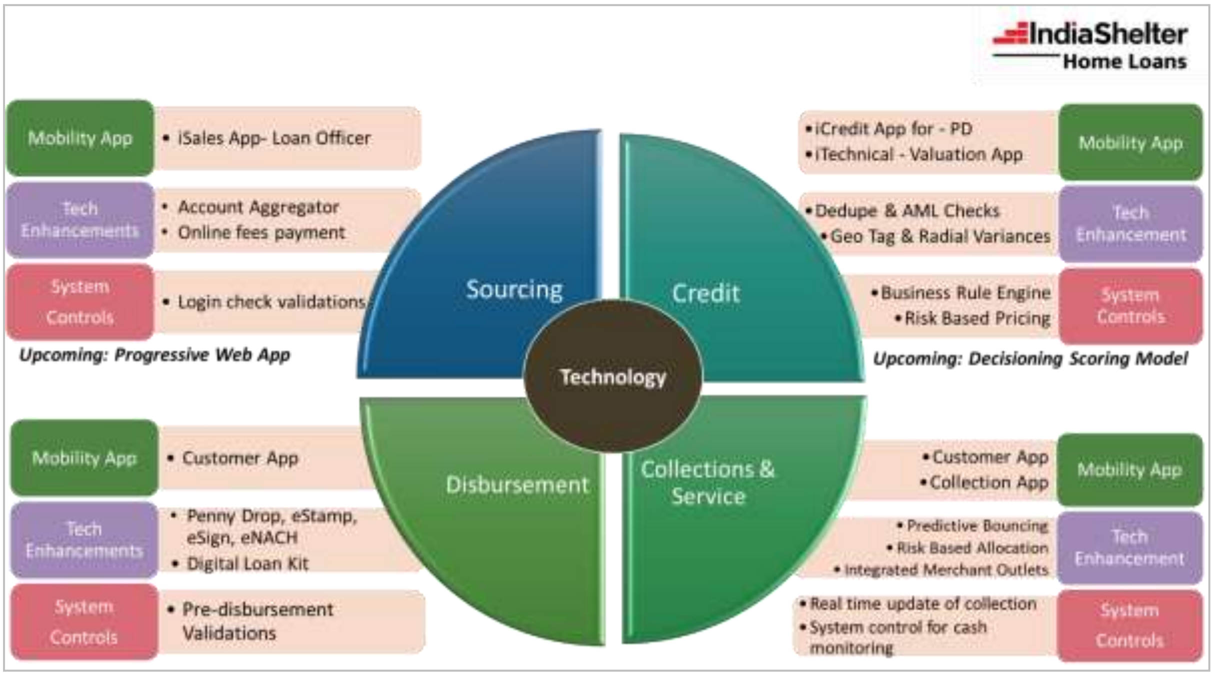
Customer Service: We prioritize customer service and have implemented a dedicated channel to address customer queries, concerns, and feedback. We have a dedicated customer service executive stationed across the branches to specifically help customers throughout the loan lifecycle. Furthermore, we have an in-house customer care centre to address all customer grievances and our representatives provide personalized assistance and strive to deliver a superior customer experience at every touchpoint. To ensure customer satisfaction, we have introduced a mobile app, IndiaShelter iServe, our dedicated customer service solution designed to promptly address concerns and queries from our customers online.

The implementation of our in-house origination model has provided pricing power for our loans, allowing us to offer competitive loan terms to our customers while maintaining healthy profit margins. With streamlined processes and operations, we have achieved reduced turnaround time for loan approvals and disbursements, enhancing our customer experience and satisfaction. Furthermore, direct access to our customers has facilitated better understanding of their needs, enabling us to tailor our services and offer personalized solutions, and enhancing customer retention and loyalty.

Technology and Analytics-Driven Company with Scalable Operating Model

We are a technology and analytics-driven affordable housing finance company and have built a scalable operating model that enables us to expand our operations and drive growth in revenue. Salesforce is a customer relationship management system, also used as our loan origination system and is integrated with our downstream and upstream applications, including mobile applications, our in-house business rule engine and predictive dialer. Furthermore, as part of our loan origination process, we capture, process and store data extensively on cloud-based platforms, thereby streamlining our data management processes and offering our customers a seamless onboarding experience aligning with our commitment to efficiency and customer-centricity. During the six months ended September 30, 2023 and September 30, 2022 and the Financial Years 2023, 2022 and 2021, our information technology expenses aggregated to ₹51.10 million, ₹38.52 million, ₹74.20 million, ₹67.99 million and ₹48.24 million, respectively, accounting to 2.0%, 2.0%, 1.8%, 2.3% and 2.3% of our total expenses, respectively.

We have implemented a paperless approach to customer acquisition and onboarding, with tailored mobile solutions that cater to different stages of the lending process. Our iSales application integrates, streamlines, and optimizes our customer acquisition process whereas our IndiaShelter iCredit application facilitates our underwriting process. For collateral evaluation, we have developed our IndiaShelter iTech application. Furthermore, iCollect plays a vital role in optimizing collection efforts. To ensure customer satisfaction, we have introduced IndiaShelter iServe, our dedicated customer service solution designed to promptly address concerns and queries from our customers. While we routinely update these applications based on customer feedback and to ensure better optimization, we also invite our customers to visit our branches where they receive a welcome kit with comprehensive information and an in-depth understanding of our products. The graphic below sets out an overview of the integration of technology in our operations:



We have built an extensive database with over 100 data points on customer and collateral profiles that serve as a valuable resource for underwriting and carrying out an internal risk assessment of our customers. To enhance our underwriting capabilities, we also engage with third-party service providers to develop tools and integrate application programming interfaces (API) to access supplementary information relating to our customers. This includes accessing fraud-related data, banking and investment records, PAN and Aadhar verification, taxation data and other additional KYC details of customers, in line with guidelines issued by the RBI. This enables us to identify areas of concern, facilitating decision-making.

Our information technology systems allow us to leverage economies of scale to increase productivity and reduce turnaround times and transaction costs. Our systems aim to facilitate a sanction within an average turnaround time of four days, which is calculated from the time we collate all customer information in our database to the sanctioning of the loan. The incorporation of information technology in our service delivery mechanisms and operating model promotes uniformity in our operations and positions us well to expand our business in geographies that offer growth opportunities.

Robust Underwriting, Collection and Risk Management Systems

We have robust underwriting, collections and risk management systems, each of which contribute to our growth as an affordable housing finance company while maintaining asset quality. Our underwriting approach is focused on empowering women customers and recognizing their role as the driving force behind a household. This aligns with our mission of promoting financial inclusion. In addition to traditional appraisal and valuation factors, we also consider various other factors including the availability of basic amenities such as sanitation, water and draining facilities and the proximity to nearby schools, hospitals, playgrounds, and parks, each of which significantly enhance the liveability and marketability of the collateral to be financed.

Our underwriting process involves specialized and independent teams dedicated to credit evaluation, technical assessment, legal verification, and document authentication. Our underwriting approach combines both tangible and intuitive elements, relying on the expertise of our on-ground team to evaluate customer profiles and cash flows. These evaluations are further supported by a centralized team that plays a crucial role in our credit control framework. Our on-ground team conducts in-person visits to customers, engaging in discussions and assessing cash flow characteristics based on predefined underwriting parameters. To streamline and enhance this process, we leverage technology-driven solutions such as mobile-first applications, various verification APIs, and our in-house Business Rule Engine ("**BRE**"). Our proprietary BRE enables real-time compliance with our credit policy, identifying any exceptions and facilitating prompt loan approvals at the branch level. Simultaneously, our centralized team conducts preventive checks, ensuring the accuracy and authenticity of underwriting documents and conducting digital presence checks on our customers.

We have developed and refined our underwriting practices to primarily serve the lower- and middle-income self-employed segment in Tier II and Tier III cities in India. Our underwriting process focuses on evaluating the four essential aspects known as the "4 Cs": Customer Profile, Cash Flow assessment, Collateral Evaluation, and Controls. These criteria enable us to assess the creditworthiness and risk profile of our borrowers.

Customer Profile

The assessment of customer profiles serves as a significant qualitative decision metric of our underwriting process. Our business, collections, and credit teams are equipped to gather information regarding potential customers. We also leverage references from borrowers operating in the same industry or residing in the same region or market as the applicant. Evaluating the business vintage and sustainability is an important criterion for the self-employed segment. It is essential to assess the repayment behaviour of customers during various business cycles. Additionally, we utilize credit bureaus to evaluate and establish the repayment credentials of our customers and consider lifestyle indicators and living standards when selecting customer profiles.

Cashflow Assessment

In our experience, one of the distinctive aspects of underwriting for our customer segment is the incomplete documentary evidence of actual income. Therefore, we have developed experience in assessing the cash flow of our customers. Our credit team invests significant time in independently evaluating the cash flows of applicants at their business premises. This evaluation involves discussions with customers regarding their business revenue and household income. Further, this information is validated based on living and household expenses, as well as existing liabilities, to determine the net cash flow. Additionally, we understand the intended use of the loan proceeds from the customer and disburse funds accordingly. Our credit processes are supported by technology at various stages. The underwriting team utilizes a mobile app that allows them to capture images, geotag customer visits, perform real-time KYC validation, and gather customer information. We analyse customer bank statements using our API-based framework. To minimize lapses or human errors, our credit processes incorporate support from our BRE.

Collateral Evaluation

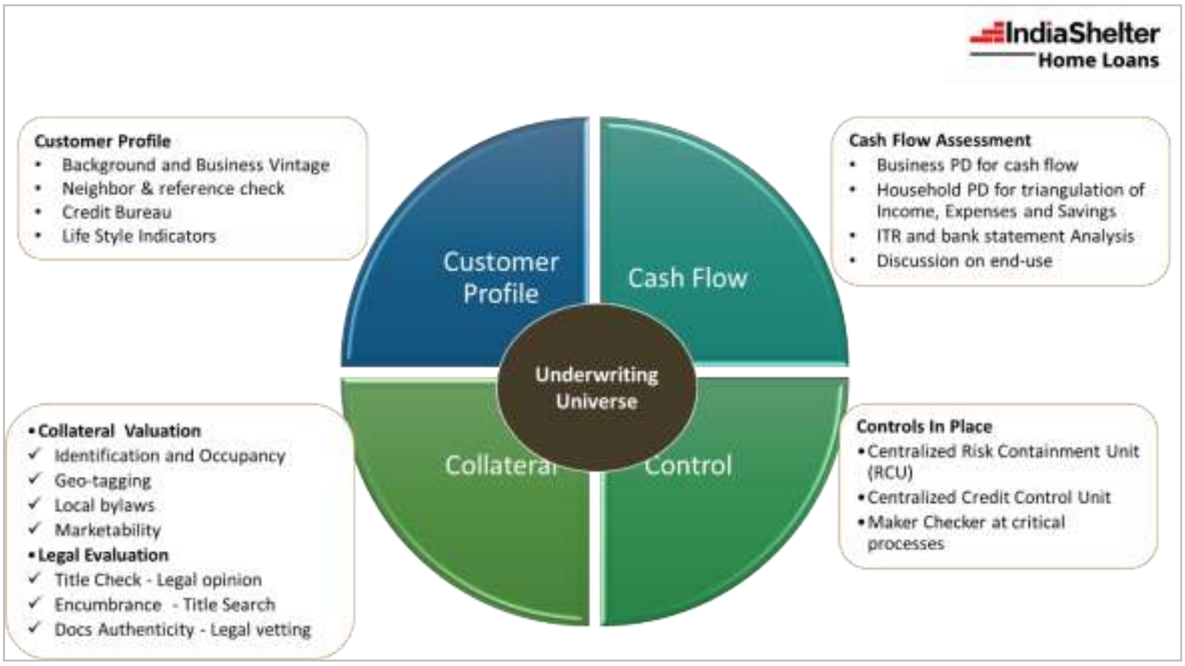
Collateral evaluation involves assessing the technical and legal aspects of the collateral.

- *Technical Evaluation*: We have a dedicated team of qualified civil engineers who perform technical evaluations. They utilize a customized technical app that captures required fields for valuations, property images, and geotags. The on-ground technical team evaluates the property and determines its current market value, leveraging local market intelligence. A technical report approval team acts as a checker, utilizing our Radial tool, which provides an estimated value of the collateral based on historical property valuations in the vicinity. For under-construction properties, periodic evaluations are also conducted to monitor construction progress.

- *Legal Evaluation*: We ensure that all mortgages are executable under the SARFAESI Act. A legal evaluation of collateral to assess the legal enforceability of the security is undertaken. This process involves obtaining a legal opinion, conducting a search at the Sub-Registrar Office (SRO) for title verification, and vetting legal documents. All stages of the legal evaluation process are supported by maker and checker processes.

Credit Control Process

We maintain a centralized credit control team responsible for evaluating each proposal after approval by the field credit team and before any disbursal takes place. This team conducts checks on the customer's digital presence, fraud history, negative database cross-references, pending legal or litigation issues, and other adverse findings. The credit control team also verifies the cash flow assessment conducted by the field credit team. Within the control team, we have a risk containment unit (RCU) that verifies the authenticity of documents provided by customers. The chart below sets forth our loan underwriting framework.



To enhance the accuracy and efficiency of our credit evaluation process, we have implemented a credit and technical application that assists in carrying out due diligence and property underwriting procedures. This tool helps minimize the risk of human error and oversight, ensuring more reliable and consistent evaluations. Furthermore, we place emphasis on collateral assessment. To validate the quality of collateral, we conduct property visits through service providers engaged by us for valuation purposes, title assessment for and implementing geo-tagging measures. Additionally, we employ variance models through Radial to benchmark the valuation of new properties against historical data from similar localities, using multiple data points. These measures enable us to carry out comprehensive quality and validation checks on the collateral, further enhancing the integrity of our underwriting processes.

As of September 30, 2023, 68.9% of our customers maintained a credit score (CIBIL) of 650 or higher. In addition to assessing creditworthiness, we closely monitor the movement of accounts with past due payments to mitigate potential risks. This approach allows us to address any delinquencies and take necessary actions to maintain the overall stability of our loan portfolio.

To optimize our collection efforts, our data team utilizes scorecards that guide our strategies and resource allocation, towards enhancing efficiencies. To streamline our collection efforts and ensure effective customer engagement, we have developed a dedicated collection app. This app equips our field team with a comprehensive 360-degree view of the customer, including details on outstanding dues, past commitments, customer interactions, and coordinates. The app also ensures real-time updates of all payment transactions, allowing for prompt actions and decision-making. The availability of dashboards across all branches provides a centralized overview of payment status, aiding in the maintenance of robust checks and balances within our collection processes.

We face various risks including credit, operational, market, liquidity, interest rate, foreign exchange, strategic, reputation, compliance, legal and information security risks. To ensure a thorough evaluation, measurement, and monitoring of these risks, we have implemented a risk management framework that includes dedicated committees to provide specialized oversight for specific risk areas. Our growth strategy focuses on expanding our customer base while maintaining a low average loan ticket size, and we ensure that our home loans have an average loan-to-value ratio of 55.1% as of September 30, 2023, while loans against property have an average loan-to-value ratio of 45.3% for such period, thereby balancing risk and safeguarding protection for both our customers and our business.

We are focussed on underwriting, collection and risk management initiatives. We registered the second highest reduction in GNPA in Financial Year 2023 to 1.13% as of March 31, 2023 from 2.12% as of March 31, 2022. (Source: *CRISIL Report*). See also "***Selected Statistical Information - Product Wise DPD 30+ & DPD 90+ (AUM)***" on page 325.

Diversified Financing Profile with a Demonstrated Track Record of Reducing Financing Costs

We maintain a diversified financing profile, driven by a disciplined approach to asset liability and liquidity management. One of the key aspects of our financing profile is its diversified mix of credit. The table below sets out our debt profile as of September 30, 2023 and September 30, 2022, and March 31, 2023, 2022 and 2021:

Particulars	**As of**									
	September 30, 2023		**September 30, 2022**		**March 31, 2023**		**March 31, 2022**		**March 31, 2021**	
	(in ₹ million, except tenure)	**% of total outstanding borrowing**	**(in ₹ million, except tenure)**	**% of total outstanding borrowing**	**(in ₹ million, except tenure)**	**% of total outstanding borrowing**	**(in ₹ million, except tenure)**	**% of total outstanding borrowing**	**(in ₹ million, except tenure)**	**% of total outstanding borrowing**
Term Loan	22,508.04	68.78	17,184.73	68.04	20,488.50	68.91	14,869.80	72.20	8,335.31	56.29
- Private Sector Bank	14,898.83	45.53	11,500.60	45.54	12,358.31	41.56	9,738.31	47.29	6,541.19	44.18
- Public Sector Bank	4,908.10	15.00	2,914.74	11.54	5,554.56	18.68	2,735.88	13.28	802.22	5.42
- Other Parties	2,701.11	8.25	2,769.39	10.97	2,575.63	8.66	2,395.62	11.63	991.90	6.70
NHB Refinance	5,765.53	17.62	4,402.53	17.43	5,784.38	19.45	3,440.49	16.71	5,285.45	35.70
Non-Convertible Debentures	1,191.27	3.64	1,789.21	7.08	1,765.34	5.94	1,865.98	9.06	822.24	5.55
Securitization	777.08	2.37	1,069.03	4.23	878.34	2.95	417.68	2.03	364.19	2.46
External Commercial Borrowing	2,482.85	7.59	810.85	3.21	817.72	2.75	—	—	—	—
Total Outstanding Borrowing	**32,724.77**	—	**25,256.36**	—	**29,734.28**	—	**20,593.95**	—	**14,807.18**	—
Total Outstanding	8,475.85	—	4,920.19	—	6,927.35	—	3,822.48	—	1,582.70	—

Particulars	As of									
	September 30, 2023		September 30, 2022		March 31, 2023		March 31, 2022		March 31, 2021	
	(in ₹ million, except tenure)	% of total outstanding borrowing	(in ₹ million, except tenure)	% of total outstanding borrowing	(in ₹ million, except tenure)	% of total outstanding borrowing	(in ₹ million, except tenure)	% of total outstanding borrowing	(in ₹ million, except tenure)	% of total outstanding borrowing
Direct Assignment Balance										
Incremental Borrowing	7,737.00	—	7,753.90	—	16,385.90	—	13,099.71	—	10,040.00	—
Direct Assignment During the Year	2,408.42	—	1,660.56	—	4,409.12	—	2,732.68	—	1,694.94	—
Average Closing Cost on Borrowing	8.6	—	8.4	—	8.5	—	8.3	—	8.3	—
Average Closing Cost on Borrowing (Including Direct Assignment)	8.8	—	8.5	—	8.7	—	8.4	—	8.4	—
Average Tenure of Borrowings at the time of drawdown (*in months*)	85	—	82	—	81	—	73	—	74	—

We focus on maintaining a long-term and diversified borrowing profile by engaging with multiple lenders to ensure timely funding throughout the year. This approach not only mitigates the risk of relying on a single funding source but also enables us to negotiate favourable borrowing costs. We achieved an upgrade in our credit rating from 'CARE A- (stable)' as of March 31, 2018, to 'CARE A (stable)' as of March 31, 2021, and 'CARE A+ (positive)' as of September 30, 2023.

We have demonstrated the ability to improve our borrowing costs, even in environments characterized by rising interest rates. Our average cost of borrowings and average incremental cost of borrowings for the six months ended September 30, 2023 and September 30, 2022 was 8.9% and 8.3% , and 8.4% and 7.6%, respectively. Our average borrowing costs reduced to 8.3% as of March 31, 2023 from 8.7% as of March 31, 2021, and our average incremental cost of borrowings for March 31, 2023 was 7.9%, as compared to 8.0% for the Financial Year 2021. By reducing our borrowing costs, we have been able to generate consistent margins and achieve higher profitability.

Furthermore, ALM is a core focus for us. We seek a disciplined approach to ALM and ensuring a balanced and well-managed mix of assets and liabilities which in turn would allow us to manage liquidity effectively, match cash flows, and mitigate interest rate risks. By monitoring and aligning the maturities of our assets and liabilities, we seek to maintain financial stability and enhance our ability to meet funding requirements. As of September 30, 2023, we had a positive cumulative ALM gap of ₹13,369.96 million. See also "***Selected Statistical Information – Asset Liability Management***" on page 322.

We leverage NHB borrowings to support our lending activities, ensuring a reliable and cost-efficient source of funding. This enhances our capacity to extend affordable housing finance to a wider customer base. In line with our commitment to diversification and innovative financing models, we have also embraced co-lending initiatives that involve partnering with other financial institutions to provide joint lending solutions. By combining our expertise and resources, we can expand our reach and serve a broader spectrum of customers, while managing risks effectively. Furthermore, as a portion of our portfolio is eligible for priority sector lending, we have carried out securitisation and direct assignment transactions, thereby transferring credit risk and ensuring optimization of our results of operations.

Experienced Management Team Supported by Qualified and Experienced Personnel

We have a professional and experienced management team led by our Board, which comprises of qualified Key Managerial Personnel and Senior Management personnel. Our Chairman, Mr. Sudhin Bhagwandas Choksey, has experience in the banking sector, and our Managing Director and CEO, Mr. Rupinder Singh, has experience in the finance sector.

We have recruited and retained employees from a variety of backgrounds, including credit evaluation, risk management, recovery, treasury, technology, and marketing as part of our Key Managerial Personnel and Senior Management. Our Key Managerial Personnel and Senior Management have diverse experience in various financial services and functions related to our business, and several of our Key Managerial Personnel and Senior Management personnel have previously worked together at other organisations. We rely on the knowledge and experience of our Key Managerial Personnel and Senior Management for the growth of our business and expansion into new geographies.

To foster employee retention and recognition, we have implemented a retention and reward system, primarily through the provision of Employee Stock Options Plans ("**ESOPs**"). For details about our ESOP Schemes, see "***Capital Structure – Employee Stock Option Schemes***" on page 124. This program ensures that eligible employees have a vested interest in the long-term success of the company and serves as a valuable tool for attracting, retaining, and motivating key talent within our organisation.

WestBridge Crossover Fund, LLC and Aravali Investment Holdings are our Corporate Promoters, and our other Shareholders include Nexus Ventures III, Ltd., MIO Starrock and Madison India Opportunities IV (Madison India Capital). We benefit from the capital sponsorship and professional experience brought by our Shareholders. Their support has been instrumental in establishing and upholding corporate governance standards within our organisation. Furthermore, their expertise and guidance have contributed to the formation of a robust capital base, positioning us for continued growth and success in our operations.

Our Strategies

Further Grow and Diversify our Distribution Network to Achieve Deeper Penetration in Key States and Drive Sustainable Growth

We intend to penetrate further in our existing markets along with the growing size and scale of the Indian housing industry by the expansion of our branches. We aim to leverage our market presence across Tier II and Tier III cities of India to capitalize on opportunities to grow our operations and improve our market share.

We rely on a comprehensive on-the-ground presence as essential to our success and growth and aim to further grow and diversify our distribution network. We have actively grown our branch network over the years and aim to further expand our presence in existing geographies and newer geographies in states where we have an existing presence. The number of our branches has increased to 203 branches as of September 30, 2023 from 167 branches as of September 30, 2022. Further, the number of our branches increased to 183 as of March 31, 2023 from 130 as of March 31, 2022 and 115 as of March 31, 2021. Our market research and understanding of customer needs have led us to focus on states that cater to approximately 94% of the housing finance market in terms of loans outstanding as of March 31, 2023 (Source: *CRISIL Report*). By capitalizing on favorable market opportunities and maximizing branch productivity, we intend to cater to the specific requirements of the self-employed target customer segment. Our primary objectives are to attain sustainable growth, reduce concentration risk, and reinforce our position in the housing loan and loan against property market. We also plan to expand our branch staff, extend our branch network within existing geographical areas, and explore opportunities in adjacent markets for diversification.

Our core focus is on affordable home loans and loans against property, primarily due to the higher yields and synergies offered by these products in terms of customer profile, collateral requirement and ticket size (Source: *CRISIL Report*). We are committed to meeting the specific needs of the self-employed target customer segment, with an emphasis on our focused geographies. Our lending operations have now evolved towards seeking to efficiently serve the self-employed sector in these cities.

As we expand our operations, we are committed to maintaining a balanced distribution of our incremental disbursements across all regions where we have a presence, to achieve sustainable growth while maintaining a geographically diversified portfolio. By targeting first-time home loan takers and leveraging our experience and domain knowledge in serving the affordable housing customers, we aim to enhance our market reach and establish ourselves as a trusted partner for borrowers in the lower- and middle-income segment across the country. To support our expansion plans, we aim to continue to invest in building branch networks, recruiting local talent, and providing training and development opportunities to our employees.

Leverage our Technology Stack to Achieve Scalability, Improving Efficiency and Productivity of our Existing Branches

We seek to leverage technology to enhance our lead sourcing and customer fulfilment process. Our cloud-based IT infrastructure plays a pivotal role in facilitating real-time updates and delivering improved customer experiences, thereby further driving efficiency and improving productivity and actively contributing to delivering business growth. We aim to leverage our technological expertise by introducing a customer-centric self-onboarding journey to streamline and expedite the overall loan application experience for our customers. Furthermore, we aim to carry out the entire authentication, verification and know-your-customer ("**KYC**") process digitally, thereby improving the ease of doing business and enabling underwriting at scale.

To ensure accurate evaluations on credit assessment and efficient decision-making, we utilise technology and human expertise to make informed credit decisions while meeting the needs of our customers. An integral part of our technology infrastructure is our in-house BRE and our Radial tool which provides an estimated value of the collateral based on historical property valuations in the vicinity. Our BRE aims to ensure policy compliance, streamlines operations, and optimizes costs as we further scale our operations. We intend to develop machine learning based statistical models to predict the future behaviour of prospective customers by leveraging data. One such potential model is to evaluate the probability of customer approval based on customer profile, income information, demographics and credit bureau history to enhance credit decisioning capabilities.

Furthermore, risk containment will remain key focus for us, as we continue to employ internal scorecards to bolster our risk management practices. We utilize New to Credit scorecard for first-time home loan takers. We aim to further increase customer engagement through our technology platforms and by leveraging technology, we seek to conduct effective fraud checks and gain valuable insights that contribute to business improvement and risk mitigation. We intend to further develop iCollect, our collections application to utilize information available through credit bureaus to obtain periodic information on our existing customers. Through data-driven strategies and insights by utilizing our app, we aim to efficiently manage collections, thereby improving recovery rates and overall customer satisfaction.

Diversify Borrowing Profile and Optimize Borrowing Costs

We remain focused on diversifying our borrowing profile, optimizing borrowing costs, and maintaining a positive ALM position. By adopting risk management measures, continuing to make investments in technology, and entering into co-lending agreements, we aim to enhance our credit rating, and secure stable funding sources to support our continued growth and expansion. Our average cost of borrowings and average incremental cost of borrowings for the six months ended September 30, 2023 and September 30, 2022 was 8.9% and 8.3% , and 8.4% and 7.6%, respectively. Our average borrowing costs reduced to 8.3% as of March 31, 2023 from 8.7% as of March 31, 2021, and our average incremental cost of borrowings for March 31, 2023 was 7.9%, as compared to 8.0% for the Financial Year 2021, primarily due to our improved financial performance and credit rating.

We consider low borrowing costs as essential to pricing our loan products attractively, to driving business growth, increasing our margins and maintaining a competitive position in the housing loan and loan against property market. Diversifying our funding mix and liability profile is a key focus area for us. As of September 30, 2023, we have established relationships with over 37 counterparties, utilizing various instruments such as term loans from private sector banks, public sector banks and the NHB under the affordable housing fund and other schemes, the issuance of non-convertible debentures and external commercial borrowings. While we have an external commercial borrowing from a development financial institution for a 15-year term, we aim to continue to diversify our borrowing profile and strengthen relationships with such lenders to support our growth trajectory and ensuring that our debt capital requirements are met at optimal costs.

In line with our conservative approach to ALM, we prioritize long-term borrowing to ensure stability and mitigate liquidity risks. This allows us to maintain a favorable balance between assets and liabilities, enhancing our financial resilience. To achieve our goals, we are committed to enhancing our credit rating to gain access to additional funding sources and reduce our overall cost of borrowing. Exploring opportunities for co-lending in the variable rate segment is one such avenue we are actively pursuing. Our co-lending strategy is focused on establishing alliances with other lenders to maximize benefits for our customers while optimizing and managing risk and retaining customer loyalty. We have entered into two co-lending agreements. By collaborating with other lenders, we will be able to achieve our goal of financial inclusion while penetrating deeper across geographies and creating sustainable growth having substantial societal impact.

Enhance Brand Equity and Foster Sustainability

We recognize the importance of enhancing our brand equity and fostering sustainability in our operations. We aim to build long-term relationships with our customers, while also fulfilling our responsibilities to society, the environment, and our stakeholders. We are committed to continue to build our brand for our customers and our employees. We consider engaged and motivated employees to be key brand ambassadors. By fostering a positive work culture and providing professional development opportunities, we aim to ensure that our employees are aligned with our brand values and commitment to customer experiences.

As a proportion of our operations are technology-driven, we aim to leverage the use of marketing platforms to enhance brand visibility. With affordable data services and widespread access to mobile entertainment, we primarily utilize social media platforms for brand-building and advertising. These platforms allow us to reach a broader audience and engage with them effectively. Furthermore, we recognize the importance of traditional forms of marketing to maximize brand visibility in our existing and target markets. By utilizing a mix of digital and traditional marketing approaches, we aim to create a brand presence that resonates with our target audience.

We actively seek opportunities to engage in responsible lending practices that align with sustainable objectives. In line with our financial inclusion vision, we aim to continue to empower women through effective financial inclusion by ensuring that a majority of our loans have women as the first applicant. We seek to help address problems arising from patriarchy in Indian society and inculcate a feeling of security and independence in women. We also aim to lower operational expenses while maintaining our brand equity. We recognize the importance of optimizing costs without compromising on quality and customer experience by implementing efficient processes and exploring innovative solutions. To cater to the requirements of economically weaker sections and low and middle-income groups, we offer tailored loan products and personalized services, addressing the unique challenges faced by these segments. Furthermore, we aim to increase the concentration of our properties in areas governed by non-municipal corporations as we view these properties as growth assets, anticipating their potential for appreciation as they come under the purview of nearby municipal corporations in the future. This approach enables us to identify opportunities for long-term value creation and strategic expansion.

We are dedicated to incorporating environmental, social, and governance ("**ESG**") initiatives into our business operation and our ESG strategy is focused on the integration of sustainability principles throughout our activities, decision-making processes, and engagement with stakeholders. By building a trusted brand, contributing to sustainable goals, and optimizing operational costs, we aim to strengthen customer trust, attract new customers, and establish ourselves as a responsible and reputable organization in the market. Some of our recent initiatives include *Nakshatra*, our CSR initiative through which we seek to empower girls towards financial independence. Similarly, through *Nav Jeevan*, we seek to raise awareness in relation to women's health and well-being, especially among the under-privileged sections. For more details, see "***—Corporate Social Responsibility and ESG Initiatives***" on page 259.

Description of our Business

Our product portfolio

We offer home loans and loans against property to customers in the low and middle-income segments in India with an aim to promote financial inclusion. We leverage the use of analytics and technology across our operations throughout the customer life cycle. The interest rates for our loans vary, and typically range from 10.50% to 20.00% per annum, with a ticket size primarily ranging from ₹0.50 million to ₹5.00 million.

Home Loans

We provide home loans for internal or external repairs to existing homes, upgradation of existing homes (including addition of rooms and floors), self-construction, plot purchase and purchase of property

Loan Against Property

We provide secured loans, disbursed with an identified property mortgaged as collateral. Our loans against property primarily include self-occupied residential properties.

Set out below are details of our product-wise disbursements and product-wise average ticket size on sanctioned amount for disbursed loans for the six months ended September 30, 2023 and September 30, 2022, and the Financial Years 2023, 2022 and 2021, along with the number of outstanding loan accounts and tenure of the AUM of our loans at origination as of September 30, 2023, September 30, 2022, March 31, 2023, March 31, 2022 and March 31, 2021:

Product-wise disbursement	As of Six months ended September 30, 2023	% Share	Six months ended September 30, 2022	% Share	Financial Year 2023	% Share	Financial Year 2022	% Share	Financial Year 2021	% Share
	(in ₹ million, except percentages)									
Home Loans	7,102.88	58.2	4,915.69	57.0	11,675.52	59.4	6,360.85	49.1	4,714.61	52.7
Loan Against Property	5,100.29	41.8	3,703.25	43.0	7,968.25	40.6	6,591.75	50.9	4,234.15	47.3
Total	**12,203.17**	**100.0**	**8,618.94**	**100.0**	**19,643.77**	**100.0**	**12,952.61**	**100.0**	**8,948.76**	**100.0**

Product-wise average ticket size on sanctioned amount for disbursed loans	For the Six months ended September 30, 2023	Six months ended September 30, 2022	Financial Year 2023	Financial Year 2022	Financial Year 2021
	(in ₹ million)				
Home Loans	1.05	1.11	1.08	1.11	1.11
Loan Against Property	0.98	0.98	0.97	0.99	1.05
Total	**1.03**	**1.07**	**1.05**	**1.06**	**1.09**

Product-wise outstanding loan accounts	As of September 30, 2023	% Share	September 30, 2022	% Share	March 31, 2023	% Share	March 31, 2022	% Share	March 31, 2021	% Share
	(number of accounts, except percentages)									
Home Loans	39,378	57.5	27,008	54.6	33,000	56.4	23,321	53.8	18,624	55.4
Loan Against Property	29,102	42.5	22,473	45.4	25,552	43.6	20,007	46.2	14,983	44.6
Total	**68,480**	**100.0**	**49,481**	**100.0**	**58,552**	**100.0**	**43,328**	**100.0**	33,607	**100.0**

Tenure of the AUM of our products at origination	As of September 30, 2023	September 30, 2022	March 31, 2023	March 31, 2022	March 31, 2021
	(in months)				
Home Loans	178	177	178	175	180
Loan Against Property	131	129	130	129	130
Total	**158**	**155**	**157**	**154**	**159**

Branch network

Through our extensive branch network, we are able to effectively engage with our customers across the country. Our branches act as a point of sale for our loan products and a medium through which we provide post-disbursement services to our customers. As of September 30, 2023, we had 203 branches in 15 states in India.

We have implemented a strategy of penetrative expansion across India by evaluating areas with high economic growth and substantial demand for housing finance. The number of our branches has increased to 203 branches as of September 30, 2023 from 167 branches as of September 30, 2022. Further, the number of our branches increased to 183 as of March 31, 2023 from 130 as of March 31, 2022 and 115 as of March 31, 2021. Set forth below are the details of our state-wise branches as of September 30, 2023 and September 30, 2022, and March 31, 2023, 2022 and 2021:

Particulars	Year of commencement of operations	September 30, 2023	September 30, 2022	As of March 31, 2023	March 31, 2022	March 31, 2021
				Number of Branches		
Rajasthan	2010	62	50	57	35	33
Maharashtra	2013	30	26	27	21	17
Madhya Pradesh	2010	25	23	24	19	17
Karnataka	2018	15	12	16	9	9
Gujarat	2014	17	13	16	12	10
Uttar Pradesh	2016	16	13	13	10	8
Tamil Nadu	2018	12	9	9	8	6
Uttarakhand	2016	4	4	4	4	4
Delhi	2021	1	1	1	1	1
Haryana	2018	5	4	4	4	3
Telangana	2021	4	2	2	1	1
Chhattisgarh	2011	4	4	4	3	3
Andhra Pradesh	2020	4	3	3	1	1
Punjab	2018	2	1	1	1	1
Odisha	2015	2	2	2	1	1
Total Branches		**203**	**167**	**183**	**130**	**115**

The table below sets forth our state-wise AUM as of September 30, 2023 and September 30, 2022, and March 31, 2023, 2022 and 2021.

AUM by State	As of September 30, 2023		September 30, 2022		March 31, 2023		March 31, 2022		March 31, 2021	
	Amount	% Share	Amount	% Share	Amount	% Share	Amount	% Share	Amount	% Share
	(in ₹ million, except percentages)									
Rajasthan	16,199.37	31.3	11,021.23	30.5	13,365.74	30.7	9,634.31	31.3	7,326.44	33.3
Maharashtra	9,085.14	17.5	6,588.97	18.2	7,851.33	18.0	5,659.45	18.4	4,157.10	18.9
Madhya Pradesh	7,221.63	13.9	5,456.76	15.1	6,406.25	14.7	4,647.60	15.1	3,634.36	16.5
Karnataka	3,480.84	6.7	2,352.89	6.5	2,937.71	6.7	1,906.63	6.2	1,043.55	4.7
Gujarat	3,381.02	6.5	2,535.23	7.0	2,917.84	6.7	2,263.74	7.4	2,008.27	9.1
Uttar Pradesh	3,157.42	6.1	2,089.35	5.8	2,434.07	5.6	1,823.07	5.9	1,361.38	6.2
Tamil Nadu	2,326.51	4.5	1,522.78	4.2	1,933.99	4.4	1,067.63	3.5	283.74	1.3
Uttarakhand	1,592.68	3.1	1,243.23	3.4	1,468.64	3.4	1,084.72	3.5	858.52	3.9
Delhi	1,432.61	2.8	867.70	2.4	1,166.29	2.7	901.39	2.9	60.43	0.3
Haryana	1,202.42	2.3	967.26	2.7	1,044.89	2.4	623.37	2.0	723.03	3.3

AUM by State	As of									
	September 30, 2023		September 30, 2022		March 31, 2023		March 31, 2022		March 31, 2021	
	Amount	% Share	Amount	% Share	Amount	% Share	Amount	% Share	Amount	% Share
	(in ₹ million, except percentages)									
Telangana	1,053.12	2.0	465.21	1.3	732.60	1.7	311.83	1.0	37.13	0.2
Chhattisgarh	822.06	1.6	598.51	1.7	708.85	1.6	482.71	1.6	289.66	1.3
Andhra Pradesh	569.52	1.1	243.82	0.7	392.43	0.9	142.49	0.5	33.64	0.2
Punjab	253.10	0.5	190.83	0.5	210.51	0.5	179.37	0.6	162.41	0.7
Odisha	29.46	0.1	4.96	0.0	18.15	0.0	4.63	0.0	5.62	0.0
Total	**51,806.89**	**100.0**	**36,148.74**	**100.0**	**43,594.31**	**100.0**	**30,732.93**	**100.0**	**21,985.27**	**100.0**

See also "***Selected Statistical Information***" on page 314.

Customer base

We primarily serve first-time home loan takers with financing the purchase and self-construction of residential properties and offering loans against property. With an emphasis on financial inclusion and promoting affordable housing, our target customer is the self-employed customer in Tier II and Tier III cities in India. As of September 30, 2023, self-employed customers accounted for 70.6% of our AUM. Set forth below are details of loans availed by first-time customers and existing customers for the six months ended September 30, 2023 and September 30, 2022, and the Financial Years 2023, 2022 and 2021, respectively:

Particulars	For the									
	Six months ended September 30, 2023		Six months ended September 30, 2022		Financial Year 2023		Financial Year 2022		Financial Year 2021	
	Amount	% Share	Amount	% Share	Amount	% Share	Amount	% Share	Amount	% Share
	(in ₹ million, except percentages)									
First-time customers	11,493.97	94.2	8,198.77	95.1	18,525.00	94.3	12,359.03	95.4	8,666.07	96.8
Existing customers	709.21	5.8	420.17	4.9	1,118.77	5.7	593.58	4.6	282.69	3.2
Total	**12,203.17**	**100.0**	**8,618.94**	**100.0**	**19,643.77**	**100.0**	**12,952.61**	**100.0**	**8,948.76**	**100.0**

The tables below set forth our AUM based on occupation of our customers, our gross AUM based on income group, and our AUM based on average ticket size on sanction amount (for disbursed case), as of and for the six months ended September 30, 2023 and September 30, 2022 and the Financial Years ended March 31, 2023, March 31, 2022 and March 31, 2021:

Occupation[(1)]	As of									
	September 30, 2023		September 30, 2022		March 31, 2023		March 31, 2022		March 31, 2021	
	Amount	% Share	Amount	% Share	Amount	% Share	Amount	% Share	Amount	% Share
	(in ₹ million, except percentages)									
Salaried	15,224.69	29.4	11,278.77	31.2	13,231.43	30.4	9,949.88	32.4	7,872.96	35.8
Self employed	36,582.20	70.6	24,869.97	68.8	30,362.88	69.6	20,783.05	67.6	14,112.31	64.2
Total	**51,806.89**	**100.0**	**36,148.74**	**100.0**	**43,594.31**	**100.0**	**30,732.93**	**100.0**	**21,985.27**	**100.0**

(1) Loan accounts are classified as Salaried and Self-employed at the time of sanction of loans.

Income Group	As of September 30, 2023		September 30, 2022		March 31, 2023		March 31, 2022		March 31, 2021	
	Amount	% Share	Amount	% Share	Amount	% Share	Amount	% Share	Amount	% Share
	(in ₹ million, except percentages)									
EWS[(1)]	11,429.52	22.1	8,135.29	22.5	9,581.30	22.0	7,344.72	23.9	6,678.54	30.4
LIG[(2)]	25,550.25	49.3	16,859.64	46.6	21,080.44	48.4	13,767.92	44.8	9,206.63	41.9
MIG[(3)]	13,789.99	26.6	10,078.04	27.9	11,894.90	27.3	8,532.98	27.8	5,192.73	23.6
HIG[(4)]	1,037.12	2.0	1,075.77	3.0	1,037.66	2.4	1,087.31	3.5	907.38	4.1
Total	**51,806.89**	**100.0**	**36,148.74**	**100.0**	**43,594.31**	**100.0**	**30,732.93**	**100.0**	**21,985.27**	**100.0**

Notes:

(1) Economically weaker section includes customer with income up to ₹0.3 million per annum.
(2) Low-income group includes customers with income ranging from ₹0.3 million to ₹0.6 million per annum.
(3) Middle income group includes customers with income ranging from ₹0.6 million to ₹1.8 million per annum.
(4) High income group includes customers with income above ₹1.8 million per annum.

Particulars	As of September 30, 2023		September 30, 2022		March 31, 2023		March 31, 2022		March 31, 2021	
	Amount	% AUM	Amount	% AUM	Amount	% AUM	Amount	% AUM	Amount	% AUM
	(in ₹ million, except percentages)									
≤0.5 Million	5,514.24	10.6	4,819.72	13.3	5,178.65	11.9	4,716.22	15.4	4,684.34	21.3
>0.5 to 1.0 Million	20,456.18	39.5	13,891.45	38.4	17,118.05	39.3	11,620.25	37.8	8,397.14	38.2
>1.0 to 1.5 Million	13,266.30	25.6	8,319.60	23.0	10,693.35	24.5	6,519.84	21.2	3,853.81	17.5
>1.5 Million to 2.0 Million	6,213.11	12.0	3,929.25	10.9	4,956.24	11.4	3,105.89	10.1	1,772.76	8.1
>2.0 Million to 2.5 Million	3,765.21	7.3	2,712.48	7.5	3,205.38	7.3	2,327.54	7.6	1,313.23	6.0
>2.5 Million	2,591.84	5.0	2,476.24	6.9	2,442.64	5.6	2,443.19	7.9	1,963.99	8.9
Total	**51,806.89**	**100.0**	**36,148.74**	**100.0**	**43,594.31**	**100.0**	**30,732.93**	**100.0**	**21,985.27**	**100.0**

See also "***Selected Statistical Information***" on page 314.

We are focused on empowering women and recognizing their role as the driving force behind a household. As of September 30, 2023, of our borrowers, 97.9% had one or more borrowers as women, and 70.7% of our customers were first-time home loan takers.

The following case studies highlight our customer profile and onboarding process:

Case Study A: Loan granted for expansion of business

Customer profile: Our customer was engaged in the business of running a grocery shop, while her husband and son were engaged in the dairy and vegetable transportation businesses, respectively.

Purpose of loan: Business activities

Loan amount: ₹1.00 million

Location: Andhra Pradesh

Loan procedure: Our customers applied for a loan against property for expansion of their general store and dairy business with additional stock and renovation of their shop. We assessed their monthly household income to be ₹92,400.00 for three individuals and sanctioned a loan amounting to ₹1.0 million with equated monthly instalments of ₹17,065.00.

Case Study B: Loan granted for construction purposes

Customer profile: Our customer was engaged in the business of running an electronics shop with her husband.

Purpose of loan: Construction loan

Loan amount: ₹0.73 million

Location: Uttarakhand

Loan procedure: Our customers applied for a home loan for construction on a pre-owned parcel of land. Our customers did not have any previous loan history or documentary evidence of cashflows. We assessed their monthly income to be ₹30,000.00 and sanctioned a loan amounting to ₹0.73 million with equated monthly instalments of ₹10,781.00.

Case Study C: Loan granted for construction purposes

Customer profile: Our customer's husband was an electrician.

Purpose of loan: Construction loan

Loan amount: ₹0.70 million

Location: Maharashtra

Loan procedure: Our customers applied for a home loan for reconstruction of their house. We assessed their monthly household income to be ₹23,000.00 and sanctioned a loan amounting to ₹0.70 million with equated monthly instalments of ₹9,739.00.

Origination and Marketing

We have a dedicated sales team responsible for customer acquisition. Our sales team is located within our branch network and comprises professionals equipped with a structured plan to establish and cultivate relationships within the local market and with key stakeholders in the industry. Additionally, our sales team plays a crucial role in assisting customers with the necessary documentation and guiding them through the various stages of the home acquisition process. Furthermore, we have also implemented a paperless onboarding process, utilizing technology to enhance our customer experience. Our digital solutions facilitate customer acquisition while adhering to regulatory requirements and maintaining data security.

In addition to dedicated sales team, our targeted social media campaigns also enable us to effectively connect with prospects in real-time. Through the implementation of an enhanced digital funnel, our alliances and organic digital activities generate relevant leads, which are further assessed based on propensity scores developed in-house. The fulfillment of these leads is carried out by our dedicated field team. This integrated approach, combining digital solutions with personal interaction, fosters robust trust-based business transactions. By leveraging this "phygital" strategy, we not only reduce the cost of acquiring such customers but also enhance overall sales and productivity while maintaining customer relationships.

Our implementation of a paperless approach in customer acquisition and onboarding, with tailored mobile solutions, caters to different stages of the lending process. For example, our iSales application integrates, streamlines and optimizes our customer acquisition process. Further, we also invite our customers to visit our branches where they receive comprehensive information of our products. This approach provides tangibility to customer onboarding while increasing productivity through personalized customer interactions and efficient resource allocation. As part of our marketing strategy, we employ data analysis techniques to segment and analyze data, allowing us to identify optimal customer cohorts. With an emphasis on target marketing, we allocate resources to effectively reach and engage with our target audience. We also employ display network advertisements to maximize the awareness about our products.

Furthermore, our data analytics assist us in geographical and behavioral targeting. We leverage the potential of social media platforms to optimize the impact of our marketing investments. By utilizing the profiles of our existing client database, we strategically target social media users who share similar characteristics and preferences. This approach allows us to effectively reach and engage with a broader audience. Our marketing structure follows a multi-tiered approach that includes various components and strategies, as set forth below:

- *Strategic marketing*: We formulate plans for our market presence. This includes conducting market research, identifying target segments and devising effective marketing strategies to reach our potential customers. Our strategic marketing efforts focus on market analysis, competitive positioning, and identifying growth opportunities.

- *Product marketing*: We promote our specific loans through product marketing. This involves creating compelling value propositions, developing product messaging, and communicating the unique features and benefits of our loans. Product marketing is designed to drive customers' interest, generate leads and onboard customers.

- *Digital marketing*: Digital marketing includes utilizing various online channels and platforms, such as social media platforms, search engine optimization and online advertising to enable us to expand our reach and drive targeted campaigns for lead generation and brand awareness. We have engaged the services of third party digital marketing agencies for performance marketing, media and influencer marketing and designing and handling social media. We also engage direct selling agents in specific jurisdictions for soliciting leads of potential customers. The agents generate a database of potential customers through activities such as tele-calling, exhibitions and distribution of brochures to market the loan products offered by our Company.

- *Customer relationship management*: Our customer relationship management strategy involves personalized customer communication and seamless redressal of customer grievance, along with provision of satisfactory post-sales support. This is intended to build customer loyalty and generate referrals.

- *Public relations and advertising*: To enhance our brand visibility and reputation, we employ various techniques such as participation in industry events and exhibitions, press releases and targeted advertising campaigns.

Set forth below are the details of our source-wise disbursements for the six months ended September 30, 2023 and September 30, 2022 and the Financial Years 2023, 2022 and 2021:

Particulars	As of									
	September 30, 2023		September 30, 2022		March 31, 2023		March 31, 2022		March 31, 2021	
	Amount	% Share	Amount	% Share	Amount	% Share	Amount	% Share	Amount	% Share
	(in ₹ million, except percentage)									
Inhouse sourcing	12,023.69	98.5	8,368.46	97.1	19,196.59	97.7	12,522.32	96.7	8,413.01	94.0
Sales agent sourcing	179.48	1.5	250.48	2.9	447.18	2.3	430.29	3.3	535.76	6.0
Total	**12,203.17**	**100.0**	**8,618.94**	**100.0**	**19,643.77**	**100.0**	**12,952.61**	**100.0**	**8,948.76**	**100.0**

Loan-to-value ratio, equated monthly installments and tenure of loans

In terms of the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 issued on February 17, 2021 by the RBI ("**RBI Master Directions**"), no HFC may grant home loans to individuals of (i) up to ₹3.00 million with loan to value ("**LTV**") ratio exceeding 90.00%; (ii) ₹3.00 million to ₹7.50 million with LTV ratio exceeding 80.00%; and (iii) above ₹7.50 million with LTV ratio exceeding 75.00%. Further, no HFC shall lend to any single borrower an amount exceeding 15% of its owned fund, and to any single group of borrowers, an amount exceeding 25.00% of its owned fund. The table below sets forth the product-wise LTV on our AUM.

Particulars	As of				
	September 30, 2023	September 30, 2022	March 31, 2023	March 31, 2022	March 31, 2021
			(percentages) (1)		
Home Loan	55.1	55.4	55.3	54.8	53.6
Loan Against Property	45.3	44.1	44.9	43.0	41.3
Total	**50.9**	**50.3**	**50.7**	**49.4**	**48.3**

*(1) LTV is calculated as product wise {(sum product of (LTV of particular loan * total principal outstanding for particular loan))/ total AUM outstanding for the product}.*

One of the key eligibility criteria we consider for approving a customer's loan is the customer's repayment capacity, which we assess based on factors such as the customer's age, educational qualifications, customer's income, and, if applicable, the co-applicant's income, assets and liabilities. Subject to the regulatory limits, the amount of the loan is determined on the basis of our evaluation of the repayment capacity of the applicants and the value of the relevant property. Loans are generally required to be repaid in equated monthly installments ("**EMI**") over an agreed period. The size of the EMI depends on the size of loan, interest rate, tenure of loan and fixed obligation of the customer. The tenure of our loans can be up to 20 years and may vary according to the purpose of the loan, the customer's age and the customer segment.

Credit Evaluation, Disbursement and Collections

We have adopted an end-to-end in-house approach to key aspects of our lending operations including customer acquisition, underwriting, collateral valuation, legal assessment, and collections. This allows us to maintain direct customer contact, minimize turnaround times, and mitigate the risk of fraudulent activities.

To effectively cater to the requirements of the low and middle-income segment, we have developed a data centric iterative underwriting process. This process involves specialized teams responsible for credit evaluation, technical assessment, legal verification, and document authentication. Our BRE ensures real-time compliance with our credit policy, promptly identifying any exceptions and facilitating expedited loan approvals at the branch level. We have also established a dedicated centralized team that serves as a secondary layer of underwriting. This team conducts preventive checks, including on customer profiles, authenticity of underwriting documents, and checks on the digital presence of our customers. By conducting our operations in-house, we are able to maintain direct control over our underwriting processes, ensuring efficiency and reliability.

We have established an in-house team of over 300 collection officers stationed across our branches, as of September 30, 2023. To optimize our collection efforts, our data team utilizes internal scorecards that guide our strategies and resource allocation, resulting in enhanced efficiencies. Our dedicated collection app enables us to effectively allocate customer data and streamline the collection process. Furthermore, we also ensure that at the time of disbursement our customers are registered with the National Automated Clearing House (NACH) system.

Capital Adequacy Ratios

The RBI Master Directions require us to comply with a capital to risk (weighted) assets ratio, or capital adequacy ratio ("**CRAR**"), consisting of Tier I and Tier II capital, which has been revised over time, and collectively shall not be less than 15.00% of our risk-weighted assets and the risk adjusted value of off-balance sheet items on or before March 31, 2022, and thereafter. At a minimum, our Tier I capital, at any point in time, cannot be less than 10.00% of risk weighted assets. Further, we are required to ensure that the total Tier II capital at any point in time, should not exceed 100.00% of Tier – I capital. Set forth below are the details of our CRAR as of September 30, 2023 and September 30, 2022, and March 31, 2023, 2022 and 2021, and our Tier I and Tier II capital as a percentage of risk weighted assets as of that date:

Particulars	As of				
	September 30, 2023	September 30, 2022	March 31, 2023	March 31, 2022	March 31, 2021
	(in ₹ million, except percentages)				
Tier I Capital	12,605.68	10,552.40	11,456.84	10,039.22	9,047.12
Tier II Capital	209.57	78.52	161.30	94.83	89.68
Total Capital	12,815.25	10,630.92	11,618.14	10,134.05	9,136.80
Risk Weighted Assets	26,331.93	21,622.14	22,061.28	18,136.31	12,777.00
Capital Adequacy Ratio (%)	48.7	49.2	52.7	55.9	71.5
Tier I Capital (%)	47.9	48.9	51.9	55.4	70.8
Tier II Capital (%)	0.8	0.4	0.7	0.5	0.7

Risk Management

Our risk governance framework is driven by our Board and its subcommittees including the Audit Committee, the Asset Liability Management Committee and the Risk Management Committee. Our risk management approach is designed to keep us informed and maintain acceptable risk levels while striving for an optimal balance of return on the risks we undertake. We have established an internal controls system to support our risk governance framework. This includes review of internal controls, risk management measures and accounting procedures by our internal auditors to identify and provide recommendations to address potential risk areas. Further, our governance framework includes our enterprise risk management committee, wilful defaulter committee, and customer grievance redressal committee. Our Board formulates our credit and risk management policies wherein all material risks faced by our Company are identified and assessed, pursuant to which, a policy framework to ensure efficient management of our asset and liability profile is determined. With an intent to implement a consistent and economical approach to identify, evaluate, respond and mitigate key risks that may impact our business and in order to minimize the frequency and impact of risks, we have adopted a risk management policy. It aims to establish methodologies for identification, measurement and management of risks, build profitable and sustainable business with a conservative risk management approach, and formulate a framework to manage risks proactively, among others.

Our risk management strategy involves identification of relevant strategies or tools to effectively mitigate possible risk events. Based on our pre-determined risk tolerance level we formulate our risk management strategy. It broadly entails options for risk mitigation for each identified risk. These risk mitigation strategies include risk avoidance by not performing an activity that could carry excessive risk, risk transfer and hedging, risk reduction by employing methods and solutions that reduce the severity of our losses, and risk retention by accepting the loss when it occurs which acts as a viable strategy for small risks where the cost of insuring against the risk would be greater over time than the total losses sustained. As part of our risk management strategy, we may enter into derivative transactions to hedge identified exposures like interest rate risk or currency risk. Furthermore, for each product type or identified risk, prior approval of our asset liability management committee ("**ALCO**") is mandatory. ALCO ensures that periodic review of such transactions is undertaken on a quarterly basis with transactions subject to annual audit review.

Risk communication, reporting and monitoring, are critical aspects to our risk management framework. As part of our risk management framework, we develop risk thresholds for monitoring key risks such as credit risk, operational risk and market risk, along with our business performance.

Set forth below are details of primary risks faced by our Company and the mitigation measures deployed by us to address these risks:

Risk	*Mitigation Measures*
Credit Risk: The deterioration of our asset quality due to uncertainty regarding our customers' ability to repay the loans.	We have established a credit risk framework to evaluate and assess our customers' credit history, demographical trends and income profile, along with a stringent credit sanction process and post disbursement monitoring measures.
Operational Risk: The risk of loss arising from inadequate or failed internal processes, people and systems.	Operational risk involves breakdown in internal controls and corporate governance leading to error, fraud, performance failure, and financial losses. Therefore, and extensive and comprehensive corporate governance structure serves as an effective risk management tool. We strive to promote a shared understanding of operational risk within our Company, especially since operational risk is also related to market risk and credit risk.
Market Risk: An increase in the value of our liabilities or devaluation of our assets.	Our exposure to market risk is the risk to our earnings and capital due to changes in the market level of interest rates or prices of securities, foreign exchange and equities, as well as price volatility. Market risk comprises of liquidity risk, interest rate risk and foreign exchange risk.
Liquidity Risk: Inadequacy of cash assets.	We have formulated an asset liability management policy to ensure adequate cashflow. Further, we have availed credit facilities to address liquidity concerns.
Interest Rate Risk: Risk from the inability to transmit the changes to the borrowers when the same has been received from the lenders.	Interest rate risk management and reporting helps identify potential risks to earnings and capital resulting from adverse fluctuations in market interest rates.
Foreign Exchange Risk: Risk that exists when a financial transaction is denominated in a currency other than the domestic currency of our Company.	We manage our foreign currency risk exposure by implementing hedging strategies. This ensures that our exposure to fluctuations in foreign currency exchange rates is fully mitigated.
Reputational Risk: Unexpected and indirect decline in our reputation due to unfavourable public perception.	Our corporate governance and compliance structure ensures efficient supervision of our operations to avoid reputational risks.
Technological Risk: Risks arising from loss of data, system failures, cyber-attacks and reliance on third-party service providers.	Our information technology governance framework assists in formulating policies to mitigate technological risks.
Legal Risk: Non-compliance with the applicable regulatory framework.	Our corporate governance and compliance structure establishes an effective system for overseeing and ensuring adherence to regulatory requirements. Through this framework, we maintain efficient supervision of our compliance activities. Material matters pertaining to compliance are deliberated and addressed in the meetings of our risk management committee. This structure enables us to effectively manage and mitigate risks associated with regulatory compliance.

Set forth below are the details of our stage 3 loans and the corresponding impairment loss allowance as of September 30, 2023 and September 30, 2022, and March 31, 2023, 2022 and 2021:

Particulars	**As of and for the six months ended September 30, 2023**	**As of and for the six months ended September 30, 2022**	**As of and for the year ended**		
			March 31, 2023	**March 31, 2022**	**March 31, 2021**
	(in ₹ million, except percentages)				
Stage 3 assets (gross)(1) (8)	439.27	880.96	418.96	570.39	391.67
Stage 3 assets (%)(2) (8)	1.00	2.79	1.13	2.12	1.92
Impairment loss allowance for stage 3 assets(3)	126.25	207.67	108.88	145.27	115.98
Provision coverage ratio (%)(4)	28.7	23.6	26.0	25.5	29.6
Stage 3 assets (net)(5)	313.02	673.29	310.08	425.12	275.69
Net carrying assets(6)	43,325.73	31,139.51	36,681.42	26,598.00	20,098.54
Stage 3 assets (net) to net carrying amount (%)(7)	0.72	2.16	0.85	1.60	1.37

(1) *Stage 3 Assets (Gross) represents gross carrying amount pertaining to loans which are non-performing assets as per the Income Recognition, Asset Classification and Provisioning Norms issued and modified by RBI from time to time as appearing in Note 6 of the Restated Consolidated Financial Information.*

(2) *Stage 3 Assets (%) represents the stage 3 assets to the gross carrying amount as of the last day of the relevant period/year, represented as a percentage.*

(3) *Impairment loss allowance for stage 3 assets represents impairment loss allowance only for stage 3 assets as of the last day of the relevant period/year as appearing in Note 6 of the Restated Consolidated Financial Information .*

(4) *Provision coverage ratio represents impairment loss allowance for stage 3 assets as a percentage of total stage 3 assets (gross) as of the last day of such period/year.*

(5) *Stage 3 assets (net) represent stage 3 assets (gross) less impairment loss allowance for stage 3 assets as of the last day of the relevant period/year.*

(6) *Net carrying assets represents aggregate of loan – principal outstanding, interest overdue and interest accrued but not due from borrowers pertaining to loans held in our books as on the last day of the relevant period/year reduced by impairment loss allowance.*

(7) *Stage 3 assets (net) to net carrying amount represents stage 3 assets (net) as of the last day of the relevant period/year upon net carrying assets as of the last day of such period/year, represented as a percentage.*

(8) *Gross carrying amount – loans represents aggregate of loan – principal outstanding, interest overdue and interest accrued but not due from borrowers pertaining to loans held in our books as on the last day of the relevant period/year.*

Set forth below are details of our asset-liability gap position as of September 30, 2023:

Particulars	As of September 30, 2023			
	Outflow[(1)]	Inflow[(2)]	Gap	Cumulative GAP
	(in ₹ million)			
Up to 1 year	8,434.20	9,943.27	1,509.07	1,509.07
1 to 3 years	12,841.97	13,336.51	494.53	2,003.60
3 to 5 years	9,228.56	9,627.78	399.22	2,402.82
5 to 7 years	1,790.74	6,843.98	5,053.24	7,456.06
7 to 10 years	981.24	6,044.13	5,062.89	12,518.95
Over 10 years	407.28	1,258.29	851.01	13,369.96
Total	33,684.00	47,053.96	13,369.96	-

(1) *Liabilities represent all financial liabilities containing trade payables, debt securities, borrowings (other than debt securities), lease liabilities and other financial liabilities as per Restated Consolidated Financial Information.*

(2) *Assets represents all financial assets containing cash and cash equivalents, bank balance (other than cash and cash equivalents), derivative financial instruments, loans, investments and other financial asset as per Restated Consolidated Financial Information.*

Information Technology

Technology is an integral part of our operations and all of our major information technology services run on a SaaS model, with information being stored and safeguarded by a multi-layer security suite with web application firewall, EDGE services and Next-Gen firewall. Salesforce is now integrated with our downstream and upstream applications, including mobile applications, business rule engine, predictive dialer and loan management system. As a part of our technology framework, our customized systems and tools enhance convenience for our customers and increase operational efficiency. We have implemented a paperless approach to customer acquisition and onboarding, with tailored mobile solutions that cater to different stages of the lending process. For example, our iSales application integrates, streamlines and optimizes our customer acquisition process whereas our IndiaShelter iCredit platform supports our underwriting process. For collateral evaluation, we have developed our IndiaShelter iTech application and to ensure customer satisfaction, we have introduced IndiaShelter iServe, our dedicated customer service application designed to promptly address concerns and queries from our customers. We have also built an extensive database with over 100 historical data points on collaterals and customer behaviour for underwriting and internal risk scoring of our customers.

We have an integrated customer relationship management and loan management system set up on a cloud-based customer relationship platform that provides us with a holistic view of all our customers. We conduct digital loan management through Finnone Neo which covers modules required for handling such as loan operations, loan servicing, income recognition and asset classification, customer accounting and assists us in regulatory reporting.

Further, we have adopted the usage of Microsoft D365 - Finance, an enterprise resource planning software to handle the functional requirements of our enterprise accounting processes. This system has further been used to streamline our vendor management process to increase efficiency and user experience of our partners.

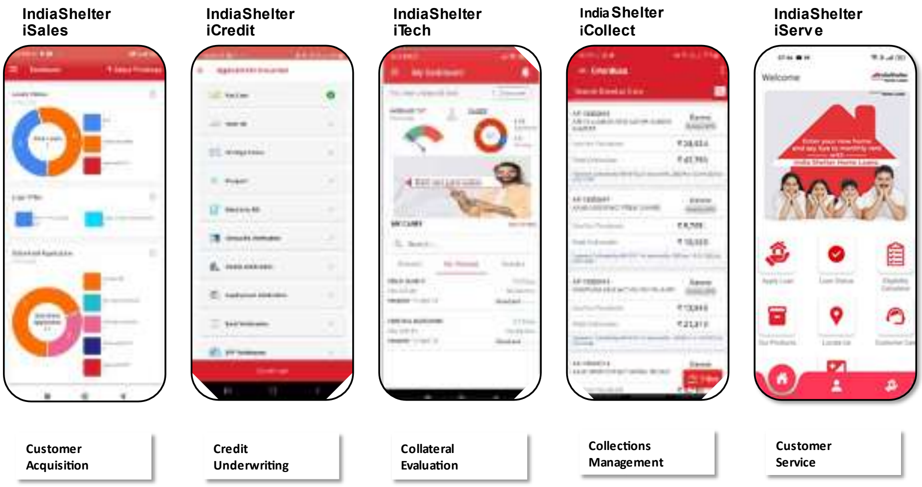
To provide centralized administration, authorization and authentication of network and system resources, we use Azure Active Directory, Microsoft Single Sign On and multi factor authentication. We have also deployed XDR Solution, an extended detection and response system for threat detection using artificial intelligence.

The chart below sets out a brief summary of our information technology landscape:

Our Applications and Platforms

- Our iSales mobile application is used by our sales employees who utilize the application for processing new loan applications and onboarding customers. This application has in-built online verification steps including PAN verification check and account aggregator-based bank statement analysis. Other functionalities include supporting document image capture with global positioning system ("**GPS**") watermarking, one-time password based customer consent, online fee collection. This application is connected on real-time basis with our loan origination system for instant submission of applications.

- Our iCredit mobile application augments the credit assessment process by facilitating a customer personal discussion-based income assessment and online 'know your customer' checks including voter identity verification check and driving licence verification check. This application is used by our credit department employees at the customer premises. The report from this application is submitted in real time to underwriters in the back office for further assessment.



- Our iTech mobile application is used by our employees and empanelled vendors for collateral valuation at property location. The application assists in generating a detailed property valuation report along with GPS coordinates of property. This application is integrated with our customer acquisition cum loan origination system.

- Our iCollect application is used by our employees of collection department for collecting equated monthly instalments ("**EMIs**") and other dues from delinquent customers. By usage of this application, our collection agents and customers can mutually agree upon next possible payment date or collect the money either through electronic payment gateway or in cash. This application updates the outstanding balance of the customer in the core system on a real-time basis.

- Our iServe mobile application is used by our existing customers for enquiries in relation their loan status, pending dues, payment of EMIs, and to raise service requests including in relation to interest certificates and account statements. This application supports multiple vernacular languages.

Corporate Social Responsibility and ESG Initiatives

We believe in creating meaningful change by bringing together our employees and communities to create a positive impact on the society. We seek to empower communities through targeted interventions in areas such as healthcare, education, women empowerment, and societal welfare. We work towards long-term solutions that have a lasting and positive impact on the communities that we serve, and have adopted a corporate social responsibility ("**CSR**") policy to achieve these goals. Set forth below are the details of some of our CSR initiatives:

- *India Shelter Nakshatra – Our Educational Initiative*: Our mission is to support educational opportunities. To enhance enrolment, retention and attendance of students, and increase their access to nutritional food, we have partnered with The Akshaya Patra Foundation to organise a midday meals program focused on addressing hunger, food insecurity and malnutrition. During the six months ended September 30, 2023 and the Financial Year 2023, we contributed ₹2.50 million and ₹3.00 million, respectively, under our educational initiatives.

- *India Shelter Nav Jeevan – Our Healthcare Initiative*: Through this initiative, we support leukaemia-affected women and girls. This includes early detection by creating awareness and providing financial support to leukaemia patients. We have partnered with the Bansi Vidya Memorial Trust to support leukaemia-affected children and have also partnered with the Impact Guru Foundation to uplift underprivileged segments of the society with better healthcare facilities and livelihood opportunities. During the six months ended September 30, 2023 and the Financial Year 2023, we contributed ₹4.06 million and ₹8.83 million, respectively, under our healthcare initiatives.

- *India Shelter Nayi Umeed – Our Women Empowerment Initiative*: India Shelter *Nayi Umeed* is aimed towards skill development of underprivileged women. We have partnered with the Mahesh Foundation to construct of new skill centres for girls and women. This initiative aims to bridge the skill gap in the Indian power sector and allied industries while providing youth with employable skills. The partnership aims to uplift women by equipping them with employable skills addressing the skills gap and promoting lifelong learning. During the Financial Year 2023, we contributed ₹4.07 million under this initiative.

Additionally, we contributed ₹3.55 million in various other initiatives under our CSR policy. The table below sets forth our CSR expenses incurred during the six months ended September 30, 2023 and September 30, 2022, and the Financial Years 2023, 2022 and 2021:

Particulars	For the Six months ended September 30, 2023	Six months ended September 30, 2022	Financial Year 2023	Financial Year 2022	Financial Year 2021
	(in ₹ million)				
CSR expenses	16.00	11.50	23.00	14.65	9.00

Furthermore, our ESG framework involves integrating sustainability principles in our operations and includes a comprehensive policy and governance mechanism followed by a robust implementation process, along with a comprehensive review and reporting structure.

Our environment initiatives include dedicated efforts towards energy efficiency and waste and e-waste management. We have also digitized the lending process to reduce the usage of paper, and have actively worked towards reduction of waste, incentivizing sustainable practices such as provision of CSR leaves and discounts to employees on purchase of e-vehicles. Our social initiatives are driven by financial inclusion, community engagement and customer protection. We promote financial inclusion and women empowerment by ensuring that a majority of our loans have women as the primary applicant. Our governance initiatives include measures such as board diversity and independence, strict adherence to ethics and integrity, and risk management practices.

Our identified impact areas of ESG initiatives include efforts towards skill development of women, women's health and environment sustainability. We recognize our responsibility towards stakeholders and aim to contribute towards sustainable goals. We aim to achieve this by offering financing options for green housing and supporting environment friendly initiatives in the housing sector. Additionally, we actively seek opportunities to engage in responsible lending practices that align with sustainable objectives. We also aim to lower operational expenses while maintaining our brand equity.

Credit Ratings

Our current credit ratings are set forth below:

Rating Agency	Instrument	Credit Ratings as of				
		September 30, 2023	September 30, 2022	March 31, 2023	March 31, 2022	March 31, 2021
ICRA Limited	Non-convertible Debentures	A+ (Stable)	A+ (Stable)	A+ (Stable)	A (Stable)	A (Stable)
	Long term borrowings	A+ (Stable)	A+ (Stable)	A+ (Stable)	A (Stable)	A (Stable)
Care Ratings	Long term borrowings	A+ (Positive)	A+ (Stable)	A+ (Stable)	A (Positive)	A (Stable)

Competition

The housing finance industry in India is highly competitive and we face competition from other HFCs, NBFCs, small finance banks, as well as scheduled commercial banks. We generally compete on the basis of the range of product offerings, interest rates, fees and customer service, as well as for skilled employees, with our competitors. Our primary competitors include Aadhar Housing Finance Limited, Aavas Financiers Limited, Home First Finance Company India Limited and Aptus Value Housing Finance India Limited.

Intellectual Property

We have one trademark registered in India namely for our registered logo “”, under class 36, granted by the Registrar of Trademarks under the Trademarks Act and a registered copyright for “India Shelter Jingle” as musical work granted by the Registrar of Copyrights under the Copyrights Act, 1957. Additionally, our Company has filed an application dated July 18, 2023, for registration of the trademark “ ” under class 36 before the Registry of Trade Marks, Delhi. For details, see “***Government and Other Approvals –Intellectual Property Registrations***” on page 442.

Insurance

We believe that our insurance coverage is of the type and in the amounts commensurate with the nature and scope of our operations. Our principal types of coverage policies include insurance for fixed asset insurance, directors and officers liability insurance, money insurance, group health insurance, personal accident insurance, group term life insurance.

Set forth below are the details of our insurance coverage and percentage of total assets covered by insurance during the six months ended September 30, 2023 and September 30, 2022, and the Financial Years 2023, 2022 and 2021:

Particulars	For the				
	Six months ended September 30, 2023	Six months ended September 30, 2022	Financial Year 2023	Financial Year 2022	Financial Year 2021
	(in ₹ million)				
Insurance coverage	124.94	96.54	114.73	82.83	49.40
% of total assets covered by insurance	0.3	0.3	0.3	0.3	0.2

See also “***Risk Factors – Our insurance coverage may not be sufficient or may not adequately protect us against all material hazards, which may adversely affect our business, results of operations and financial condition***” on page 65.

Employees

As of September 30, 2023, we had 2,997 employees. The following table sets forth the function wise split of our employees as of September 30, 2023:

Function	Branch	Region/Zone	Head Office	Total
Sales	1,620	70	2	1,692
Credit	183	48	7	238
Operations	241	37	-	278
Technical	115	25	3	143
Legal	-	32	1	33
Collection and Recovery	329	36	12	377

Function	Branch	Region/Zone	Head Office	Total
Digital Business and Marketing	-	-	43	43
Centralized Operation	-	-	34	34
Hindsight and Fraud Control Unit	-	-	26	26
Call Centre	-	-	20	20
Head Office				
Management Team	-	-	9	9
Information Technology	-	-	33	33
Human Resource & Admin	-	-	20	20
Accounts & Finance	-	-	30	30
Internal Audit	-	-	14	14
Risk	-	-	2	2
Secretarial	-	-	5	5
Total	2,488	248	261	2,997

During the six months ended September 30, 2023 and the Financial Years 2023, 2022 and 2021, we did not have any attrition in our Key Managerial Personnel. See also "***Risk Factors – We are dependent on a number of Key Managerial Personnel and our Senior Management, and the loss of, or our inability to attract or retain such persons could adversely affect our business, results of operations and financial condition***" on page 58. Also see, "***Our Management – Changes in Key Managerial Personnel or Senior Management during the last three years***" on page 303.

Awards and Accolades

During the six months ended September 30, 2023 and the Financial Years 2023, 2022 and 2021, we have received the following awards and accolades:

Calendar Year	Awards, accreditations and recognition
2023	'Rising Star – Housing Finance Company of the Year' at 4th Annual BFSI Excellence Awards 2023 by Quantic
	'Best CSR Project of the Year' award at the 8th edition of Corporate Social Responsibility Summit and Awards, 2023 organized by UBS Forums
	'Runner up under class of Mid Layer NBFCs and Category of Best Risk and Cyber Security Initiatives' at 18th Annual Summit and Awards on Banking and Financial Sector Lending Companies organized by the Associated Chambers of Commerce and Industry of India
	'Jury's choice' award in the 'Excellency in Technology Implementation' category at the NBFC 100 Leader of Excellence Awards organized by Elets Technomedia Private Limited
	'Best Brand Building Campaign' award in 'Housing Finance Company' category at the 2nd Annual NBFC and FinTech Excellence Awards, 2023, organized by Quantic Business Media Private Limited
	Winner for Technical App at the Finnoviti awards by Banking Frontiers
	Recognised amongst the Top 50 India's Best Workplaces in the 'BFSI' category by the Great Place to Work Institute, India
	'Best Customer Centric IT Implementation of the Year' award at the NBFC and Fintech Conclave and Awards organized by Be To Be Infomedia Private Limited
	'Best House Financier of the Year' at the NBFC and Fintech Conclave and Awards organized by Be To Be Infomedia Private Limited
	'Best SDG Impact' award at the ESG World Summit and Grit Awards organized by Corpstage Pte Limited
2022	Best Sustainable Finance in the Special Awards category at the ESG World Summit and Grit Awards

Calendar Year	Awards, accreditations and recognition
	Certified as a Great Workplace by the Great Place to Work Institute, India
2020	'Housing Finance Company Lending for Affordable Housing' category winner at Inclusive Finance India Awards organized by Access-Assist

For further details, see "***History and Certain Corporate Matters – Key awards, accreditations and recognition***" on page 275.

Properties

Our Registered Office is located at 6th floor, Plot No. 15, Sector 44, Institutional Area, Gurugram 122 002, Haryana, India and our Corporate Office is located at 3rd floor, Upper Ground Floor and Lower Ground Floor, Plot No. 15, Institutional Area, Sector 44, Gurugram 122002, Haryana, India. Our Registered Office and Corporate Office, along with all of our branches, are on leased premises.

KEY REGULATIONS AND POLICIES

*Given below is a summary of certain sector specific laws and regulations in India, which are applicable to our Company. The information detailed in this section has been obtained from various statutes, regulations and/or local legislations and the bye laws of relevant authorities that are available in the public domain. This description may not be exhaustive and is only intended to provide general information to investors, and is neither designed, nor intended as a 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 are subject to change or modification by subsequent legislative, regulation. For details regarding the registrations and approvals obtained by our Company under applicable laws and regulations see, "**Government and other Approvals**" on page 440.*

Registration as a housing finance company and generally applicable regulations

Our Company, being a housing finance company ("**HFC**") registered with the National Housing Bank ("**NHB**"), is a housing finance institution without accepting public deposits and is primarily engaged in the business of providing loans and advances for housing activities. For details in relation to our registration obtained from the NHB, see "***Government and other Approvals***" on page 440.

The NHB was set up pursuant to the National Housing Bank Act, 1987 ("**NHB Act**"), as the principal agency to promote housing finance institutions and to provide financial and other support to such institutions. In terms of the NHB Act, the NHB may transact, *inter alia*, any or all of the following kinds of business: (i) promotion and establishment, or aiding the promotion and establishment of housing finance institutions; (ii) making of loans and advances or rendering any other form of financial assistance for housing activities to such entities as specified under the NHB Act; (iii) drawing, accepting, discounting or rediscounting, buying or selling and dealing in bills of exchange, promissory notes, bonds, debentures, coupons and other instruments by whatever name called; and (iv) formulating one or more schemes for the mobilisation of resources and extension of credit for housing. In line with these objectives and in terms of the NHB Act, the NHB issued the Master Circular – The Housing Finance Companies – NHB Directions, 2010 ("**NHB Directions**"), which amongst others, set out matters relating to acceptance of deposits by HFCs, prudential norms for income recognition, accounting standards, provision for bad and doubtful assets, capital adequacy, and concentration of credit or investments to be observed by the HFCs and matters ancillary and incidental thereto.

Pursuant to the Finance (No. 2) Act, 2019, the NHB Act was amended to transfer the regulating authority for the housing finance sector from NHB to the Reserve Bank of India ("**RBI**"). Accordingly, amongst others, (i) HFCs are required to apply to the RBI for registration under the NHB Act, in place of the NHB; and (ii) the RBI has been conferred the power (a) to determine the percentage of assets to be maintained in terms of its investments and purpose for appropriation of reserve fund; and (b) to regulate, by specifying conditions or prohibit the issue by any HFC of any prospectus or advertisement soliciting deposits of money from the public. However, certain powers remain with the NHB such as the power to conduct inspections and request for documents from the HFCs.

Further, pursuant to the amendments to the Master Direction – Exemptions from the provisions of RBI Act, 1934 dated August 25, 2016 (last amended on April 1, 2022), sections 45-IA, 45-IB and 45-IC of the RBI Act ("**RBI Act**"), which deal with requirement of registration and net owned fund, maintenance of percentage assets, and the setting up and maintenance of a reserve fund were no longer applicable to HFCs.

The RBI issued a regulatory framework for HFCs by way of its circular dated October 22, 2020 ("**HFC Framework**"). Pursuant to the HFC Framework, the RBI, amongst others, (a) exempted HFCs from the applicability of section 45-IB and 45-IC of the RBI Act; (b) increased the minimum net owned fund requirement for HFCs from ₹100 million to ₹ 200 million; and (c) extended applicability of regulations applicable on NBFCs to HFCs pertaining to monitoring of frauds, information technology framework and implementation of Indian Accounting Standards for impairment allowances and regulatory capital. Further, pursuant to the HFC Framework, the Master Direction – Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 ("**NBFC-ND-SI Master Directions**") were made applicable on various aspects including loan against security of shares and gold jewellery, securitisation transactions, managing risk and code of conduct in outsourcing, liquidity risk management framework and liquidity coverage ratio.

On February 17, 2021, RBI issued the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 ("**RBI Master Directions**") in supersession of, *inter alia*, the NHB Directions and the HFC Framework. The RBI Master Directions apply to every HFC registered under the NHB Act.

Accordingly, activities of HFCs, are primarily regulated by the RBI and the NHB, including various aspects of our business such as the definitions of housing finance and housing finance company, net owned fund requirement, capital adequacy, sourcing of funds, on-boarding of customers, credit approval and risk management and asset classification and provisioning. Certain other generally applicable legislations as set out below also regulate other aspects of our business such as recovery of debt and taxation.

Definition of housing finance and housing finance company

In terms of the RBI Master Directions, the RBI has established a revised criteria for defining 'housing finance companies' and has also introduced a definition of 'housing finance'. While under the NHB Directions, the term 'housing finance company' was defined as a company which primarily transacts or has as one of its principal objects, the transacting of the business of providing finance for housing, whether directly or indirectly, the RBI Master Directions defines 'housing finance company' as a company incorporated under the Companies Act, 2013 ("**Companies Act**") and which is (a) an NBFC whose financial assets, in the business of providing finance for housing, constitute at least 60% of its total assets (netted off by intangible assets) and; (b) out of the total assets (netted off by intangible assets), not less than 50% should be by way of housing finance for individuals. The company will be treated as an NBFC if its financial assets are more than 50 per cent of its total assets (netted off by intangible assets) and income from financial assets should be more than 50 per cent of the gross income.

The RBI Master Directions further prescribes a phased process for compliance with the above requirements for HFCs which were not compliant as on the date of the initial notification, as outlined below:

Timeline	Minimum percentage of total assets towards housing finance	Minimum percentage of total assets towards housing finance for individuals
March 31, 2022	50%	40%
March 31, 2023	55%	45%
March 31, 2024	60%	50%

In terms of the RBI Master Directions, 'housing finance' has been defined as financing for purchase, construction, reconstruction, renovation, or repairs of residential dwelling units including, *inter alia*, loans for purchase of new and old dwelling units, loans to individuals and builders for construction of residential dwelling units and loans for purchase of dwelling units by mortgaging existing dwelling units, loans to individuals for purchase of plots for construction of residential dwelling units, loans to individuals for renovation/reconstruction of existing dwelling unit.

Net owned fund

In terms of the RBI Master Directions, HFCs are required to maintain a minimum net owned fund of ₹ 200 million to commence with the business of housing finance or continue as an HFC.

Capital adequacy

As per the RBI Master Directions, HFCs are required to maintain a minimum capital ratio on an ongoing basis, consisting of tier I and tier II capital of not less than 13%, on or before March 31, 2020, 14% on or before March 31, 2021 and 15% on or before March 31, 2022 and thereafter, of its aggregate risk weighted assets and of risk adjusted value of off-balance sheet items. At a minimum, tier I capital of HFCs cannot be less than 10%. Further, the total tier II capital at any point of time, should not exceed 100% of tier I capital.

Source of funds

HFCs can generally raise funds though borrowing or by raising equity. The sourcing of funds by HFCs are subject to regulation primarily by the RBI. The limits on borrowings by HFCs are governed by the RBI Master Directions which currently restrict HFCs from borrowing in excess of 14 times their net owned funds on or after March 31, 2020 and after which this limit shall be further reduced to 13 times of their net owned funds on or after March 31, 2021 and subsequently to 12 times of their net owned funds on or after March 31, 2022. Further, as conditions for issue of non-convertible debentures, the RBI Master Directions require HFCs to have in place a board approved policy for resource planning which, inter alia, should cover the planning horizon and the periodicity of private placement of non-convertible debentures, and the offer document for private placement should be issued within a maximum period of 6 months from the date of the board resolution authorising the issue.

Term Loans

In terms of the Master Circular–Housing Finance dated April 3, 2023 (which consolidated all the previous circulars) issued by the RBI, banks are permitted to grant term loans to HFCs taking into account (long-term) debt-equity ratio, track record, recovery performance and other relevant factors including the other applicable regulatory guidelines.

*Master Directions – Reserve Bank of India (Priority Sector Lending) – (Targets and Classifications) Directions, 2020 dated September 4, 2020 ("**PSL Master Directions**")*

The priority sector lending guidelines were enacted with a view to govern priority sector advances and loans granted by commercial banks including regional rural banks, small finance banks, local area banks and primary urban co-operative banks, other than salary earners' banks, licensed to operate in India. The PSL Master Directions govern priority sector advances and loans granted by banks (excluding regional rural banks, small finance banks and local area banks) to HFCs (approved by NHB for the purpose of refinance), for on-lending for purchase, construction or reconstruction of individual dwelling units or for slum clearance and rehabilitation of slum dwellers, subject to an aggregate loan limit of ₹2 million per borrower. The eligibility under the PSL Master Directions to HFCs for on-lending is restricted to 5% of the individual bank's total PSL. The average maturity of such priority sector assets created by the eligible intermediaries should be co -terminus with the maturity of the bank loan.

*RBI circular on Co-lending by Banks and non-banking financial companies ("**NBFCs**") to Priority Sector dated November 5, 2020*

The RBI introduced the co-lending model to increase the affordability and outreach of capital to underserviced sections of the economy. By entering co-lending arrangements, banks and NBFC can combine the relative advantages of the two to provide financial services. Banks are permitted to co-lend with registered NBFCs, not forming part of their promoter group, (including HFCs) based on a prior agreement. The co-lending banks will take their share of the individual loans on a back-to-back basis in their books. However, NBFCs are required to retain minimum 20% share of the individual loans on their books. The bank and the NBFCs will have to maintain their own individual customer accounts but there is a requirement for the funds to be disbursed via an escrow account maintained with the bank. The liability for the representations and warranties found in the master agreement will be ascribed to the originating NBFCs. The co-lenders will be mutually required to set up a framework for loan monitoring and recovery, put in place a suitable arrangement for grievance redressal, arrange for the creation of security and charge and include loans under the co-lending mechanism in the scope of their internal/statutory audit to ensure compliance with their respective internal guidelines.

Scale Based Regulation

The RBI in January 2021 had proposed a tighter regulatory framework for NBFCs by creating a four-tier structure with a progressive increase in intensity of regulation in a discussion paper titled 'Revised Regulatory Framework for NBFCs - A Scale-based Approach'. Based on the inputs received, in October 2021, RBI put in place a revised regulatory framework for NBFCs, which is effective since October 2022 ("**Scale Based Regulations**"). In the framework for Scale Based Regulation for NBFCs, the RBI has said the regulatory and supervisory framework of NBFCs should be based on a four-layered structure based on their size, activity, and perceived riskiness: Base Layer, Middle Layer, Upper Layer and Top Layer. NBFCs in lower layer will be known as NBFC Base Layer ("**NBFC-BL**"). NBFCs in middle layer will be known as NBFC-Middle Layer ("**NBFC-ML**"). An NBFC in the Upper Layer will be known as NBFC-Upper Layer ("**NBFC-UL**"). There is also a top layer, ideally supposed to be empty which can get populated if the Reserve Bank of India is of the opinion that there is a substantial increase in the potential systemic risk from specific NBFC-Upper Layer. The Scale Based Regulations also prescribes specific regulatory changes for each of the different layers in the regulatory structure, that is, capital guidelines, prudential guidelines, governance guidelines and the transition path.

NHB Refinance

NHB offers refinance assistance to primary lending institutions ("**PLIs**") in respect of their housing loans to individuals, and also for their loans to other institutions for housing finance and construction finance for affordable housing. HFCs registered with the NHB, being a PLI, are eligible to obtain refinance from the NHB in respect of their direct lending for up to 50% of the individual housing loan portfolio of the PLI. The NHB provides such refinance assistance in terms of its various refinance schemes such as the regular refinance scheme, special urban housing refinance scheme for low-income households and the affordable housing fund, each of which set out certain restrictions applicable to loans provided by the HFCs in terms of their loan size, tenure, location of property and the ultimate borrower in some cases. The terms of the re-finance assistance, such as the tenure and interest rate applicable is subject to eligibility of the loans under the respective schemes. For instance, while the regular refinance scheme provides for refinance assistance in respect of housing loans extended by HFCs for, amongst others, construction, and purchase of dwelling units with no restrictions on loan size, location and the ultimate borrowers of such loans, the affordable housing fund includes eligibility conditions based on the annual household income of the borrowers depending on the location of the property being in urban or rural areas, as prescribed thereunder.

Other borrowings

HFCs may also raise funds by way of a public or private issue of non-convertible debentures ("**NCDs**"). Such issue of NCDs is governed by the RBI Master Directions, which amongst others, includes conditions in relation to the credit rating and maturity of such NCDs, maximum number of investors and minimum amount of subscription per investor, and compliance with the SEBI (Issue and Listing of Debt Securities) Regulations, 2008, as amended. The NCDs shall not be issued for maturities of less than 12 months from the date of issue and there shall be a limit of 200 subscribers for every financial year, for issuance of NCDs with a maximum subscription of less than ₹10.00 million, and such subscription shall be fully secured. The minimum subscription per investors shall be ₹ 0.02 million. The total amount of NCDs proposed to be issued shall be completed within a period of 30 days from the date on which the HFC opens the issue for subscription.

External Commercial Borrowings ("**ECB**") are commercial loans raised by eligible resident entities from recognized non-resident entities in terms of the External Commercial Borrowings, Trade Credits and Structured Obligations Master Direction prescribed by the RBI on March 26, 2019 ("**ECB Master Directions**"). While availing of such ECBs, HCFs are required to conform to parameters such as minimum maturity, permitted and non-permitted end-uses, maximum all-in-cost ceiling set out in the ECB Master Directions.

Raising equity

In terms of the RBI Master Directions, HFCs are required to comply with restrictions on, amongst others, changes in shareholding or management of the HFC. Under the RBI Master Directions, the prior written permission of the RBI would be required for any change in shareholding, including progressive increases over time, which would result in acquisition or transfer of shareholding of 26% (10%, in case of acquisition or transfer of shareholding by or to a foreign investor of HFCs accepting or holding public deposits) or more of the paid-up equity capital. No such prior approval would be required in case such change is caused by buyback of shares or reduction in capital, which has been approved by a competent court and subsequently, reported to the NHB not later than one month from the date of its occurrence.

Prior written permission of RBI is also required for any change in the management of the HFC which would result in change in more than 30% of the directors, excluding independent directors, except in cases of directors being re-elected or retiring on rotation. However, HFCs must continue to inform the NHB regarding any change in their directors/ management. Further, a public notice of at least 30 days must be given before effecting the sale of, or transfer of the ownership by sale of shares, or transfer of control, whether with or without sale of shares. Such public notice must be given by the HFCs and also by the other party or jointly by the parties concerned, after obtaining the prior permission of the RBI. The public notice, in the form of a publication in at least one leading national and local vernacular newspaper, must indicate the intention to sell or transfer ownership/ control, the particulars of transferee and the reasons for such sale or transfer of ownership/ control. The requirement of public notice is not applicable in case of any change in shareholding in an HFC accepting or holding public deposits, including progressive increases over time, which would result in acquisitions/transfer of shareholding of 10% or more and less than 26% of the paid-up equity capital of the HFC by or to a foreign investor.

Onboarding of Customers and marketing

Advertising, marketing and sales

The RBI Master Directions also provide for fair practices code ("**FPC**") which replaces the erstwhile Guidelines on Fair Practices Code dated July 1, 2019 issued by the NHB. The FPC requires all communications to the borrower must be in the vernacular language or a language understood by the borrower. For instance, whenever loans are given, HFCs should explain to the customer the repayment process, including the amount, tenure, and periodicity of repayment. Further, HFCs are required to include in the loan application forms all necessary information so that the applicant may make a meaningful comparison with the terms offered by other HFCs, to devise a system of giving acknowledgement for receipt of all loan applications and to communicate in writing the reasons for rejection of the application. HFCs are required to ensure that advertising and promotional material is clear and factual, and that privacy and confidentiality of the customers' personal information is maintained.

The FPC requires the board of directors' of HFCs to lay down the appropriate grievance redressal mechanism within the organization to resolve complaints and grievances and requires every HFC to have a system and a procedure for receiving, registering and disposing of complaints and grievances in each of its offices, including for complaints received online.

Further, though interest rates are not regulated by RBI, rates of interest beyond a certain level may be seen to be excessive and can neither be sustainable nor be conforming to normal financial practice. Therefore, HFCs must lay out appropriate internal principles and procedures in determining interest rates and processing and other charges (including penal interest, if any) and in this regard the directions in the FPC about transparency in respect of terms and conditions of the loans are to be kept in view. Every HFC is required to have its own board approved "Fair Practices Code" (preferably be in vernacular language or a language as understood by the borrower) based on the directions outlined in the FPC and the same is to be put up on their website, for the information of various stakeholders.

*Know-you-customer ("**KYC**") and anti-money laundering ("**AML**")*

In terms of the provisions of the PMLA and the Prevention of Money Laundering (Maintenance of Records) Rules, 2005, HFCs are required to follow certain customer identification procedures while undertaking a transaction either by establishing an account based relationship or otherwise by monitoring their transactions.

As per the RBI Master Directions, applicability of Master Direction – Know Your Customer (KYC) Direction, 2016 ("**KYC Direction**"), as amended was extended to HFCs. The KYC Direction requires an HFC to formulate a Board approved KYC policy which is required to include four key elements (i) customer acceptance policy formulated by a HFC, which includes requirements applicable at the time of opening of the account by the customers and client due diligence requirements; (ii) risk management, which requires risk categorization of customers based on certain parameters such as identity, social/financial status, nature of business activity and information on client's business and their location; (iii) undertake customer identification procedures when, *inter alia*, commencement of an account based relationship, when there is a doubt about the authenticity or adequacy of the customer identification data, when carrying out international money transfer for non-account holder, when or when selling third party products; and (iv) customer due diligence procedures, which involves obtaining certain identification documents (such as PAN, proof of possession of Aadhaar number or any other officially valid document) from the individual when he establishes an account based relationship or when dealing with the individual who is the 'beneficial owner', proprietor or power of attorney holder related to the legal entity.

Credit approval and disbursement

In terms of the RBI Master Directions, no HFC may grant housing loans to individuals of (i) up to ₹ 3 million with LTV ratio exceeding 90%; (ii) of between ₹ 3 million to ₹ 7.50 million with LTV ratio exceeding 80%; and (iii) above ₹ 7.50 million with LTV ratio exceeding 75%. Further, no HFC shall lend to any single borrower an amount exceeding 15% of its owned fund, and to any single group of borrowers, an amount exceeding 25% of its owned fund. The RBI Master Directions also require HFCs to maintain LTV ratio of 50% for loans against security of listed shares and 75% for loans against collateral of gold jewellery. Further, disbursement of housing loans should be strictly linked to completion of various stages of construction. Further, HFCs are required to set up a well-defined mechanism for monitoring the various stages of construction and for ensuring that the consent of the borrower is taken before disbursing the said amount to the builder / developer.

Further, in terms of the PSL Master Directions, issued by the RBI, bank loans to HFCs (approved by NHB for their refinance) for on-lending is permitted, for up to ₹2 million per borrowers, for purchase/construction/ reconstruction of individual dwelling units or for slum clearance and rehabilitation of slum dwellers.

Asset classification, provisioning and income recognition

In terms of the RBI Master Directions, HFCs that are required to implement Ind AS as per the Companies (Indian Accounting Standards) Rules, 2015, and must prepare their financial statements in accordance with Ind AS notified by the MCA and maintain a prudential floor in respect of impairment allowances and follow instructions on regulatory capital. Other HFCs must comply with the requirements of notified AS insofar as they are not inconsistent with any of the directions. For further details, see "***Management's Discussion and Analysis of Financial Conditional and Results of Operations***" on page 397.

Risk Management Framework

Asset liability Management

In terms of the RBI Master Directions, the RBI has made paragraph 15A of the NBFC-SI Master Directions applicable to the HFCs in respect of liquidity risk management. All non-deposit taking HFCs with asset size of ₹100 crore and above and all deposit taking HFCs (irrespective of asset size) must pursue liquidity risk management, which inter alia should cover adherence to gap limits, making use of liquidity risk monitoring tools and adoption of stock approach to liquidity risk. It is the responsibility of the board of each HFC to ensure that the guidelines are adhered to.

Appointment of a Chief Risk Officer

The RBI Master Directions has mandated HFCs with asset size of more than ₹ 50,000 million to appoint a Chief Risk Officer ("**CRO**") with clearly specified role and responsibilities. The CRO shall be a senior official with adequate professional qualification and expertise in the area of risk management. The CRO is required to function independently so as to ensure highest standards of risk management. The CRO shall be involved in the process of identification, measurement and mitigation of risks. All credit products (retail or wholesale) shall be vetted by the CRO from the angle of inherent and control risks. The CRO's role in deciding credit proposals shall be limited to being an advisor.

Corporate Governance

The RBI Master Directions contain provisions on corporate governance which apply to every non-public deposit accepting HFC with assets size of ₹ 500 million and above, as per the last audited balance sheet, and all public deposit accepting / holding HFCs ("**Applicable HFC**"). Applicable HFCs are required to constitute, amongst others, an audit committee, nomination and remuneration committee, an asset liability management committee and a risk management committee. The audit committee must ensure that an information system audit of the internal systems and processes is conducted at least once in two years to assess operational risks faced.

At regular intervals, as may be prescribed, the progress made in putting in place a progressive risk management system and risk management policy and strategy followed by the Applicable HFC must be placed before the board of directors. The Applicable HFCs are also required to adhere to certain other norms in connection with disclosure, transparency and rotation of partners of the statutory audit firm. The Applicable HFCs are also required to frame internal guidelines on corporate governance standards which are also to be put up on their website for information of various stakeholders.

Further, the RBI Master Directions consolidates all extant instructions applicable to HFCs including, among others, provisions relating to maintenance of registers, filing of monthly returns, default of regulatory requirements etc.

Recovery of dues

In the event customers do not adhere to the repayment schedule for loans provided by HFCs, the FPC requires HFCs and its members and staff to follow the defined process provided under the applicable law during collection and security repossession. In the event, the HFC hires recovery agents for this purpose, they are required to comply with guidelines issued by the RBI in this regard by its, which includes requirements such as due diligence while hiring such recovery agents, training of recovery agents and regulating the methods employed by such recovery agents.

The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 ("SARFAESI Act")

The SARFAESI Act, read with the Security Interest Enforcement Rules, 2002, as amended, governs securitization of assets in India. Any securitization or reconstruction company may acquire assets of a bank or financial institution, including HFCs, by either entering into an agreement with such bank or financial institution for transfer of such assets to the company or by issuing a debenture or bond or other security in the nature of debentures, for consideration, as per such terms and conditions as maybe mutually agreed. If a bank or financial institution is a lender in relation to financial assets acquired by the securitization/reconstruction company, such company shall be deemed to be the lender in relation to those financial assets. For HFCs, SARFAESI recovery is allowed for all loans of greater than ₹ 0.10 million.

Further, the SARFAESI Act provides for the enforcement of security interest without the intervention of the courts. Under the provisions of the SARFAESI Act, a secured creditor, such as an HFC, can recover dues from its borrowers by taking any of the measures as provided therein, including (i) taking possession of the secured assets or (ii) taking over the management of the secured assets. Rights, with respect to the enforcement of security interest, under the SARFAESI Act cannot be enforced unless the account of the borrower has been classified as a non performing asset in the books of account of the secured creditor in accordance with the directions or guidelines issued by the RBI or any other applicable regulatory authority, as well as the borrower having subsequently failed to discharge in full his liabilities to the secured creditor within sixty days of being served the written notice. In the event that the secured creditor is unable to recover the entire sum due by exercise of the remedies under the SARFAESI Act in relation to the assets secured, such secured creditor may approach the relevant court for the recovery of the balance amounts. A secured creditor may also simultaneously pursue its remedies under the SARFAESI Act.

Further, in terms of the Master Circular issued by the RBI on (Securitisation of Standard Assets) Direction, 2021, HFCs are permitted to carry out securitization of standard assets and transfer of assets through direct assignment of cash flows and the underlying securities, provided that such HFCs conform to the minimum holding period and minimum retention requirement standards.

*Recovery of Debts due to Banks and Financial Institutions Act, 1993 ("**DRT Act**")*

Under the DRT Act, the procedures for recovery of debt have been prescribed and time frames have been fixed for speedy disposal of cases. The DRT Act prescribes the rules for establishment of DRTs, procedure for making application to Debt Recovery Tribunals ("**DRTs**"), powers of DRTs and modes of recovery of debts determined by DRTs, including attachment and sale of movable and immovable properties of defendants, arrest of defendants, taking possession of property in which security interest is created or any other property of the defendant, defendants' detention in prison and appointment of receivers for management of the movable or immovable properties of defendants. The DRT Act also provides that a bank or public financial institution, such as an HFC, having a claim to recover its debt may join an ongoing proceeding filed by some other bank or public financial institution against its debtor at any stage of the proceedings before the final order is passed by making an application to the DRT.

*Insolvency and Bankruptcy Code, 2016, as amended (the "**IBC**")*

The IBC empowers creditors, whether secured, unsecured, domestic, international, financial or operational, to trigger resolution processes, enables resolution processes to start at the earliest sign of financial distress, provides for a single forum to oversee insolvency and liquidation proceedings, enables a calm period where new proceedings do not derail existing ones, provides for replacement of the existing management during insolvency proceedings while maintaining the enterprise as a going concern, offers a finite time limit within which the debtor's viability can be assessed and prescribes a linear liquidation mechanism.

Miscellaneous

Inspection

In terms of the NHB Act and the RBI Master Directions, the NHB may, or on being directed to do so by the RBI shall, cause an inspection to be made of any HFC for the purpose of verifying the correctness or completeness of any statement, information or particulars furnished to the NHB or for the purpose of obtaining any information or particulars which the HFC has failed to furnish on being called upon to do so.

Reporting

The RBI Master Directions require HFCs to submit financial statements, including consolidated financial statement, if any, along with the auditor's report and report of the board of the directors and all the documents which are required to be attached to such financial statements under the Companies Act, 2013 to the NHB. Further, pursuant to the RBI Master Directions, reporting requirements in relation to monitoring of frauds shall be governed in terms of Master Direction – Monitoring of Frauds in NBFCs (Reserve Bank) Directions, 2016. Additionally, HFCs must also comply with any reporting requirements prescribed by the NHB from time to time.

The NHB pursuant to its circular "Returns to be submitted by Housing Finance Companies (HFCs)" dated December 31, 2021 advised all HFCs to put in place a reporting system for filing various returns with respect to their deposit acceptance, prudential norms compliance, ALM etc. The reporting is required to be made online within the prescribed timeframe through the prescribed portal only and HFCs are to strictly adhere to the timeframe fixed in this circular for submitting returns to the NHB failing which concerned HFCs would be liable for penal action under the provisions of the NHB Act.

Foreign Investments in HFCs

Foreign investment in our Company is governed primarily by the FEMA, the rules made thereunder, read with the Consolidated FDI Policy and the SEBI (Foreign Portfolio Investors) Regulations, 2019. Up to 100% foreign investment under the automatic route is currently permitted in "Other Financial Services", which refers to financial services activities regulated by financial sector regulators, including the NHB, as notified by the Government of India, subject to conditions specified by the concerned regulator (in our case, the NHB and the RBI), if any.

*RBI Guidelines for Appointment of Statutory Central Auditors ("**SCAs**")/ Statutory Auditors ("**SAs**") of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs) dated April 27, 2021 ("**RBI Auditors Guidelines**")*

The RBI Auditors Guidelines are applicable to commercial banks (excluding regional rural banks), urban co-operative banks and NBFCs (including HFCs) in respect of appointment/ reappointment of SCAs/ SAs. While NBFCs, including HFCs, do not have to take prior approval of RBI for appointment of SCAs/ SAs, all NBFCs, including HFCs, need to inform RBI about the appointment of SCAs/ SAs for each year by way of a certificate within one month of such appointment. Further, the RBI Auditors Guidelines provide for, inter alia, the minimum and maximum number of SCAs/ SAs per entity, eligibility criteria for auditors, tenure and rotation, independence of auditors and professional standards of SCAs/ SAs.

*RBI guidelines dated June 24, 2021 on declaration of dividends by NBFCs ("**RBI Dividend Guidelines**")*

The RBI Dividend Guidelines provides for guidelines for declaration of dividend from the profits of the financial year ending March 31, 2022 and onwards for NBFCs. The board of directors of NBFCs shall, while considering the proposals for dividend, take into account the following aspects: (a) supervisory findings of the Reserve Bank

(NHB for HFCs) on divergence in classification and provisioning for non-performing assets, (b) qualifications in the Auditors' Report to the financial statements; and (c) long term growth plans of the NBFC.

Other applicable laws

In addition to the above, we are required to comply with the Companies Act, labour laws, various tax-related legislations, intellectual property related legislations and other applicable laws, in the ordinary course of our day-to-day operations.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was incorporated under the name "Satyaprakash Housing Finance India Limited" on October 26, 1998, as a public limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated October 26, 1998, issued by the Registrar of Companies, Madhya Pradesh at Gwalior. A certificate for commencement of business dated November 18, 1998, was granted to "Satyaprakash Housing Finance India Limited" by the Registrar of Companies, Madhya Pradesh at Gwalior. Further, a certificate of registration dated December 31, 2002, was granted to "Satyaprakash Housing Finance India Limited" by the National Housing Bank ("**NHB**") bearing registration number 02.0034.02 to carry on the business of a housing finance institution without accepting public deposits. Pursuant to the change of the name of our Company from "Satyaprakash Housing Finance India Limited" to "India Shelter Finance Corporation Limited", as approved by our Shareholders pursuant to a special resolution dated May 13, 2010, our Company was issued a fresh certificate of incorporation dated July 8, 2010, by the Registrar of Companies, Madhya Pradesh and Chhattisgarh at Gwalior. A certificate of registration dated September 14, 2010 was granted to our Company by the NHB bearing the registration number 09.0087.10 to carry on the business of a housing finance institution without accepting public deposits. See "***Government and Other Approvals***" beginning on page 440.

Changes in the registered office of our Company

Except as disclosed below, there has been no change in the registered office of our Company since its incorporation:

Date of change	Details of change in the registered office	Reasons for change
April 13, 2011	Registered office was changed from Parishram, Madan Mahal, Nagpur Road, Jabalpur 482 001, Madhya Pradesh to Indo Asia House, Level 3, 56 Institutional Area, Sector 44, Gurugram 122 002, Haryana	Administrative convenience
July 14, 2014	Registered office was changed from Indo Asia House, Level 3, 56 Institutional Area, Sector 44, Gurugram 122 002, Haryana to 6th Floor, Plot No. 15, Sector 44, Institutional Area, Gurugram 122 002, Haryana	Administrative convenience

Main objects of our Company

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

"1. To carry on the Business of Housing Finance by way of providing Finance facilities in the form of short/long term loans to individuals, firms, companies, cooperative societies and other institutions for construction, alteration repairing or for outright purchase/ lease of all types of accommodation including residential houses, flats, duplex, row houses, dwelling units, apartments, housing complex, colonies and also for acquiring land and other real estate properties to be used for housing purposes, under various terms and conditions and rate of interest as company may deem fit with or without security; to acquire the land, to develop and to construct residential and other structures thereon and to dispose off the same on any system of instalments payments basis, hire purchase basis or by outright sale to any individual company, cooperative societies or other institutions. The company shall not do any Banking business as defined under the Banking Regulation Act, 1949.

2. To carry on the finance business in all its branches in respect of vehicles of all kinds, Machinery and equipments of all kinds, shapes and sizes, Electric, Electronic and other Appliances and any other article or articles that *the company may deem fit.*"

The main objects and matters necessary for furtherance of the main objects as contained in our Memorandum of Association, enable our Company to carry on the business presently being carried out.

Amendments to our Memorandum of Association in the last 10 years

Set out below are the amendments to our Memorandum of Association in the 10 years preceding the date of this Prospectus:

Date of Shareholder's resolution/effective date	Particulars
March 10, 2014	Clause III(B) 7. of the Memorandum of Association was amended to replace the existing object with the following: "*7. To enter into any arrangements for sharing profits, union of interest, co-operation, joint ventures, reciprocal concession either in whole or in part with any other company, Government or authorities, central, provincial, Municipal, Local or otherwise, public or quasi-public bodies that are conducive to the company's objects or any of them.*" The following new object was inserted after the existing object at Clause III(B) 31.: "*32. To undertake and transact at any place in India or abroad all kinds of Agency business including Life and General Insurance and to carry on and promote any business, commercial or otherwise, to act as Distributors, Brokers, Agents, Representations and Indenting Agents on commission and / or allowances as may deem fit and to appoint sub-agents, distributors for promoting the main object of the Company.*"
September 29, 2014	Clause III(B) 6. of the Memorandum of Association was amended to replace the existing object with the following: "*6. To acquire or amalgamate with any other company whose objects are or include objects, similar to those of this company whether by sale or purchase of fully or partly paid-up shares of the undertaking subject to liabilities of this or any such other company as aforesaid, with or without winding up of this or any such other company as aforesaid or in any other manner.*" Clause III(C) 28. of the Memorandum of Association was amended to replace the existing object with the following: "*28. To acquire, form or sell to any person, firm, body, corporate, whether in India or elsewhere, technical and managerial know how, process engineering, manufacturing, operating and commercial data, plans, layouts and blue-prints useful for the design, erection and operation or any plant or process of manufacture and to acquire grant or license, other rights and benefits in the foregoing matters to render any kind of managerial technical and financial consultancy, services and to carry on as agents, general advisers, technical and marketing consultants.*"
March 16, 2015	Clause V of the Memorandum of Association was amended to reflect the increase in and reclassification of authorised share capital from ₹ 810,000,000 divided into 16,000,000 Equity Shares of ₹10 each and 6,500,000 compulsorily convertible preference shares of ₹100 each to ₹ 810,000,000 equity shares divided into 81,000,000 Equity Shares of ₹10 each. Clause III(c) of the Memorandum of Association was deleted. Clause III(B) 25. of the Memorandum of Association was amended to replace the references of "Section 293 of the Companies Act, 1956" with "Companies Act, 2013". Clause III(B) 14., 28., 29., 30. and 31. of the Memorandum of Association were amended to replace references to "1956" with "2013", wherever they appear.
June 25, 2018	Clause A(1) of the Memorandum of Association was amended to reflect the following object: "*1. To carry on the Business of Housing Finance by way of providing Finance facilities in the form of short/long term loans to individuals, firms, companies, cooperative societies and other institutions for construction, alteration repairing or for outright purchase/ lease of all types of accommodation including residential houses, flats, duplex, row houses, dwelling units, apartments, housing complex, colonies and also for acquiring land and other real estate properties to be used for housing purposes, under various terms and conditions and rate of interest as company may deem fit with or without security; to acquire the land, to develop and to construct residential and other structures thereon and to dispose off the same on any system of instalments payments basis, hire purchase basis or by outright sale to any individual company, cooperative societies or other institutions. The company shall not do any Banking business as defined under the Banking Regulation Act, 1949.*" Clause B(3) of the Memorandum of Association was deleted. Clause B(4) of the Memorandum of Association was amended to reflect the following object: "*4. To take agencies of any firm, Company or companies, within India, with the same objects and likewise to appoint agents for its own business.*"
July 18, 2023	Clause V of the Memorandum of Association was amended to reflect the sub-division of authorised share capital from ₹ 810,000,000 equity shares divided into 81,000,000 Equity Shares of ₹10 each to 162,000,000 Equity Shares of face value of ₹5 each

Major events and milestones of our Company

The table below sets forth certain major events and milestones in our history:

Calendar Year	Milestone
1998	Incorporated under the name "Satyaprakash Housing Finance India Limited" as a public limited company under the Companies Act, 1956
2002	Certificate of registration granted to "Satyaprakash Housing Finance India Limited" by the NHB to carry on the business of a housing finance institution without accepting public deposits
2009	Company taken over by the Individual Promoter
2010	Our Company's name changed to "India Shelter Finance Corporation Limited"
	Certificate of registration granted to "India Shelter Finance Corporation Limited" by the NHB, to carry on the business of a housing finance institution without accepting public deposits
	Commenced operations by opening the first branch in Rajasthan
2012	ICRA credit rating of BB+ (stable) assigned
	Investment by Nexus Ventures III, Ltd.
2013	ICRA credit rating upgraded to BBB- (stable)
2015	Investment by WestBridge Crossover Fund, LLC
	ICRA credit rating upgraded to BBB+ (stable)
2016	AUM crossed ₹ 5,000 million
	ICRA credit rating upgraded to A- (stable)
2018	Expanded our geographical presence by opening first branch in southern India in the state of Karnataka
	ICRA credit rating revised to A- (positive)
	AUM crossed ₹10,000 million
2019	ICRA credit rating upgraded to A (stable)
2021	AUM crossed ₹ 20,000 million
	Number of branches in India crossed 100
	Net worth crossed ₹10,000 million
2022	Incorporation of our Subsidiary, India Shelter Capital Finance Limited, as a public limited company under the Companies Act, 2013
	ICRA credit rating upgraded to A+ (stable)
2023	AUM crossed ₹ 50,000 million

Key awards, accreditations and recognition

The table below sets forth certain key awards, accreditations and recognition received by our Company:

Calendar Year	Awards, accreditations and recognition
2020	'Housing Finance Company Lending for Affordable Housing' category winner at Inclusive Finance India Awards organized by Access-Assist
2022	Best Sustainable Finance award in the 'Special Awards' category at the ESG World Summit and Grit Awards organized by Corpstage
	Certified as a Great Workplace by the Great Place to Work Institute, India
2023	'Jury's choice' award in the 'Excellency in Technology Implementation' category at the NBFC 100 Leader of Excellence Awards organized by Elets Technomedia Private Limited
	'Best Brand Building Campaign' award in 'Housing Finance Company' category at the 2nd Annual NBFC and FinTech Excellence Awards, organized by Quantic
	Winner for Technical App at the Finnoviti awards by Banking Frontiers
	Recognised amongst the Top 50 India's Best Workplaces in the 'BFSI' category by the Great Place to Work Institute, India
	'Best Customer Centric IT Implementation of the Year' award at the NBFC and Fintech Conclave and Awards organized by B2B Infomedia
	'Best House Financier of the Year' at the NBFC and Fintech Conclave and Awards organized by B2B Infomedia
	'Best SDG Impact' award at the ESG World Summit and Grit Awards organized by Corpstage

	'Best CSR Project of the Year' award at the 8th edition of Corporate Social Responsibility Summit and Awards, 2023 organized by UBS Forums
	'Runner up under class of Mid Layer NBFCs and Category of Best Risk and Cyber Security Initiatives' at 18th Annual Summit and Awards on Banking and Financial Sector Lending Companies organized by the Associated Chambers of Commerce and Industry of India
	'Rising Star – Housing Finance Company of the Year' at 4th Annual BFSI Excellence Awards 2023 organized by Quantic

Significant financial and strategic partnerships

Our Company does not have any significant financial or strategic partnerships as on the date of this Prospectus.

Time/cost overrun in setting up projects

As of the date of this Prospectus, we have not experienced any time or cost overrun in respect of our business operations.

Defaults or rescheduling/restructuring of borrowings with financial institutions/banks

As on the date of this Prospectus, there have been no defaults or rescheduling/restructuring of borrowings with financial institutions/ banks in respect of our borrowings from lenders.

Launch of key products or services, entry into new geographies or exit from existing markets, capacity/facility creation and location of branches

For details of key products or services launched by our Company, entry into new geographies or exit from existing markets, capacity/facility creation and location of branches, see "***Our Business***" beginning on page 232.

Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets, etc., in the last 10 years

Our Company has not made any material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets, etc. during the 10 years preceding the date of this Prospectus.

Summary of key agreements and shareholders' agreement

Except as set forth below, there are no other arrangements or agreements, deeds of assignment, acquisition agreements, shareholders' agreements, inter-se agreements, any agreements between our Company, our Promoters and Shareholders, or agreements of like nature or agreements comprising any clauses/covenants which are material to our Company. Further, there are no other clauses/covenants that are adverse or prejudicial to the interest of the minority/public Shareholders of our Company.

Amended and Restated Shareholder's Agreement dated July 30, 2022, executed between (a) our Company, (b) Nexus Ventures III, Ltd. ("Nexus III"), (c) Nexus Opportunity Fund II, Ltd. ("Nexus Opp Fund", together with Nexus III, "Nexus"), (d) WestBridge Crossover Fund, LLC, (e) Aravali Investment Holdings (together with WestBridge Crossover Fund, LLC "WestBridge"), (f) Catalyst Trusteeship Limited, as trustee of Madison India Opportunities Trust Fund ("Madison I"), (g) Madison India Opportunities IV ("Madison II"), (h) MIO Starrock ("Madison III"), (i) Catalyst Trusteeship Limited, as trustee of MICP Trust ("Madison IV", and together with Madison I, Madison II and Madison III, "Madison") and (j) Anil Mehta ("Individual Promoter"), read together with the amendment cum waiver and consent agreement dated August 1, 2023 (together, the "SHA").

The SHA was entered into to record the *inter se* rights and obligations of the parties thereto, in relation to the management of our Company and certain other matters by virtue of the respective shareholding of the parties in our Company.

The SHA confers certain rights, including right of the Individual Promoter to be appointed as a Director and the right of WestBridge and Nexus to nominate Directors to the Board of our Company subject to their shareholding in our Company exceeding the minimum threshold stipulated under the SHA, pre-emptive rights of WestBridge, Nexus and Madison in case of further dilution of share capital by our Company, certain information rights of WestBridge, Nexus and Madison, including in relation to certain corporate, financial and other records of our Company, and certain reserved matters in relation to which WestBridge and Nexus have affirmative voting rights, subject to their shareholding in our Company exceeding the minimum threshold stipulated under the SHA, including amongst others, in relation to: (a) any amendment to the articles of association or memorandum of association of our Company or the Subsidiary, (b) increase in the number of Equity Shares that may be issued under the ESOP Schemes, and adoption, creation of any other stock option plan, stock appreciation rights plan, other management and/or employee incentive plan and their allocations, (c) decision with regard to listing of the Equity Shares pursuant to an initial public offering, (d) any appointment, removal, dismissal and change in the compensation terms of our executive Directors, Independent Directors, and chief executive officer, and (e) increase, decrease, redemption, conversion, buy-back or other alterations or modifications to the capital structure. The SHA further provides exit rights to WestBridge, Nexus and Madison, including by way of an initial public offering, as well as certain inter-se restrictions and obligations agreed to between certain Shareholders, including restrictions on transfer of Equity Shares by the Individual Promoter, WestBridge, Nexus and Madison, tag along rights of WestBridge, Nexus and Madison and drag along rights of WestBridge and Nexus under certain circumstances, and lock-in and non-solicit and non-compete obligations upon Anil Mehta as the Individual Promoter (which shall survive termination of the SHA).

Pursuant to the terms of the amendment cum waiver and consent agreement dated August 1, 2023 to the amended and restated shareholder's agreement dated July 30, 2022, the parties have waived certain rights available to them under the SHA, to the extent relevant and required in respect of the Offer, including, *inter alia*, certain inter-se transfer restrictions and pre-emptive rights. In accordance with the terms of the SHA, the SHA along with all rights available to the parties to the SHA, shall stand terminated automatically without requiring any further action upon the listing of the Equity Shares pursuant to completion of an initial public offering, i.e., commencement of listing and trading of the Equity Shares on Stock Exchanges pursuant to the Offer.

In addition to the above, our Company, Anil Mehta, WestBridge Crossover Fund, LLC, Aravali Investment Holdings, Catalyst Trusteeship Limited (acting as the trustee of Madison India Opportunities Trust Fund and MICP Trust), Madison India Opportunities IV, MIO Starrock, Nexus Ventures III, Ltd. and Nexus Opportunity Fund II, Ltd., pursuant to amended and restated letter agreement dated November 4, 2022 read with acknowledgment letter dated August 1, 2023 ("**Letter Agreement**"), have agreed to certain terms and conditions in relation to Anil Mehta's remuneration for his tenure on the Board of our Company. The Letter Agreement also provided the Individual Promoter the right to subscribe to certain equity shares of our Company, which has been exercised and exhausted as on the date of this Prospectus. For details in relation to such allotments, see "***Capital Structure – Equity share capital history of our Company***" on page 94. The Letter Agreement also imposes certain non-solicit and non-compete obligations upon Anil Mehta.

Key terms of other subsisting material agreements

As on the date of this Prospectus, there are no subsisting material agreements with strategic partners, joint venture partners and/or financial partners other than in the ordinary course of business of our Company.

Agreements with Key Managerial Personnel or Senior Management or Directors or Promoters or any other employee

As on the date of this Prospectus, there are no agreements entered into by our Key Managerial Personnel or Senior Management or Directors or Promoters or any other employee of our Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

Holding company

As on the date of this Prospectus, our holding company, WestBridge Crossover Fund, LLC directly and through its wholly-owned subsidiary, Aravali Investment Holdings, holds 50,131,120 Equity Shares of face value of ₹5 each, constituting 54.9% (on a fully diluted basis) of the issued, subscribed and paid-up equity share capital of our Company. See "***Our Promoters and Promoter Group – Details of our Corporate Promoters – WestBridge Crossover Fund, LLC***" on page 305.

Subsidiary of our Company

As on the date of this Prospectus, our Company has one Subsidiary, details of which are set forth below:

India Shelter Capital Finance Limited

Corporate Information

India Shelter Capital Finance Limited was incorporated on March 24, 2022, as a public limited company under the Companies Act, 2013. The corporate identity number of the India Shelter Capital Finance is U65990HR2022PLC102253. Its registered office is situated at 6th Floor, Plot No. 15, Sector 44, Institutional Area, Gurugram 122 002, Haryana.

As on the date of this Prospectus, our Subsidiary is not listed in India or abroad.

Capital Structure

The authorised share capital of India Shelter Capital Finance Limited is ₹ 120 million divided into 12,000,000 equity shares of ₹10 each.

Nature of business

India Shelter Capital Finance Limited is authorised, subject to receipt of regulatory approvals, to engage in the business of, *inter alia*, short, medium and long term financing.

Shareholding pattern

India Shelter Capital Finance Limited is a wholly-owned subsidiary of our Company and our Company, including through its nominees holds 100% equity share capital of India Shelter Capital Finance Limited. The entire equity infusion in India Shelter Capital Finance Limited is made by our Company. The following table sets forth the details of the shareholding of India Shelter Capital Finance Limited:

Sr. No.	Name of the shareholders	Number of equity shares of face value ₹10 each	Percentage of total shareholding (%)
1.	India Shelter Finance Corporation Limited	11,999,994	99.9
2.	Madhur Sachdeva*	1	Negligible
3.	Nitin Singh*	1	Negligible
4.	Prakash Bhawani*	1	Negligible
5.	Mukti Chaplot*	1	Negligible
6.	Nilay*	1	Negligible
7.	Ashish Gupta*	1	Negligible
	Total	**12,000,000**	**100.0**

**Holding shares as a nominee of our Company.*

Key Financial Information

Certain key financial details of India Shelter Capital Finance Limited are set forth below:

(in ₹ million, except earnings per share)

Particulars	As at and for the Financial Year ending March 31, 2023	As at and for the Financial Year ending March 31, 2022*	As at and for the Financial Year ending March 31, 2021*
Reserves (excluding revaluation reserve)	3.64	N.A.	N.A.
Revenue	6.16	N.A.	N.A.
Profit after tax	3.64	N.A.	N.A.
Earnings per share (basic)	0.38	N.A.	N.A.
Earnings per share (diluted)	0.38	N.A.	N.A.
Net asset value per share	10.30	N.A.	N.A.

** Our Subsidiary was incorporated on March 24, 2022.*

Board of directors

The board of directors of India Shelter Capital Finance Limited comprises four directors, namely, Ashish Gupta, Mukti Chaplot, Nilay and Nitin Goel.

Amount of accumulated profits or losses

There are no accumulated profits or losses of our Subsidiary, of India Shelter Capital Finance Limited that have not been accounted for by our Company.

Joint Ventures of our Company

As on the date of this Prospectus, our Company does not have any joint ventures.

Confirmations

As on the date of this Prospectus, our Subsidiary does not have any: (a) business interest in our Company; or (b) related business transactions with our Company.

As on the date of this Prospectus, there are no common pursuits between our Company and our Subsidiary except to the extent that our Subsidiary is authorised to and proposes, subject to receipt of regulatory approvals, to engage in a line of business similar to that of our Company. Our Company will adopt the necessary procedures and practices as permitted by and required under applicable law to address any conflict of interest situations, if and when they arise.

OUR MANAGEMENT

In terms of the Companies Act, 2013 (“**Companies Act**”) and our Articles of Association, our Company is required to have a minimum of three Directors and a maximum of up to 15 Directors. As on the date of this Prospectus, our Board comprises 10 Directors, of whom five are Independent Directors, including two Independent woman Directors. Our Company is in compliance with the corporate governance norms prescribed under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”) and the Companies Act, in relation to the composition of our Board and constitution of committees thereof.

The following table sets forth details regarding our Board of Directors as on the date of this Prospectus:

Name, designation, term, period of directorship, address, occupation, date of birth, age and Director Identification Number (“DIN”)	Directorships in other companies
Sudhin Bhagwandas Choksey *Designation:* Chairman and Non-Executive Nominee Director(1) *Term:* Liable to retire by rotation *Period of Directorship:* Since November 3, 2021 *Address*: 4, Shivalik Florette, Off Iscon Ambali Road, Ambali, Opp Khodiyar Mata Mandir, Ahmedabad 380 058, Gujarat, India *Occupation:* Professional *Date of Birth:* January 31, 1954 *Age:* 69 years *DIN*: 00036085	*Indian Companies* • Anchorage Infrastructure Investments Holdings Limited • CSB Bank Limited • Fairchem Organics Limited • Gujarat Ambuja Exports Limited • Kuhoo Finance Private Limited • Kuhoo Technology Services Private Limited *Foreign Companies* Nil
Rupinder Singh *Designation:* Managing Director and Chief Executive Officer *Term:* Four years with effect from November 23, 2021 and not liable to retire by rotation *Period of Directorship:* Since May 12, 2021 *Address*: A-302, Unique Apartments, Plot No. 38, Dwarka, Sector-6, S. O. South West Delhi 110 075, Delhi, India *Occupation*: Professional *Date of Birth*: August 27, 1976 *Age*: 47 years *DIN*: 09153382	*Indian Companies* Nil *Foreign Companies* Nil

Name, designation, term, period of directorship, address, occupation, date of birth, age and Director Identification Number ("DIN")	Directorships in other companies
Anup Kumar Gupta *Designation:* Non-Executive Nominee Director(2) *Term:* Liable to retire by rotation *Period of Directorship:* Since July 21, 2012 *Address:* B-1403, Vivarea, Sane Guruji Marg, Near Jacob Circle, Mahalaxmi, Mumbai 400 011, Maharashtra, India *Occupation:* Professional *Date of Birth:* May 26, 1972 *Age:* 51 years *DIN:* 02284944	*Indian Companies* • NICAP Private Limited *Foreign Companies* Nil
Shailesh J. Mehta *Designation:* Non-Executive Nominee Director(1) *Term:* Liable to retire by rotation *Period of Directorship:* Since August 31, 2017 *Address:* 222, Camino Al Lago Atherton, CA 94027, USA *Occupation:* Professional *Date of Birth:* April 22, 1949 *Age:* 74 years *DIN:* 01633893	*Indian Companies* • Aptus Value Housing Finance India Limited • Manappuram Finance Limited *Foreign Companies* Nil
Sumir Chadha *Designation:* Non-Executive Nominee Director(1) *Term:* Liable to retire by rotation *Period of Directorship:* Since June 3, 2015 *Address:* 711, Eucalyptus Avenue, Hillsborough, California 94010, USA *Occupation:* Professional *Date of Birth:* April 23, 1971 *Age:* 52 years	*Indian Companies* • Aptus Value Housing Finance India Limited • Kuhoo Technology Services Private Limited • MarketXpander Services Private Limited • Mountain Managers Private Limited • Star Health and Allied Insurance Company Limited *Foreign Companies*

Name, designation, term, period of directorship, address, occupation, date of birth, age and Director Identification Number (“DIN”)	Directorships in other companies
DIN: 00040789	• Bitonic Technology Labs Inc. • Goldcast Inc. • HyperTrack Inc. • Innovaccer Inc. • SCV WB Holdings • Shoreline Labs Inc. • SupportLogic Inc. • Turing Enterprises Inc. • WestBridge Capital Management, LLC
Rachna Dikshit *Designation:* Independent Director *Term:* Five years with effect from February 12, 2022 *Period of Directorship:* Since February 12, 2021 *Address*: E-3, Greenwood City, Sector-46, Kanahi (73), Gurugram 122 003, Haryana, India *Occupation*: Retired as chief general manager from RBI *Date of Birth*: October 22, 1959 *Age*: 64 years *DIN*: 08759332	*Indian Companies* • Arthimpact Digital Loans Private Limited • India SME Asset Reconstruction Company Limited • Capital Small Finance Bank Limited *Foreign Companies* Nil
Thomson Kadantot Thomas *Designation:* Independent Director *Term:* Five years with effect from August 2, 2022 *Period of Directorship:* Since August 2, 2022 *Address*: 16, Adarsh Nagar, 1st Floor, Flat No. 244, Near Century Bazar, Worli Prabhadevi, Mumbai 400 025, Maharashtra, India *Occupation*: Consulting *Date of Birth*: November 1, 1970 *Age*: 53 years *DIN*: 09691435	*Indian Companies* Nil *Foreign Companies* Nil
Parveen Kumar Gupta	*Indian Companies*

Name, designation, term, period of directorship, address, occupation, date of birth, age and Director Identification Number ("DIN")	Directorships in other companies
Designation: Independent Director *Term:* Five years with effect from June 12, 2023 *Period of Directorship:* Since June 12, 2023 *Address*: Flat No. 702, C Wing, Amaltas CHS, Juhu Versova Link Road, Andheri West, Mumbai 400 053, Maharashtra, India *Occupation*: Self-Employed *Date of Birth*: March 13, 1960 *Age*: 63 years *DIN*: 02895343	• Bank of India Investment Managers Private Limited • Future Generali India Insurance Company Limited • Midland Microfin Limited • Protium Finance Limited • Utkarsh Small Finance Bank Limited • National Securities Depository Limited *Foreign Companies* Nil
Ajay Narayan Jha *Designation:* Independent Director *Term:* Five years with effect from July 12, 2023 *Period of Directorship:* Since July 12, 2023 *Address*: Flat No. 12A01, Imperial Tower 3, Jaypee Wish Town, Near Axis Bank, Sector 128, Noida, Gautam Buddh Nagar 201304, Uttar Pradesh, India *Occupation*: Indian Administrative Service (Retired) *Date of Birth*: January 15, 1959 *Age*: 64 years *DIN*: 02270071	*Indian Companies* • J K Cements Limited • Yatra Online Limited • SBL Private Limited • Yatra for Business Limited • TSI Yatra Private Limited *Foreign Companies* Nil
Savita Mahajan *Designation:* Independent Director *Term:* Five years with effect from July 31, 2023 *Period of Directorship:* Since July 31, 2023 *Address*: Town House No. 3, 222, Rajpur Road, Max Estates, Rajpur, Dehradun 248009, Uttarakhand, India *Occupation*: Management Consultant *Date of Birth*: March 14, 1959 *Age*: 64 years	*Indian Companies* • Aurobindo Pharma Limited • Gemini Edibles & Fats India Limited • Avanse Financial Services Limited • Bhagirath Resurgence Private Limited *Foreign Companies* Nil

Name, designation, term, period of directorship, address, occupation, date of birth, age and Director Identification Number ("DIN")	Directorships in other companies
DIN: 06492679	

(1) *Nominated jointly by WestBridge Crossover Fund, LLC and Aravali Investment Holdings.*
(2) *Nominated jointly by Nexus Ventures III, Ltd. and Nexus Opportunity Fund II, Ltd. None of the special rights available to the Nexus Entities shall survive the listing of the Equity Shares on the Stock Exchanges. For further details see, "**History and Certain Corporate Matters - Summary of key agreements and shareholders' agreement - Amended and Restated Shareholder's Agreement dated July 30, 2022, executed between (a) our Company, (b) Nexus Ventures III, Ltd. ("Nexus III"), (c) Nexus Opportunity Fund II, Ltd. ("Nexus Opp Fund", together with Nexus III, "Nexus"), (d) WestBridge Crossover Fund, LLC, (e) Aravali Investment Holdings (together with WestBridge Crossover Fund, LLC "WestBridge"), (f) Catalyst Trusteeship Limited, as trustee of Madison India Opportunities Trust Fund ("Madison I"), (g) Madison India Opportunities IV ("Madison II"), (h) MIO Starrock ("Madison III"), (i) Catalyst Trusteeship Limited, as trustee of MICP Trust ("Madison IV", and together with Madison I, Madison II and Madison III, "Madison") and (j) Anil Mehta ("Individual Promoter"), read together with the amendment cum waiver and consent agreement dated August 1, 2023 (together, the "SHA")" on page 276.***

Arrangement or understanding with major shareholders, customers, suppliers or others

Other than: (i) Sudhin Bhagwandas Choksey, Shailesh J. Mehta and Sumir Chadha, who have been nominated to our Board jointly by our Corporate Promoters, WestBridge Crossover Fund, LLC and Aravali Investment Holdings and (ii) Anup Kumar Gupta, who has been nominated to our Board jointly by Nexus Ventures III, Ltd. and Nexus Opportunity Fund II, Ltd., pursuant to the terms of the SHA, none of our Directors have been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others.

See "***History and Certain Corporate Matters – Summary of key agreements and shareholders' agreement***" on page 276.

Brief profiles of our Directors

Sudhin Bhagwandas Choksey is the Chairman and Non-Executive Nominee Director of our Company and has been nominated to the Board jointly by the Corporate Promoters, WestBridge Crossover Fund, LLC and Aravali Investment Holdings. He holds a bachelor's degree in commerce from The Syndenham College of Commerce and Economics, University of Bombay, Mumbai, Maharashtra. He is also a member of the Institute of Chartered Accountants of India. He was previously associated with Gruh Finance Limited as the managing director and Bandhan Bank as executive director (designate). He has experience in the banking sector.

Rupinder Singh is the Managing Director and Chief Executive Officer of our Company. He holds a post graduate diploma in business management from FORE School of Management, New Delhi, Delhi. He was previously associated with Cholamandalam Investment and Finance Company Limited as senior vice-president and business head, HDFC Bank Limited as senior vice-president and GE Money Financial Services Limited (formerly, GE Countrywide Consumer Financial Services Limited) as regional sales manager. He has experience in the finance sector.

Anup Kumar Gupta is a Non-Executive Nominee Director of our Company, as a nominee of Nexus Ventures III, Ltd. and Nexus Opportunity Fund II, Ltd. He has been associated with the Company since July 21, 2012. He holds a degree in bachelor of technology (hons.) from the Indian Institute of Technology, Kharagpur, West Bengal and a post graduate diploma from the Indian Institute of Management-Calcutta. He was previously associated with WNS Global Services as chief operating officer for WNS Group and with Booz Allen & Hamilton as a consultant. He has experience in business management.

Shailesh J. Mehta is a Non-Executive Nominee Director of our Company and has been nominated to the Board jointly by the Corporate Promoters, WestBridge Crossover Fund, LLC and Aravali Investment Holdings. He holds a bachelor's degree in technology (mechanical engineering) from the Indian Institute of Technology Bombay, Mumbai, Maharashtra and a master's degree in science (operation research) and a doctorate of philosophy from Case Western Reserve University, Cleveland, Ohio, USA. He has also been conferred with an honorary doctorate of humane letters by the California State University, Long Beach, California, USA. He is also associated with Granite Hill Capital Partners as a general partner. He has experience in the finance sector.

Sumir Chadha is a Non-Executive Nominee Director of our Company and has been nominated to the Board jointly by the Corporate Promoters, WestBridge Crossover Fund, LLC and Aravali Investment Holdings. He holds a bachelor's degree in computer science from Princeton University, New Jersey, USA and a master's degree in business administration from Harvard Business School, Boston, Massachusetts, USA. He is the co-founder of WestBridge Capital. He was previously also a director of Sequoia Capital India Advisors Private Limited. He has experience in the financial services sector.

Rachna Dikshit is an Independent Director of our Company. She holds a bachelor's degree in arts from Lucknow University, Lucknow, Uttar Pradesh and a master's degree in arts (political science) from University of Allahabad, Prayagraj, Uttar Pradesh. She is a certified associate of the Indian Institute of Bankers. She was previously associated with the Reserve Bank of India as a chief general manager. She has experience in the banking sector.

Thomson Kadantot Thomas is an Independent Director of our Company. He holds a bachelor's degree in engineering (electronics) from University of Bombay, Mumbai, Maharashtra and a master's degree in management from Jamnalal Bajaj Institute of Management Studies, Mumbai, Maharashtra. He was previously associated with Crompton Greaves Limited as marketing executive, Meganet Infotech Private Limited as software engineer, Hutchison Max Telecom Limited as head of the business support system and HDFC Life Insurance Company Limited as executive vice-president (business systems). He has experience in the technology sector.

Parveen Kumar Gupta is an Independent Director of our Company. He holds a bachelor's degree in commerce from Guru Nanak Dev University, Amritsar, Punjab. He is a certified associate of the Indian Institute of Bankers and is also an associate of the Institute of Company Secretaries of India. He was previously associated with Bank of Baroda as senior advisor and State Bank of India as managing director (retail and digital banking). He has experience in the banking sector.

Ajay Narayan Jha is an Independent Director of our Company. He holds a bachelor's degree in history from St. Stephens College, Delhi University, Delhi, a master's degree in arts from McGill University, Montreal, Canada and a master's degree in philosophy (social sciences) from Panjab University, Chandigarh, Punjab. He also holds a master's diploma in public administration from The Indian Institute of Public Administration, Delhi. He was previously associated with Department of Expenditure, Ministry of Finance, Government of India as finance secretary and was also appointed as a member of the Finance Commission in the year 2019. He has experience in the finance sector.

Savita Mahajan is an Independent Director of our Company. She holds a bachelor's of arts degree (honours course in economics) from the University of Delhi, Delhi and a post graduate diploma in management from the Indian Institute of Management, Ahmedabad, Gujarat. She was previously associated with the Indian School of Business, Hyderabad, Telangana as deputy dean, Karvy Consultants Limited as vice-president (strategic planning and human resources development) and Maruti Udyog Limited as a senior executive. She has experience in the human resources sector.

Relationship between our Directors and the Key Managerial Personnel or Senior Management

None of our Directors are related to each other or to any of the Key Managerial Personnel or Senior Management.

Terms of Appointment of our Directors

Terms of appointment of our Managing Director and Chief Executive Officer

Rupinder Singh

Pursuant to the resolutions passed by our Board on May 9, 2023 and by our Shareholders on July 14, 2023, and employment agreement dated November 9, 2021 entered into between our Company and Rupinder Singh, Rupinder Singh is entitled to the following remuneration and benefits:

Particulars	Amount (in ₹)
Fixed pay	₹ 31.74 million per annum.
Variable pay	₹ 31.74 million per annum i.e., up to 100% of the fixed pay or as per the bonus plan of our Company, whichever is higher as approved by the Board of Directors or Nomination and Remuneration Committee.
Perquisites, and other benefits	₹ 4.30 million per annum, including but not limited to rent free accommodation, insurance, club membership
Other allowances	Subject to overall limit, such other allowances, perquisites and incentive as deem fit including medical reimbursement, leave travel concession for self and family, provision of car and such other allowances, benefits, amenities and facilities, etc. as may be approved.

During Financial Year 2023, Rupinder Singh received an aggregate compensation of ₹ 57.61 million (which included an annual variable pay of ₹ 30.68 million for Financial Year 2023, paid in Financial Year 2024).

Remuneration of our Non-Executive Nominee Directors

As on the date of this Prospectus, our Non-Executive Nominee Directors are neither entitled to any sitting fees for attending meetings of the Board or any of its committees, nor entitled to any commission or remuneration from our Company. Accordingly, our Non-Executive Nominee Directors, Sudhin Bhagwandas Choksey, Shailesh J. Mehta, Sumir Chadha and Anup Kumar Gupta, did not receive any compensation from our Company during Financial Year 2023.

Remuneration of our Independent Directors

As on the date of this Prospectus, pursuant to a resolution passed by our Board on March 31, 2022, our Independent Directors are entitled to receive the following sitting fees and commission for attending meetings of our Board or its committees:

(i) sitting fees of ₹ 0.10 million for attending each meeting of our Board;

(ii) sitting fees of ₹ 0.07 million per sitting for every meeting of the Audit Committee;

(iii) sitting fees of ₹ 0.07 million for every meeting of the Nomination and Remuneration Committee;

(iv) sitting fees of ₹ 0.07 million or every meeting of the Risk Management Committee;

(v) sitting fees of ₹ 0.04 million for every meeting of the Corporate Social Responsibility Committee;

(vi) sitting fees of ₹ 0.04 million per sitting for every meeting of the Information Technology Strategy Committee;

(vii) sitting fees of ₹ 0.04 million per sitting for every meeting of the Independent Directors; and

(viii) sitting fees of ₹ 0.04 million per sitting for any other meeting.

Further, pursuant to a resolution passed by our Shareholders on May 10, 2022, our Independent Directors are entitled to receive commission as may be determined by our Board from time to time in accordance with the Companies Act, 2013, however the total commission payable to all our Independent Directors taken together should not exceed 1.00% of the net profits of our Company for the relevant Financial Year.

The details of sitting fees and commission paid to the Independent Directors of our Company during Financial Year 2023 are as follows:

Name of Director	Sitting fees and commission paid during Financial Year 2023 (in ₹ million)
Rachna Dikshit	1.46
Thomson Kadantot Thomas	0.43
Parveen Kumar Gupta	Nil*
Ajay Narayan Jha	Nil*
Savita Mahajan	Nil*

** Did not receive any remuneration during Financial Year 2023 since appointed in Financial Year 2024.*

Remuneration paid or payable to our Directors from by our Subsidiary or associate company

None of our Directors were paid or were entitled to receive any remuneration, sitting fees or commission from our Subsidiary for Financial Year 2023. As on the date of this Prospectus, our Company does not have any associate company.

Bonus or profit-sharing plan for our Directors

Except as stated in "– ***Terms of Appointment of our Directors***" on page 285, our Company does not have any bonus or profit sharing plan for our Directors.

Contingent and deferred compensation payable to our Directors

No contingent or deferred compensation is payable to any of our Directors for Financial Year 2023.

Shareholding of our Directors in our Company

As per our Articles of Association, our Directors are not required to hold any qualification shares.

Other than as disclosed in "***Capital Structure – Shareholding of our Directors, Key Managerial Personnel and Senior Management in our Company***" on page 122, none of our Directors hold any Equity Shares as on the date of this Prospectus.

Interest of Directors

All our 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, as well as to the extent of other remuneration and reimbursement of expenses, if any, payable to them.

Our Directors may also be interested to the extent of Equity Shares and to the extent of any dividend payable to them, if any, held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the Offer. For further details regarding the shareholding of our Directors, see "***Capital Structure - Shareholding of our Directors, Key Managerial Personnel and Senior Management in our Company***" on page 122.

Except Shailesh J. Mehta and Sumir Chadha, who are directors on the board of Aptus Value Housing Finance India Limited, Rachna Dikshit who is a director on the boards of Arthimpact Digital Loans Private Limited and Capital India Finance Limited, Parveen Kumar Gupta who is a director on the board of directors of Midland Microfin Limited, Protium Finance Limited and Utkarsh Small Finance Bank Limited and Savita Mahajan who is a director on the board of directors of Avanse Financial Services Limited, which are engaged in similar line of business as that of our Company, none of our other Directors are associated with entities in a similar line of business as our Company.

Interest in land and property, acquisition of land, construction of building and supply of machinery, etc.

Except in the ordinary course of business and as disclosed in "***Restated Consolidated Financial Information – Note 40 - Related Party Transactions***" on page 387, none of our Directors have any interest in any property acquired or proposed to be acquired of our Company or by our Company or in any transaction in acquisition of land, construction of building and supply of machinery, etc.

Interest in promotion of our Company

None of our Directors have any interest in the promotion or formation of our Company, as on the date of this Prospectus.

Sudhin Bhagwandas Choksey, Shailesh J. Mehta and Sumir Chadha have been nominated to our Board jointly by our Corporate Promoters, WestBridge Crossover Fund, LLC and Aravali Investment Holdings pursuant to the terms of the SHA.

Loans to Directors

As on the date of this Prospectus, no loans have been availed by our Directors from our Company.

Confirmations

None of our Directors is or has been a director on the board of any listed company whose shares have been/were suspended from being traded on any of the stock exchanges, during his/her tenure, in the five years preceding the date of this Prospectus.

None of our Directors have been or are directors on the board of any listed companies which is or has been delisted from any stock exchange(s) during his/her tenure.

No consideration in cash or shares or otherwise has been paid, or agreed to be paid to any of our Directors, or to the firms or companies in which they are interested as a member by any person either to induce such director to become, or to help such director to qualify as a Director, or otherwise for services rendered by him/her or by the firm or company in which he/she is interested, in connection with the promotion or formation of our Company.

Changes in our Board during the last three years

The changes in our Board during the three years immediately preceding the date of this Prospectus are set forth below.

Name of Director	Date of Change	Reasons
Rachna Dikshit	February 12, 2021[(1)]	Appointed as Independent Director
Anisha Motwani	February 17, 2021	Cessation as Independent Director due to expiration of term as Independent Director
Rupinder Singh	May 12, 2021[(2)]	Appointed as Executive Director
G. V. Ravishankar	October 26, 2021	Resigned as Non-Executive Nominee Director
Shailesh J. Mehta	November 2, 2021	Resigned as Independent Director
Shailesh J. Mehta	November 3, 2021	Appointed as Non-Executive Nominee Director
Sudhin Bhagwandas Choksey	November 3, 2021	Appointed as Non-Executive Nominee Director
Anil Mehta	November 22, 2021	Resigned as managing director and chief executive officer and re-designated as Chairman and Non-Executive Director
Rupinder Singh	November 23, 2021	Appointed as Managing Director and Chief Executive Officer
Rachna Dikshit	February 11, 2022	Retired as Independent Director
Rachna Dikshit	February 12, 2022[(3)]	Appointed as Independent Director
Sunil Ramakant Bhumralkar	March 31, 2022[(3)]	Appointed as Independent Director
Thomson Kadantot Thomas	August 02, 2022[(4)]	Appointed as Independent Director
Sunil Ramakant Bhumralkar	November 30, 2022	Resigned as Independent Director
Parveen Kumar Gupta	June 12, 2023[(5)]	Appointed as Independent Director
Ajay Narayan Jha	July 12, 2023[(6)]	Appointed as Independent Director
Anil Mehta	July 31, 2023	Resigned as Chairman and Non-Executive Director due to personal reasons
Sudhin Bhagwandas Choksey	July 31, 2023	Re-designated as Chairman and Non-Executive Nominee Director
Savita Mahajan	July 31, 2023[(7)]	Appointed as Independent Director

(1) Regularised pursuant to a resolution passed by our Shareholders on September 29, 2021.
(2) Regularised pursuant to a resolution passed by our Shareholders on July 26, 2021.
(3)Regularised pursuant to a resolution passed by our Shareholders on May 10, 2022.
(4) Regularised pursuant to a resolution passed by our Shareholders on September 29, 2022.
(5) Regularised pursuant to a resolution passed by our Shareholders on July 14, 2023.
(6) Regularised pursuant to a resolution passed by our Shareholders on July 18, 2023.
(7) Regularised pursuant to a resolution passed by our Shareholders on August 1, 2023.

Borrowing Powers

In accordance with our Articles of Association and the applicable provisions of the Companies Act, 2013 ("**Companies Act**"), and pursuant to the resolution passed by our Board on July 12, 2023 and by our Shareholders on July 18, 2023 and subject to the applicable laws, our Board has been authorised to borrow sums of money from any one or more banks, financial institutions, mutual funds and other persons, firms, bodies corporate or by way of loans or credit facilities (fund based or non-fund based) or by issue of bonds on such terms and conditions and with or without security which, together with the monies borrowed by our Company (apart from temporary loans obtained from our Company's bankers in the ordinary course of business) shall not at any time in aggregate exceed ₹ 75,000.00 million for our Company.

Corporate Governance

As on the date of this Prospectus, there are 10 Directors on our Board comprising one Executive Director, four Non-Executive Nominee Directors and five Independent Directors, including two woman Independent Directors. Our Board functions either as a full board or through various committees constituted to oversee specific functions. Our Company is in compliance with the corporate governance norms prescribed under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**") and the Companies Act, 2013 in relation to the composition of our Board and constitution of committees thereof.

Our Company undertakes to take all necessary steps to continue to comply with all the applicable requirements of SEBI Listing Regulations and the Companies Act.

Committees of the Board

Our Company has constituted the following Board committees in terms of the SEBI Listing Regulations, and the Companies Act:

(a) Audit Committee;

(b) Nomination and Remuneration Committee;

(c) Stakeholders' Relationship Committee;

(d) Corporate Social Responsibility Committee; and

(e) Risk Management Committee.

Audit Committee

The Audit Committee was re-constituted pursuant to a resolution of our Board dated July 31, 2023. The composition and terms of the Audit Committee are in compliance with Section 177 and other applicable provisions of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations.

The members of the Audit Committee are:

S. No.	Name of Director	Designation	Committee Designation
1.	Rachna Dikshit	Independent Director	Chairperson
2.	Parveen Kumar Gupta	Independent Director	Member
3.	Thomson Kadantot Thomas	Independent Director	Member
4.	Shailesh J. Mehta	Non-Executive Nominee Director	Member

Terms of Reference of the Audit Committee:

The Audit Committee shall be responsible for, among other things, as may be required by the Stock Exchange(s) from time to time, the following:

Powers of Audit Committee

The Audit Committee shall have powers, including the following:

(1) to investigate any activity within its terms of reference;
(2) to seek information from any employee;
(3) to obtain outside legal or other professional advice;
(4) to secure attendance of outsiders with relevant expertise, if it considers necessary; and
(5) such other powers as may be prescribed under the Companies Act, 2013 and the SEBI Listing Regulations.

Role of Audit Committee

The role of the Audit Committee shall include the following:

(1) oversight of financial reporting process and the disclosure of financial information relating to our Company to ensure that the financial statements are correct, sufficient and credible;

(2) recommendation to the Board of Directors for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of our Company including the internal auditor, cost auditor and statutory auditor, of our Company and the fixation of the audit fee;

(3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;

(4) examining and reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to

   a. matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;

   b. changes, if any, in accounting policies and practices and reasons for the same;

   c. major accounting entries involving estimates based on the exercise of judgment by management;

   d. significant adjustments made in the financial statements arising out of audit findings;

   e. compliance with listing and other legal requirements relating to financial statements;

   f. disclosure of any related party transactions; and

   g. modified opinion(s) in the draft audit report.

(5) reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;

(6) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the board to take up steps in this matter;

(7) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

(8) approval of any subsequent modification of transactions of our Company with related parties and omnibus approval for related party transactions proposed to be entered into by our Company, subject to the conditions as may be prescribed;

   Explanation: *The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.*

(9) reviewing, at least on a quarterly basis, the details of related party transactions entered into by our Company pursuant to each of the omnibus approvals given;

(10) scrutiny of inter-corporate loans and investments;

(11) valuation of undertakings or assets of our Company and appointing a registered valuer in terms of Section 247 of the Companies Act, 2013, wherever it is necessary;

(12) evaluation of internal financial controls and risk management systems;

(13) reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;

(14) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

(15) discussion with internal auditors of any significant findings and follow-up thereon;

(16) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

(17) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

(18) looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

(19) reviewing the functioning of the whistle blower mechanism;

(20) monitoring the end use of funds through public offers and related matters;

(21) overseeing the vigil mechanism established by our Company, with the chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;

(22) approval of appointment of chief financial officer (i.e., the whole-time finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

(23) reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding ₹1,000,000,000 or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date of coming into force of this provision; and

(24) considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;

(25) approving the key performance indicators ("**KPIs**") for disclosure in the offer documents, and approval of KPIs once every year, or as may be required under applicable law; and

(26) carrying out any other functions required to be carried out by the Audit Committee as may be decided by the Board and/or as provided under the Companies Act, 2013, the SEBI Listing Regulations, uniform listing agreements and/or any other applicable laws, as and when amended from time to time, or by any regulatory authority and performing such other functions as may be necessary or appropriate for the performance of its duties.

The Audit Committee shall mandatorily review the following information:

I. management discussion and analysis of financial condition and results of operations;

II. management letters / letters of internal control weaknesses issued by the statutory auditors;

III. internal audit reports relating to internal control weaknesses;

IV. appointment, removal and terms of remuneration of the chief internal auditor;

V. statement of deviations in terms of the SEBI Listing Regulations:

   a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) where the Equity Shares are proposed to be listed in terms of the SEBI Listing Regulations;

b. annual statement of funds utilised for purposes other than those stated in the offer document/ prospectus/ notice in terms of the SEBI Listing Regulations; and

VI. such information as may be prescribed under the Companies Act, 2013 and SEBI Listing Regulations.

Nomination and Remuneration Committee

The Nomination and Remuneration was re-constituted by a resolution of our Board dated July 31, 2023. The composition and terms of the Nomination and Remuneration Committee are in compliance with Section 178 and other applicable provisions of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations.

The members of the Nomination and Remuneration Committee are:

S. No.	Name of Director	Designation	Committee Designation
1.	Rachna Dikshit	Independent Director	Chairperson
2.	Anup Kumar Gupta	Non-Executive Nominee Director	Member
3.	Sumir Chadha	Non-Executive Nominee Director	Member
4.	Savita Mahajan	Independent Director	Member

Terms of Reference of the Nomination and Remuneration Committee:

The Nomination and Remuneration Committee shall be responsible for, among other things, the following:

(1) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to the remuneration of the Directors, Key Managerial Personnel, Senior Management and other employees ("**Remuneration Policy**");

(2) for every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Nomination and Remuneration Committee may:

a. use the services of an external agencies, if required;

b. consider candidates from a wide range of backgrounds, having due regard to diversity; and

c. consider the time commitments of the candidates.

(3) formulation of criteria for evaluation of Independent Directors and the Board;

(4) devising a policy on Board diversity;

(5) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and carrying out evaluation of every director's performance (including Independent Director), its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance. Our Company shall disclose the Remuneration Policy and the evaluation criteria in its annual report;

(6) whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;

(7) recommend to the Board, all remuneration, in whatever form, payable to Senior Management;

(8) the Nomination and Remuneration Committee, while formulating the Remuneration Policy, should ensure that:

    (a) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;

    (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

    (c) remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of our Company and its goals.

(9) perform such functions as are required to be performed by the Nomination and Remuneration Committee under the SEBI SBEB Regulations, including the following:

    (a) administering the employee stock option plans of our Company, as may be required;

    (b) determining the eligibility of employees to participate under the employee stock option plans of our Company;

    (c) granting options to eligible employees and determining the date of grant;

    (d) determining the number of options to be granted to an employee;

    (e) determining the exercise price under the employee stock option plans of our Company; and

    (f) construing and interpreting the employee stock option plans of our Company and any agreements defining the rights and obligations of our Company and eligible employees under the employee stock option plans of our Company, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the employee stock option plans of our Company.

(10) frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:

    (a) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
    (b) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, our Company and its employees, as applicable; and

(11) carrying out any other activities as may be delegated by the Board of Directors of our Company functions required to be carried out by the Nomination and Remuneration Committee as provided under the Companies Act, 2013, the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee was constituted pursuant to a resolution of our Board dated July 31, 2023. The composition and terms of the Stakeholders' Relationship Committee are in compliance with Section 178 and any other applicable law of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations.

The members of the Stakeholders' Relationship Committee are:

S. No.	Name of Director	Designation	Committee Designation
1.	Ajay Narayan Jha	Independent Director	Chairperson
2.	Savita Mahajan	Independent Director	Member
3.	Rachna Dikshit	Independent Director	Member
4.	Shailesh J. Mehta	Non-Executive Nominee Director	Member
5.	Rupinder Singh	Managing Director and Chief Executive Officer	Member

Terms of Reference of the Stakeholders' Relationship Committee:

The Stakeholders' Relationship Committee shall be responsible for, among other things, as may be required under applicable law, the following:

(1) considering and looking into various aspects of interest of Shareholders, debenture holders and other security holders;

(2) resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;

(3) formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;

(4) giving effect to allotment of Equity Shares, approval of transfer or transmission of Equity Shares, debentures or any other securities;

(5) issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;

(6) review of measures taken for effective exercise of voting rights by Shareholders;

(7) review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;

(8) to dematerialize or rematerialize the issued shares;

(9) review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the Shareholders of the Company; and

(10) carrying out any other functions required to be carried out by the Stakeholders' Relationship Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee was re-constituted by a resolution of our Board dated July 31, 2023. The composition and terms of reference of the Corporate Social Responsibility Committee are in compliance with Section 135 and other applicable provisions of the Companies Act, 2013.

The members of the Corporate Social Responsibility Committee are:

S. No.	Name of Director	Designation	Committee Designation
1.	Rachna Dikshit	Independent Director	Chairperson

S. No.	Name of Director	Designation	Committee Designation
2.	Thomson Kadantot Thomas	Independent Director	Member
3.	Rupinder Singh	Managing Director and Chief Executive Officer	Member
4.	Ajay Narayan Jha	Independent Director	Member
5.	Savita Mahajan	Independent Director	Member
6.	Sumir Chadha	Non-Executive Nominee Director	Member

Terms of Reference for the Corporate Social Responsibility Committee:

The Corporate Social Responsibility Committee is authorised to perform the following functions:

(a) formulate and recommend to the Board, a corporate social responsibility policy which shall indicate amongst others, the guiding principles for selection, implementation and monitoring the activities as well as formulation of the annual action plan which shall indicate the activities to be undertaken by our Company as specified in Schedule VII of the Companies Act, 2013 and make any revisions therein as and when decided by the Board;

(b) review and recommend the amount of expenditure to be incurred on the activities referred in clause (a) and amount to be incurred for such expenditure shall be as per the applicable law;

(c) monitor the corporate social responsibility policy of our Company and its implementation from time to time and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programme; and

(d) any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be directed by the Board from time to time and/or as may be required under applicable law, as and when amended from time to time.

Risk Management Committee

The Risk Management Committee was re-constituted by a resolution of our Board dated July 31, 2023. The composition and terms of the Risk Management Committee are in compliance with the Regulation 21 of the SEBI Listing Regulations.

The members of the Risk Management Committee are:

S. No.	Name of Director	Designation	Committee Designation
1.	Rupinder Singh	Managing Director and Chief Executive Officer	Chairperson
2.	Rachna Dikshit	Independent Director	Member
3.	Shailesh J. Mehta	Non-Executive Nominee Director	Member
4.	Anup Kumar Gupta	Non-Executive Nominee Director	Member
5.	Sudhin Bhagwandas Choksey	Chairman and Non-Executive Nominee Director	Member
6.	Thomson Kadantot Thomas	Independent Director	Member
7.	Parveen Kumar Gupta	Independent Director	Member
8.	Ajay Narayan Jha	Independent Director	Member
9.	Savita Mahajan	Independent Director	Member
10.	Sharad Pareek	Chief Risk Officer	Member
11.	Ashish Gupta	Chief Financial Officer	Member

Terms of Reference of the Risk Management Committee:

The role and responsibility of the Risk Management Committee shall be as follows:

1. review, assess and formulate the risk management system and policy of our Company from time to time and recommend for an amendment or modification thereof, which shall include: (a) a framework for identification of internal and external risks specifically faced by our Company, in particular including financial, operational, sectoral, sustainability (particularly, environmental, social and corporate governance related risks), information, cyber security risks or any other risk as may be determined by the Risk Management Committee; (b) measures for risk mitigation including systems and processes for internal control of identified risks; and (c) business continuity plan;

2. ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of our Company;

3. monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

4. periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity, and recommend for any amendment or modification thereof, as necessary;

5. keep the Board of directors of our Company informed about the nature and content of its discussions, recommendations and actions to be taken;

6. review the appointment, removal and terms of remuneration of the chief risk officer (if any);

7. to implement and monitor policies and/or processes for ensuring cyber security; and

8. any other similar or other functions as may be laid down by Board from time to time and/or as may be required under applicable law, as and when amended from time to time, including the SEBI Listing Regulations.

IPO Committee

The IPO Committee was constituted pursuant to a resolution of our Board dated July 31, 2023.

The members of the IPO Committee are:

S. No.	Name of Director	Designation	Committee Designation
1.	Rupinder Singh	Managing Director and Chief Executive Officer	Chairperson
2.	Anup Kumar Gupta	Non-Executive Nominee Director	Member
3.	Sumir Chadha	Non-Executive Nominee Director	Member
4.	Parveen Kumar Gupta	Independent Director	Member

Terms of Reference of the IPO Committee:

The role and responsibility of the IPO Committee shall be as follows:

a. To make applications to, seek clarifications, obtain approvals, and seek exemptions from, if necessary, SEBI, RBI, NHB, the relevant registrar of companies, or to any other statutory or governmental authorities in connection with the Offer as may be required and accept on behalf of the Board such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions as may be required;

b. To finalize, settle, approve, adopt and file the DRHP, in consultation with the BRLMs, with SEBI and the Stock Exchanges, the RHP and Prospectus with the RoC and thereafter with SEBI and the Stock Exchanges and the preliminary and final international wrap (including amending, varying, supplementing or modifying the same, or providing any notices, addenda, or corrigenda thereto, together with any summaries thereof as may be considered desirable or expedient) documents including incorporating such alterations/corrections/

modifications as may be required by SEBI, the RoC, RBI, NHB or any other relevant governmental and statutory authorities or in accordance with Applicable Laws;

c. To decide in consultation with the BRLMs on the size, timing, pricing, discount, reservation and all the terms and conditions of the Offer, including the price band, bid period (including bid opening and bid closing dates for anchor investors), Offer price (including Anchor Investor Offer Price), Offer size, reservation, discount, green shoe option and any rounding off in the event of oversubscription, and to accept any amendments, modifications, variations or alterations thereto;

d. to appoint and enter into arrangements with the BRLMs, underwriters to the Offer, syndicate members to the Offer, brokers to the Offer, escrow collection bankers to the Offer, refund bankers to the Offer, sponsor banks to the Offer, registrars, legal advisors, advertising agency, auditors, monitoring agency and any other agencies or persons or intermediaries to the Offer and to negotiate and finalise the terms of their appointment including but not limited to the execution of the mandate letter with the BRLMs and negotiation, finalization, execution and, if required, amendment of the offer agreement with the BRLMs for such purpose, including to remunerate all such intermediaries/agencies including the payments of commissions, brokerages, etc;

e. to take on record the approval of the selling shareholder(s) for offering their Equity Shares in the Offer for Sale;

f. to authorise the maintenance of a register of holders of the Equity Shares;

g. to negotiate, finalise and settle and to execute where applicable and deliver or arrange the delivery of the DRHP, RHP, the Prospectus, the abridged prospectus, the preliminary international wrap and final international wraps, Offer agreement, share escrow agreement, syndicate agreement, underwriting agreement, cash escrow and sponsor bank agreement, agreements with the registrar and the advertising agency, bid-cum-application forms, confirmation of allotment notes, and all other documents, deeds, agreements and instruments and any notices, supplements and corrigenda thereto, as may be required or desirable in relation to the Offer;

h. to open with the bankers to the Offer such accounts as may be required by the regulations issued by SEBI;

i. to seek, if required, the consent and/or waivers of the lenders to the Company and its subsidiaries (if any), customers, parties with whom the Company has entered into various commercial and other agreements, and any other consents and/or waivers that may be required in relation to the Offer or any actions connected therewith;

j. to open and operate bank accounts in terms of the cash escrow and sponsor bank agreement with a scheduled bank to receive applications along with application monies, handling refunds and for the purposes set out in Section 40(3) of the Companies Act, 2013, as amended, in respect of the Offer, and to authorise one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;

k. to approve any corporate governance requirements that may be considered necessary by the Board or the IPO Committee or as may be required under the applicable laws or the uniform listing agreement to be entered into by the Company with the Stock Exchanges, and to approve policies to be formulated under the Companies Act, 2013, as amended and the regulations prescribed by SEBI including the SEBI ICDR Regulations, the SEBI Listing Regulations, the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended;

l. to authorise and approve, the incurring of expenditure and payment of fees, commission, remuneration and expenses in connection with the Offer;

m. to approve the basis of allotment and confirm allocation/allotment of the Equity Shares to various categories of persons as disclosed in the DRHP, the RHP and the Prospectus, in consultation with the BRLMs and do all such acts and things as may be necessary and expedient for, and incidental and ancillary to the Offer including any alteration, addition or making any variation in relation to the Offer;

n. to finalise and issue allotment letters/confirmation of allotment notes with power to authorise one or more officers of the Company to sign all or any of the aforestated documents;

o. to authorise and approve notices, advertisements in relation to the Offer in consultation with the relevant intermediaries appointed for the Offer in accordance with the SEBI ICDR Regulations, Companies Act, 2013, as amended and other applicable laws;

p. to do all such acts, deeds, matters and things and execute all such other documents, etc., deem necessary or desirable for such purpose, including without limitation, finalise the basis of allocation and to allot the shares to the successful allottees as permissible in law, issue of share certificates in accordance with the relevant rules;

q. to do all such acts, deeds and things as may be required to dematerialise the Equity Shares and to sign agreements and/or such other documents as may be required with the NSDL, the CDSL and such other agencies, authorities or bodies as may be required in this connection;

r. to withdraw the DRHP, RHP and the Offer at any stage, in accordance with applicable laws and in consultation with the BRLMs, if deemed necessary;

s. to negotiate, finalise, sign, execute, deliver and complete any and all notices, offer documents (including DRHP, RHP, Prospectus, and abridged prospectus) agreements, letters, applications, bid-cum-application forms, other documents, papers or instruments (including any amendments, changes, variations, alterations or modifications thereto) on behalf of the Company and to on behalf of any selling shareholder (as maybe applicable and to the extent authorised by such selling shareholder), as the case may be, in relation to the Offer;

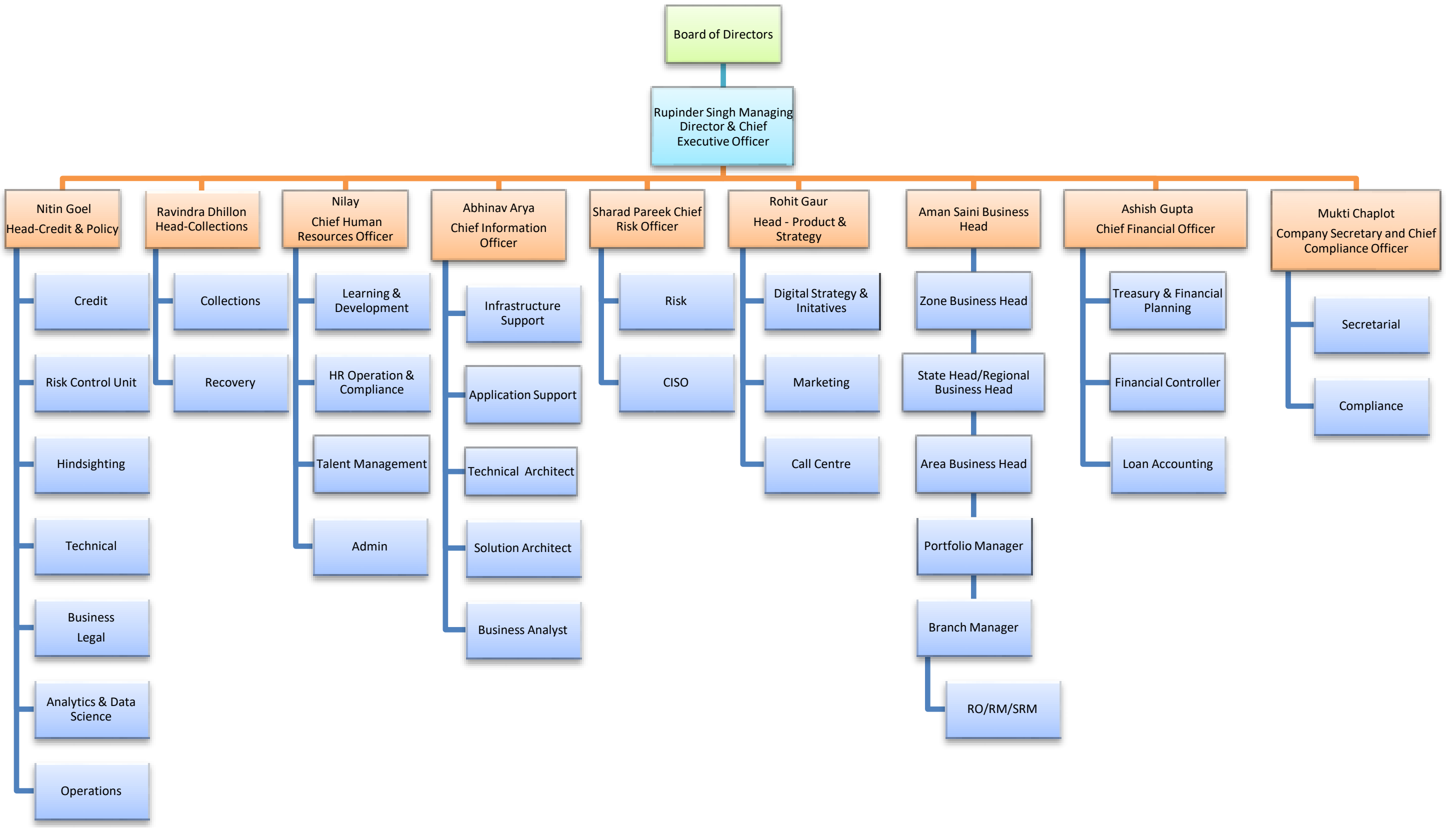
t. to make applications (both in-principle and final applications) for listing of the Equity Shares on the Stock Exchanges and to execute and to deliver or arrange the delivery of necessary documentation to the concerned Stock Exchange(s);

u. to settle all questions, difficulties or doubts that may arise in regard to such issues or allotment and matters incidental thereto as it may deem fit and to delegate such of its powers as may be deemed necessary to the officials of the Company;

v. to decide, negotiate and finalise the pricing and all other related matters regarding the Pre-IPO Placement, including the execution of the relevant documents with the investors in consultation with the BRLMs and in accordance with applicable laws;

w. to negotiate, finalize, settle, execute and deliver any and all other documents or instruments and to do or cause to be done any and all acts or things as the IPO Committee may deem necessary, appropriate or advisable in order to carry out the purposes and intent of this resolution or in connection with the Offer and any documents or instruments so executed and delivered or acts and things done or caused to be done by the IPO Committee shall be conclusive evidence of the authority of the IPO Committee in so doing.

Management Organisation Structure



Key Managerial Personnel

In addition to our Managing Director and Chief Executive Officer, Rupinder Singh, whose details are provided in "– ***Brief Profiles of our Directors***" on page 284, the details of our other Key Managerial Personnel as on the date of this Prospectus are set forth below:

Ashish Gupta is the Chief Financial Officer of our Company. He has been associated with our Company since August 13, 2019. In his current role, he is responsible for financial management, accounts, tax and treasury matters of our Company. He holds a bachelor's degree in commerce (honours) from the University of Delhi, New Delhi, Delhi and has completed a master's certificate course in business finance from the Institute of Chartered Accountants of India. He is also a member of the Institute of Chartered Accountants of India. He was previously associated with Satin Creditcare Network Limited as vice-president (finance), New Habitat Housing Finance and Development Limited as general manager (finance and accounts), HSBC-Electronic Data Processing India Private Limited as manager (finance operations), IFCI Factors Limited as senior associate vice-president, Price Waterhouse as assistant manager, Lodha & Co., Chartered Accountants, as senior executive, and O.P. Bagla & Co. Chartered Accountants as assistant. In Financial Year 2023, he received an aggregate compensation of ₹ 18.44 million (which included annual variable pay of ₹ 9.59 million for Financial Year 2023, actually paid in Financial Year 2024).

Mukti Chaplot is the Company Secretary and Chief Compliance Officer of our Company and has been associated with our Company since April 1, 2013. In her current role, she is responsible for ensuring managerial, secretarial and regulatory compliances of our Company. She is an associate member of the Institute of Company Secretaries of India and the Institute of Chartered Accountants of India. In Financial Year 2023, she received an aggregate compensation of ₹ 3.49 million (which included annual variable pay of ₹ 1.07 million for Financial Year 2023, actually paid in Financial Year 2024).

Senior Management

In addition to our Chief Financial Officer, Ashish Gupta and our Company Secretary and Chief Compliance Officer, Mukti Chaplot who are also our Key Managerial Personnel and whose details have been disclosed above, the details of our Senior Management as on the date of this Prospectus are set forth below.

Sharad Pareek is the Chief Risk Officer of our Company and has been associated with our Company since October 1, 2022. In his current role, he is involved in identification, measurement and mitigation of risks for our Company including credit risk, operating risk, liquidity risk, market risk. He holds a bachelor's degree in science and a master's degree in business administration from South Gujarat University, Surat, Gujarat. He was previously associated with Poonawalla Fincorp Limited as executive vice-president, HDB Financial Services Limited as policy head (consumer finance), Barclays' Bank PLC as regional credit manager (mortgage) and GE Money Financial Services Limited (formerly, GE Countrywide Consumer Financial Services Limited) as manager (home equity). In Financial Year 2023, he received an aggregate compensation of ₹ 16.35 million.

Nitin Goel is the Head – Credit and Policy of our Company and has been associated with our Company since March 3, 2022. In his current role, he is responsible for handling credit related policy and decisions of our Company. He holds a bachelor's degree in commerce (honours) from University of Delhi, New Delhi and is a member of the Institute of Chartered Accountants of India. He was previously associated with Cholamandalam Investment and Finance Company Limited as senior assistant vice-president, Indiabulls Housing Finance Limited as cluster underwriter in the credit department and Reliance Home Finance Limited as regional credit manager. In Financial Year 2023, he received an aggregate compensation of ₹ 9.24 million (which included annual variable pay of ₹ 3.02 million for Financial Year 2023, actually paid in Financial Year 2024).

Abhinav Arya is the Chief Information Officer of our Company and has been associated with our Company since April 20, 2022. In his current role, he is responsible for implementation of IT applications and projects of our Company. He holds a bachelor's degree in technology (computer engineering) from Maharshi Dayanand University, Rohtak, Haryana and a post graduate diploma in management from Institute of Management Technology, Ghaziabad, Uttar Pradesh. He was previously associated with Shubham Housing Development Finance Company Limited as head (information technology and infrastructure), Hero FinCorp Limited as lead (information and technology) and Newgen Software Technologies Limited as senior consultant. In Financial Year 2023, he received an aggregate compensation of ₹ 6.11 million (which included annual variable pay of ₹ 1.75 million for Financial Year 2023, actually paid in Financial Year 2024).

Nilay is the Chief Human Resource Officer of our Company and has been associated with our Company since December 1, 2018. In his current role, he is responsible for handling human resources operations of our Company. He holds a bachelor's degree in arts (mathematics) and a master's degree in human resource and organisational development from University of Delhi, Delhi. He was previously associated with Standard Chartered Global Business Services Private Limited (formerly Scope International Private Limited) as senior vice-president, Max Life Insurance Company Limited (formerly Max New York Life Insurance Company Limited) as vice-president (human resources), New York Life International, LLC as international vice-president (human resources), Aksh India Limited as process associate (human resources) and Gujarat Heavy Chemicals Limited as senior officer (human resources). In Financial Year 2023, he received an aggregate compensation of ₹ 9.56 million (which included annual variable pay of ₹ 3.92 million for Financial Year 2023, actually paid in Financial Year 2024).

Ravinder Dhillon is the Head – Collections of our Company and has been associated with our Company since October 14, 2022. In his current role, he is responsible for ensuring collection and recovery mechanism of our Company. He holds a bachelor's degree in commerce from M.J.P. Rohilkhand University, Bareilly, Uttar Pradesh. He was previously associated with Cholamandalam DBS Finance Limited as manager-sales (home equity), GE Money Financial Services Limited (formerly, GE Countrywide Consumer Financial Services Limited) as area sales manager (home equity) and HDFC Bank Limited as executive (business banking). In Financial Year 2023, he received an aggregate compensation of ₹ 6.09 million (which included annual variable pay of ₹ 2.51 million for Financial Year 2023, actually paid in Financial Year 2024).

Rohit Gaur is the Head – Product and Strategy of our Company and has been associated with our Company since July 1, 2022. In his current role, he is responsible for implementing strategies regarding products and customer services of our Company. He holds a bachelor's degree in engineering (electronics and communication) from Karnataka University, Dharwad, Karnataka and post graduate diploma in management from Indian Institute of Modern Management, Pune, Maharashtra. He was previously associated with and Cholamandalam Investment and Finance Company Limited as associate vice-president and product head, Nutek (I) Private Limited as project co-ordinator, Cholamandalam DBS Finance Limited as area sales manager (home equity) and HDFC Bank Limited as manager. In Financial Year 2023, he received an aggregate compensation of ₹ 7.60 million (which included annual variable pay of ₹ 2.54 million for Financial Year 2023, actually paid in Financial Year 2024).

Aman Saini is the Business Head of our Company and has been associated with our Company since May 31, 2022. In his current role, he is responsible for overall business of our Company. He holds a bachelor's degree in science from Kurukshetra University, Kurukshetra, Haryana and post graduate diploma in business management from Institute of Productivity and Management, Ghaziabad, Uttar Pradesh. He was previously associated with Cholamandalam DBS Finance Limited as sales manager (home equity), Indiabulls Housing Finance as manager, GE Money Financial Services Limited (formerly, GE Countrywide Consumer Financial Services Limited) as area sales manager (home equity) and HDFC Bank Limited as assistant manager. In Financial Year 2023, he received an aggregate compensation of ₹10.16 million (which included annual variable pay of ₹ 4.11 million for Financial Year 2023, actually paid in Financial Year 2024).

Status of Key Managerial Personnel and Senior Management

All the Key Managerial Personnel and Senior Management are permanent employees of our Company.

Relationship among Key Managerial Personnel and Senior Management

None of our Key Managerial Personnel and Senior Management are related to each other.

Bonus or profit-sharing plan for the Key Managerial Personnel and Senior Management

Our Key Managerial Personnel and Senior Management are not a party to any bonus or profit-sharing plan of our Company.

Shareholding of Key Managerial Personnel and Senior Management in our Company

Other than as disclosed in "***Capital Structure – Shareholding of our Directors, Key Managerial Personnel and Senior Management in our Company***" on page 122, none of our Key Managerial Personnel and Senior Management hold any Equity Shares as on the date of this Prospectus.

Service Contracts with Directors and Key Managerial Personnel and Senior Management

Our Key Managerial Personnel and Senior Management are governed by the terms of their respective appointment letters, in relation their terms of appointment, and have not entered into any other service contracts with our Company. Further, no officer of our Company is entitled to any benefit upon termination of employment or superannuation, other than statutory benefits. Details of remuneration paid (including bonus payouts as approved by nomination and remuneration committee and our Board) to the Key Managerial Personnel and Senior Management for Financial Year 2023 are set out below:

Name	Designation	Remuneration paid in Financial Year 2023 (₹ in million)	
		Fixed pay (Paid in Financial Year 2023)	Variable pay (Paid in Financial Year 2024)
Key Managerial Personnel			
Rupinder Singh	Managing Director and Chief Executive Officer	26.93	30.68
Ashish Gupta	Chief Financial Officer	8.85	9.59
Mukti Chaplot	Company Secretary and Chief Compliance Officer	2.42	1.07
Senior Management			
Sharad Pareek	Chief Risk Officer	16.35	Nil
Nitin Goel	Head – Credit and Policy	6.22	3.02
Abhinav Arya	Chief Information Officer	4.36	1.75
Nilay	Chief Human Resource Officer	5.64	3.92
Ravinder Dhillon	Head – Collections	3.57	2.51
Rohit Gaur	Head – Product and Strategy	5.06	2.54
Aman Saini	Business Head	6.06	4.11

Contingent and deferred compensation payable to our Key Managerial Personnel and Senior Management

No contingent or deferred compensation is payable to any of our Key Managerial Personnel and Senior Management for Financial Year 2023.

Arrangements and understanding with major shareholders, customers, suppliers or others

None of the Key Managerial Personnel or Senior Management of our Company have been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others.

Interest of Key Managerial Personnel and Senior Management

Our Key Managerial Personnel and Senior Management do not have any interests in our Company, other than to the extent of (i) the remuneration to which they are entitled in accordance with the terms of their appointment or reimbursement of expenses incurred by them during the ordinary course of business by our Company; (ii) any directorships that they may hold in our Subsidiary, and to the extent of remuneration payable to them in this regard and (iii) the Equity Shares and employee stock options held by them, if any, and any dividend payable to them and other benefits arising out of such shareholding. See "***Capital Structure – Shareholding of our Directors, Key Managerial Personnel and Senior Management in our Company***" and "***History and Certain Corporate Matters – Subsidiary of our Company – Board of directors***" on pages 122 and 279.

Changes in Key Managerial Personnel or Senior Management during the last three years

Except as disclosed below, there are no other changes in our Key Managerial Personnel or Senior Management during the three years immediately preceding the date of this Prospectus are set forth below:

Name of Key Managerial Personnel/ Senior Management	Date of Change	Reasons
Sunil Jain	December 22, 2020	Cessation as Chief Business Officer
Nitin Goel	March 3, 2022	Appointed as Head - Credit and Policy
Abhinav Arya	April 20, 2022	Appointed as Chief Information Officer
Aman Saini	May 31, 2022	Appointed as Business Head
Varun Guliani	June 13, 2022	Cessation as Chief Information Officer
Rohit Gaur	July 1, 2022	Appointed as Head - Product and Strategy
Sharad Pareek	October 1, 2022	Appointed as Chief Risk Officer
Ravinder Dhillon	October 14, 2022	Appointed as Head – Collections and Recovery
Mukti Chaplot	July 31, 2023	Cessation as Head – Internal Audit
Mukti Chaplot	July 31, 2023	Appointed as Compliance Officer
Mukti Chaplot	September 29, 2023	Re-designated as Company Secretary and Chief Compliance Officer

Employee stock option and stock purchase schemes

For details of the ESOP Schemes of our Company, see "***Capital Structure – Employee Stock Option Schemes***" on page 124.

Payment or Benefit to Key Managerial Personnel and Senior Management of our Company

No non-salary related amount or benefit has been paid or given to any officer of our Company within the two years preceding the date of this Prospectus or is intended to be paid or given, other than in the ordinary course of their employment.

OUR PROMOTERS AND PROMOTER GROUP

Anil Mehta, WestBridge Crossover Fund, LLC and Aravali Investment Holdings are the Promoters of our Company. As on the date of this Prospectus, our Promoters, in aggregate, hold 51,701,854 Equity Shares of face value of ₹5 each, representing 56.7% of the fully diluted issued, subscribed and paid-up equity share capital of our Company. As on the date of this Prospectus, none of the members of our Promoter Group hold any Equity Shares. For details of the build-up of our Promoters' shareholding in our Company, see "***Capital Structure – History of the equity share capital held by our Promoters – Build-up of our Promoters' shareholding in our Company***" on page 114.

Details of our Individual Promoter

Anil Mehta

Anil Mehta, aged 62 years, was born on February 2, 1961 and is the Individual Promoter of our Company. He is a resident of LCG 404A, The Laburnum, Sushant Lok, Gurugram 122 002, Haryana, India.

Anil Mehta holds a bachelor's degree in economics from the University of Udaipur and a master's degree in management studies from the University of Mumbai, Maharashtra. He started his career with HDFC Limited in 1984 and worked there for more than 11 years. He was also associated with Max Life Insurance Company Limited as a senior director (new markets-SBU). With an experience of 24 years in the financial services sector, he then started his journey with our Company.

The permanent account number of Anil Mehta is ACCPM1631M.

Our Company confirms that the permanent account number, bank account numbers, Aadhaar card number, passport number and driving license number of our Promoter, Anil Mehta was submitted to the Stock Exchanges at the time of filing of the Draft Red Herring Prospectus.

Details of our Corporate Promoters

WestBridge Crossover Fund, LLC

Corporate information

WestBridge Crossover Fund, LLC holds a Global Business License issued by the Financial Services Commission, Mauritius bearing number C111009875. Its corporate identification number/company registration number under the applicable law of the Republic of Mauritius is 103872 C1/GBL. Its registered office address is Level 4, Tower A, 1 Exchange Square, Wall Street, Ebene 72201, Mauritius. The address of the registrar of companies where it is registered is One Cathedral Square Building, Jules Koenig Street, Port Louis, Mauritius.

WestBridge Crossover Fund, LLC, set up as a limited liability company in Mauritius is licensed by the Financial Services Commission, Mauritius, to operate as a closed-end fund classified as a professional collective investment scheme pursuant to the Securities Act, 2005 and the Securities (Collective Investment Scheme and Closed-end Fund) Regulations, 2008 of Mauritius. The present activity of WestBridge Crossover Fund, LLC is to invest in public and private companies in India or companies which have a significant nexus or business linkage with India and/ or South Asia. No change to such activities is currently proposed.

Our Company confirms that the permanent account number, bank account number, company registration number and the address of the registrar of companies where WestBridge Crossover Fund, LLC is registered, was submitted to the Stock Exchanges at the time of filing of the Draft Red Herring Prospectus.

Board of Directors

As on date of this Prospectus, the board of directors of WestBridge Crossover Fund, LLC comprises Muralidhar Madhav Shenoy, Dean Allen Lam Kin Teng and Peter Charles Wendell.

Shareholding pattern

WestBridge Capital Management, LLC, the investment manager of WestBridge Crossover Fund, LLC holds 100% of the Class B shares (which carry the right to vote on all general shareholder matters) of WestBridge Crossover Fund, LLC. WestBridge Crossover Fund, LLC has 41 shareholders in total, with no single shareholder holding in excess of 50% of the shares issued by WestBridge Crossover Fund, LLC. In addition, no single natural person holds more than 10% of beneficial ownership or interest of WestBridge Crossover Fund, LLC. WestBridge Crossover Fund, LLC's shareholding pattern by investor type is set out below:

Type of Investor(s)	Percentage of total shareholding (%)
Investment Funds (managed by an investment manager regulated by the US Securities and Exchange Commission and the Financial Services Commission, Mauritius)	58.0
Non-Profit Foundations/Endowments	26.3
Family Offices/HNIs	6.1
Sovereign Wealth Fund	5.0
Corporations	1.9
Fund of Funds	1.7
Pension Fund	1.0
Total	**100.0**

Details of change in control

There has been no change in control of WestBridge Crossover Fund, LLC in the three years preceding the date of this Prospectus.

Promoter of WestBridge Crossover Fund, LLC

WestBridge Capital Management, LLC ("WBCM")

WBCM is a limited liability company incorporated in Mauritius and licensed by the Financial Services Commission, Mauritius to operate as a CIS Manager, bearing License Number C112011166. It is the investment manager of WestBridge Crossover Fund, LLC and holds 100% of the Class B shares (which carry the right to vote on all general shareholder matters) of WestBridge Crossover Fund, LLC.

Two natural persons who hold more than 15% of shares in WBCM are Sumir Chadha and Sandeep Singhal.

Board of Directors of WBCM

Name	Designation
Sumir Chadha	Director
Jamiilah Bibi Faatimah Khodadeen	Director
Muralidhar Madhav Shenoy	Director
Sandeep Singhal	Director

Aravali Investment Holdings

Corporate information

Aravali Investment Holdings is a wholly owned subsidiary of WestBridge Crossover Fund, LLC and holds a Global Business License bearing no. C112011168 issued by the Financial Services Commission, Mauritius. Its corporate identification number/company registration number is 111416/C1/GBL. Its registered office address is Level 4, Tower A, 1 Exchange Square, Wall Street, Ebene 72201, Mauritius. The address of the registrar of companies where it is registered is One Cathedral Square Building, Jules Koenig Street, Port Louis, Mauritius.

Aravali Investment Holdings was incorporated on July 31, 2012 as a limited liability company in Mauritius and is licensed by the Financial Services Commission, Mauritius, to operate as an investment holding company. The present activity of Aravali Investment Holdings is to invest in public and private companies in India or companies which have a significant nexus or business linkage with India and/ or South Asia. No change to such activities is currently proposed.

Our Company confirms that the permanent account number, bank account number, company number and the address of the registrar of companies where Aravali Investment Holdings is registered, was submitted to the Stock Exchanges at the time of filing the Draft Red Herring Prospectus.

Board of Directors of Aravali Investment Holdings

As on date of this Prospectus, the board of directors of Aravali comprises Muralidhar Madhav Shenoy, Dean Allen Lam Kin Teng and Peter Charles Wendell.

Shareholding pattern

Aravali Investment Holdings is a wholly-owned subsidiary of WestBridge Crossover Fund, LLC, which holds 100% of the issued, subscribed and paid-up equity share capital of Aravali Investment Holdings.

Details of change in control

There has been no change in control of Aravali Investment Holdings in the last three years preceding the date of this Prospectus.

Promoter of Aravali

WestBridge Crossover Fund, LLC

Aravali Investment Holdings is a wholly-owned subsidiary of WestBridge Crossover Fund, LLC. See "– ***Details of our Corporate Promoters – WestBridge Crossover Fund, LLC***" on page 305.

Change in control of our Company

Except as disclosed below, there has been no change in the control of our Company during the five years immediately preceding the date of this Prospectus:

Pursuant to the share purchase agreement dated February 26, 2021 ("**SPA**") entered into between Aravali Investment Holdings (a wholly-owned subsidiary of WestBridge Crossover Fund, LLC), Sequoia Capital India Growth Investments I, Sequoia Capital India Investments III and our Company, read with first amendment to the SPA dated October 21, 2021, Aravali Investment Holdings acquired (a) 1,448,776 equity shares (3.3% of the issued, subscribed and paid-up capital of our Company, as on the date of the SPA) of face value of ₹10 each of our Company by way of transfer from Sequoia Capital India Investments III at an acquisition price of ₹ 614.46 per equity share, aggregating to a total consideration of ₹ 890.22 million; and (b) 2,170,560 equity shares (5.1% of the issued, subscribed and paid-up capital of our Company, as on the date of the SPA) of face value of ₹10 each of our Company by way of transfer from Sequoia Capital India Growth Investment I at an acquisition price of ₹ 614.46 per equity share, aggregating to a total consideration of ₹ 1,333.73 million, on October 25, 2021 ("**Transaction**"). The aggregate consideration paid by Aravali Investment Holdings in relation to the Transaction was ₹ 2,223.95 million. Pursuant to the letter dated September 3, 2021, the RBI provided its approval in relation to the Transaction. Pursuant to the completion of the Transaction, WestBridge Crossover Fund, LLC and Aravali Investment Holdings acquired the control of our Company.

WestBridge Crossover Fund, LLC and Aravali Investment Holdings were accordingly identified as promoters of our Company, together with Anil Mehta, in the annual returns filed by our Company for Financial Year 2022 and Financial Year 2023.

Interest of our Promoters

(a) Our Promoters are interested in our Company to the extent: (i) that they have promoted our Company; (ii) that either they, or any of their relatives, hold any direct or indirect shareholding in our Company; (iii) any dividends payable or any other distributions payable in respect of Equity Shares held by them in our Company; (iii) any directorships that they may hold, including by way of appointing nominees, in our Company, and to the extent of remuneration payable to them in this regard; and (iv) their business interest in our Company. For details of the Promoters' shareholding in our Company, see "***Capital Structure – History of build-up of Promoters' shareholding and lock-in of Promoter's shareholding (including Promoters' contribution)***" on page 114.

(b) No sum has been paid or agreed to be paid to our Promoters or to any firm or company in which our Promoters are a member, in cash or shares or otherwise by any person for services rendered by such Promoters or by such firm or company in connection with the promotion or formation of our Company.

(c) Further, except in the ordinary course of business as disclosed in "***Restated Consolidated Financial Information – Note 40 - Related Party Transactions***" on page 387: (i) our Promoters have no interest in any property acquired by our Company in the preceding three years or proposed to be acquired by our Company, as on the date of this Prospectus; and (ii) our Promoters do not have any interest in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

Payment or benefits to our Promoters or our Promoter Group

Except in the ordinary course of business and as disclosed in "***Our Management – Terms of appointment of our Directors***" and in "***Restated Consolidated Financial Information – Note 40 - Related Party Transactions***" on pages 284 and 387, our Company has not entered into any contract, agreements or arrangements in the preceding two years in which our Promoters are directly or indirectly interested, nor does our Company propose to enter into any such contract, arrangement or agreements in which our Promoters are directly or indirectly interested and no payments or benefits are intended to be made to the Promoters and the members of our Promoter Group or have been made to them in respect of the contracts, agreements or arrangements which are proposed to be entered into with them.

Material guarantees given by our Promoters

Our Promoters have not given any material guarantees to any third parties with respect to the Equity Shares, as on the date of this Prospectus.

Disassociation by our Promoters in the three immediately preceding years

Except as disclosed below, our Promoters have not disassociated themselves from any companies or firms during the three immediately preceding years:

WestBridge Crossover Fund, LLC

Name of the company or firm from which Promoter has disassociated	Reasons for and circumstances leading to disassociation	Date of disassociation
Bajaj Finance Limited	Divestment	November 28, 2022
Dr. Lal PathLabs Ltd.	Divestment	June 20, 2023
GreenPanel Industries Limited	Divestment	March 12, 2021
IFB Industries Limited	Divestment	May 4, 2022
TVS Motor Company Limited	Divestment	December 27, 2022
V-Mart Retail Limited	Divestment	September 5, 2022
Vistaar Financial Services Private Limited	Divestment	May 25, 2023
Neogrowth Credit Private Limited	Divestment	July 11, 2023

Aravali Investment Holdings

Name of the company or firm from which Promoter has disassociated	Reasons for and circumstances leading to disassociation	Date of disassociation
Aptus Value Housing Finance India Limited*	Divestment	August 18, 2021

* *It is clarified that WestBridge Crossover Fund, LLC (the holding company of Aravali Investment Holdings), along with its subsidiary continues to hold shares in Aptus Value Housing Finance India Limited as on the date of this Prospectus.*

Promoter Group

Other than our Promoters, the individuals and entities that form part of the Promoter Group of our Company in terms of Regulations 2(1)(pp) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("**SEBI ICDR Regulations**") are set out below:

A. Natural persons forming part of the Promoter Group

The natural persons forming part of the Promoter Group are set forth below:

Name of Promoter	Name of relative	Relationship
Anil Mehta	Anjali Mehta	Wife
	Shalabh Mehta	Brother
	Vipula Surana	Sister
	Adit Mehta	Son
	Aditi Mehta	Daughter
	Sanjeeva Bhargava	Spouse's brother

B. Entities forming part of the Promoter Group

Other than our Corporate Promoters, the entities forming part of the Promoter Group are set forth below:

1. Aptus Value Housing Finance India Limited
2. Benson, LLC
3. Biz2Credit Inc.
4. Crossland Cars Private Limited
5. Crossland Earth Movers Private Limited
6. Crossland Equipo Private Limited
7. Crossland Glo Private Limited
8. Crossland Granites Private Limited
9. Crossland Parts Private Limited
10. Crossland Real Estate Developers Private Limited
11. Ebo Mart Private Limited
12. EBONO Private Limited
13. Enrich Hair and Skin Solutions Private Limited
14. Goldcast Inc.
15. GreenCore PTE Ltd.
16. HyperTrack Inc.
17. Innovent Spaces Private Limited
18. JIH II, LLC
19. Jwalamukhi Investment Holdings
20. Kamet Investment Holdings
21. Konark Trust
22. KPN Farm Fresh Private Limited
23. Kuhoo Finance Private Limited
24. Kuhoo Technology Services Private Limited
25. Mathey Investment Holdings
26. MIH II*
27. MIH III*
28. MMPL Trust
29. Safecrop Investments India LLP
30. Setu AIF Trust
31. Shoreline Labs Inc.
32. TACOMA, LLC
33. Turing Enterprises, Inc.
34. Vini Cosmetics Private Limited
35. Wealth India Financial Services Private Limited
36. WestBridge AIF I
37. WestBridge AIF Master Fund, LLC
38. WestBridge Capital Management, LLC

39. WestBridge Crossover Tranche III, LLC
40. WestBridge Crossover Tranche V, LLC
41. WestBridge SPV-Excel, LLC

[*] *In liquidation. The procedures for winding up have been completed under the Insolvency Act 2009 of Mauritius and is expected to be dissolved by February 2024.*

OUR GROUP COMPANIES

Pursuant to a resolution dated August 3, 2023, our Board has noted that in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("**SEBI ICDR Regulations**") and for the purpose of disclosure in this Prospectus, group companies of our Company shall include (i) such companies (other than any corporate promoters or subsidiary of our Company) with which there were related party transactions, during the period for which financial information will be disclosed in this Prospectus, as covered under the Indian Accounting Standard (Ind AS) 24; or (ii) any other company as considered material by the Board ("**Materiality Policy**").

Based on the parameters outlined above, as on the date of this Prospectus, our Company does not have any group company (as defined under the SEBI ICDR Regulations and in terms of the Materiality Policy).

RELATED PARTY TRANSACTIONS

For details of the related party transactions, as per the requirements under the applicable accounting standards, i.e., Ind AS 24, read with the SEBI ICDR Regulations, for the six months ended September 30, 2023 and September 30, 2022 and Financial Years 2023, 2022, and 2021, see "***Restated Consolidated Financial Information – Note 40 – Related Party Transactions***" on page 387. For a summary of the related party transactions for the six months ended September 30, 2023 and September 30, 2022 and Financial Years 2023, 2022, and 2021, see "***Summary of the Offer Document – Summary of Related Party Transactions***" on page 24.

DIVIDEND POLICY

As on the date of this Prospectus, our Company does not have a formal dividend policy. The declaration and payment of dividends on our Equity Shares, if any, will be recommended by our Board and approved by our Shareholders, at their discretion, subject to the provisions of the Articles of Association and the Companies Act, 2013 ("**Companies Act**"). The dividend, if any, will depend on a number of internal factors, including but not limited to our Company's profit, capital requirements, financial commitment with respect to the outstanding borrowings and interest thereon, cash flows and any other factors considered relevant by our Board. In addition, the dividend, if any, will also depend on a number of external factors including but not limited to applicable laws and regulations including taxation laws, economic conditions, prevalent market practices, and dividend payout ratio and comparison of dividend payout by the competitors. For details in relation to risks involved in this regard, see "***Risk Factors – Internal Risk Factors – Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements.***" on page 66.

We have neither declared nor paid any dividends on the Equity Shares in any of the three Financial Years immediately preceding the date of this Prospectus, the six months ended September 30, 2023 and for the period from October 1, 2023 until the date of this Prospectus.

SELECTED STATISTICAL INFORMATION

*The following information is included for analytical purposes and should be read in conjunction with our "**Restated Consolidated Financial Information**" on page 332 as well as "**Our Business**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" on pages 232 and 397, respectively.*

*Certain non-GAAP measures such as operating expenses to average total assets ratio, operating expenses to net income ratio, credit cost to average total assets ratio, net asset value per share, net worth, average net worth, total income to average total assets ratio, finance costs to average total assets ratio, net income to average total assets ratio, operating expenses to average total assets ratio, credit cost to average total assets ratio and profit before tax to average total assets ratio ("**Non-GAAP Measures**") presented in this Prospectus are a supplemental measure of our performance and liquidity that are not required by, or presented in accordance with, Ind AS, Indian GAAP, or IFRS. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, or IFRS and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, or IFRS. In addition, these Non-GAAP Measures are not a standardized term, hence a direct comparison of similarly-titled Non-GAAP Measures between companies may not be possible. Other companies may calculate the Non-GAAP Measures differently from us, limiting its utility as a comparative measure. Although the Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, our management believes that it is useful to an investor in evaluating us because it is a widely used measure to evaluate a company's operating performance.*

Our Company's financial year commences on April 1 of each year and ends on March 31 of the next year. Accordingly, all references to a particular year are to the 12 months ended March 31 of that particular year, unless otherwise specified. Unless otherwise indicated, average balances are the period/year to date averages of the relevant period/year. All ratios as of and for the six months ended September 30, 2023 and 2022 have been annualized, unless otherwise specified.

Certain Financial Metrics

The following table sets forth, for the years indicated, certain financial metrics for us:

Particulars	As of and for the six months ended		As of and for the Year ended		
	September 30, 2023	September 30, 2022	March 31, 2023	March 31, 2022	March 31, 2021
	(in ₹ million, except percentages)				
AUM[1]	51,806.89	36,148.74	43,594.31	30,732.93	21,985.27
AUM Growth (%)[2]	43.3%	43.6%	41.8%	39.8%	44.7%
Average AUM[3]	47,700.60	33,440.83	37,163.62	26,359.10	18,591.58
Assigned Assets[4]	8,475.85	4,920.19	6,927.35	3,850.92	1,649.43
Assigned Assets to AUM (%)[5]	16.4%	13.6%	15.9%	12.5%	7.5%
Loan Principal Outstanding[6]	43,331.04	31,228.55	36,666.95	26,882.01	20,335.84
Average Loan Principal Outstanding[7]	39,999.00	29,055.28	31,774.48	23,608.93	17,723.85
Total Assets[8]	47,586.78	37,499.93	42,955.91	32,212.21	24,626.40
Average Total Assets[9]	45,271.34	34,856.07	37,584.06	28,419.31	21,308.16
Disbursements[10]	12,203.17	8,618.94	19,643.77	12,952.61	8,948.76
Disbursements Growth (%)[11]	41.6%	83.2%	51.7%	44.7%	62.3%
Outstanding Loan Accounts[12]	68,480	49,481	58,552	43,328	33,607
Interest Income on Loans	2,939.32	2,135.30	4,650.45	3,513.16	2,558.91
Non-Interest Income	1,046.45	593.56	1,411.86	1,084.90	669.08
Total Income[13]	3,985.76	2,728.86	6,062.31	4,598.06	3,227.99

Particulars	As of and for the six months ended		As of and for the Year ended		
	September 30, 2023	September 30, 2022	March 31, 2023	March 31, 2022	March 31, 2021
	(in ₹ million, except percentages)				
Finance Costs(14)	1,390.95	955.43	2,086.77	1,474.19	1,045.75
Net Income(15)	2,594.81	1,773.44	3,975.54	3,123.86	2,182.25
Operating Expenses(16)	1,117.14	871.82	1,815.35	1,334.72	853.73
Operating Expenses to Average Total Assets (%)(17)	4.9%	5.0%	4.8%	4.7%	4.0%
Operating Expenses to Average AUM (%)(18)	4.7%	5.2%	4.9%	5.1%	4.6%
Operating Expenses to Net Income (%)(19)	43.1%	49.2%	45.7%	42.7%	39.1%
Credit Cost(20)	94.10	89.87	140.68	120.12	198.94
Credit Cost to Average Total Assets (%)(21)	0.4%	0.5%	0.4%	0.4%	0.9%
Impairment Loss Allowance(22) (31)	417.44	425.65	354.85	343.48	310.03
Stage 3 Assets(23) (32)	439.27	880.96	418.96	570.39	391.67
Stage 3 Assets (%)(24) (32)	1.00%	2.79%	1.13%	2.12%	1.92%
Impairment Loss Allowance for Stage 3 Assets(25)	126.25	207.67	108.88	145.27	115.98
Provision Coverage Ratio (%)(26)	28.7%	23.6%	26.0%	25.5%	29.6%
Stage 3 Assets (Net)(27)	313.02	673.29	310.08	425.12	275.69
Net Carrying Assets(28)	43,325.73	31,139.51	36,681.42	26,598.00	20,098.54
Stage 3 Assets (Net) to Net Carrying Amount (%)(29)	0.72%	2.16%	0.85%	1.60%	1.37%
Basic Earnings Per Equity Share(30)(₹)	12.13*	7.09*	17.75	14.80	10.19
Diluted Earnings Per Equity Share(30) (₹)	12.00*	7.02*	17.47	14.63	9.93
Net Asset Value Per Share(31)	152.70	130.57	141.38	123.11	109.04

* *Earning per Equity Share not annualized for the six months ended September 30, 2023 and September 30, 2022*

(1) AUM represents the aggregate of future principal outstanding and overdue principal outstanding, if any, for all loan assets under management which includes (i) loan assets held by us as of the last day of the relevant period/year (ii) loan assets which have been transferred by us by way of securitization or direct assignments and are outstanding as of the last day of the relevant period/year, and excludes the partner share of loan assets originated under co-lending arrangements with the partner banks as of the last day of the relevant period/year.

(2) AUM Growth represents the percentage growth in AUM as of the last day of the relevant period/year over AUM as of the last day of the corresponding previous period.

(3) Average AUM is the simple average of AUM as of the last day of the relevant period/year and AUM as of the last day of the previous year.

(4) Assigned Assets represents the aggregate of current principal outstanding and overdue principal outstanding, if any, for all loan assets which have been transferred by us by way of securitization before April 1, 2017 under erstwhile accounting standards and direct assignment as of the last day of the relevant period/year.

(5) Assigned Assets to AUM represents the assigned assets as of the last day of the relevant period/year over AUM as of such date, represented as a percentage.

(6) Loan Principal Outstanding represents the aggregate of future principal outstanding and overdue principal outstanding, if any, for all loan assets held by us as of the last day of the relevant period/year.

(7) Average Loan Principal Outstanding represents the simple average of loan principal outstanding as of the last day of the relevant period/year and loan principal outstanding of the last day of the previous year.

(8) Total Asset represents total assets as of the last day of the relevant period/year as per Restated Consolidated Financial Information.

(9) Average Total Assets represents the simple average of total assets as of the last day of the relevant period/year and total assets as of the last day of the previous year.

(10) Disbursements represents the aggregate of all loan amounts extended to our customers in the relevant period/year.

(11) Disbursements Growth represents the percentage growth in disbursements for the relevant period/year over disbursements of the corresponding previous period/year.

(12) Outstanding Loan accounts represents the aggregate number of loan accounts outstanding as of the end of the relevant period/year including loan accounts which have been transferred by our Company by way of securitizations or direct assignments and are outstanding as of the last day of the relevant period/year

(13) Total Income represents the aggregate total income for relevant period/year as per Restated Consolidated Financial Information.

(14) Finance Cost represents the aggregate finance cost for relevant period/year as per Restated Consolidated Financial Information excluding interest expense on lease liability.

(15) Net Income represents the difference between total income and finance cost for the relevant period/year.

(16) Operating Expenses represents the aggregate of employee benefits expense, depreciation and amortization expense, interest expense on lease liability and other expenses for the relevant period/year as per Restated Consolidated Financial Information.

(17) Operating Expenses to Average Total Assets represents operating expenses for the relevant period/year upon the simple average of total assets as of the last day of the relevant period/year and total assets as of the last day of the previous year, represented as a percentage.

(18) Operating Expenses to Average AUM represents operating expenses for the relevant period/year upon the simple average of AUM as of the last day of the relevant period/year and AUM as of the last day of the previous year, represented as a percentage.

(19) Operating Expenses to Net Income represents operating expenses for the relevant period/year upon net income of such period/year, represented as a percentage.

(20) Credit Cost represents impairment on financial instruments for the relevant period/year as per Restated Consolidated Financial Information.

(21) Credit Cost to Average Total Assets represents the impairment on financial instruments to simple average of total assets as of the last day of the relevant period/year and total assets as of the last day of the previous year, represented as a percentage.

(22) Impairment Loss Allowance represents expected credit loss (ECL) made on gross carrying amount - loans as per ECL methodology under Ind AS guidelines as appearing in Note 6 of Restated Consolidated Financial Information.

(23) Stage 3 Assets (Gross) represents gross carrying amount pertaining to loans which are non-performing assets (NPA) as per the Income Recognition, Asset Classification and Provisioning Norms issued and modified by RBI from time to time as appearing in Note 6 of Restated Consolidated Financial Information.

(24) Stage 3 Assets (%) represents the Stage 3 Assets to the gross carrying amount as of the last day of the relevant period, represented as a percentage.

(25) Impairment Loss Allowance for Stage 3 Assets represents impairment loss allowance only for Stage 3 Assets as of the last day of the relevant period/year as appearing in Note 6 of Restated Consolidated Financial Information.

(26) Provision Coverage Ratio represents impairment loss allowance for Stage 3 Assets as a percentage of total Stage 3 Assets (Gross) as of the last day of such period/year.

(27) Stage 3 Assets (Net) represents Stage 3 Assets (Gross) less impairment loss allowance for Stage 3 Assets as of the last day of the relevant period/year.

(28) Net Carrying Assets represents aggregate of loan - principal outstanding, interest overdue and interest accrued but not due from borrowers pertaining to loans held in our books as on the last day of the relevant period reduced by impairment loss allowance

(29) Stage 3 Assets (Net) to Net Carrying Amount represents Stage 3 Assets (Net) as of the last day of the relevant period/year upon net carrying assets as of the last day of such period/year, represented as a percentage.

(30) Basic and Diluted Earnings per Equity Share are computed in accordance with Ind AS 33 notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended) as appearing in Restated Consolidated Financial Information. Pursuant to the Board resolution dated July 12, 2023 and the Shareholders' resolution dated July 18, 2023, the face value of the equity shares of our Company was sub-divided from ₹10 each to ₹5 each. The sub-division of equity shares is retrospectively considered for the computation of basic and diluted earnings per equity share in accordance with Ind AS 33 for all period/years presented.

(31) Net Asset value per equity share is computed as net worth as of the last day of the relevant period/year divided by the outstanding number of issued and subscribed equity shares as of the last day of such period/year. The impact of sub-division is retrospectively considered for the computation of net asset value in accordance with the requirements of Ind AS 33.

(32) Gross Carrying Amount - Loans represents aggregate of loan - principal outstanding, interest overdue and interest accrued but not due from borrowers pertaining to loans held in our books as on the last day of the relevant period. Classification of gross carrying amount in Stage I, Stage II and Stage III as per ECL methodology under Ind AS guidelines where Stage I Assets are classified as performing assets, Stage II Assets are classified as underperforming assets and Stage III Assets are classified as non-performing assets.

Return on Equity

Particulars	As of and for the six months ended		As of and for the Year ended		
	September 30, 2023	September 30, 2022	March 31, 2023	March 31, 2022	March 31, 2021
	(in ₹ million, except percentages and ratios)				
Total Assets	47,586.78	37,499.93	42,955.91	32,212.21	24,626.40
Average Total Assets(1)	45,271.34	34,856.07	37,584.06	28,419.31	21,308.16
Net Worth(2)	13,749.66	11,420.09	12,405.28	10,761.27	9,372.69

Particulars	As of and for the six months ended		As of and for the Year ended		
	September 30, 2023	September 30, 2022	March 31, 2023	March 31, 2022	March 31, 2021
	(in ₹ million, except percentages and ratios)				
Average Net Worth[3]	13,077.47	11,090.68	11,583.27	10,066.98	8,927.77
Total Income	3,985.76	2,728.86	6,062.31	4,598.06	3,227.99
Finance Costs	1,390.95	955.43	2,086.77	1,474.19	1,045.75
Net Income (Total Income - Finance Cost)	2,594.81	1,773.44	3,975.54	3,123.86	2,182.25
Operating Expense	1,117.14	871.82	1,815.35	1,334.73	853.73
Credit Cost	94.10	89.87	140.68	120.12	198.94
Profit Before Tax[4]	1,383.57	811.75	2,019.52	1,669.01	1,129.57
Tax Expense	310.03	191.54	466.10	384.54	255.68
Profit After Tax[5]	1,073.54	620.21	1,553.42	1,284.47	873.89
Total Income to Average Total Assets[6]	17.6%	15.7%	16.1%	16.2%	15.1%
Finance Costs to Average Total Assets[7]	6.1%	5.5%	5.6%	5.2%	4.9%
Net Income to Average Total Assets[8]	11.5%	10.2%	10.6%	11.0%	10.2%
Operating Expenses to Average Total Assets[9]	4.9%	5.0%	4.8%	4.7%	4.0%
Credit Cost to Average Total Assets[10]	0.4%	0.5%	0.4%	0.4%	0.9%
Profit Before Tax to Average Total Assets[11]	6.1%	4.7%	5.4%	5.9%	5.3%
Profit After Tax to Average Total Assets (ROA)[12]	4.7%	3.6%	4.1%	4.5%	4.1%
Leverage (Average Total Assets to Average Net Worth)	3.5	3.1	3.2	2.8	2.4
Profit After Tax to Average Net Worth (ROE)[13]	8.2%	5.6%	13.4%	12.8%	9.8%

(1) Average Total Assets is the simple average of total assets as of the last day of the relevant period/year and total assets of the last day of the previous year.

(2) Net Worth is equivalent to the sum of equity share capital and other equity as per the Restated Consolidated Financial Information.

(3) Average Net Worth is the simple average of net worth as of the last day of the relevant period/year and net worth of the last day of the previous year.

(4) Profit Before Tax represents the profit before tax for relevant period/year as per Restated Consolidated Financial Information.

(5) Profit After Tax represents the profit after tax for relevant period/year as per Restated Consolidated Financial Information.

(6) Total Income to Average Total Assets represents sum of income from operations and other income for the relevant period/year to the average total assets for such period/year.

(7) Finance Costs to Average Total Assets represents finance costs for the relevant period/year to average total assets for such period/year.

(8) Net Income to Average Total Assets represents net income for the relevant period/year to average total assets for such period/year.

(9) Operating Expenses to Average Total Assets represents operating expenses for the relevant period/year to average total assets for such period/year.

(10) Credit Cost to Average Total Assets represents credit cost for the relevant period/year to average total assets for such period/year.

(11) Profit Before Tax to Average Total Assets represents profit before tax for the relevant period/year to average total assets for such period/year.

(12) Profit After Tax to Average Total Assets represents profit after tax for the relevant period/year to average total assets for such period/year.

(13) Profit After Tax to Average Net Worth represents profit after tax for the relevant period/year to the average net worth for such period/year. Profit After Tax to Average Net Worth is not annualized for the period ended September 30, 2023 and September 30, 2022.

Yields, Spreads and Margins

Particulars	As of and for the six months ended		As of and for the Year ended		
	September 30, 2023	September 30, 2022	March 31, 2023	March 31, 2022	March 31, 2021
	(in ₹ million, except percentages)				
Interest-earning Assets[1]	46,348.90	36,699.11	41,563.28	31,920.82	24,062.14

Particulars	As of and for the six months ended		As of and for the Year ended		
	September 30, 2023	September 30, 2022	March 31, 2023	March 31, 2022	March 31, 2021
	(in ₹ million, except percentages)				
Average Interest-earning Assets(2)	43,956.08	34,309.97	36,742.05	27,991.48	20,881.98
Total Assets	47,586.78	37,499.93	42,955.91	32,212.21	24,626.40
Average Total Assets(3)	45,271.34	34,856.07	37,584.06	28,419.31	21,308.16
Interest-bearing Liabilities(4)	32,724.77	25,256.36	29,734.28	20,593.95	14,807.18
Average Interest-bearing Liabilities(5)	31,229.53	22,925.16	25,164.12	17,700.57	12,013.31
Average Interest-earning Assets as percentage of Average Total Assets	97.1%	98.4%	97.8%	98.5%	98.0%
Average Interest-bearing Liabilities as percentage of Average Total Assets	69.0%	65.8%	67.0%	62.3%	56.4%
Average Interest-earning Assets as percentage of Average Interest-bearing Liabilities	140.8%	149.7%	146.0%	158.1%	173.8%
Average Yield on Loan Principal Outstanding(6)	14.7%	14.7%	14.6%	14.9%	14.4%
Average Cost of Borrowings(7)	8.9%	8.3%	8.3%	8.3%	8.7%
Spread(8)	5.8%	6.4%	6.3%	6.6%	5.7%
Average Yield on Disbursement(9)	14.7%	14.5%	14.4%	14.8%	15.1%
Average Incremental Cost of Borrowing(10)	8.4%	7.6%	7.9%	8.4%	8.0%

(1) Interest-earning Assets represents loan principal outstanding; balances with banks in deposit accounts; investment in mutual funds, debt instrument and certificate of deposit as of the last day of the relevant period/year. Loan principal outstanding represents the aggregate of future principal outstanding and overdue principal outstanding, if any, for all loan assets held by us as of the last day of the relevant period/year. Balance with banks in deposit accounts represents deposits with original maturity of less than 3 months, deposits with original maturity of more than 3 months and deposits held as margin money under securitization & borrowings agreements as appearing in Restated Consolidated Financial Information.

(2) Average Interest-earning Assets represent the simple average of interest-earning assets as of the last day of the relevant period/year and interest-earning assets as of the last day of the previous year.

(3) Average Total Assets is the simple average of total assets as of the last day of the relevant period/year and total assets of the last day of the previous year.

(4) Interest-bearing Liabilities represents total outstanding borrowing in form of debt securities and borrowings (other than debt securities) excluding lease liability as of the last day of the relevant period/year as per Restated Consolidated Financial Information.

(5) Average Interest-bearing Liabilities is the simple average of interest-bearing liabilities as of the last day of the relevant period/year and interest-bearing liabilities as of the last day of the previous year.

(6) Average Yield on Loan Principal Outstanding represents the ratio of interest income on loans for the relevant period/year as per Restated Consolidated Financial Information divided by average loan principal outstanding for such period/year.

(7) Average Cost of Borrowing represents Finance Costs (excluding interest on lease liabilities) for the relevant period/year as per Restated Consolidated Financial Information as a percentage of average interest-bearing liabilities as of the last day of such period/year.

(8) Spread represents Average Yield on Loan Principal Outstanding for the relevant period/year less average cost of borrowings for such period/year.

(9) Average Yield on Disbursement represents weighted average yield on disbursement, weights being disbursed amount of each loan disbursed during the relevant period/year.

(10) Average Incremental Cost of Borrowing represents weighted average rate of interest on borrowings incurred during the relevant period/year, weights being borrowing amount for each borrowings taken during the relevant period/year.

Asset Quality

Stage Wise Loans (Amount)

Particulars	September 30, 2023	September 30, 2022	As of March 31, 2023 *(in ₹ million)*	March 31, 2022	March 31, 2021
Gross Carrying Amount – Loans[1]					
1. Stage I	42,147.50	29,991.91	35,824.85	25,501.57	19,371.03
2. Stage II	1,156.40	692.29	792.46	869.52	645.87
3. Stage III	439.27	880.96	418.96	570.39	391.67
4. Total Gross Carrying Amount – Loans	**43,743.17**	**31,565.16**	**37,036.27**	**26,941.48**	**20,408.57**
Impairment Loss Allowance[2]					
5. Stage I	224.25	164.03	186.05	153.73	137.78
6. Stage II	66.94	53.96	59.92	44.48	56.27
7. Stage III	126.25	207.67	108.88	145.27	115.98
8. Total Impairment Loss Allowance	**417.44**	**425.65**	**354.85**	**343.48**	**310.03**
Net Carrying Amount - Loans[3]					
9. Stage I (9=1-5)	41,923.25	29,827.88	35,638.80	25,347.84	19,233.25
10. Stage II (10=2-6)	1,089.46	638.33	732.54	825.04	589.60
11. Stage III (11=3-7)	313.02	673.29	310.08	425.12	275.69
12. Total Net Carrying Amount - Loans (12=4-8)	**43,325.73**	**31,139.51**	**36,681.42**	**26,598.00**	**20,098.54**

(1) Gross Carrying Amount - Loans represents aggregate of loan - principal outstanding, interest overdue and interest accrued but not due from borrowers pertaining to loans held in our books as on the last day of the relevant period. Classification of gross carrying amount in stage I, Stage II and Stage III as per ECL methodology under Ind AS guidelines where Stage I Assets are classified as performing assets, Stage II Assets are classified as underperforming assets and Stage III assets are classified as non-performing assets.

(2) Impairment Loss Allowance represents expected credit loss (ECL) made on gross carrying amount - loans as per ECL methodology under IndAS guidelines.

(3) Net Carrying Assets represents aggregate of loan - principal outstanding, interest overdue and interest accrued but not due from borrowers pertaining to loans held in our books as on the last day of the relevant period reduced by impairment loss allowance.

Stage Wise Loans (%)

Particulars	September 30, 2023	September 30, 2022	As of March 31, 2023 *(in percentages)*	March 31, 2022	March 31, 2021
Gross Carrying Amount - Loans					
1. Stage I	96.36%	95.02%	96.73%	94.66%	94.92%
2. Stage II	2.64%	2.19%	2.14%	3.23%	3.16%
3. Stage III	1.00%	2.79%	1.13%	2.12%	1.92%
4. Total Gross Carrying Amount – Loans	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**

Account resolved under RBI resolution framework for COVID-19

Particulars	As of				
	September 30, 2023	September 30, 2022	March 31, 2023	March 31, 2022	March 31, 2021
	(in ₹ million, except in percentages)				
Standard	186.29	189.38	209.08	254.76	161.38
Sub-standard	36.74	92.69	51.45	43.99	0.77
Total	**223.02**	**282.07**	**260.53**	**298.75**	**162.15**
Resolved account classified as standard	0.43%	0.61%	0.57%	0.95%	0.79%

Detail of Total Outstanding Borrowings

Particulars	As of				
	September 30, 2023	September 30, 2022	March 31, 2023	March 31, 2022	March 31, 2021
	(in ₹ million, except tenure)				
Term Loan	22,508.04	17,184.73	20,488.50	14,869.80	8,335.31
- Private Sector Bank	14,898.83	11,500.60	12,358.31	9,738.31	6,541.19
- Public Sector Bank	4,908.10	2,914.74	5,554.56	2,735.88	802.22
- Other Parties	2,701.11	2,769.39	2,575.63	2,395.62	991.90
NHB Refinance	5,765.53	4,402.53	5,784.38	3,440.49	5,285.45
Non-Convertible Debentures	1,191.27	1,789.21	1,765.34	1,865.98	822.24
Securitization	777.08	1,069.03	878.34	417.68	364.19
External Commercial Borrowing	2,482.85	810.85	817.72	-	-
Total Outstanding Borrowing	**32,724.77**	**25,256.36**	**29,734.28**	**20,593.95**	**14,807.18**
Outstanding Balance of Direct Assignment (1)	8,475.85	4,920.19	6,927.35	3,822.48	1,582.70
Incremental Borrowing	7,737.00	7,753.90	16,385.90	13,099.71	10,040.00
Direct Assignment during the year	2,408.42	1,660.56	4,409.12	2,732.68	1,694.94
Average Rate of Interest on Borrowings (2)	8.6%	8.4%	8.5%	8.3%	8.3%
Average Rate of Interest on borrowing and Direct Assignment (3)	8.8%	8.5%	8.7%	8.4%	8.4%
Average Tenure of Borrowings at the time of drawdown (in months)	85	82	81	73	74

(1) Outstanding Balance of Direct Assignment represents loan assets which have been transferred by us by way of direct assignments and are outstanding as of the last day of the relevant period/year..

(2) Average Rate of Interest on Borrowings represents weighted average rate of interest on borrowings, weights being total outstanding balance of each borrowing at the end of the relevant period/year.

(3) Average Rate of Interest on borrowing and Direct Assignment represents weighted average cost of total borrowing and direct assignments, weights being total outstanding balance of each borrowing and direct assignment outstanding at the end of the relevant period/year.

Borrowings by Rate Method

Particulars	As of September 30, 2023	
	Amount (in ₹ million)	*(% Share)*
Fixed Rate Borrowings	7,998.39	24.4%
Floating Rate Borrowings	24,726.38	75.6%
Total Outstanding Borrowing	**32,724.77**	**100.0%**

Incremental Borrowings by Rate Method

Particulars	As of									
	September 30, 2023		September 30, 2022		March 31, 2023		March 31, 2022		March 31, 2021	
	Amount (in ₹ million)	*(%)*	*Amount (in ₹ million)*	*(%)*	*Amount (in ₹ million)*	*(%)*	*Amount (in ₹ million)*	*(%)*	*Amount (in ₹ million)*	*(%)*
Fixed Rate Borrowings	2,837.00	36.7%	1,993.10	25.7%	4,005.10	24.4%	2,350.00	17.9%	800.00	8.0%
Floating Rate Borrowings	4,900.00	63.3%	5,760.80	74.3%	12,380.80	75.6%	10,749.71	82.1%	9,240.00	92.0%
Total Incremental Borrowing	**7,737.00**	**100.0%**	**7,753.90**	**100.0%**	**16,385.90**	**100.0%**	**13,099.71**	**100.0%**	**10,040.00**	**100.0%**

Direct Assignment during the Year

Particulars	For the six months period ended		For the Financial Year		
	September 30, 2023	September 30, 2022	2023	2022	2021
			(in ₹ million)		
Direct Assignment	2,408.42	1,660.56	4,409.12	2,732.68	1,694.94

Loans Originated under Co-Lending arrangement (Partner Bank Share)

Particulars	As of				
	September 30, 2023	September 30, 2022	2023	2022	2021
			(in ₹ million)		
Loan Balance outstanding	298.75	-	5.98	-	-

Capital Adequacy

Particulars	As of				
	September 30, 2023	September 30, 2022	March 31, 2023	March 31, 2022	March 31, 2021
			(in ₹ million, except percentages)		
Tier I Capital	12,605.68	10,552.40	11,456.84	10,039.22	9,047.12
Tier II Capital	209.57	78.52	161.30	94.83	89.68
Total Capital	12,815.25	**10,630.92**	**11,618.14**	**10,134.05**	**9,136.80**
Risk Weighted Assets	26,331.93	**21,622.14**	**22,061.28**	**18,136.31**	**12,777.00**

Particulars	As of September 30, 2023	September 30, 2022	March 31, 2023	March 31, 2022	March 31, 2021
	(in ₹ million, except percentages)				
Capital Adequacy Ratio (%)[(1)]	48.7%	**49.2%**	**52.7%**	**55.9%**	**71.5%**
Tier I Capital (%)	47.9%	48.9%	51.9%	55.4%	70.8%
Tier II Capital (%)	0.8%	0.4%	0.7%	0.5%	0.7%

(1) Reported CRAR is in accordance with Restated Consolidated Financial Information.

Asset Liability Management

Particulars	Outflow[(1)]	Inflow[(2)]	Gap	Cumulative GAP
	As of September 30, 2023 (in ₹ million)			
Up to 1 year	8,434.20	9,943.27	1,509.07	1,509.07
1 to 3 years	12,841.97	13,336.51	494.53	2,003.60
3 to 5 years	9,228.56	9,627.78	399.22	2,402.82
5 to 7 years	1,790.74	6,843.98	5,053.24	7,456.06
7 to 10 years	981.24	6,044.13	5,062.89	12,518.95
Over 10 years	407.28	1,258.29	851.01	13,369.96
Total	**33,684.00**	**47,053.96**	**13,369.96**	**-**

(1) Liabilities represent all financial liabilities containing trade payables, debt securities, borrowings (other than debt securities), lease liabilities and other financial liabilities as per Restated Consolidated Financial Information.

(2) Assets represents all financial assets containing cash and cash equivalents, bank balance (other than cash and cash equivalents), derivative financial instruments, loans, investments and other financial asset as per Restated Consolidated Financial Information.

Product Wise AUM (in terms of Amount)

Particulars	As of September 30, 2023		September 30, 2022		March 31, 2023		March 31, 2022		March 31, 2021	
	Amount (in ₹ million)	*(% of AUM)*	*Amount (in ₹ million)*	*(% of AUM)*	*Amount (in ₹ million)*	*(% of AUM)*	*Amount (in ₹ million)*	*(% of AUM)*	*Amount (in ₹ million)*	*(% of AUM)*
Home Loan	29,821.48	57.6%	19,821.73	54.8%	24,646.08	56.5%	16,613.28	54.1%	12,522.81	57.0%
Loan Against Property	21,985.41	42.4%	16,327.01	45.2%	18,948.23	43.5%	14,119.65	45.9%	9,462.46	43.0%
Total	**51,806.89**	**100.0%**	**36,148.74**	**100.0%**	**43,594.31**	**100.0%**	**30,732.93**	**100.0%**	**21,985.27**	**100.0%**

Product Wise Outstanding Loan Accounts

Particulars	As of September 30, 2023		September 30, 2022		March 31, 2023		March 31, 2022		March 31, 2021	
	(Number of accounts) [(1)]	*(% of Total Cases)*	*(Number of accounts)* [(1)]	*(% of Total Cases)*	*(Number of accounts)* [(1)]	*(% of Total Cases)*	*(Number of accounts)* [(1)]	*(% of Total Cases)*	*(Number of accounts)* [(1)]	*(% of Total Cases)*
Home Loan	39,378	57.5%	27,008	54.6%	33,000	56.4%	23,321	53.8%	18,624	55.4%
Loan Against	29,102	42.5%	22,473	45.4%	25,552	43.6%	20,007	46.2%	14,983	44.6%

Particulars	As of									
	September 30, 2023		September 30, 2022		March 31, 2023		March 31, 2022		March 31, 2021	
	(Number of accounts) [1]	*(% of Total Cases)*	*(Number of accounts)* [1]	*(% of Total Cases)*	*(Number of accounts)* [1]	*(% of Total Cases)*	*(Number of accounts)* [1]	*(% of Total Cases)*	*(Number of accounts)* [1]	*(% of Total Cases)*
Property										
Total	**68,480**	**100.0%**	**49,481**	**100.0%**	**58,552**	**100.0%**	**43,328**	**100.0%**	**33,607**	**100.0%**

(1) Number of loans excludes top up loan given to customers whose primary loans have been resolved under RBI resolution framework for COVID-19 cases (Restructured Cases).

Product Wise Yield on Gross AUM on Outstanding Basis (%)

Particulars	As of				
	September 30, 2023	September 30, 2022	March 31, 2023	March 31, 2022	March 31, 2021
	(in percentages %) [1]				
Home Loan	13.9%	13.9%	13.8%	14.0%	14.2%
Loan Against Property	15.9%	16.0%	15.9%	16.2%	16.4%
Total	**14.7%**	**14.9%**	**14.7%**	**15.0%**	**15.1%**

Product Wise LTV on Gross AUM on Outstanding Basis (%)

Particulars	As of				
	September 30, 2023	September 30, 2022	March 31, 2023	March 31, 2022	March 31, 2021
	(in percentages %) [1]				
Home Loan	55.1	55.4	55.3	54.8	53.6
Loan Against Property	45.3	44.1	44.9	43.0	41.3
Total	50.9	50.3	**50.7**	**49.4**	**48.3**

*(1) LTV is calculated as product wise {(sum product of (LTV of particular loan * total principal outstanding for particular loan))/ total AUM outstanding for the product}.*

Product Wise Tenure of AUM (in Months, at Origination)

Particulars	As of				
	September 30, 2023	September 30, 2022	March 31, 2023	March 31, 2022	March 31, 2021
	(in months)				
Home Loan	178	177	178	175	180
Loan Against Property	131	129	130	129	130
AUM	**158**	**155**	**157**	**154**	**159**

Product Wise Disbursement

Particulars	For the six months ended				For the Financial Year					
	September 30, 2023		September 30, 2022		March 31, 2023		March 31, 2022		March 31, 2021	
	Amount (in ₹ million)	*(% Share)*	*Amount (in ₹ million)*	*(% Share)*	*Amount (in ₹ million)*	*(% Share)*	*Amount (in ₹ million)*	*(% Share)*	*Amount (in ₹ million)*	*(% Share)*
Home Loan	7,102.88	58.2%	4,915.69	57.0%	11,675.52	59.4%	6,360.85	49.1%	4,714.61	52.7%
Loan Against Property	5,100.29	41.8%	3,703.25	43.0%	7,968.25	40.6%	6,591.75	50.9%	4,234.15	47.3%

Particulars	For the six months ended				For the Financial Year					
	September 30, 2023		September 30, 2022		March 31, 2023		March 31, 2022		March 31, 2021	
	Amount (in ₹ million)	*(% Share)*	*Amount (in ₹ million)*	*(% Share)*	*Amount (in ₹ million)*	*(% Share)*	*Amount (in ₹ million)*	*(% Share)*	*Amount (in ₹ million)*	*(% Share)*
Grand Total	**12,203.17**	**100.0%**	**8,618.94**	**100.0%**	**19,643.77**	**100.0%**	**12,952.61**	**100.0%**	**8,948.76**	**100.0%**

Source Wise Disbursements

Particulars	For the six months ended				For the Financial Year					
	September 30, 2023		September 30, 2022		March 31, 2023		March 31, 2022		March 31, 2021	
	Amount (in ₹ million)	*(% Share)*	*Amount (in ₹ million)*	*(% Share)*	*Amount (in ₹ million)*	*(% Share)*	*Amount (in ₹ million)*	*(% Share)*	*Amount (in ₹ million)*	*(% Share)*
Inhouse Sourcing	12,023.69	98.5%	8,368.46	97.1%	19,196.59	97.7%	12,522.32	96.7%	8,413.01	94.0%
DSA Sourcing	179.48	1.5%	250.48	2.9%	447.18	2.3%	430.29	3.3%	535.76	6.0%
Grand Total	**12,203.17**	**100.0%**	**8,618.94**	**100.0%**	**19,643.77**	**100.0%**	**12,952.61**	**100.0%**	**8,948.76**	**100.0%**

Turnaround Time in Days

Particulars	For the six months ended		For the Financial Year		
	September 30, 2023	September 30, 2022	March 31, 2023	March 31, 2022	March 31, 2021
			(Number of Days)		
Login to Sanction(1)	3	5	4	6	7
Sanction to Disbursement(2)	3	3	3	4	6

Notes:

(1) Login to Sanction days represents the median of difference of days between login date and sanction date for all the cases login in respective period/Financial Year.

(2) Sanction to Disbursement days represents the median of difference of days between sanction date and disbursement date for all the cases login in respective period/Financial Year.

Product Wise DPD 90+ (AUM)

Particulars	As of									
	September 30, 2023		September 30, 2022		March 31, 2023		March 31, 2022		March 31, 2021	
	Amount (in ₹ million)	*(% of AUM)*	*Amount (in ₹ million)*	*(% of AUM)*	*Amount (in ₹ million)*	*(% of AUM)*	*Amount (in ₹ million)*	*(% of AUM)*	*Amount (in ₹ million)*	*(% of AUM)*
Home Loan	235.93	0.79%	392.03	1.98%	201.97	0.82%	243.57	1.47%	205.15	1.64%
Loan Against Property	244.15	1.11%	290.39	1.78%	180.53	0.95%	172.57	1.22%	158.19	1.67%
AUM	**480.08**	**0.93%**	**682.43**	**1.89%**	**382.50**	**0.88%**	**416.14**	**1.35%**	**363.34**	**1.65%**

Product Wise DPD 30+ & DPD 90+ (AUM)

Particulars	As of									
	September 30, 2023		September 30, 2022		March 31, 2023		March 31, 2022		March 31, 2021	
	Amount (in ₹ million)	*(% of Product AUM)*	*Amount (in ₹ million)*	*(% of Product AUM)*	*Amount (in ₹ million)*	*(% of Product AUM)*	*Amount (in ₹ million)*	*(% of Product AUM)*	*Amount (in ₹ million)*	*(% of Product AUM)*
Home Loan										
DPD 30+(1)	803.96	2.70%	813.12	4.10%	552.18	2.24%	734.86	4.42%	481.45	3.84%
DPD 90+(2)	235.93	0.79%	392.03	1.98%	201.97	0.82%	243.57	1.47%	205.15	1.64%
Loan Against Property										
DPD 30+(1)	829.52	3.77%	621.97	3.81%	500.26	2.64%	482.22	3.42%	393.76	4.16%
DPD 90+(2)	244.15	1.11%	290.39	1.78%	180.53	0.95%	172.57	1.22%	158.19	1.67%
Total										
DPD 30+(1)	1,633.49	3.15%	1,435.09	3.97%	1,052.44	2.41%	1,217.08	3.96%	875.21	3.98%
DPD 90+(2)	480.08	0.93%	682.43	1.89%	382.50	0.88%	416.14	1.35%	363.34	1.65%

(1) DPD 30+ represents AUM outstanding for more than 30 days after the due date as at the end of the relevant period/year.

(2) DPD 90+ represents AUM outstanding for more than 90 days after the due date as at the end of the relevant period/year.

AUM by Rate Method

Particulars	As of									
	September 30, 2023		September 30, 2022		March 31, 2023		March 31, 2022		March 31, 2021	
	Amount (in ₹ million)	*(% of AUM)*	*Amount (in ₹ million)*	*(% of AUM)*	*Amount (in ₹ million)*	*(% of AUM)*	*Amount (in ₹ million)*	*(% of AUM)*	*Amount (in ₹ million)*	*(% of AUM)*
Fixed	45,439.50	87.7%	35,794.44	99.0%	40,457.95	92.8%	30,323.03	98.7%	21,460.80	97.6%
Floating	6,367.39	12.3%	354.30	1.0%	3,136.35	7.2%	409.90	1.3%	524.48	2.4%
Grand Total	**51,806.89**	**100.0%**	**36,148.74**	**100.0%**	**43,594.31**	**100.0%**	**30,732.93**	**100.0%**	**21,985.27**	**100.0%**

Disbursement by Rate Method

Particulars	For the six months ended				For the Financial Year ended					
	September 30, 2023		September 30, 2022		March 31, 2023		March 31, 2022		March 31, 2021	
	(in ₹ million)	*(% of AUM)*	*(in ₹ million)*	*(% of AUM)*	*(in ₹ million)*	*(% of AUM)*	*(in ₹ million)*	*(% of AUM)*	*(in ₹ million)*	*(% of AUM)*
Fixed	8,531.68	69.9%	8,618.94	100.0%	16,794.51	85.5%	12,952.61	100.0%	8,940.64	99.9%
Floating	3,671.50	30.1%	-	0.0%	2,849.26	14.5%	-	0.0%	8.12	0.1%
Grand Total	**12,203.17**	**100.0%**	**8,618.94**	**100.0%**	**19,643.77**	**100.0%**	**12,952.61**	**100.0%**	**8,948.76**	**100.0%**

AUM by Customer Occupation

Particulars(1)	As of									
	September 30, 2023		September 30, 2022		March 31, 2023		March 31, 2022		March 31, 2021	
	Amount (in ₹ million)	*(% Share)*	*Amount (in ₹ million)*	*(% Share)*	*Amount (in ₹ million)*	*(% Share)*	*Amount (in ₹ million)*	*(% Share)*	*Amount (in ₹ million)*	*(% Share)*
Salaried	15,224.69	29.4%	11,278.77	31.2%	13,231.43	30.4%	9,949.88	32.4%	7,872.96	35.8%
Self Employed	36,582.20	70.6%	24,869.97	68.8%	30,362.88	69.6%	20,783.05	67.6%	14,112.31	64.2%
Total	**51,806.89**	**100.0%**	**36,148.74**	**100.0%**	**43,594.31**	**100.0%**	**30,732.93**	**100.0%**	**21,985.27**	**100.0%**

(1) *Loan accounts are classified as Salaried and Self-employed at the time of sanction of loans.*

% DPD 90+ by Occupation and Closing Yield (%)

Particulars[1]	As of									
	September 30, 2023		September 30, 2022		March 31, 2023		March 31, 2022		March 31, 2021	
	DPD 90+ (%)[2]	Yield [1] (%)	DPD 90+ (%)[2]	Yield [1] (%)	DPD 90+ (%)[2]	Yield [1] (%)	DPD 90+ (%)[2]	Yield [1] (%)	DPD 90+ (%)[2]	Yield [1] (%)
Salaried	0.67%	14.4%	1.50%	14.5%	0.79%	14.4%	1.12%	14.6%	1.36%	14.8%
Self Employed	1.03%	14.9%	2.06%	15.0%	0.92%	14.9%	1.47%	15.2%	1.82%	15.4%
Total	**0.93%**	**14.7%**	**1.89%**	**14.9%**	**0.88%**	**14.7%**	**1.35%**	**15.0%**	**1.65%**	**15.1%**

(1) *Loan account wise (sum product of closing AUM for the respective occupation and corresponding closing Interest rate for the respective loan account)/ Total closing AUM for the respective occupation.*

(2) *DPD 90+ represents AUM outstanding for more than 90 days after the due date for the relevant period/year.*

AUM by Income Group

Particulars[1]	As of									
	September 30, 2023		September 30, 2022		March 31, 2023		March 31, 2022		March 31, 2021	
	Amount (in ₹ million)	*(% Share)*	*Amount (in ₹ million)*	*(% Share)*	*Amount (in ₹ million)*	*(% Share)*	*Amount (in ₹ million)*	*(% Share)*	*Amount (in ₹ million)*	*(% Share)*
EWS[1]	11,429.52	22.1%	8,135.29	22.5%	9,581.30	22.0%	7,344.72	23.9%	6,678.54	30.4%
LIG[2]	25,550.25	49.3%	16,859.64	46.6%	21,080.44	48.4%	13,767.92	44.8%	9,206.63	41.9%
MIG[3]	13,789.99	26.6%	10,078.04	27.9%	11,894.90	27.3%	8,532.98	27.8%	5,192.73	23.6%
HIG[4]	1,037.12	2.0%	1,075.77	3.0%	1,037.66	2.4%	1,087.31	3.5%	907.38	4.1%
Total	**51,806.89**	**100.0%**	**36,148.74**	**100.0%**	**43,594.31**	**100.0%**	**30,732.93**	**100.0%**	**21,985.27**	**100.0%**

(1) *Economically Weaker Section (EWS): Income up to ₹0.3 million p.a.*

(2) *Low Income Group (LIG): Above ₹0.3 million to ₹0.6 million p.a.*

(3) *Middle Income Group (MIG): Above ₹0.6 million to ₹1.8 million p.a.*

(4) *High Income Group: Above ₹1.8 million p.a.*

% DPD 90+ by Income Group and Closing Yields

Particulars	As of									
	September 30, 2023		September 30, 2022		March 31, 2023		March 31, 2022		March 31, 2021	
	DPD 90+ (%)[2]	Yield (%)[1]	DPD 90+ (%)[2]	Yield (%)[1]	DPD 90+ (%)[2]	Yield (%)[1]	DPD 90+ (%)[2]	Yield (%)[1]	DPD 90+ (%)[2]	Yield (%)[1]
EWS	1.22%	15.1%	2.90%	15.5%	1.39%	15.2%	2.08%	15.7%	2.27%	16.0%
LIG	0.75%	14.6%	1.39%	14.7%	0.70%	14.6%	1.11%	14.8%	1.49%	14.8%
MIG	0.97%	14.7%	1.76%	14.6%	0.78%	14.6%	1.12%	14.8%	1.01%	14.8%
HIG	1.54%	14.5%	3.34%	14.5%	0.79%	14.5%	1.29%	14.6%	2.41%	14.6%
Total	**0.93%**	**14.7%**	**1.89%**	**14.9%**	**0.88%**	**14.7%**	**1.35%**	**15.0%**	**1.65%**	**15.1%**

(1) *Loan account wise (sum product of closing AUM for the respective income group and corresponding closing Interest rate for the respective loan accounts)/ Total closing AUM for the respective income group.*

(2) *DPD 90+ represents AUM outstanding for more than 90 days after the due date for the relevant period/year.*

Product Wise Yield on Disbursement

Particulars	For the six months ended		For the Financial Year		
	September 30, 2023	September 30, 2022	March 31, 2023	March 31, 2022	March 31, 2021
	(in percentages %)				
Home Loan	14.2%	13.6%	13.7%	13.8%	14.2%
Loan Against Property	15.5%	15.6%	15.5%	15.9%	16.1%
Total[(1)]	**14.7%**	**14.5%**	**14.4%**	**14.8%**	**15.1%**

(1) *Loan account wise sum product of ((Closing interest rate at which the loan is disbursed * Disbursal amount for corresponding loan account)/ Total disbursal amount during the period).*

Product Wise Average Ticket Size on Sanction Amount (for disbursed cases)

Particulars	For the six months ended		For the Financial Year ended		
	September 30, 2023	September 30, 2022	March 31, 2023	March 31, 2022	March 31, 2021
	Amount (in ₹ million)				
Home Loan	1.05	1.11	1.08	1.11	1.11
Loan Against Property	0.98	0.98	0.97	0.99	1.05
Total	**1.03**	**1.07**	**1.05**	**1.06**	**1.09**

AUM by Average Ticket Size (based on sanctioned amount)

Particulars	As of									
	September 30, 2023		September 30, 2022		March 31, 2023		March 31, 2022		March 31, 2021	
	Amount (in ₹ million)	*(% AUM)*	*Amount (in ₹ million)*	*(% AUM)*	*Amount (in ₹ million)*	*(% AUM)*	*Amount (in ₹ million)*	*(% AUM)*	*Amount (in ₹ million)*	*(% AUM)*
≤0.5 Million	5,514.24	10.6%	4,819.72	13.3%	5,178.65	11.9%	4,716.22	15.3%	4,684.34	21.3%
>0.5 to 1.0 Million	20,456.18	39.5%	13,891.45	38.4%	17,118.05	39.3%	11,620.25	37.8%	8,397.14	38.2%
>1.0 to 1.5 Million	13,266.30	25.6%	8,319.60	23.0%	10,693.34	24.5%	6,519.84	21.2%	3,853.81	17.5%
>1.5 Million to 2.0 Million	6,213.11	12.0%	3,929.25	10.9%	4,956.24	11.4%	3,105.89	10.1%	1,772.76	8.1%
>2.0 Million to 2.5 Million	3,765.21	7.3%	2,712.48	7.5%	3,205.38	7.4%	2,327.54	7.6%	1,313.23	6.0%
>2.5 Million	2,591.84	5.0%	2,476.24	6.9%	2,442.64	5.6%	2,443.19	7.9%	1,963.99	8.9%
Total	**51,806.89**	**100.0%**	**36,148.74**	**100.0%**	**43,594.31**	**100.0%**	**30,732.93**	**100.0%**	**21,985.27**	**100.0%**

AUM by Average Ticket Size (based on sanctioned amount) - % of DPD 90+ and Closing Yield

Particulars	As of									
	September 30, 2023		September 30, 2022		March 31, 2023		March 31, 2022		March 31, 2021	
	DPD 90+ *(%)*	Yield *(%)*	DPD 90+ *(%)*	Yield *(%)*	DPD 90+ *(%)*	Yield *(%)*	DPD 90+ *(%)*	Yield *(%)*	DPD 90+ *(%)*	Yield *(%)*
≤0.5 Million	1.95%	16.6%	4.14%	17.0%	2.07%	16.7%	2.80%	17.1%	3.14%	17.2%
>0.5 to 1.0 Million	0.85%	15.0%	1.53%	15.1%	0.86%	15.0%	1.22%	15.1%	1.42%	15.0%

Particulars	As of									
	September 30, 2023		September 30, 2022		March 31, 2023		March 31, 2022		March 31, 2021	
	DPD 90+ *(%)*	Yield *(%)*	DPD 90+ *(%)*	Yield *(%)*	DPD 90+ *(%)*	Yield *(%)*	DPD 90+ *(%)*	Yield *(%)*	DPD 90+ *(%)*	Yield *(%)*
>1.0 to 1.5 Million	0.61%	14.2%	1.27%	14.1%	0.54%	14.1%	0.90%	14.2%	1.24%	14.1%
>1.5 Million to 2.0 Million	0.78%	14.0%	1.28%	14.0%	0.37%	13.9%	0.77%	14.2%	0.59%	14.2%
>2.0 Million to 2.5 Million	1.15%	13.9%	1.31%	14.1%	0.51%	13.9%	1.23%	14.3%	0.69%	14.3%
>2.5 Million	0.99%	13.9%	3.18%	14.2%	1.47%	14.0%	1.29%	14.4%	1.51%	14.4%
Total	**0.93%**	**14.7%**	**1.89%**	**14.9%**	**0.88%**	**14.7%**	**1.35%**	**15.0%**	**1.65%**	**15.1%**

AUM by State

Particulars	As of									
	September 30, 2023		September 30, 2022		March 31, 2023		March 31, 2022		March 31, 2021	
	Amount (in ₹ million)	*(% Share)*	*Amount (in ₹ million)*	*(% Share)*	*Amount (in ₹ million)*	*(% Share)*	*Amount (in ₹ million)*	*(% Share)*	*Amount (in ₹ million)*	*(% Share)*
Rajasthan	16,199.37	31.3%	11,021.23	30.5%	13,365.74	30.7%	9,634.31	31.3%	7,326.44	33.3%
Maharashtra	9,085.14	17.5%	6,588.97	18.2%	7,851.33	18.0%	5,659.45	18.4%	4,157.10	18.9%
Madhya Pradesh	7,221.63	13.9%	5,456.76	15.1%	6,406.25	14.7%	4,647.60	15.1%	3,634.36	16.5%
Karnataka	3,480.84	6.7%	2,352.89	6.5%	2,937.71	6.7%	1,906.63	6.2%	1,043.55	4.7%
Gujarat	3,381.02	6.5%	2,535.23	7.0%	2,917.84	6.7%	2,263.74	7.4%	2,008.27	9.1%
Uttar Pradesh	3,157.42	6.1%	2,089.35	5.8%	2,434.07	5.6%	1,823.07	5.9%	1,361.38	6.2%
Tamil Nadu	2,326.51	4.5%	1,522.78	4.2%	1,933.99	4.4%	1,067.63	3.5%	283.74	1.3%
Uttarakhand	1,592.68	3.1%	1,243.23	3.4%	1,468.64	3.4%	1,084.72	3.5%	858.52	3.9%
Delhi	1,432.61	2.8%	867.70	2.4%	1,166.29	2.7%	901.39	2.9%	60.43	0.3%
Haryana	1,202.42	2.3%	967.26	2.7%	1,044.89	2.4%	623.37	2.0%	723.03	3.3%
Telangana	1,053.12	2.0%	465.21	1.3%	732.60	1.7%	311.83	1.0%	37.13	0.2%
Chhattisgarh	822.06	1.6%	598.51	1.7%	708.85	1.6%	482.71	1.6%	289.66	1.3%
Andhra Pradesh	569.52	1.1%	243.82	0.7%	392.43	0.9%	142.49	0.5%	33.64	0.2%
Punjab	253.10	0.5%	190.83	0.5%	210.51	0.5%	179.37	0.6%	162.41	0.7%
Odisha	29.46	0.1%	4.96	0.0%	23.18	0.1%	4.63	0.0%	5.62	0.0%
Total	**51,806.89**	**100.0%**	**36,148.74**	**100.0%**	**43,594.31**	**100.0%**	**30,732.93**	**100.0%**	**21,985.27**	**100.0%**

AUM by City Tier Classification

Particulars	As of									
	September 30, 2023		September 30, 2022		March 31, 2023		March 31, 2022		March 31, 2021	
	Amount (in ₹ million)	*(% Share)*	*Amount (in ₹ million)*	*(% Share)*	*Amount (in ₹ million)*	*(% Share)*	*Amount (in ₹ million)*	*(% Share)*	*Amount (in ₹ million)*	*(% Share)*
Tier-I [(1)]	5,291.54	10.2%	3,430.86	9.5%	4,601.02	10.6%	3,028.84	9.9%	1,097.65	5.0%
Tier-II	21,062.34	40.7%	16,013.72	44.3%	18,435.37	42.3%	13,792.31	44.9%	11,018.17	50.1%
Tier-III	25,453.00	49.1%	16,704.15	46.2%	20,557.92	47.2%	13,911.78	45.3%	9,869.45	44.9%
Total	**51,806.89**	**100.0%**	**36,148.74**	**100.0%**	**43,594.31**	**100.0%**	**30,732.93**	**100.0%**	**21,985.27**	**100.0%**

(1) City Tier classification is based on Government of India's segregation of various cities into X, Y and Z category for grant of HRA to central government employees. Cities in X and Y category are specifically listed. "X" includes 8 metro cities (Delhi, Bangalore (Karnataka), Mumbai (Maharashtra), Chennai (Tamil Nadu), Kolkata (West Bengal), Hyderabad (Telangana), Pune (Maharashtra), Ahmedabad (Gujarat)), "Y" includes 87 cities and anything not listed is construed as "Z". For the purpose of our analysis, we have construed category X as Tier I, Category Y as Tier II and rest as Tier III.

Branch Count by State

Particulars	Operation Started In	As of				
		September 30, 2023	September 30, 2022	March 31, 2023	March 31, 2022	March 31, 2021
		(Number of Branches)				
Rajasthan	2010	62	50	57	35	33
Maharashtra	2013	30	26	27	21	17
Madhya Pradesh	2010	25	23	24	19	17
Karnataka	2018	15	12	16	9	9
Gujarat	2014	17	13	16	12	10
Uttar Pradesh	2016	16	13	13	10	8
Tamil Nadu	2018	12	9	9	8	6
Uttarakhand	2016	4	4	4	4	4
Delhi	2021	1	1	1	1	1
Haryana	2018	5	4	4	4	3
Telangana	2021	4	2	2	1	1
Chhattisgarh	2011	4	4	4	3	3
Andhra Pradesh	2020	4	3	3	1	1
Punjab	2018	2	1	1	1	1
Odisha	2015	2	2	2	1	1
Total Branches		**203**	**167**	**183**	**130**	**115**

Productivity Ratios

Particulars	As of and for the six months ended		As of and for the Year ended		
	September 30, 2023	September 30, 2022	March 31, 2023	March 31, 2022	March 31, 2021
	(in ₹ million, except number of employees and branches)				
Number of branches[(1)]	203	167	183	130	115
Vintage up to 1	40	37	53	16	29

Particulars	As of and for the six months ended		As of and for the Year ended		
	September 30, 2023	September 30, 2022	March 31, 2023	March 31, 2022	March 31, 2021
	(in ₹ million, except number of employees and branches)				
year					
Vintage 1-3 year	80	49	45	37	27
Vintage >3 year	83	81	85	77	59
AUM	51,806.89	36,148.74	43,594.31	30,732.93	21,985.27
Through branches having vintage up to 1 year	2,690.29	1,478.00	3,896.49	1,239.31	365.19
Through branches having vintage 1-3 year	15,861.60	7,113.37	8,794.91	4,279.81	3,748.21
Through branches having vintage >3 year	33,255.00	27,557.36	30,902.91	25,213.81	17,871.88
Disbursement	12,203.17	8,618.94	19,643.77	12,952.61	8,948.76
Through branches having vintage up to 1 year	973.32	709.53	2,408.39	1,067.99	361.37
Through branches having vintage 1-3 year	5,131.47	2,692.11	5,549.41	3,117.31	2,362.27
Through branches having vintage >3 year	6,098.38	5,217.30	11,685.97	8,767.30	6,225.12
Number of employees(2)	2,997	2,456	2,709	2,200	1,576
Branch Productivity (Disbursement / Branch)	60.11	51.61	107.34	99.64	77.82
Vintage up to 1 year(3)	52.01	64.65	78.78	86.76	51.28
Vintage 1-3 year	128.29	109.88	123.32	84.25	87.49
Vintage >3 year	146.95	128.82	137.48	113.86	105.51
Disbursement / Employee	8.14	7.02	7.25	5.89	5.68
Branch Productivity (AUM / Branch)	255.21	216.46	238.22	236.41	191.18
Vintage up to 1 year	67.26	39.95	73.52	77.46	12.59
Vintage 1-3 year	198.27	145.17	195.44	115.67	138.82
Vintage >3 Year	400.66	340.21	363.56	327.45	302.91
AUM / Employee	17.29	14.72	16.09	13.97	13.95

(1) Number of branches represents our aggregate number of branches as of the last day of the relevant period/year.

(2) Number of employees represents our aggregate number of employees (that receive compensation, where all or a portion is fixed) as of the last day of the relevant period/year.

(3) Branch productivity (Disbursement/Branch) for branches having vintage up to 1 year at the end of relevant period/year has been annualized on the basis of Weighted Average Operational Months for such branches.

Collection Efficiency

Particulars	For the six months ended		For the Financial Year		
	September 30, 2023	September 30, 2022	March 31, 2023	March 31, 2022	March 31, 2021
			(in percentages %)		
Collection Efficiency[(1)]	99.2%	98.4%	99.4%	98.5%	88.6%
% of Unique Customers paying EMI(2)	97.3%	96.6%	96.8%	94.0%	82.3%

(1) Total amount of EMIs received in the month (including arrears of previous months)/ Total amount of EMIs due for the month.

(2) The number of outstanding loan accounts who made at least one payment in the month/ Total number of outstanding loan accounts whose EMIs are due in the month.

2 Year Lagged DPD90+ on AUM

Particulars	As of				
	September 30, 2023	September 30, 2022	March 31, 2023	March 31, 2022	March 31, 2021
			(in percentages %)		
2 Year Legged DPD90+ on AUM[(1)]	1.91%	4.06%	1.74%	2.74%	3.08%

(1) 2-year lagged DPD90+ on AUM is current year DPD90+ loan over AUM of the year corresponding immediately preceding the prior year.

SECTION V – FINANCIAL INFORMATION
RESTATED CONSOLIDATED FINANCIAL INFORMATION

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INDEPENDENT AUDITOR’S EXAMINATION REPORT ON RESTATED CONSOLIDATED IND AS FINANCIAL INFORMATION

The Board of Directors
India Shelter Finance Corporation Limited
6th Floor, Plot No. 15,
Sector - 44, Institutional Area NA Gurgaon
Gurugram, Haryana 122002

Dear Sirs /Madams,

1. We have examined the attached Restated Consolidated Indian Accounting Standards ("Ind AS") Financial information of India Shelter Finance Corporation Limited (the “Company”) and its subsidiary (the Company and its subsidiary together referred to as “the Group”) comprising the Restated Consolidated Statement of Assets and Liabilities as at September 30, 2023, September 30, 2022, March 31 , 2023, and March 31 2022, the Restated Consolidated Statement of Profit & Loss(including other comprehensive income), the Restated Consolidated Cash Flow Statement, and the restated consolidated statement of changes in equity for the half year ended September 30, 2023, September 30, 2022, and year ended March 31, 2023 and March 31, 2022; restated standalone statement of assets and liabilities as at March 31, 2021, restated standalone statement of profit & loss (including other comprehensive income), the restated standalone statement of cash flow for the year ended March 31, 2021 and the summary statement of significant accounting policies and other explanatory information (collectively, the “Restated Consolidated Ind AS Financial information”) as approved by the board of directors of the company (“Board of Directors”) at their meeting held on November 13, 2023 for the purpose of inclusion in the red herring prospectus (“RHP”) and prospectus (collectively referred as the “Offer Documents”) prepared and to be filed with Securities and Exchange Board of India, Bombay Stock Exchange of India Limited, National Stock Exchange of India Limited, and Registrar of Companies, Delhi (“RoC”) by the Company in connection with its proposed initial public offer of equity shares of face value of Rs.5 each (“IPO”) prepared in terms of requirements of:

   a. Section 26 of Part I of Chapter III of The Companies Act, 2013 (the “Act”);

   b. Relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“ICDR Regulations”); and

   c. The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (‘ICAI’), as amended from time to time (the ‘Guidance Note’)

2. The Company’s Board of Directors is responsible for the preparation of the Restated Consolidated Ind AS Financial information to be included in the Offer Documents in connection with the proposed IPO of the Company. The Restated Consolidated Ind AS Financial information have been prepared by the management of the Company on the basis of preparation stated in note 1.1 to this Restated Consolidated Ind AS Financial information. The Board of Directors responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Ind AS Financial information. The Board of Directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.

3. We have examined such Restated Consolidated Ind AS Financial information taking into consideration:

   a) The terms of reference and our engagement agreed with you vide our engagement letter dated June 20, 2023, in connection with the proposed IPO of the Company;

   b) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;

   c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Ind AS Financial information; and

   d) The requirements of Section 26 of the Act and applicable provisions of the ICDR Regulations.

Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act; the ICDR Regulations and the Guidance Note in connection with the Proposed IPO.

4. The Restated Consolidated Ind AS Financial information have been compiled by the management from audited Consolidated Interim financial statements of the Group as at and for the half year ended September 30,2023 , September 30,2022, audited Consolidated financial statements of the Group as at and for the year ended March 31, 2023 and March 31, 2022 and audited standalone financial statements of the company as at and for the year ended March 31, 2021 prepared in accordance with the Indian Accounting Standard (IND AS) specified under section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, the directions, circulars and guidelines issued by RBI from time to time, which have been approved by the Board of Directors at their meeting held on October 27, 2023, May 09, 2023, May 12, 2022 and May 12, 2021 respectively.

5. For the purpose of our examination, we have relied on

   a) Auditor's report issued by us dated October 27, 2023 on the audited consolidated interim financial statements of the Group as at and for the half year ended September 30, 2023 and September 30, 2022 as referred in Paragraph 4 above.
   b) Auditor's reports issued by us dated May 9 2023 and May 12, 2022 on the audited consolidated financial statements of the Group as at and for the year ended March 31, 2023 and March 31, 2022, respectively, as referred in Paragraph 4 above.

   c) Auditor's report issued by Previous Auditor Walker Chandilok & Co LLP, dated May 12, 2021 on the audited financial statements of the Company as at and for the years ended March 31, 2021 as referred in Paragraph 4 above. The audited financial statements for the years ended March 31, 2021 and the independent auditors' report thereon issued by the Previous Auditor have been furnished to us by the Company. The adjustments in so far as it relates to the amounts, disclosures, material errors, regrouping, reclassification, etc., included in respect of the years ended March 31, 2021 is restricted to and based solely on the audited financial statements and auditor's reports issued by the Previous Auditor for such years. We have not performed any additional procedures other than those stated herein.

   d) We did not audit the standalone financial statements of the wholly owned subsidiary, M/s India Shelter Capital Finance Limited as at and for the half year ended September 30, 2023 and September 30, 2022 and for the year/period ended March 31, 2023 and March 31, 2022 as applicable whose aggregate share of total assets, total revenues and net cash flows, included in the Restated Consolidated Ind AS Financial lnformation, for the relevant years are tabulated below:

(In Lakhs)

Particulars	**30th September 2023**	**30th September 2022**	**31 March 2023**	**31 March 2022**	**31 March 2021**
Total Assets*	1276.93	1208.22	1247.55	Not Applicable	Not Applicable
Revenue*	49.53	20.20	61.64	Not Applicable	Not Applicable
Cash and cash Equivalent *	3.10	14.67	240.58	Not Applicable	Not Applicable

*Gross before giving Consolidation adjustments.

The financial statements of the wholly owned subsidiary have been audited by other audit firm for the year period from March 24, 2022 to March 31, 2023 and for the period ended September 30, 2023,September 30, 2022, whose report dated May 3, 2023 and October 23, 2023 respectively have been furnished to us by the Company and our opinion in so far as it relates to the amounts included in these Restated Consolidated Ind AS Financial Information are based solely on the audit reports of the other auditor.

6. Based on the above and according to the information and explanations given to us, we report that the Restated Consolidated Ind AS Financial information:

a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial statement as at and for the half year ended September 30, 2023, September 30, 2022 and year ended March 31, 2023, March 31 2022, March 31 2021 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the half year ended September 30, 2023.

b) There are no qualifications in the auditors' reports on the audited consolidated financial statements of the Company as at and for the half years ended September 30, 2023, September 30, 2022 and for the year ended March 31, 2023, 2022 and 2021; and

   There are no Emphasis of matter paragraphs included in the auditors' report on the financial statements for the half year ended September 30, 2023, September 30, 2022 and for the year ended March 31, 2023, March 31, 2022 and March 31, 2021 and there is no requirement for any corrective adjustment in the Restated Consolidated Ind AS Financial information in this regard.

c) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

8. The Restated Consolidated Ind AS Financial information do not reflect the effects of events that occurred subsequent to the respective dates of the report on the audited financial statements mentioned in paragraph 4 above.

9. In our opinion, the Restated Consolidated Ind AS Financial information, read with Summary of Significant Accounting Policies disclosed in Note no.1, accompanying this report, are prepared after making adjustments and regroupings as considered appropriate and disclosed in Note no. 56 have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

10. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit report issued by us or Previous Auditors (Walker Chandilok & Co LLP Chartered Accountants), nor should this report be construed as a new opinion on any of the financial statements referred to herein.

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

12. Our report is intended solely for use of the Board of Directors for inclusion in the offer documents to be filed with Securities and Exchange Board of India, National Stock Exchange of India Limited, BSE Limited and the RoC Delhi in connection with proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For **T R Chadha & Co LLP**
Chartered Accountants
Firm's Registration No.: 006711N/N500028

Aashish Gupta
Partner
Membership No.: 097343
UDIN: 23097343BGQJVS5021
Place: Gurugram
Date: 13th November 2023

India Shelter Finance Corporation Limited
Restated Consolidated statement of assets and liabilities
(All amounts in Rs. millions, unless otherwise stated)

		Notes	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
	Assets						
(1)	**Financial assets**						
(a)	Cash and cash equivalents	3	79.41	1,291.91	3,609.44	1,438.02	2,330.94
(b)	Bank balance other than cash and cash equivalents	4	2,021.85	1,282.45	1,463.34	1,864.92	1,805.83
(c)	Derivative financial instruments	5	-	-	0.58	-	
(d)	Loans	6	42,660.72	30,667.58	36,091.44	26,225.25	19,811.70
(e)	Investments	7	996.00	2,978.12	469.28	1,753.20	-
(f)	Other financial assets	8	1,295.98	790.45	902.13	619.75	280.92
(2)	**Non-financial assets**						
(a)	Current tax assets (net)	9	-	66.66	-	-	0.35
(b)	Deferred tax assets (net)	10	42.75	30.14	30.36	29.50	93.37
(c)	Property, plant and equipment	11	249.15	236.19	238.35	165.73	140.31
(d)	Other intangible assets	12	3.66	2.54	4.84	4.65	10.77
(e)	Other non-financial assets	13	140.16	100.38	81.64	77.54	117.43
(f)	Assets held for sale	36	97.10	53.51	64.51	33.65	34.78
	Total assets		**47,586.78**	**37,499.93**	**42,955.91**	**32,212.21**	**24,626.40**
	Liabilities and equity						
	Liabilities						
(1)	**Financial liabilities**						
(a)	Derivative financial instruments		30.57	16.02	-	-	-
(b)	Trade payables						
	(i) total outstanding dues of micro enterprises and small enterprises	14	-	-	-	-	1.21
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	14	86.85	79.10	61.49	45.94	45.06
(c)	Debt securities	15	1,191.27	1,789.21	1,765.34	1,865.98	822.24
(d)	Borrowings (other than debt securities)	16	31,693.54	23,624.77	28,123.35	18,834.11	14,090.67
(e)	Other financial liabilities	17	681.77	501.53	534.35	595.18	238.58
(2)	**Non-financial liabilities**						
(a)	Provisions	18	67.98	47.76	46.90	51.33	35.97
(b)	Current tax liabilities (Net)	9	41.31	-	6.85	43.22	-
(c)	Other non-financial liabilities	19	43.83	21.45	12.35	15.18	19.98
	Total liabilities		**33,837.12**	**26,079.84**	**30,550.63**	**21,450.94**	**15,253.71**
(3)	**Equity**						
(a)	Equity share capital	20	450.23	437.32	437.65	437.07	429.78
(b)	Other equity	21	13,299.43	10,982.77	11,967.63	10,324.20	8,942.91
	Total equity		**13,749.66**	**11,420.09**	**12,405.28**	**10,761.27**	**9,372.69**
	Total liabilities and equity		**47,586.78**	**37,499.93**	**42,955.91**	**32,212.21**	**24,626.40**

The accompanying notes form an integral part of these restated consolidated financial information.
This is the restated consolidated statement of assets and liabilities referred to in our report of even date.

For **T R Chadha & Co LLP**
Chartered Accountants
Firm's Registration No.: 006711N/N500028

Aashish Gupta
Partner
Membership No.: 097343

Place: Gurugram
Date: 13 November 2023

For and on behalf of the Board of Directors of
India Shelter Finance Corporation Limited

Sudhin Bhagwandas Choksey
Chairman and
Non-Executive Director
DIN: 00036085
Place: Ahemdabad

Rupinder Singh
Managing Director and
Chief Executive Officer
DIN: 09153382
Place: Gurugram

Ashish Gupta
Chief Financial Officer

Place: Gurugram

Mukti Chaplot
Company Secretary
Membership No. 38326
Place: Gurugram

India Shelter Finance Corporation Limited
Restated Consolidated statement of profit and loss
(All amounts in Rs. millions, unless otherwise stated)

		Notes	For the period ended 30 September 2023	For the period ended 30 September 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
	Revenue from operations						
(i)	Interest income	22	3,200.06	2,306.90	5,029.46	3,736.16	2,745.72
(ii)	Fees and commission income	23	178.99	160.29	315.84	200.58	99.93
(iii)	Net gain on fair value changes	24	57.81	26.49	60.92	45.89	29.19
(iv)	Net gain on derecognition of financial instruments under amortised cost category		423.05	152.83	439.08	497.15	292.23
(I)	**Total revenue from operations**		**3,859.91**	**2,646.51**	**5,845.30**	**4,479.78**	**3,167.07**
(II)	Other income	25	125.85	82.35	217.01	118.28	60.92
(III)	**Total income (I+II)**		**3,985.76**	**2,728.86**	**6,062.31**	**4,598.06**	**3,227.99**
	Expenses						
(i)	Finance costs	26	1,397.48	961.34	2,098.70	1,483.39	1,053.48
(ii)	Impairment on financial instruments	27	94.10	89.87	140.68	120.12	198.94
(iii)	Employee benefits expenses	28	844.19	641.19	1,345.60	1,013.09	619.64
(iv)	Depreciation and amortisation	29	43.37	39.72	82.02	65.39	50.98
(v)	Other expenses	30	223.05	184.99	375.79	247.06	175.38
(IV)	**Total expenses**		**2,602.19**	**1,917.11**	**4,042.79**	**2,929.05**	**2,098.42**
(V)	**Profit before tax (III-IV)**		**1,383.57**	**811.75**	**2,019.52**	**1,669.01**	**1,129.57**
(VI)	**Tax expense:**	31					
	(1) Current tax		305.89	187.78	464.84	318.36	247.72
	(2) Deferred tax charge/(credit)		4.14	3.76	1.26	66.18	7.96
	Total tax expense		**310.03**	**191.54**	**466.10**	**384.54**	**255.68**
(VII)	**Profit for the year (V-VI)**		**1,073.54**	**620.21**	**1,553.42**	**1,284.47**	**873.89**
(VIII)	**Other comprehensive income**						
	(i) Items that will not be reclassified to profit or loss						
	-Remesurment of defined benefit obligations		(1.12)	13.72	15.20	(9.21)	(2.84)
	-Income tax effect relating to re-measurement loss on defined benefit plans		0.28	(3.45)	(3.83)	2.32	0.71
	(ii) Items that will be reclassified to profit or loss						
	-Re-measurement gains/ (losses) on hedge instruments		(64.64)	(33.42)	(23.52)	-	-
	-Income tax effect relating to re-measurement gains/ (losses) on hedge instruments		16.27	7.85	5.92	-	-
	Total other comprehensive income		**(49.22)**	**(15.30)**	**(6.23)**	**(6.89)**	**(2.13)**
(IX)	**Total comprehensive income for the year(VII+VIII)**		**1,024.33**	**604.91**	**1,547.19**	**1,277.58**	**871.76**
(X)	**Earnings per equity share (EPS for period ended 30 september 2023/30 September 2022 is not annualised)**	41					
	Basic (Rs.)		12.13	7.09	17.75	14.80	10.19
	Diluted (Rs.)		12.00	7.02	17.47	14.63	9.93

The accompanying notes form an integral part of these restated consolidated financial information.
This is the restated consolidated statement of profit and loss referred to in our report of even date.

For **T R Chadha & Co LLP**
Chartered Accountants
Firm's Registration No.: 006711N/N500028

For and on behalf of the Board of Directors of
India Shelter Finance Corporation Limited

Aashish Gupta
Partner
Membership No.: 097343

Sudhin Bhagwandas Choksey
Chairman and
Non-Executive Director
DIN: 00036085
Place: Ahemdabad

Rupinder Singh
Managing Director and
Chief Executive Officer
DIN: 09153382
Place: Gurugram

Ashish Gupta
Chief Financial Officer

Place: Gurugram

Mukti Chaplot
Company Secretary
Membership No. 38326
Place: Gurugram

Place: Gurugram
Date: 13 November 2023

India Shelter Finance Corporation Limited
Restated Consolidated statement of cash flows
(All amounts in Rs. millions, unless otherwise stated)

	Particulars	For the period ended 30 September 2023	For the period ended 30 September 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
(A)	**Cash flows from operating activities**					
	Profit before tax	1,383.57	811.75	2,019.52	1,669.01	1,129.57
	Adjustments for:					
	Depreciation and amortisation	43.37	39.72	82.02	65.39	50.98
	Effective interest rate adjustment on financial assets	82.50	80.08	200.19	77.68	53.33
	Effective interest rate adjustment on debt securities and borrowings	(2.37)	(31.15)	(36.90)	(40.02)	(0.96)
	Share based payments to employees	55.20	53.30	83.04	59.41	16.12
	Impairment on financial instruments	64.26	83.01	112.19	118.89	198.48
	Impairment on assets held for sale	29.84	6.86	28.49	1.23	0.46
	Net loss on derecognition of property, plant and equipment	0.92	0.21	1.31	0.64	1.47
	Net unrealised gain on fair value change of investments	(0.04)	1.60	-	(3.07)	-
	Net gain on derecognition of financial instruments under amortised cost category	(423.05)	(152.83)	(439.08)	(497.15)	(292.23)
	Gain on termination of leases	(0.65)	(0.71)	(0.81)	(0.82)	(2.20)
	Interest expense on lease liabilities	6.53	5.92	11.92	9.19	7.73
	Operating profit before working capital changes	**1,240.08**	**897.75**	**2,061.89**	**1,460.38**	**1,162.75**
	Movements in working capital					
	Increase in loans	(6,710.50)	(4,607.74)	(10,178.90)	(6,605.86)	(5,306.82)
	Decrease in other financial assets	26.28	(17.45)	155.28	155.91	30.65
	(Increase)/Decrease in other non-financial assets	(120.95)	(49.55)	(63.48)	39.80	(13.72)
	Increase in derivative financial instruments	(33.49)	(17.40)	(24.11)	-	-
	Increase /(Decrease)in trade payables	25.36	33.16	15.55	(0.33)	5.57
	(Decrease)/Increase in other financial liabilities	147.42	(93.65)	(60.82)	386.29	145.51
	(Decrease)/Increase in other non-financial liabilities	31.48	6.27	(2.82)	(34.51)	32.84
	Increase/(Decrease) in provisions	17.33	12.05	12.53	4.30	(10.47)
	Increase/(Decrease) in interest accrued on debt securities and borrowings	11.49	32.64	64.28	(84.02)	(41.20)
	Cash flows used in operating activities post working capital changes	**(5,365.50)**	**(3,803.92)**	**(8,020.59)**	**(4,678.04)**	**(3,994.89)**
	Income tax paid (net)	(271.41)	(297.54)	(501.22)	(274.78)	(213.62)
	Net cash flows used in operating activities (A)	**(5,636.91)**	**(4,101.46)**	**(8,521.82)**	**(4,952.82)**	**(4,208.51)**
(B)	**Cash flows from investing activities**					
	Payments made for purchase of property, plant and equipment and intangible assets	(25.76)	(33.27)	(63.97)	(50.79)	(17.80)
	Proceeds from sale of property, plant and equipment	2.26	0.06	3.43	2.23	0.08
	Proceeds/(Payments) from investments (net)	(526.69)	(1,226.52)	1,283.92	(1,750.13)	938.59
	Proceeds/(Investment) in other bank balance (net)	(558.51)	582.47	401.58	(59.09)	(154.45)
	Net cash used in investing activities (B)	**(1,108.70)**	**(677.26)**	**1,624.96**	**(1,857.78)**	**766.42**
(C)	**Cash flows from financing activities**					
	Proceeds from issue of equity share capital	264.87	0.51	13.78	51.58	2.00
	Proceeds from debt securities	-	-	-	1,650.00	150.00
	Proceeds from borrowings(other than debt securities)	7,737.00	7,753.90	16,385.90	11,406.35	9,784.00
	Repayment of borrowings	(4,180.63)	(3,018.01)	(7,122.94)	(6,645.63)	(2,518.48)
	Repayment of debt securities	(575.00)	(75.00)	(150.00)	(500.00)	(1,785.72)
	Payment towards lease liabilities	(30.66)	(28.78)	(58.46)	(44.62)	(32.17)
	Net cash flows from financing activities (C)	**3,215.58**	**4,632.62**	**9,068.28**	**5,917.68**	**5,599.63**
	Net increase/(decrease) in cash and cash equivalents (A+B+C)	**(3,530.03)**	**(146.11)**	**2,171.42**	**(892.92)**	**2,157.54**
	Cash and cash equivalents at the beginning of the year	3,609.44	1,438.02	1,438.02	2,330.94	173.40
	Cash and cash equivalents at the end of the year	79.41	1,291.91	3,609.44	1,438.02	2,330.94
	Components of cash and cash equivalents:-					
	Cash on hand	21.71	6.01	17.60	11.73	5.36
	Balances with banks (of the nature of cash and cash equivalents)					
	(a) Balance with banks in current accounts	57.70	75.90	628.14	5.60	405.12
	(b) Deposits with original maturity of less than 3 months	-	1,210.00	2,963.70	1,420.69	1,920.46
	Total cash and cash equivalents	**79.41**	**1,291.91**	**3,609.44**	**1,438.02**	**2,330.94**

Note:
1. The above restated consolidated statement of cash flows has been prepared under the “Indirect Method” as set out in Indian Accounting Standard (Ind AS) - 7 ‘Statement of Cash flows’ as specified under Section 133 of the Companies Act, 2013, (‘Act’) read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
2. Refer note 16 for reconciliation of liabilities arising from financing activities.
3. Previous year figures have been regrouped/reclassified wherever applicable.

The accompanying notes form an integral part of these restated consolidated financial information.
This is the restated consolidated statement of cash flows referred to in our report of even date.

For **T R Chadha & Co LLP**
Chartered Accountants
Firm's Registration No.: 006711N/N500028

For and on behalf of the Board of Directors of
India Shelter Finance Corporation Limited

Aashish Gupta
Partner
Membership No.: 097343

Sudhin Bhagwandas Choksey
Chairman and
Non-Executive Director
DIN: 00036085
Place: Ahemdabad

Rupinder Singh
Managing Director and
Chief Executive Officer
DIN: 09153382
Place: Gurugram

Ashish Gupta
Chief Financial Officer
Place: Gurugram

Mukti Chaplot
Company Secretary
Membership No. 38326
Place: Gurugram

Place: Gurugram
Date: 13 November 2023

India Shelter Finance Corporation Limited
Restated Consolidated statement of changes in equity
(All amounts in Rs. millions, unless otherwise stated)

A. Equity share capital

Particulars	Balance as at 01 April 2020	Changes during the year	Balance as at 31 March 2021	Changes during the year	Balance as at 31 March 2022	Changes during the period	Balance as at 30 September 2022	Changes during the period	Balance as at 31 March 2023	Changes during the period	Balance as at 30 September 2023
Equity share capital	428.30	1.48	429.78	7.28	437.07	0.25	437.32	0.33	437.65	12.58	450.23

B. Other equity

Particulars	Share application money pending allotment	Reserves and Surplus				Items of other comprehensive income		Total
		Statutory reserve	Securities premium	Employee share based payment reserve	Retained earnings	Re-measurements of defined benefit plans	Effective portion of cash flow hedge reserve	
Balance as at 31 March 2020	-	**267.58**	**6,781.94**	**38.91**	**963.05**	**3.05**	-	**8,054.53**
Transfer to statutory reserve	-	174.78	-	-	(174.78)		-	-
Issue of share capital	-	-	0.49	-	-		-	**0.49**
Share options exercised during the year	-	-	0.02	(0.02)	-		-	-
Share based payment to employees	-	-	-	16.12	-		-	**16.12**
Profit for the year	-	-	-	-	873.89		-	**873.89**
Other comprehensive income(net of taxes)	-	-	-	-	-	(2.12)	-	**(2.12)**
Balance as at 31 March 2021	-	**442.36**	**6,782.45**	**55.01**	**1,662.16**	**0.93**	-	**8,942.91**
Transfer to statutory reserve	-	256.89	-	-	(256.89)	-	-	-
Issue of share capital	-	-	44.30				-	**44.30**
Share options exercised during the year	-	-	31.03	(31.03)			-	-
Share based payment to employees	-	-	-	59.41	-	-	-	**59.41**
Profit for the year	-	-	-	-	1,284.47	-	-	**1,284.47**
Other comprehensive income(net of taxes)	-	-	-	-	-	(6.89)	-	**(6.89)**
Balance as at 31 March 2022	-	**699.25**	**6,857.78**	**83.39**	**2,689.74**	**(5.96)**	-	**10,324.20**
Transfer to statutory reserve	-	-	-	-	-	-	-	-
Issue of share capital	-	-	0.26	-	-	-	-	**0.26**
Share options exercised during the period	-	-	-		-	-	-	-
Share based payment to employees	-	-	-	53.40	-	-	-	**53.40**
Profit for the period	-	-	-	-	620.21	-	-	**620.21**
Other comprehensive income(net of taxes)	-	-	-	-	-	10.27	(25.57)	**(15.30)**
Balance as at 30 September 2022	-	**699.25**	**6,858.04**	**136.79**	**3,309.95**	**4.31**	**(25.57)**	**10,982.77**
Transfer to statutory reserve	-	309.95	-	-	(309.95)	-	-	-
Issue of share capital	-	-	12.94	-	-	-	-	**12.94**
Share options exercised during the period	-	-	0.33	(0.33)	-	-	-	-
Share based payment to employees	-	-	-	29.64	-	-	-	**29.64**
Profit for the period	-	-	-	-	933.21	-	-	**933.21**
Other comprehensive income(net of taxes)	-	-	-	-	-	1.10	7.97	**9.07**
Balance as at 31 March 2023	-	**1,009.20**	**6,871.31**	**166.10**	**3,933.21**	**5.41**	**(17.60)**	**11,967.63**
Transfer to statutory reserve	-	-	-	-	-	-	-	-
Issue of share capital	-	-	245.08	-	-	-	-	**245.08**
Share options exercised during the period	-	-	83.92	(83.92)	-	-	-	-
Share based payment to employees	-	-	-	55.20	-	-	-	**55.20**
Profit for the period	-	-	-	-	1,073.54	-	-	**1,073.54**
Other comprehensive income(net of taxes)	-	-	-	-	-	(0.84)	(48.37)	**(49.21)**
Share application money received during the period	7.18	-	-	-	-	-	-	**7.18**
Balance as at 30 September 2023	**7.18**	**1,009.20**	**7,200.31**	**137.38**	**5,006.75**	**4.58**	**(65.97)**	**13,299.43**

The accompanying notes form an integral part of these restated consolidated financial information.
This is the restated consolidated statement of changes in equity referred to in our report of even date.

For **T R Chadha & Co LLP**
Chartered Accountants
Firm's Registration No.: 006711N/N500028

Aashish Gupta
Partner
Membership No.: 097343

Place: Gurugram
Date: 13 November 2023

For and on behalf of the Board of Directors of
India Shelter Finance Corporation Limited

Sudhin Bhagwandas Choksey
Chairman and
Non-Executive Director
DIN: 00036085
Place: Ahemdabad

Rupinder Singh
Managing Director and
Chief Executive Officer
DIN: 09153382
Place: Gurugram

Ashish Gupta
Chief Financial Officer

Place: Gurugram

Mukti Chaplot
Company Secretary
Membership No. 38326
Place: Gurugram

1. Corporate information

India Shelter Finance Corporation Limited ("the Company") is a Housing Finance Company registered under section 29A of The National Housing Bank Act, 1987 vide Registration Certificate No. 09.0087.10 dated 14 September 2010. The Group is engaged in providing secured retail home loans, home equity loans and loans against property to borrowers for a period up to twenty years. These loans are primarily to be used by the borrowers for home purchase, home improvements, home extension and for construction of dwelling units on plots owned by borrowers.

India Shelter Capital Finance Limited (“Subsidiary Company”) was incorporated on 24 March 2022 to carry on lending business as Non-Banking Finance Company subject to receipt of regulatory approvals.

The above two companies are collectively referred to as the ("Group”).

1.1 Basis of preparation and presentation

The Restated Consolidated financial information of the Group comprise the Restated Consolidated Statement of Assets and Liabilities as at September 30, 2023, September 30, 2022, March 31, 2023 and March 31, 2022, the Restated Consolidated Statement of Profit & Loss account (including Other Comprehensive Income), the Restated Consolidated Statement of Cash Flows and the Restated Consolidated Statement of Changes in Equity for half year ended September 30, 2023, September 30, 2022 and for year ended March 31, 2023 and March 31, 2022; Restated Standalone Statement of Assets and Liabilities as at March 31, 2021, the Restated Standalone Statement of Profit & Loss account (including Other Comprehensive Income), the Restated Standalone Statement of Cash Flows and the Restated Standalone Statement of Changes in Equity for year ended March 31, 2021 and significant accounting policies and other explanatory information to the Restated Consolidated financial information (collectively, the ‘Restated Consolidated financial information’), has been specifically prepared by the management for inclusion in the document to be filed by the Company with the Securities and Exchange Board of India (“SEBI”) and National Stock Exchange of India Limited and BSE Limited, where the Equity Shares are proposed to be listed (the “Stock Exchanges”) in connection with the proposed Initial Public Offer (‘IPO’) of equity shares of the Company (referred to as the “Issue”), in accordance with the requirements of:

a. Section 26 of Part I of Chapter III of the Companies Act 2013 (the “Act”) and
b. Relevant provisions of The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“the SEBI ICDR Regulations”) issued by the Securities and Exchange Board of India ('SEBI') on September 11, 2018 as amended from time to time in pursuance of the Securities and Exchange Board of India Act, 1992.
c. The Guidance Note on Report in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India.

The restated consolidated financial information were approved by the Company’s Board of Directors and authorised for issue on 13 November 2023.

(i) Statement of compliance with Indian Accounting Standards (Ind AS)

These restated Consolidated financial statements (“the Financial Statements”) of the Group have been prepared in conformity with the accounting principles generally accepted in India including Indian Accounting Standards (‘Ind AS’) specified under section 133 of the Companies Act, 2013 (‘Act’) and other relevant provisions of the Act and guidelines issued by Reserve Bank of India (RBI) and National Housing Bank (NHB) to the extent applicable. The Group has uniformly applied the accounting policies for the periods presented in these financial statements.

(ii) Historical cost convention

The restated consolidated financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities which are measured at fair values at the end of each reporting period as explained in relevant accounting policies. The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116 'Leases' and measurements that have some similarities to fair value but are not fair value, such as value in use in Ind AS 36 'Impairment of Assets'.

In addition, for financial reporting purposes, fair value measurements are categorised into level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;

'- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

- Level 3 inputs are unobservable inputs for the asset or liability.

(iii) Basis of consolidation

The restated consolidated financial information comprise the financial statements of the Company and its subsidiaries including controlled structured entities as at September 30, 2023. The Company consolidates a subsidiary when it controls it. Control is achieved when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Company has less than a majority of the voting or similar rights of an investee, the Company considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

• The contractual arrangement with the other vote holders of the investee.
• Rights arising from other contractual arrangements.
• The Company's voting rights and potential voting rights.
• The size of the Company's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Company re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the restated consolidated financial information from the date the Company gains control until the date the Company ceases to control the subsidiary.

Restated Consolidated financial information are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Company uses accounting policies other than those adopted in the restated consolidated financial information for like transactions and events in similar circumstances, appropriate adjustments are made to that Company member's financial statements in preparing the restated consolidated financial information to ensure conformity with the Company's accounting policies.

(iv) Principles of consolidation

The restated consolidated financial information relate to India Shelter Finance Corporation Limited (the Company') and its subsidiary company.

The restated consolidated financial information have been prepared on the following basis:

- The financial statements of all the entities used for the purpose of consolidation are drawn upto the same reporting date as that of the Company i.e., September 30, 2023.
- The financial statements of the Company and its subsidiary company have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances and intragroup transactions.
- The restated consolidated financial information have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.
- India Shelter Capital Finance Limited, a wholly owned subsidiary has been considered in the preparation of the restated consolidated financial information.

2. Summary of significant accounting policies

This restated consolidated financial information have been prepared using the significant accounting policies and measurement bases summarised as below. These policies are applied consistently for all the periods presented in the restated consolidated financial information, except where the Group has applied certain exemptions upon transition.

2.1. Revenue recognition

Interest and processing fee income on loans

Interest and processing fee income on financial assets is recognised on a time proportion basis considering the amount outstanding and the effective interest rate applicable.

Effective Interest Rate (“EIR”)
The EIR is the rate that exactly discounts estimated future cash flows of the financial instrument through the expected life of the financial instrument or, where appropriate, a shorter period, to the net carrying amount. The future cash flows are estimated taking into account all the contractual terms of the instrument.

The calculation of the EIR includes all fees paid or received between parties to the contract that are incremental and directly attributable to the specific lending arrangement, transaction costs, and all other premiums or discounts. For financial assets measured at Fair Value Through Profit and Loss (“FVTPL”), transaction costs are recognised in the statement of profit and loss at initial recognition.

Interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for expected credit losses).

Interest/Dividend income on investment

Interest income on investments and fixed deposits is recognised on time proportionate basis with reference to EIR method. Dividend income is accounted for when the right to receive it is established.

Income from assignment

Gains arising out of direct assignment transactions comprise the difference between the interest on the loan portfolio and the applicable rate at which the direct assignment is entered into with the assignee, also known as the right of excess interest spread (EIS). The future EIS basis the scheduled cash flows on execution of the transaction, discounted at the EIR of underlying pool of loans rate entered into with the assignee is recorded upfront in the statement of profit and loss. EIS is evaluated and adjusted for ECL and expected prepayment.

Fee and Commission Income

Fee and commission income includes fees other than those that are an integral part of EIR method. The Group recognises the fee and commission income at fair value of the consideration received or receivable when the Group satisfies the performance obligation.

Other operating revenue

Interest on overdue of loans and other ancillary charges are recognised upon realisation. All other income is recognised on an accrual basis upon satisfaction of performance obligation, when there is no uncertainty in the ultimate realisation/collection and income can be measured reliably.

2.2. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand (including imprest), demand deposits and short-term highly liquid investments that are readily convertible into known amount of cash and which are subject to an insignificant risk of changes in value.

2.3. Cash flow statement

Cash flows are reported using indirect method as set out in Ind AS -7 "Statement of Cash Flows", 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 Group are segregated based on the available information.

2.4. Property, plant and equipment

Recognition and initial measurement

Property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use. It also includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, wherever applicable.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance costs are recognised in statement of profit or loss as incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation on property, plant and equipment is provided on the straight line method over the useful life of the assets as prescribed under Part 'C' of Schedule II of the Companies Act, 2013, or in case of assets where the estimated useful life was determined basis technical evaluation carried out by the Group, over the useful life so determined.

Depreciation on additions to fixed assets is provided for full month in which acquisition of the assets is made. No depreciation is provided for the month of sale/disposal of asset. Leasehold improvements are amortised over a period of lease. Asset costing less than Rs. 10,000 each are fully depreciated in the year of capitalisation.

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

Estimated useful lives of the assets are as follows:

Asset category	Estimated useful life (in Years)	Life as per Schedule II
Plant & Equipment- Computer and other related equipment	3 years	3 years
Office equipment	5 years	5 years
Furniture and fixtures	10 years	10 years
Vehicles	8 years	8 years
Handheld communication devices (included in office equipment)	2 years	5 years
Leasehold improvements	Over the period of the lease or the estimated useful life whichever is lesser.	Over the period of the lease or the estimated useful life whichever is lesser.

De-recognition
An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in the statement of profit and loss, when the asset is derecognised.

2.5. Intangible assets

Recognition and initial measurement

Intangible assets are stated at their cost of acquisition. The cost comprises purchase price including any import duties and other taxes (other than those subsequently recoverable from taxation authorities), borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Amortisation method, estimated useful lives and residual value

Intangible assets are amortised over a period of 4 years from the date when the assets are available for use. The estimated useful life (amortisation period) of the intangible assets is arrived basis the expected pattern of consumption of economic benefits and is reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

De-recognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in statement of profit and loss when the asset is derecognised.

2.6. Impairment of non-financial assets

The carrying amounts of non-financial assets are reviewed at each reporting date. If there is any indication of impairment based on internal / external factors, an impairment loss is recognised in the statement of profit and loss wherever the carrying amount of an asset exceeds its recoverable amount. For the purpose of assessing impairment, the smallest identifiable group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit.

Recoverable amount is higher of an asset's or cash generating unit's fair value less cost of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

If at the reporting date there is an indication that previously assessed impairment loss no longer exists, the recoverable amount is reassessed, and the asset is reflected at the recoverable amount subject to maximum of depreciable historical cost.

2.7. Taxation

Tax expense recognised in Statement of Profit and Loss comprises the sum of deferred tax and current tax except to the extent it recognized in other comprehensive income or directly in equity.

Current tax comprises the tax payable or receivable on taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. Current tax is computed in accordance with relevant tax regulations. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received after considering uncertainty related to income taxes, if any. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

With effect from 1 April 2019, with introduction of Taxation Laws (Amendment) Ordinance, 2019, where section 115BAA was introduced in the Income-tax Act, 1961 proposing option to compute income tax liability at revised taxation rates. Further, under section 115JB (MAT provisions) a sub-section was introduced stating non-applicability of Minimum Alternative Tax ('MAT') provisions on the companies exercising option to pay income tax under section 115BAA.

MAT policy applicable before 1 April 2019, MAT under the provisions of the Income-tax Act, 1961 was recognised as current tax in the Statement of Profit and Loss. The credit available under the Income-tax Act, 1961 in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

Deferred tax is recognised in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets are recognised on unused tax loss, unused tax credits and deductible temporary differences to the extent it is probable that the future taxable profits will be available against which they can be used. This is assessed based on the Group's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit or loss (either in other comprehensive income or in equity).

2.8. Employee benefits

Short-term employee benefits

Short-term employee benefits including salaries, short term compensated absences (such as a paid annual leave) where the absences are expected to occur within twelve months after the end of the period in which the employees render the related service, profit sharing and bonuses payable within twelve months after the end of the period in which the employees render the related services and non-monetary benefits for current employees are estimated and measured on an undiscounted basis.

Post-employment benefit plans are classified into defined benefits plans and defined contribution plans as under:

Defined contribution plans

The Group has a defined contribution plans namely provident fund, pension fund and employees state insurance scheme. The contribution made by the Group in respect of these plans are charged to the Statement of Profit and Loss.

Defined benefit plans

The Group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. Where in the employee will receive on retirement is defined by reference to employee's length of service and last drawn salary. Under the defined benefit plans, the amount that an employee will receive on retirement is defined by reference to the employee’s length of service and final salary. The legal obligation for any benefits remains with the Group, even if plan assets for funding the defined benefit plan have been set aside. The liability recognised in the statement of financial position for defined benefit plans is the present value of the Defined Benefit Obligation (DBO) at the reporting date less the fair value of plan assets. Management estimates the DBO annually with the assistance of independent actuaries. Actuarial gains/losses resulting from re-measurements of the liability/asset are included in other comprehensive income.

Other long-term employee benefits

The Group also provides the benefit of compensated absences to its employees which are in the nature of long-term employee benefit plan. Liability in respect of compensated absences becoming due and expected to be availed after one year from the Balance Sheet date is estimated in the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method as on the reporting date. Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to Statement of Profit and Loss in the year in which such gains or losses are determined.

Share based payment

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date.

The fair value of the option determined at the grant date of the equity settled share-based payments is expensed on a straight line basis over the vesting period, based on the Group’s estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the statement of profit and loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

In respect of re-pricing of existing stock option, the incremental fair value of the option on the date of re-pricing is accounted for as employee cost over the remaining vesting period.

2.9. Expected credit losses and write-off of financial assets

Loan assets

Loans are classified into performing and non-performing assets in terms of policy adopted by the Group, subject to minimum classification and provisioning norms required under 'Housing Finance Company (Reserve Bank) Directions, 2021' issued by RBI from time to time.

All loan exposures to borrowers with instalment structure are stated at disbursed value after netting off:

i. unearned income
ii. instalments appropriated up to the year end

Under Ind AS, the Group's assets have been classified as follows based on Exposure at Default:

- Stage 1: Performing Assets
- Stage 2: Under Performing Assets
- Stage 3: Non-Performing Assets

Under Ind AS, asset classification and provisioning moves from the 'rule based', incurred losses model to the Expected Credit Loss (ECL) model of providing for expected future credit losses. Thus, loan loss provisions are made on the basis of the Group's historical loss experience, future expected credit loss and after factoring in various macro-economic parameters

The Expected Credit Loss (ECL) is measured at 12-month ECL for Stage 1 loan assets and at lifetime ECL for Stage 2 and Stage 3 loan assets. ECL is the product of the Probability of Default, Exposure at Default and Loss Given Default, defined as follows:

Probability of Default (PD) - The PD represents the likelihood of a borrower defaulting on its financial obligation (as per "Definition of default and credit-impaired" above), either over the next 12 months (12 months PD), or over the remaining lifetime (Lifetime PD) of the obligation.

Loss Given Default (LGD) – LGD represents the Group's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and preference of claim and availability of collateral or other credit support.

Exposure at Default (EAD) – EAD is based on the amounts the Group expects to be owed at the time of default. For a revolving commitment, the Gropu includes the current drawn balance plus any further amount that is expected to be drawn up to the current contractual limit by the time of default, should it occur.

Forward-looking economic information (including management overlay) is included in determining the 12-month and lifetime PD, EAD and LGD. The assumptions underlying the expected credit loss are monitored and reviewed on an ongoing basis.

Trade receivables

In respect of trade receivables, the Group applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of trade receivables.

Other financial assets

In respect of its other financial assets, the Group assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the

Group measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Group uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Group compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Group assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

Write-offs

Financial assets are written off either partially or in their entirety to the extent that there is no realistic prospect of recovery. Any subsequent recoveries are credited to impairment on financial instrument on statement of profit and loss.

2.10. Provisions, contingent assets and contingent liabilities

Provisions are recognised only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Group or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognised nor disclosed except when realisation of income is virtually certain, related asset is disclosed.

2.11. Leases

Group as a Lessee:

At inception of a contract, Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease, a lease if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group’s incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The lease liability is measured at amortised cost using the effective interest method. It is re measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is re measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property in 'property and equipment' and lease liabilities in 'borrowings (other than debt securities)' in the balance sheet.

2.12. Financial instruments

A Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through statement of profit and loss are recognised immediately in statement of profit and loss.

Financial assets

Financial assets, with the exception of loans and advances to customers, are initially recognised on the trade date, i.e., the date that the Group becomes a party to the contractual provisions of the instrument. Loans and advances to customers are recognised when funds are disbursed to the customers

Classification and Subsequent measurement of financial assets

Financial assets are classified in to three categories for subsequent measurement:

- Financial asset at amortised cost
- Financial asset at fair value through other comprehensive income (FVTOCI)
- Financial asset at fair value through profit and loss(FVTPL)

Financial asset at amortised cost
Financial instruments that meet the following conditions are subsequently measured at amortised cost less impairment loss:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the Statement of Profit and Loss.

Financial assets (debt instruments) at FVOCI
Financial asset (debt instruments) is classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

- The asset's contractual cash flows represent SPPI. Financial assets included within the above category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Group recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Financial Asset at FVTPL

Financial asset which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL. Financial assets classified under FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

De-recognition of financial assets

Financial assets (or where applicable, a part of financial asset or part of a group of similar financial assets) are derecognised (i.e. removed from the Group's balance sheet) when the contractual rights to receive the cash flows from the financial asset have expired, or when the financial asset and substantially all the risks and rewards are transferred. Further, if the Group has not retained control, it shall also derecognise the financial asset and recognise separately as assets or liabilities any rights and obligations created or retained in the transfer.

Financial liabilities

Debt and equity instruments issued by a Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.

Subsequent measurement

Subsequent to initial recognition, all non-derivative financial liabilities are measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Derivative Financial Instruments

The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if certain criteria are met.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. The resulting gain/loss is recognised in the statement of profit and loss immediately unless the derivative is designated and is effective as a hedging instrument, in which event the timing of the recognition in the statement of profit and loss depends on the nature of the hedge relationship.

The Group designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with its external commercial borrowings arising from changes in exchange rates.
At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the other equity under 'effective portion of cash flows hedges'. The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in fair value of the derivative is recognised immediately in profit or loss.

The Group designates only the change in fair value of the spot element of forward exchange contracts as the hedging instrument in cash flow hedge relationships. The change in fair value of the forward element of the forward exchange contracts ('forward points') is separately accounted for as cost of hedging and recognised separately within equity. If a hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.13. Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax 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 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. 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 (Refer Note 41). Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period.

2.14. Foreign currency

Functional and presentation currency

Items included in the restated consolidated financial information of the Group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The restated consolidated financial information have been prepared and presented in Indian Rupees (INR), which is the Group's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency, by applying the exchange rates on the foreign currency amounts at the date of the transaction. Foreign currency monetary items outstanding at the balance sheet date are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognised in the Statement of Profit and Loss in the year in which they arise.

2.15. Insurance Claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

2.16. Operating Cycle

Based on the nature of products / activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months.

2.17. Share/Securities issue expense

Share/security 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/security issue expenses in excess of the balance in the Securities Premium Account are expensed off in the Statement of Profit and Loss.

2.18. Borrowing Costs

Borrowing costs are interest and other costs incurred in connection with the borrowings of funds. Borrowing costs primarily include interest on amounts borrowed for the revenue operations of the Group. These are expensed to the statement of profit and loss using the EIR. All other Borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

2.19. Assets held for sale

Assets acquired by the Group under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002. has been classified as assets held for sale, as their carrying amounts will be recovered principally through a sale of asset. In accordance with Ind AS 105, the Group is committed to sell these assets and they are measured at the lower of their carrying amount and the fair value less costs to sell.

2.20. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). CODM is responsible for allocating the resources, assess the financial performance and position of the Group and make strategic decision.

2.21. Significant management judgement in applying accounting policies and estimation uncertainty

The preparation of the restated consolidated financial information requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures. Actual results may differ from these estimates.

Significant management judgements:

Expected credit loss (‘ECL’) – The measurement of expected credit loss allowance for financial assets measured at amortised cost requires use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. likelihood of customers defaulting and resulting losses). The Group makes significant judgements with regard to the following while assessing expected credit loss:

- Determining criteria for significant increase in credit risk;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and the associated ECL; and
- Establishing groups of similar financial assets for the purposes of measuring ECL.

Significant estimates:

Provision for employee benefits - Provision for employee benefits, requires that certain assumptions such as expected future salary increases, average life expectancy and discount rates etc. are made in order to determine the amount to be recorded for retirement benefit obligations. Substantial changes in the assumed development of any of these variables may significantly change the Group’s retirement benefit obligations.

Useful lives of depreciable/amortisable assets – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

Standard issued but not yet effective

No new standards as notified by Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules are effective for the current year.

(All amounts in Rs. millions, unless otherwise stated)

3. Cash and cash equivalents	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
I. Cash on hand	21.71	6.01	17.60	11.73	5.36
II. Balances with banks (of the nature of cash and cash equivalents)					
(a) Balance with banks in current accounts	57.70	75.90	628.14	5.60	405.12
(b) Deposits with original maturity of less than 3 months	-	1,210.00	2,963.70	1,420.69	1,920.46
Sub-total (a and b)	**57.70**	**1,285.90**	**3,591.84**	**1,426.29**	**2,325.58**
Total (I and II)	**79.41**	**1,291.91**	**3,609.44**	**1,438.02**	**2,330.94**

4. Bank balance other than cash and cash equivalents	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Deposits with original maturity of more than 3 months	1,395.72	751.48	804.80	1,477.95	1,461.26
Deposit held as margin money under securitisation and borrowing agreements*	626.13	530.97	658.54	386.97	344.57
Total	**2,021.85**	**1,282.45**	**1,463.34**	**1,864.92**	**1,805.83**

*Includes Rs. 2.5 million (30 September 2022: Rs. 2.5 million, 31 March 2023: Rs. 2.5 million, 31 March 2022: Rs. 2.5 million & 31 March 2021: Rs. 2.5 million) towards guarantee to a Unique Identification Authority of India(UIDAI)

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5. Derivative Financial Instruments	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Financial Asset					
Cross currency derivatives	-	-	0.58	-	-
Financial Liability					
Cross currency derivatives	30.57	16.02	-		
Total	**30.57**	**16.02**	**0.58**	**-**	**-**

(a) Cross Currency Interest Rate Swaps (CCIRS)

Particulars	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
i) Total notional principal amount of CCIRS agreement undertaken during the period/year*	1,637.00	798.10	798.10	-	-
ii) Total notional principal amount of CCIRS agreement outstanding as on end of the period/year*	2,435.10	798.10	798.10	-	-
iii) Maturity date of CCIRS	15-Jun-27	15-Jun-27	15-Jun-27	-	-
iv) Hedge ratio	1:1	1:1	1:1	-	-
v) Currency pair	USD/INR	USD/INR	USD/INR	-	-

* Notional amount outstanding is the original amount. Restated amount as at the balance sheet date basis exchange rate is 30 September 2023 INR 2491.74 millions (30 September 2022 INR 8,15.50 millions, 31 March 2023: INR 8,22.20 millions)

(b) Hedged item

As at 30 September 2023

Particulars	Change in the value of the hedged item used as the basis for recognising hedge ineffectiveness	Cash flow hedge reserve	Foreign currency monetary items translation reserve
ECB term loan	(32.53)	(88.16)	-

As at 30 September 2022

Particulars	Change in the value of the hedged item used as the basis for recognising hedge ineffectiveness	Cash flow hedge reserve	Foreign currency monetary items translation reserve
ECB term loan	(17.40)	(33.42)	-

As at 31 March 2023

Particulars	Change in the value of the hedged item used as the basis for recognising hedge ineffectiveness	Cash flow hedge reserve	Foreign currency monetary items translation reserve
ECB term loan	(24.11)	(23.52)	-

As at 31 March 2022

Particulars	Change in the value of the hedged item used as the basis for recognising hedge ineffectiveness	Cash flow hedge reserve	Foreign currency monetary items translation reserve
ECB term loan	-	-	-

As at 31 March 2021

Particulars	Change in the value of the hedged item used as the basis for recognising hedge ineffectiveness	Cash flow hedge reserve	Foreign currency monetary items translation reserve
ECB term loan	-	-	-

(c) The fair value mark to market (MTM) gains or losses in respect of CCS Agreement outstanding as at the Balance Sheet date is stated below:

Hedging Instrument	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Cross currency swaps (CCS)	30.57	(16.02)	0.58	-	-
Total	**30.57**	**(16.02)**	**0.58**	**-**	**-**

(d) Movement in Hedge Reserve (excluding deferred tax)

Cash Flow Hedge Reserve Account	As at 30 September 2023		
	Realised	**Unrealised**	**Total**
i) Balance at the beginning of the period	-	(23.53)	(23.53)
ii) Add: Changes in the fair value during the Period			
Included in derivative financial instrument	-	(31.15)	(31.15)
Included in ECB term loan	-	(33.48)	(33.48)
iii) Less: Amounts reclassified to statement of profit & loss	-	-	-
iv) Balance at the end of the period	-	(88.16)	(88.16)

Cash Flow Hedge Reserve Account	As at 30 September 2022		
	Realised	**Unrealised**	**Total**
i) Balance at the beginning of the period	-	-	-
ii) Add: Changes in the fair value during the Period			
Included in derivative financial instrument	-	(16.02)	(16.02)
Included in ECB term loan	-	(17.40)	(17.40)
iii) Less: Amounts reclassified to statement of profit & loss	-	-	-
iv) Balance at the end of the period	-	(33.42)	(33.42)

Cash Flow Hedge Reserve Account	As at 31 March 2023		
	Realised	**Unrealised**	**Total**
i) Balance at the beginning of the year	-	-	-
ii) Add: Changes in the fair value during the Year			
Included in derivative financial instrument	-	0.58	0.58
Included in ECB term loan	-	(24.11)	(24.11)
iii) Less: Amounts reclassified to statement of profit & loss	-	-	-
iv) Balance at the end of the year	-	(23.53)	(23.53)

Cash Flow Hedge Reserve Account	As at 31 March 2022		
	Realised	**Unrealised**	**Total**
i) Balance at the beginning of the year	-	-	-
ii) Add: Changes in the fair value during the Year			
Included in derivative financial instrument	-	-	-
Included in ECB term loan	-	-	-
iii) Less: Amounts reclassified to statement of profit & loss	-	-	-
iv) Balance at the end of the year	-	-	-

Cash Flow Hedge Reserve Account	As at 31 March 2021		
	Realised	**Unrealised**	**Total**
i) Balance at the beginning of the year	-	-	-
ii) Add: Changes in the fair value during the Year			
Included in derivative financial instrument	-	-	-
Included in ECB term loan	-	-	-
iii) Less: Amounts reclassified to statement of profit & loss	-	-	-
iv) Balance at the end of the year	-	-	-

All hedges are 100% effective.

Note: ECB carries coupon of 3.5% p.a in USD which has been hedged/swapped via Cross currecy swap @ 7.55% p.a in INR

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(All amounts in Rs. millions, unless otherwise stated)

6. Loans	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
At amortised cost					
Term loans	43,013.13	31,068.38	36,424.59	26,550.77	20,108.43
Staff loans	65.03	24.85	21.70	17.96	13.30
Total gross	**43,078.16**	**31,093.23**	**36,446.29**	**26,568.73**	**20,121.73**
Less: Impairment loss allowance	417.44	425.65	354.85	343.48	310.03
Total net	**42,660.72**	**30,667.58**	**36,091.44**	**26,225.25**	**19,811.70**
Secured by tangible assets	43,078.16	31,093.23	36,446.29	26,568.73	20,121.73
Total	**43,078.16**	**31,093.23**	**36,446.29**	**26,568.73**	**20,121.73**
Less: Impairment loss allowance	417.44	425.65	354.85	343.48	310.03
Total net	**42,660.72**	**30,667.58**	**36,091.44**	**26,225.25**	**19,811.70**
Loans in India					
Public sectors	-	-	-	-	-
Others (individuals and other corporates)	43,078.16	31,093.23	36,446.29	26,568.73	20,121.73
Total gross	**43,078.16**	**31,093.23**	**36,446.29**	**26,568.73**	**20,121.73**
Less: Impairment loss allowance	417.44	425.65	354.85	343.48	310.03
Total net	**42,660.72**	**30,667.58**	**36,091.44**	**26,225.25**	**19,811.70**

6.1 Loans granted by the Group are secured by equitable mortgage/registered mortgage of the property and/or undertaking to create a security by way of equitable mortgage of property.

6.2 Loan details

Particulars	Gross carrying amount*	Overcollateral	Effective interest rate adjustment	Total
As at 30 September 2023	43,743.17	-	(665.01)	43,078.16
As at 30 September 2022	31,565.16	-	(471.93)	31,093.23
As at 31 March 2023	37,036.27	-	(589.98)	36,446.29
As at 31 March 2022	26,941.48	21.88	(394.63)	26,568.73
As at 31 March 2021	20,408.57	32.64	(319.48)	20,121.73

* Loans represents aggregate of loan - principal outstanding, interest overdue and interest accrued but not due from borrowers pertaining to loans held in our books as on the last day of the relevant period.

6.3 There were no loans given against the collateral of gold jewellery and hence the percentage of such loans to the total outstanding asset is Nil (30 September 2022, 31 March 2023, 31 March 2022 & 31 March 2021: Nil).

6.4 Loans sanctioned but undisbursed amount to Rs. 3,243.09 million as on 30 September 2023 (30 September 2022: 2,166.23 million, 31 March 2023: 2,678.94 million, 31 March 2022: 1,934.12 million & 31 March 2021: 1,102.26 million).

6.5 The Group has securitised assets amounting to Rs. 856.21 million (30 September 2022: 1,467.77 million, 31 March 2023: 1065.23 million 31 March 2022: 755.57 million & 31 March 2021: 619.24 million). These loan assets have not been de-recognised from the loan portfolio of the Group as these does not meet the de-recognition criteria. The Group is responsible for collection and servicing of this loan portfolio on behalf of buyers/investors. In terms of the said securitisation agreements, the Group pays to buyer/investor on monthly basis the prorated collection amount as per the respective agreement terms.

6.6 During the period ended 30 September, 2023, the Group has assigned pools of certain loans amounting to Rs. 2408.82 million (30 September 2022: 1,660.56 million, 31 March 2023: 4,409.12 million, 31 March 2022: 2,732.68 million & 31 March 2021: 1,694.94 million) by way of a direct assignment transactions. These loans have been de-recognised from the loan portfolio of the Group as the sale of loan assets is an absolute assignment and transfer on a 'no-recourse' basis. The Group continues to act as a servicer to the assignment transaction on behalf of assignee. In terms of the assignment agreements, the Group pays to assignees, on a monthly basis, the pro-rata collection amounts.

6.7 The Group also undertakes lending under co-lending model with Bank, whereby loans are co-originated by both the entities in 20:80 ratio (Group:Bank). As at September 30, 2023, outstanding amount for same is Rs. 298.75 million (30 September 2022: Nil, 31 March 2023: Rs. 5.98 million, 31 March 2022: Rs.Nil & 31 March 2021: Rs.Nil). The said arrangement is carried post disbursement of loans by the Company and the folios under the same are picked by the Bank. These loans have been de-recognised from the loan portfolio of the Group.

6.8 Expected credit loss

Expected credit loss is a calculation of the present value of the amount expected not to be recovered on a financial asset, for financial reporting purposes. Credit risk is the potential that the obligor and counterparty will fail to meet its financial obligations to the lender. This requires an effective assessment and management of the credit risk at both individual and portfolio level.

The references below show where the Group's impairment assessment and measurement approach is set out in these notes. It should be read in conjunction with the Summary of significant accounting policies.

(i) Definition of default

The Group considers a financial instrument as defaulted and considered it as Stage 3 (credit-impaired) for ECL calculations in all cases, when the borrower becomes more than 90 days past due on its contractual payments or classified as NPA as per RBI directions. The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed year, if the facility has not been previously derecognised and is still in the portfolio.

ii) Exposure at default

The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation, addressing both the client's ability to increase its exposure while approaching default and potential early repayments too.

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(All amounts in Rs. millions, unless otherwise stated)

iii)Loss given default

The Group segments its retail lending products into homogeneous portfolios, based on key characteristics that are relevant to the estimation of future cash flows. The data applied is collected loss data and involves a wider set of transaction characteristics (e.g., product type, wider range of collateral types, loan to value (LTV) ratio, expected realisation rate, etc.) as well as borrower characteristics.

iv) Significant increase in credit risk

The Group continuously monitors all assets subject to ECL. In order to determine whether an instrument or a portfolio of instruments is subject to 12 month ECL or lifetime ECL, the Group assesses whether there has been a significant increase in credit risk since initial recognition. The Group considers an exposure to have significantly increased in credit risk when contractual payments are more than 30 days past due.

When estimating ECL on a collective basis for a group of similar assets, the Group applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition.

v) Delinquency buckets have been considered as the basis for the staging of all loans with:

- Stage 3 are those accounts which are classified as NPA
- Stage 2 are those accounts wherein there is significant increase in credit risk
- Stage 1 are those accounts wherein DPD is 0-30 days and not considered in Stage 2 and Stage 3

vi) Macro economic factors

Macro-economic variables relevant to the underlying loan portfolio such as Gross Domestic Product, Inflation, Housing Price Index and 10 year bond yield were analysed for their correlation. Based on the analysis of trend, the Company has considered the 10 year bond yield as relevant macro-economic factor as it shows relatively better correlation with the portfolio performance.

vii) Credit quality of asset

The Company has classified all individual loans as amortised cost and has assessed it at the collective pool level. The individual loan book has been divided into the housing and non-housing (Loan against property) sub portfolios.

The vintage analysis methodology has been used to create the PD term structure which incorporates both 12 month (Stage 1 Loans) and lifetime PD (Stage 2 Loans). The vintage analysis captures a vintage default experience across a particular portfolio by tracking the yearly slippages from advances originating in a particular year. The vintage slippage experience/default rate is then used to build the PD term structure.

The workout methodology has been used to determine LGD wherein the recoveries of loans defaulted in past are tracked and discounted to the date of default using the effective interest rate. The worked out LGD for loans has been bucketed into various levels of collateral cover. LGD based on collateral cover has been applied to each loan in the portfolio based on specific collateral cover adjusted for the expected fall in valuation. The Company has used the forward looking LGD basis the management expectation on property prices basis the market enviornment.

viii) An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to loans is, as follows:
Reconciliation of gross carrying amount balance is as follows:

Particulars	Stage 1	Stage 2	Stage 3	Total
Loans to customers at amortised cost				
Balance as at 01 April 2020	**14,720.89**	**215.00**	**213.30**	**15,149.19**
Transfer to Stage 1	82.78	(63.63)	(19.15)	-
Transfer to Stage 2	(560.40)	575.81	(15.41)	-
Transfer to Stage 3	(182.05)	(82.33)	264.38	-
New financial assets originated	8,588.12	12.14	6.87	**8,607.13**
Financial assets that have been de-recognised/repaid	(3,278.31)	(11.12)	(58.32)	**(3,347.75)**
Balance as at 31 March 2021	**19,371.03**	**645.87**	**391.67**	**20,408.57**
Loans to customers at amortised cost				
Balance as at 01 April 2021	**19,371.03**	**645.87**	**391.67**	**20,408.57**
Transfer to Stage 1	232.01	(157.62)	(74.39)	-
Transfer to Stage 2	(542.28)	566.27	(23.99)	-
Transfer to Stage 3	(255.48)	(143.59)	399.07	-
New financial assets originated	12,160.74	14.84	8.24	**12,183.82**
Financial assets that have been de-recognised/repaid	(5,464.45)	(56.25)	(130.21)	**(5,650.91)**
Balance as at 31 March 2022	**25,501.57**	**869.52**	**570.39**	**26,941.48**
Loans to customers at amortised cost				
Balance as at 01 April 2022	**25,501.57**	**869.52**	**570.39**	**26,941.48**
Transfer to Stage 1	247.83	(141.58)	(106.25)	-
Transfer to Stage 2	(310.18)	325.27	(15.09)	-
Transfer to Stage 3	(171.92)	(315.16)	487.08	-
New financial assets originated	8,038.29	2.74	-	**8,041.03**
Financial assets that have been de-recognised/repaid	(3,313.68)	(48.50)	(55.17)	**(3,417.35)**
Balance as at 30 September 2022	**29,991.91**	**692.29**	**880.96**	**31,565.16**
Loans to customers at amortised cost				
Balance as at 01 October 2022	**29,991.91**	**692.29**	**880.96**	**31,565.16**
Transfer to Stage 1	555.19	(267.27)	(287.92)	-
Transfer to Stage 2	(384.12)	480.54	(96.42)	-
Transfer to Stage 3	(72.54)	(49.04)	121.58	-
New financial assets originated	10,456.77	3.81	3.66	**10,464.24**
Financial assets that have been de-recognised/repaid	(4,722.36)	(67.87)	(202.90)	**(4,993.13)**
Balance as at 31 March 2023	**35,824.85**	**792.46**	**418.96**	**37,036.27**
Loans to customers at amortised cost				
Balance as at 01 April 2023	35,824.85	792.46	418.96	**37,036.27**
Transfer to Stage 1	208.11	(149.32)	(58.79)	-
Transfer to Stage 2	(660.60)	690.26	(29.66)	-
Transfer to Stage 3	(149.15)	(92.10)	241.25	-
New financial assets originated	11,564.15	19.66	6.01	**11,589.82**
Financial assets that have been de-recognised/repaid	(4,639.86)	(104.56)	(138.50)	**(4,882.92)**
Balance as at 30 September 2023	**42,147.50**	**1,156.40**	**439.27**	**43,743.17**

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(All amounts in Rs. millions, unless otherwise stated)

Reconciliation of ECL balance is as follows:

Particulars	Stage 1	Stage 2	Stage 3	Total
Balance as at 01 April 2020	90.61	3.63	67.68	**161.92**
Transfer to Stage 1	6.51	(1.13)	(5.38)	-
Transfer to Stage 2	(3.52)	8.25	(4.73)	-
Transfer to Stage 3	(1.13)	(1.29)	2.42	-
Impact of change in EAD and stages during the year	17.82	46.50	82.67	**146.99**
New financial assets originated	36.38	0.76	2.27	**39.41**
Financial assets that have been de-recognised/repaid	(8.89)	(0.45)	(28.95)	**(38.29)**
Balance as at 31 March 2021*	**137.78**	**56.27**	**115.98**	**310.03**

Particulars	Stage 1	Stage 2	Stage 3	Total
Balance as at 01 April 2021	137.78	56.27	115.98	**310.03**
Transfer to Stage 1	26.65	(4.62)	(22.03)	-
Transfer to Stage 2	(7.35)	14.45	(7.10)	-
Transfer to Stage 3	(2.88)	(15.56)	18.44	-
Impact of change in EAD and stages during the year	(34.58)	(5.10)	77.24	**37.56**
New financial assets originated	50.91	0.60	2.19	**53.70**
Financial assets that have been de-recognised/repaid	(16.80)	(1.56)	(39.45)	**(57.81)**
Balance as at 31 March 2022*	**153.73**	**44.48**	**145.27**	**343.48**

Particulars	Stage 1	Stage 2	Stage 3	Total
Balance as at 01 April 2022	153.73	44.48	145.27	**343.48**
Transfer to Stage 1	25.75	(3.98)	(21.77)	-
Transfer to Stage 2	(2.50)	6.38	(3.89)	-
Transfer to Stage 3	(1.31)	(13.50)	14.81	-
Impact of change in EAD and stages during the period	(28.72)	22.58	93.77	**87.63**
New financial assets originated	28.92	0.11	-	**29.03**
Financial assets that have been de-recognised/repaid	(11.86)	(2.12)	(20.53)	**(34.50)**
Balance as at 30 September 2022*	**164.03**	**53.96**	**207.67**	**425.65**

Particulars	Stage 1	Stage 2	Stage 3	Total
Balance as at 01 October 2022	164.03	53.96	207.67	**425.65**
Transfer to Stage 1	62.21	(7.31)	(54.90)	-
Transfer to Stage 2	(2.68)	22.51	(19.83)	-
Transfer to Stage 3	(0.51)	(2.72)	3.22	-
Impact of change in EAD and stages during the period	(59.29)	(3.75)	33.83	**(29.20)**
New financial assets originated	33.94	0.11	0.94	**34.99**
Financial assets that have been de-recognised/repaid	(11.65)	(2.89)	(62.05)	**(76.59)**
Balance as at 31 March 2023*	**186.05**	**59.92**	**108.88**	**354.85**

Particulars	Stage 1	Stage 2	Stage 3	Total
Balance as at 01 April 2023	186.05	59.92	108.88	**354.85**
Transfer to Stage 1	15.53	(3.84)	(11.69)	-
Transfer to Stage 2	(4.60)	11.99	(7.39)	-
Transfer to Stage 3	(1.01)	(4.32)	5.33	-
Impact of change in EAD and stages during the period	4.45	7.31	64.02	**75.78**
New financial assets originated	36.61	1.00	1.80	**39.41**
Financial assets that have been de-recognised/repaid	(12.78)	(5.12)	(34.70)	**(52.60)**
Balance as at 30 September 2023*	**224.25**	**66.94**	**126.25**	**417.44**

*includes ECL amount of Rs.Nil(30 September 2022: 0.65 million, 31 March 2023: Nil, 31 March 2022: 0.33 million & 31 March 2021: 1.55 million) created on securitised loans derecognised from the books which has been adjusted from EAD as at 30 September 2023.

ix) A comparison between provisions required under Income recognition, asset classification and provision norms (IRACP) and impairment allowances made under IND AS 109
As at 30 September 2023

Asset classification as per RBI Directions	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS**	Loss allowance as per Ind AS	Net Carrying Amount	Provision required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
Performing assets						
Standard assets	Stage 1*	42,147.50	224.25	41,923.25	127.10	97.16
	Stage 2	1,156.40	66.94	1,089.46	25.96	40.98
Sub-total		**43,303.90**	**291.19**	**43,012.71**	**153.06**	**138.14**
Non- performing assets (NPA)						
Substandard	Stage 3	287.48	77.74	209.74	45.85	31.89
Doubtful - up to 1 year	Stage 3	112.71	37.52	75.19	29.87	7.65
Doubtful - 1 to 3 years	Stage 3	39.08	10.99	28.09	15.96	(4.98)
Doubtful - More than 3 years	Stage 3	-	-	-	-	-
Sub-total for doubtful		**151.79**	**48.51**	**103.28**	**45.84**	**2.67**
Loss	Stage 3	-	-	-	-	-
Sub-total for NPA		**439.27**	**126.25**	**313.02**	**91.69**	**34.56**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current (IRACP) norms	Stage 1	3,870.43	16.61	3,853.82	-	**16.61**
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		**3,870.43**	**16.61**	**3,853.82**	**-**	**16.61**
Total	Stage 1	46,017.93	240.86	45,777.07	127.10	**113.77**
	Stage 2	1,156.40	66.94	1,089.46	25.96	**40.98**
	Stage 3	439.27	126.25	313.02	91.69	**34.56**
	Total	**47,613.60**	**434.05**	**47,179.55**	**244.75**	**189.31**

(All amounts in Rs. millions, unless otherwise stated)

As at 30 September 2022

Asset classification as per RBI Directions	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS*	Loss allowance as per Ind AS*	Net Carrying Amount	Provision required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
Performing assets						
Standard assets	Stage 1*	29,991.91	164.03	29,827.88	97.93	66.09
	Stage 2	692.29	53.96	638.33	21.63	32.33
Sub-total		**30,684.20**	**217.99**	**30,466.21**	**119.56**	**98.42**
Non- performing assets (NPA)						
Substandard	Stage 3	665.62	152.02	513.60	123.21	28.82
Doubtful - up to 1 year	Stage 3	212.29	54.76	157.53	75.42	(20.66)
Doubtful - 1 to 3 years	Stage 3	0.52	0.04	0.48	0.52	(0.48)
Doubtful - More than 3 years	Stage 3	-	-	-	-	-
Sub-total for doubtful		**212.81**	**54.80**	**158.01**	**75.95**	**(21.15)**
Loss	Stage 3	2.53	0.86	1.67	2.53	(1.67)
Sub-total for NPA		**880.96**	**207.67**	**673.29**	**201.69**	**6.00**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current (IRACP) norms	Stage 1	2,387.61	10.62	2,376.99	**-**	**10.62**
	Stage 2	**-**	**-**	-	**-**	**-**
	Stage 3	**-**	**-**	-	**-**	**-**
Subtotal		**2,387.61**	**10.62**	**2,376.99**	**-**	**10.62**
Total	Stage 1	32,379.53	174.65	32,204.88	97.93	**76.72**
	Stage 2	692.29	53.96	638.33	21.63	**32.33**
	Stage 3	880.96	207.67	673.29	201.69	**5.99**
	Total	**33,952.77**	**436.28**	**33,516.50**	**321.25**	**115.04**

As at 31 March 2023

Asset classification as per RBI Directions	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS*	Loss allowance as per Ind AS*	Net Carrying Amount	Provision required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
Performing assets						
Standard assets	Stage 1*	35,824.85	186.05	35,638.80	114.24	71.79
	Stage 2	792.46	59.92	732.56	24.31	35.61
Sub-total		**36,617.31**	**245.97**	**36,371.36**	**138.55**	**107.40**
Non- performing assets (NPA)						
Substandard	Stage 3	270.66	69.81	200.85	52.32	17.50
Doubtful - up to 1 year	Stage 3	148.30	39.07	109.23	47.31	(8.25)
Doubtful - 1 to 3 years	Stage 3	-	-	-	-	-
Doubtful - More than 3 years	Stage 3	-	-	-	-	-
Sub-total for doubtful		**148.30**	**39.07**	**109.23**	**47.31**	**(8.25)**
Loss	Stage 3	-	-	-	-	-
Sub-total for NPA		**418.96**	**108.88**	**310.08**	**99.63**	**9.25**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current (IRACP) norms	Stage 1	2,886.17	11.07	2,875.10	**-**	**11.07**
	Stage 2	**-**	**-**	-	**-**	**-**
	Stage 3	**-**	**-**	-	**-**	**-**
Subtotal		**2,886.17**	**11.07**	**2,875.10**	**-**	**11.07**
Total	Stage 1	38,711.02	197.12	38,513.90	114.24	**82.88**
	Stage 2	792.46	59.92	732.54	24.31	**35.61**
	Stage 3	418.96	108.88	310.08	99.63	**9.25**
	Total	**39,922.44**	**365.92**	**39,556.52**	**238.18**	**127.74**

(All amounts in Rs. millions, unless otherwise stated)

As at 31 March 2022

Asset classification as per RBI Directions	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS*	Loss allowance as per Ind AS*	Net Carrying Amount	Provision required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
Performing assets						
Standard assets	Stage 1*	25,501.57	153.74	25,347.83	81.60	72.14
	Stage 2	869.52	44.48	825.04	28.57	15.91
Sub-total		**26,371.09**	**198.22**	**26,172.87**	**110.17**	**88.05**
Non- performing assets (NPA)						
Substandard	Stage 3	447.59	110.25	337.35	92.03	18.22
Doubtful - up to 1 year	Stage 3	119.51	34.82	84.69	45.13	(10.31)
Doubtful - 1 to 3 years	Stage 3	0.53	0.04	0.49	0.53	(0.49)
Doubtful - More than 3 years	Stage 3	-	-	-	-	-
Sub-total for doubtful		**120.04**	**34.86**	**85.18**	**45.66**	**(10.80)**
Loss	Stage 3	2.76	0.17	2.59	2.76	(2.59)
Sub-total for NPA		**570.39**	**145.28**	**425.12**	**140.45**	**4.83**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current (IRACP) norms	Stage 1	1,934.12	7.31	1,926.81	-	7.31
	Stage 2	-		-	-	-
	Stage 3	-		-	-	-
Subtotal		**1,934.12**	**7.31**	**1,926.81**	**-**	**7.31**
Total	Stage 1	27,435.69	161.05	27,274.64	81.60	**79.45**
	Stage 2	869.52	44.48	825.04	28.57	**15.91**
	Stage 3	570.39	145.28	425.11	140.45	**4.83**
	Total	**28,875.60**	**350.81**	**28,524.79**	**250.62**	**100.19**

As at 31 March 2021

Asset classification as per RBI Directions	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS*	Loss allowance as per Ind AS*	Net Carrying Amount	Provision required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
Performing assets						
Standard assets	Stage 1*	19,371.03	137.78	19,233.25	62.61	75.17
	Stage 2	645.87	56.28	589.59	16.83	39.45
Sub-total		**20,016.90**	**194.06**	**19,822.84**	**79.44**	**114.62**
Non- performing assets (NPA)						
Substandard	Stage 3	**302.56**	**89.58**	212.98	**46.25**	**43.34**
Doubtful - up to 1 year	Stage 3	84.24	24.88	59.36	22.16	2.72
Doubtful - 1 to 3 years	Stage 3	2.52	0.64	1.88	1.08	(0.44)
Doubtful - More than 3 years	Stage 3	-	-	-	-	-
Sub-total for doubtful		**86.76**	**25.52**	**61.24**	**23.24**	**2.28**
Loss	Stage 3	2.35	0.88	1.46	2.34	(1.46)
Sub-total for NPA		**391.67**	**115.98**	**275.68**	**71.83**	**44.16**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current (IRACP) norms	Stage 1	1,102.26	**5.47**	1,096.80	-	**5.47**
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		**1,102.26**	**5.47**	**1,096.80**	**-**	**5.47**
Total	Stage 1	20,473.30	143.25	20,330.05	62.61	80.64
	Stage 2	645.87	56.28	589.59	16.83	39.45
	Stage 3	391.67	115.98	275.68	71.83	44.16
	Total	**21,510.84**	**315.51**	**21,195.32**	**151.27**	**164.25**

* Does not includes ECL amount of Rs. Nil (30 September 2022: 0.65 million,31 March 2023: Nil, 31 March 2022: Rs. 0.33 million & 31 March 2021: Rs. 1.55 million) created on securitised loans derecognised from the books which has been adjusted from EAD.

** Refer note 6.2

India Shelter Finance Corporation Limited
Summary of significant accounting policies and other explanatory information on restated consolidated financial information
(All amounts in Rs. millions, unless otherwise stated)

7. Investments	**As at 30 September 2023**	**As at 30 September 2022**	**As at 31 March 2023**	**As at 31 March 2022**	**As at 31 March 2021**
Investments in India					
At fair value through profit and loss					
Mutual funds	30.03	1,496.48	50.00	1,753.20	-
Commercial papers	-	-	-	-	
At amortised cost					
-Investment in debt Instument	473.67	632.81	169.53	-	-
- Investment in T-Bill	492.30	249.58	-	-	
- Investment in CD	-	599.25	249.75	-	-
Total	**996.00**	**2,978.12**	**469.28**	**1,753.20**	**-**

8. Other financial assets	**As at 30 September 2023**	**As at 30 September 2022**	**As at 31 March 2023**	**As at 31 March 2022**	**As at 31 March 2021**
Security deposits	31.33	28.05	25.98	26.42	21.50
Receivables on securitised loans (refer note a)	4.17	8.62	5.34	3.80	2.78
EIS receivable on direct assignment (refer note b)	1,059.50	676.70	811.15	588.46	237.09
Receivables on assignment transactions	37.83	22.22	27.98	1.91	5.50
Other receivables*	171.58	58.52	37.19	3.24	15.72
Total gross	**1,304.41**	**794.11**	**907.64**	**623.83**	**282.59**
Less: Impairment loss allowance (on EIS Receivable assets)	(8.43)	(3.66)	(5.51)	(4.08)	(1.67)
Total	**1,295.98**	**790.45**	**902.13**	**619.75**	**280.92**

Note:
a) Receivables on securitised loans is Group's share of receivable towards collections made and recoverable by the Group as at the end of the year.

b) Under Ind AS, with respect to Assignment deals, Group has created an Excess Interest Spread (EIS) receivable, with corresponding credit to Statement of Proft and loss account. The same has been computed by discounting EIS to present value with necessary estimates and assumptions.

* Other receivables as at 30 September 2023 includes Rs. 112.11 millions (30 September 2022 : Nil, 31 March 2023: Nil, 31 March 2022: Nil, 31 March 2021: Nil) pertaining to expenses incurred towards securities offering, which shall be receivable from the selling shareholders once the project is successfully completed.

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(All amounts in Rs. millions, unless otherwise stated)

9. Current tax assets/liabilities (net)	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Income tax (liabilities)/advance (net)	(41.31)	66.66	(6.85)	(43.22)	0.35
Total	**(41.31)**	**66.66**	**(6.85)**	**(43.22)**	**0.35**

10. Deferred tax assets (net)	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Deferred tax assets					
Provision for employee benefits	15.05	10.65	10.41	11.08	7.68
Difference in written down value as per Companies Act and Income Tax Act	7.58	6.21	6.48	5.74	5.34
Impairment loss allowance on loans	102.10	94.45	92.09	89.31	68.18
Unamortised processing fees	171.12	120.11	150.35	99.96	80.41
Lease liabilities	40.28	39.67	38.86	26.71	26.61
Provision for impairement on assets held for sale	22.19	(3.27)	8.71	1.54	0.90
Cash Flow Hedge Reserve	16.22	7.85	5.92	-	-
Preliminary expenses (Incorporation Charges)	0.21	-	0.21	-	-
Others			-	-	0.11
Deferred tax liabilities					
Fair valuation of financial instruments through profit and loss	-	-	-	-	-
Unamortised borrowing cost	(43.03)	(38.79)	(42.44)	(33.16)	(12.20)
Right-of-use assets	(36.50)	(36.43)	(35.31)	(23.58)	(23.99)
EIS receivable on direct assignment	(252.47)	(170.31)	(204.92)	(148.10)	(59.67)
Net deferred tax assets	**42.75**	**30.14**	**30.36**	**29.50**	**93.37**

Movement in deferred tax assets (net)

Particulars	As at 1 April 2023	(Charged)/ credited to statement of profit and loss	Credited/(charged) to other comprehensive income	As at 30 September 2023
Deferred tax assets				
Provision for employee benefits	10.41	4.36	0.28	15.05
Difference in written down value as per Companies Act and Income Tax Act	6.48	1.10	-	7.58
Impairment loss allowance on loans	92.09	10.01	-	102.10
Unamortised processing fees	150.35	20.76	-	171.12
Derivative instruments in cash flow hedge reserve	5.92	-	16.27	22.19
Lease liability	38.86	1.42	-	40.28
Provision for impairement on assets held for sale	8.71	7.51	-	16.22
Preliminary expenses (Incorporation Charges)	0.21	-	-	0.21
Deferred tax liabilities				
Unamortised borrowing cost	(42.44)	(0.60)	-	(43.03)
Right-of-use assets	(35.31)	(1.19)	-	(36.50)
EIS reveivable on direct assignment	(204.92)	(47.55)	-	(252.47)
Net deferred tax assets	**30.36**	**(4.16)**	**16.55**	**42.75**

Movement in deferred tax assets (net)

Particulars	As at 1 April 2022	(Charged)/ credited to statement of profit and loss	Credited/(charged) to other comprehensive income	As at 30 September 2022
Deferred tax assets				
Provision for employee benefits	11.08	3.03	(3.45)	10.65
Difference in written down value as per Companies Act and Income Tax Act	5.74	0.46	-	6.21
Impairment loss allowance on loans	89.31	5.13	-	94.45
Unamortised processing fees	99.96	20.15	-	120.11
Derivative instruments in cash flow hedge reserve	-	-	7.85	7.85
Lease liability	26.71	12.96	-	39.67
Provision for impairement on assets held for sale	1.54	(4.81)	-	(3.27)
Preliminary expenses (Incorporation Charges)	-	-	-	-
Deferred tax liabilities				
Fair valuation of financial instruments through profit and loss	-		-	-
Unamortised borrowing cost	(33.16)	(5.63)	-	(38.79)
Right-of-use assets	(23.58)	(12.85)	-	(36.43)
EIS reveivable on direct assignment	(148.10)	(22.21)	-	(170.31)
Net deferred tax assets	**29.50**	**(3.76)**	**4.40**	**30.14**

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Movement in deferred tax assets (net)

Particulars	As at 1 April 2022	(Charged)/ credited to statement of profit and loss	Credited/(charged) to other comprehensive income	As at 31 March 2023
Deferred tax assets				
Provision for employee benefits	11.08	3.15	(3.83)	10.41
Difference in written down value as per Companies Act and Income Tax Act	5.74	0.74	-	6.48
Impairment loss allowance on loans	89.31	2.78	-	92.09
Unamortised processing fees	99.96	50.38	-	150.35
Derivative instruments in cash flow hedge reserve	-	-	5.92	5.92
Lease liability	26.71	12.15	-	38.86
Provision for impairement on assets held for sale	1.54	7.17	-	8.71
Preliminary expenses (Incorporation Charges)	-	0.21	-	0.21
Deferred tax liabilities				
Fair valuation of financial instruments through profit and loss	-		-	-
Unamortised borrowing cost	(33.16)	(9.29)	-	(42.44)
Right-of-use assets	(23.58)	(11.73)	-	(35.31)
EIS reveivable on direct assignment	(148.10)	(56.82)	-	(204.92)
Net deferred tax assets	**29.50**	**(1.25)**	**2.09**	**30.36**

Movement in deferred tax assets (net)

Particulars	As at 1 April 2021	(Charged)/ credited to statement of profit and loss	Credited/(charged) to other comprehensive income	As at 31 March 2022
Deferred tax assets				
Provision for employee benefits	7.68	1.08	2.32	11.08
Difference in written down value as per Companies Act and Income Tax Act	5.34	0.40	-	5.74
Impairment loss allowance on loans	68.18	21.13	-	89.31
Unamortised processing fees	80.41	19.55	-	99.96
Others	0.11	(0.11)	-	-
Lease liability	26.61	0.11	-	26.71
Provision for impairement on assets held for sale	0.90	0.64	-	1.54
Deferred tax liabilities				
Unamortised borrowing cost	(12.20)	(20.96)	-	(33.16)
Right-of-use assets	(23.99)	0.41	-	(23.58)
EIS recievable on direct assignment	(59.67)	(88.43)	-	(148.10)
Net deferred tax assets	**93.37**	**(66.18)**	**2.32**	**29.50**

Movement in deferred tax assets (net)

Particulars	As at 1 April 2020	(Charged)/ credited to statement of profit and loss	Credited/(charged) to other comprehensive income	As at 31 March 2021
Deferred tax assets				
Provision for employee benefits	9.60	(2.63)	0.71	7.68
Difference in written down value as per Companies Act and Income Tax Act	4.39	0.95	-	5.34
Impairment loss allowance on loans	29.58	38.60	-	68.18
Unamortised processing fees	66.99	13.42	-	80.41
Others	0.11	-	-	0.11
Lease liability	31.86	-5.25	-	26.61
Provision for impairement on assets held for sale	0.79	0.11	-	0.90
Deferred tax liabilities				
Fair valuation of financial instruments through profit and loss	(0.90)	0.90	-	-
Unamortised borrowing cost	(11.95)	(0.25)	-	(12.20)
Right-of-use assets	(29.84)	5.84		(23.99)
EIS recievable on direct assignment	-	(59.67)	-	(59.67)
Net deferred tax assets	**100.63**	**(7.98)**	**0.71**	**93.37**

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(All amounts in Rs. millions, unless otherwise stated)

11. Property, plant and equipment

Gross block	Freehold land	Plant and equipment - computer and other related equipment	Office equipment	Furniture and fixtures	Vehicles	Leasehold improvements	Right-of-use assets	Total
Balance as at 01 April 2020	**0.92**	**38.48**	**15.04**	**15.49**	**2.23**	**36.88**	**152.52**	**261.56**
Additions during the year	-	9.48	1.71	0.45	5.55	1.20	61.62	80.01
Disposals/adjustments	-	(5.74)	(2.57)	(0.88)	-	(2.07)	(67.69)	(78.95)
Balance as at 31 March 2021	**0.92**	**42.22**	**14.18**	**15.06**	**7.78**	**36.01**	**146.45**	**262.62**
Additions during the year	-	22.32	4.88	0.04	21.44	2.10	44.79	95.57
Disposals/adjustments	-	(0.06)	(0.43)	(0.47)	(3.91)	(1.56)	(31.59)	(38.02)
Balance as at 31 March 2022	**0.92**	**64.48**	**18.63**	**14.63**	**25.31**	**36.55**	**159.65**	**320.17**
Additions during the period	-	6.01	4.58	0.43	19.08	3.18	81.32	114.59
Disposals/adjustments	-	(0.10)	(0.05)	-	-	(0.26)	(10.83)	(11.25)
Balance as at 30 September 2022	**0.92**	**70.39**	**23.16**	**15.06**	**44.39**	**39.47**	**230.14**	**423.52**
Additions during the period	-	9.87	2.69	0.09	13.35	0.57	23.11	49.68
Disposals/adjustments	-	(0.03)	-	-	(5.40)	-	(31.46)	(36.89)
Balance as at 31 March 2023	**0.92**	**80.23**	**25.85**	**15.15**	**52.34**	**40.04**	**221.79**	**436.31**
Additions during the period	-	4.38	2.93	0.31	16.93	1.20	33.44	59.20
Disposals/adjustments	-	(6.80)	-	-	(3.69)	(0.23)	(6.02)	(16.74)
Balance as at 30 September 2023	**0.92**	**77.81**	**28.79**	**15.46**	**65.58**	**41.01**	**249.21**	**478.76**
Accumulated depreciation								
Balance as at 01 April 2020	-	**30.18**	**8.80**	**6.73**	**1.00**	**18.76**	**33.98**	**99.45**
Depreciation charge for the year	-	6.05	2.23	1.25	0.42	5.57	28.96	44.48
Disposals/adjustments	-	(5.47)	(2.48)	(0.65)	-	(1.18)	(11.84)	(21.62)
Balance as at 31 March 2021	**-**	**30.76**	**8.55**	**7.33**	**1.42**	**23.15**	**51.10**	**122.31**
Depreciation charge for the year	-	8.97	3.03	1.24	2.43	5.57	38.32	59.56
Disposals/adjustments	-	(0.04)	(0.37)	(0.33)	(1.66)	(1.55)	(23.48)	(27.43)
Balance as at 31 March 2022	**-**	**39.69**	**11.21**	**8.24**	**2.19**	**27.17**	**65.94**	**154.44**
Depreciation charge for the period	-	6.37	1.69	0.62	2.25	2.68	22.74	36.35
Disposals/adjustments	-	(0.06)	(0.05)	-	-	(0.04)	(3.29)	(3.45)
Balance as at 30 September 2022	**-**	**46.00**	**12.84**	**8.86**	**4.44**	**29.81**	**85.39**	**187.33**
Depreciation charge for the period	**-**	7.44	1.95	0.63	3.00	2.47	26.27	41.75
Disposals/adjustments	-	(0.01)	(0.00)	-	(0.94)	-	(30.17)	(31.13)
Balance as at 31 March 2023	**-**	**53.43**	**14.78**	**9.49**	**6.50**	**32.28**	**81.49**	**197.96**
Depreciation charge for the period	**-**	8.43	2.03	0.64	3.54	1.85	25.69	42.18
Disposals/adjustments	-	(6.78)		-	(0.75)	(0.01)	(2.99)	(10.54)
Balance as at 30 September 2023	**-**	**55.08**	**16.81**	**10.13**	**9.29**	**34.12**	**104.19**	**229.61**
Net block								
Balance as at 31 March 2021	**0.92**	**11.46**	**5.63**	**7.73**	**6.36**	**12.86**	**95.35**	**140.31**
Balance as at 31 March 2022	**0.92**	**24.79**	**7.42**	**6.39**	**23.12**	**9.38**	**93.71**	**165.73**
Balance as at 30 September 2022	**0.92**	**24.39**	**10.33**	**6.20**	**39.95**	**9.66**	**144.75**	**236.19**
Balance as at 31 March 2023	**0.92**	**26.80**	**11.07**	**5.66**	**45.84**	**7.76**	**140.30**	**238.35**
Balance as at 30 September 2023	**0.92**	**22.73**	**11.97**	**5.33**	**56.30**	**6.89**	**145.02**	**249.15**

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(All amounts in Rs. millions, unless otherwise stated)

12. Other intangible assets	
Gross block	**Computer software**
Balance as at 01 April 2020	**29.54**
Additions during the year	0.92
Balance as at 31 March 2021	**30.46**
Disposal during the year	(2.45)
Balance as at 31 March 2022	**28.01**
Additions during the period	**-**
Balance as at 30 September 2022	**28.01**
Additions during the period	4.12
Balance as at 31 March 2023	**32.13**
Additions during the period	-
Disposal during the period	-
Balance as at 30 September 2023	**32.13**
Accumulated amortisation	
Balance as at 01 April 2020	**13.19**
Amortisation charge during the year	6.50
Balance as at 31 March 2021	**19.69**
Amortisation charge during the year	5.83
Disposal during the year	(2.16)
Balance as at 31 March 2022	**23.36**
Amortisation charge during the period	2.10
Balance as at 30 September 2022	**25.47**
Amortisation charge during the period	1.83
Balance as at 31 March 2023	**27.29**
Amortisation charge during the period	1.19
Balance as at 30 September 2023	**28.47**
Net block	
Balance as at 31 March 2021	**10.77**
Balance as at 31 March 2022	**4.65**
Balance as at 30 September 2022	**2.54**
Balance as at 31 March 2023	**4.84**
Balance as at 30 September 2023	**3.66**

13. Other non-financial assets	**As at 30 September 2023**	**As at 30 September 2022**	**As at 31 March 2023**	**As at 31 March 2022**	**As at 31 March 2021**
Prepaid expenses	73.91	62.01	51.45	42.79	45.36
Capital advances	0.85	4.04	-	4.04	1.60
Advance to employees	13.71	6.33	8.03	4.70	4.44
Advance to suppliers	18.95	9.01	6.27	11.24	8.81
Balance with government authorities	32.73	18.99	15.89	14.77	57.22
Total	**140.16**	**100.38**	**81.64**	**77.54**	**117.43**

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(All amounts in Rs. millions, unless otherwise stated)

14. Trade payables	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
(i) total outstanding dues of micro enterprises and small enterprises (refer note 35)	-	-	-	-	1.21
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	86.85	79.10	61.49	45.94	45.06
Total	**86.85**	**79.10**	**61.49**	**45.94**	**46.27**

Trade Payables ageing schedule as at 30 September 2023

Particulars	MSME	Others	Disputed dues – MSME	Disputed dues - Others
Less than 1 year	-	86.85	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
More than 3 years	-	-	-	-
Total	**-**	**86.85**	**-**	**-**

Trade Payables ageing schedule as at 30 September 2022

Particulars	MSME	Others	Disputed dues – MSME	Disputed dues - Others
Less than 1 year	-	79.10	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
More than 3 years	-	-	-	-
Total	**-**	**79.10**	**-**	**-**

Trade Payables ageing schedule as at 31 March 2023

Particulars	MSME	Others	Disputed dues – MSME	Disputed dues - Others
Less than 1 year	-	61.49	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
More than 3 years	-	-	-	-
Total	**-**	**61.49**	**-**	**-**

Trade Payables ageing schedule as at 31 March 2022

Particulars	MSME	Others	Disputed dues – MSME	Disputed dues - Others
Less than 1 year	-	45.94	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
More than 3 years	-	-	-	-
Total	**-**	**45.94**	**-**	**-**

Trade Payables ageing schedule as at 31 March 2021

Particulars	MSME	Others	Disputed dues – MSME	Disputed dues - Others
Less than 1 year	1.21	45.06	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
More than 3 years	-	-	-	-
Total	**1.21**	**45.06**	**-**	**-**

15. Debt securities (at amortised cost)	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Secured					
Non-convertible debentures (including interest accrued)	1,191.27	1,789.21	1,765.34	1,865.98	822.24
Total	**1,191.27**	**1,789.21**	**1,765.34**	**1,865.98**	**822.24**
Debt securities in India	1,191.27	1,789.21	1,765.34	1,865.98	822.24
Debt securities outside India	-	-	-	-	
Total	**1,191.27**	**1,789.21**	**1,765.34**	**1,865.98**	**822.24**

i) Nil (30 September 2022: 150, 31 March 2023: 150, 31 March 2022: 150 & 31 March 2021: 150), @ 10.25% Secured listed non-convertible debentures (NCD) of face value Rs. 10,00,000 each aggregating to Rs. 150 million repayable on 12 June 2023 . The date of allotment was 12 June 2020. The amount outstanding as on 30 September 2023 Nil (30 September 2022: 150, 31 March 2023: 150, 31 March 2022: Rs. 150 million & 31 March 2021: Rs. 150 million).
(These NCD having exclusive first charge floating via a deed of hypothecation over specific standard asset portfolio of receivables to the extent equal to an amount aggregating to the total outstanding such that the value of security shall be equal of 1.10 times).

ii) 5000 (30 September 2022: 5000, 31 March 2023: 5000, 31 March 2022: 5000 & 31 March 2021: Nil), @ 8.68% Secured listed non-convertible debentures (NCD) of face value Rs.1,00,000 each aggregating to Rs. 500 million repayable on 27 December 2023. The date of allotment is 22 June 2021. The amount outstanding as 30 September 2023 Rs. 500 million (30 September 2022: Rs. 500 million, 31 March 2023: Rs. 500 million, 31 March 2022: Rs. 500 million & 31 March 2021: Nil).
(These NCD having exclusive first charge floating via a deed of hypothecation over specific standard asset portfolio of receivables to the extent equal to an amount aggregating to the total outstanding such that the value of security shall be equal of 1.28 times).

iii) 500 (30 September 2022: 500, 31 March 2023: 500, 31 March 2022: 500 & 31 March 2021: Nil), @ 9.29% Secured listed non-convertible debentures of face (NCD) value Rs.10,00,000 each aggregating to Rs. 500 million payable in 7 half yearly installment ending on 21 March 2025. The date of allotment of NCD was 23 November 2021. The amount outstanding as 30 September 2023 Rs. 275 million (30 September 2022: Rs. 425 million, 31 March 2023: Rs. 350 million, 31 March 2022: Rs. 500 million & 31 March 2021: Nil).
(These NCD are secured by way of a first ranking exclusive and continuing charge created pursuant to the deed of hypothecation over certain identified receivables of the Issuer. A security cover of 1.10 times of the value of the aggregate principal amount outstanding on the NCD and interest accrued thereon (if any) shall be maintained at all times until the redemption of these NCD).

iv) 300 (30 September 2022: 300, 31 March 2023: 300, 31 March 2022: 300 & 31 March 2021: Nil), @ 10.15% (31 March 2022: 8.75% & 31 March 2021: Nil) Secured listed non-convertible debentures of face (NCD) value Rs.10,00,000 each aggregating to Rs. 300 million repayable on 31 August 2026. The date of allotment of NCD was 31 August 2021. The amount outstanding as at 30 September 2023 Rs. 300 million (30 September 2022: Rs. 300 million, 31 March 2023: Rs. 300 million, 31 March 2022: Rs. 300 million & 31 March 2021: Nil).
(These NCD are secured by way of a first ranking exclusive and continuing charge created pursuant to the deed of hypothecation over certain identified receivables of the Issuer. A security cover of 1.10 times of the value of the aggregate principal amount outstanding on the NCD and interest accrued thereon (if any) shall be maintained at all times until the redemption of these NCD).

v) Nil (30 September 2022: 350, 31 March 2023: 350, 31 March 2022: 350 & 31 March 2021: Nil), @ 9.25% Secured listed non-convertible debentures of face (NCD) value Rs.10,00,000 each aggregating to Rs. 350 million repaid on 24 August 2023. The date of allotment of NCD was 15 September 2021. The amount outstanding as 30 September 2023 Nil (30 September 2022: Rs. 350 million, 31 March 2023: Rs. 350 million, 31 March 2022: Rs. 350 million & 31 March 2021: Nil).
(These NCD are secured by way of a first ranking exclusive and continuing charge created pursuant to the deed of hypothecation over certain identified receivables of the Issuer. A security cover of 1.28 times of the value of the aggregate principal amount outstanding on the NCD and interest accrued thereon (if any) shall be maintained at all times until the redemption of these NCD).

vi.a) Nil (30 September 2022: Nil, 31 March 2023: Nil, 31 March 2022: Nil & 31 March 2021: 500), @ 9.90% Secured listed non-convertible debentures of face (NCD) value Rs.10,00,000 each aggregating to Rs. 500 million repayable on 02 May 2025 (Refer note vii below). The date of allotment of NCD amounting to Rs. 250 million was 04 May 2018 and of NCD amounting to Rs. 750 million was 10 July 2018. The amount outstanding as 30 September 2023: Nil (30 September 2022: Nil, 31 March 2023: Nil, 31 March 2022: Nil & 31 March 2021: Rs. 500 million).
(These NCD are secured by the first ranking exclusive continuing security by way of a first ranking exclusive charge on the hypothecated receivables in favour of the Debenture Trustee for the benefit of the debenture holders).

(All amounts in Rs. millions, unless otherwise stated)

b) As at the date of allotment, the debenture holders of 9.90% NCD's and Group have put and call option as follows

Particulars	Amount of option
At the end of 36 months from the deemed date of allotment	333.40
At the end of 42 months from the deemed date of allotment	333.30
At the end of 48 months from the deemed date of allotment	333.30
At the end of 60 months from the deemed date of allotment	1,000.00

vii) **Amounts repayable from the date of balance sheet***

Particulars	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
less than 1 year	650.00	300.00	800.00	150.00	-
one to three years	425.00	775.00	200.00	1,000.00	150.00
three to five years	-	650.00	650.00	650.00	500.00
more than five years	-	-	-	-	-

*All the above mentioned repayments disclosed as per the contractual maturities of principal amount of debt securities.

16. Borrowings (Other than debt securities)	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
At amortised cost					
(a) Term loans - Secured (including interest accrued)					
(i) from banks	19,806.93	14,415.35	17,912.87	12,474.18	7,343.41
(ii) from other parties					
- National housing bank	5,765.53	4,402.53	5,784.38	3,440.49	5,285.45
- Financial institutions	5,183.96	3,580.24	3,393.35	2,395.62	991.90
(b) Lease liabilities	160.04	157.62	154.41	106.14	105.72
(c) Liability against securitised assets (net of over collateralisation amount)	777.08	1,069.03	878.34	417.68	364.19
Total	**31,693.54**	**23,624.77**	**28,123.35**	**18,834.11**	**14,090.67**
Borrowings in India	29,210.69	22,813.92	27,305.63	18,834.11	14,090.67
Borrowings outside India	2,482.85	810.85	817.72	-	-
Total	**31,693.54**	**23,624.77**	**28,123.35**	**18,834.11**	**14,090.67**

i) Secured term loans from National Housing Bank carry rate of interest in the range of 2.80% to 8.25% p.a (30 September 2022: 2.80% to 7.85%, 31 March 2023: 2.80% to 7.90%, 31 March 2022: 3% to 7.35% & 31 March 2021: 3% to 7.80%). The loans are having tenure of 5 to 15 years (30 September 2022: 5 to 15 years; 31 March 2023: 5 to 15 years; 31 March 2022: 1 to 15 years; 31 March 2021: 1 to 15 years) from the date of disbursement and are repayable in quarterly or yearly installments. These loans are secured by hypothecation (exclusive charge) of certain loans given by the Group.

ii) Secured term loans from banks and financial institutions include loans from various banks and financial institutions and carry rate of interest (including hedge cost in case of external commercial borrowing) in the range of 6.95% to 11.00% p.a (30 September 2022: 7.55% to 12.30%, 31 March 2023: 7.55% to 12.35%, 31 March 2022: 7.5% to 11.20% & 31 March 2021: 7.65% to 11.20%). The loans are having tenure of 48 to 180 months (30 September 2022: 34 to 120 months, 31 March 2023: 34 to 180 months, 31 March 2022: 34 to 120 months; 31 March 2021: 34 to 97 months) from the date of disbursement and are repayable in monthly or quarterly installments. These loans are secured by hypothecation (exclusive charge) of certain loans given by the Group.

iii) In addition to above, the term loans amounting to Rs. Nil (30 September 2022: Nil, 31 March 2023: Nil, 31 March 2022: Nil & 31 March 2021: Rs. 430.6 million) from banks and Rs. Nil (30 September 2022: Nil, 31 March 2023: Nil, 31 March 2022: Nil & 31 March 2021: Rs. 250 million) from National Housing Bank are also personally guaranteed by a director.

iv) During the period ended 30 September, 2023, the Group has borrowed INR 1637.00 million(equivalent to 20 million USD) (31 March 2023: INR 798.10 million (equivalent to 10 million USD)) under the External Commercial Borrowing (ECB). The ECB loan is secured by hypothecation (exclusive charge) of certain loans given by the Group. The same is hedged by derivative instrumnent throiugh cross currency swaps. The derivative instrument is for hedging the underlying ECB transaction as per applicable RBI guidelines and not for any speculative purpose.

v) The Group is not a declared willful defaulter by any bank or financial Institution or other lender, in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India, during the period ended 30 September 2023, 30 September 2022, 31 March 2023, 31 March 2022 and 31 March 2021.

vi) The Group has borrowings from banks and financial institutions on the basis of security of loans and the quarterly details filed by the Group with the banks and financial institutions are in accordance with the books of accounts of the Group for the respective quarters.

vii) The Group has not defaulted in the repayment of debt, borrowings(other than debt securities) and interes thereon for the period ended 30 September 2023, 30 September 2022, 31 March 2023, 31 March 2022 and 31 March 2021.

Terms of principal repayment of borrowings as at 30 september 2023*

Particulars	Number of	Monthly repayment	Number of	Quarterly
less than one year	836	5,077.40	147	1,755.83
one to three years	1432	8,735.19	305	3,701.19
three to five years	851	5,006.08	260	4,272.07
more than five years	324	1,255.66	209	1,931.69

Terms of principal repayment of borrowings as at 30 September 2022*

Particulars	Number of	Monthly repayment	Number of	Quarterly
less than one year	699	3,933.14	139	1,759.74
one to three years	1158	6,400.58	217	2,747.90
three to five years	718	3,722.63	166	2,470.52
more than five years	339	1,514.76	151	1,222.22

Terms of principal repayment of borrowings as at 31 March 2023*

Particulars	Number of installments	Monthly repayment	Number of installments	Quarterly repayment
less than one year	766	4,302.63	139	1,868.94
one to three years	1310	7,380.66	287	3,649.80
three to five years	808	4,325.23	245	2,858.58
more than five years	351	1,585.12	227	2,234.68

Terms of principal repayment of borrowings as at 31 March 2022*

Particulars	Number of installments	Monthly repayment	Number of installments	Quarterly repayment
less than one year	533	3,120.12	112	1,644.89
one to three years	891	5,392.89	182	2,500.02
three to five years	494	2,886.83	113	1,263.70
more than five years	175	1,064.99	97	1,045.11

Terms of principal repayment of borrowings as at 31 March 2021*

Particulars	Number of installments	Monthly repayment	Number of installments	Quarterly repayment
less than one year	372	1,720.92	97	1,772.81
one to three years	677	3,293.21	225	2,580.11
three to five years	315	1,516.56	145	1,652.87
more than five years	105	433.42	131	1,144.16

*All the above mentioned repayments disclosed as per the contractual maturities of principal amount of borrowings (other than debt securities).

India Shelter Finance Corporation Limited
Summary of significant accounting policies and other explanatory information on restated consolidated financial information
(All amounts in Rs. millions, unless otherwise stated)
Reconciliation of liabilities arising from financing activities
The changes in the Group's liabilities arising from financing activities can be classified as follows:

Particulars	Debt securities	Borrowings (other than debt securities)	Total
01 April 2020	**2,458.82**	**6,887.22**	**9,346.04**
Cash flows:			
-Repayments	(1,785.72)	(2,518.48)	(4,304.20)
-Proceeds	150.00	9,784.09	9,934.09
-Payment of lease liability	-	(32.17)	(32.17)
Non-cash:			
-Amortisation of upfront fees and others(net)	18.30	(19.26)	(0.96)
-Accrued interest(net)	(19.16)	(22.03)	(41.19)
-Recognition of lease liabilities	-	11.30	11.30
31 March 2021	**822.24**	**14,090.67**	**14,912.91**
Cash flows:			
-Repayments	(500.00)	(6,645.63)	(7,145.63)
-Proceeds	1,650.00	11,406.36	13,056.36
-Payment of lease liability	-	(44.62)	(44.62)
Non-cash:			
-Amortisation of upfront fees and others(net)	(13.80)	(26.14)	(39.94)
-Accrued interest(net)	(92.45)	8.43	(84.02)
-Recognition of lease liabilities	-	45.05	45.05
31 March 2022	**1,865.99**	**18,834.12**	**20,700.11**
Cash flows:			
-Repayments	(75.00)	(3,018.01)	(3,093.01)
-Proceeds	-	7,753.90	7,753.90
-Payment of lease liability	-	(28.78)	(28.78)
Non-cash:			
-Amortisation of upfront fees and others(net)	2.14	(33.29)	(31.14)
-Accrued interest(net)	(3.92)	36.56	32.64
-Recognition of lease liabilities	-	80.26	80.26
30 September 2022	**1,789.21**	**23,624.76**	**25,413.98**
Cash flows:			
-Repayments	(75.00)	(4,104.93)	(4,179.93)
-Proceeds	-	8,632.00	8,632.00
-Payment of lease liability	-	(29.68)	(29.68)
Non-cash:			
-Amortisation of upfront fees and others(net)	5.16	(10.92)	(5.75)
-Accrued interest(net)	45.97	(14.33)	31.63
-Recognition of lease liabilities	-	26.47	26.47
31 March 2023	**1,765.35**	**28,123.36**	**29,888.71**
Cash flows:			
-Repayments	(575.00)	(4,180.63)	(4,755.63)
-Proceeds	-	7,737.00	7,737.00
-Payment of lease liability	-	(30.66)	(30.66)
Non-cash:			
-Amortisation of upfront fees and others(net)	5.92	(8.29)	(2.36)
-Accrued interest(net)	(4.99)	16.48	11.49
-Recognition of lease liabilities	-	36.29	36.29
30 September 2023	**1,191.28**	**31,693.55**	**32,884.84**

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(All amounts in Rs. millions, unless otherwise stated)

17. Other financial liabilities	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Employee related payable	159.59	120.33	171.68	146.48	85.43
Payable towards securitisation transactions	18.08	43.77	37.41	30.60	22.50
Payable towards assignment transactions	282.39	184.65	231.29	105.57	51.22
Insurance payables	14.65	64.30	22.18	9.98	12.07
Advance received from customers	119.02	88.48	71.79	41.03	37.65
Book Overdraft	88.04	-	-	261.52	29.71
Total	**681.77**	**501.53**	**534.35**	**595.18**	**238.58**

18. Provisions	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Provisions for employee benefits					
- Provision for compensated absences	19.45	15.24	8.81	7.52	5.13
- Provision for gratuity (Refer note 36)	40.35	27.11	32.54	36.50	25.37
Impairement loss allowance on Undrawn commitments	8.18	5.41	5.55	7.31	5.47
Total	**67.98**	**47.76**	**46.90**	**51.33**	**35.97**

19. Other non-financial liabilities	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Statutory dues payables	43.83	21.45	12.35	15.18	19.98
Total	**43.83**	**21.45**	**12.35**	**15.18**	**19.98**

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(All amounts in Rs. millions, unless otherwise stated)

20. Equity share capital	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
(a) Authorised capital 162,000,000 equity shares of Rs. 5 each (30 September 2022: 81,000,000,31 March 2023: 81,000,000, 31 March 2022: 81,000,000; 31 March 2021: 81,000,000) equity shares of Rs. 10 each	810.00	810.00	810.00	810.00	810.00
90045074 **(b) Issued capital and Subscribed** 9,00,45,074 equity shares of Rs. 5 each (30 September 2022: 4,37,31,655; 31 March 2023: 4,38,72,652; 31 March 2022: 4,37,06,655; 31 March 2021: 42,978,405) equity shares of Rs. 10 each	450.23	437.32	438.73	437.07	429.78
(c) Paid up capital 9,00,45,074 equity shares of Rs. 5 each. (30 September 2022: 4,37,31,655; 31 March 2023: 4,37,37,652; 31 March 2022: 4,37,06,655; 31 March 2021: 42,978,405) equity shares of Rs. 10 each fully paid up	450.23	437.32	437.38	437.07	429.78
Nil (30 September 2022: Nil; 31 March 2023: 1,35,000; 31 March 2022: Nil; 31 March 2021: Nil) equity shares of Rs. 10 each partly paid up at Rs. 2 each	-	-	0.27	-	-

(d) Reconciliation of the number of shares outstanding at the beginning and at the end of the period

Particulars	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Equity shares outstanding at the beginning of the year	43,872,652	43,706,655	43,706,655	42,978,405	42,830,155
Issued during the period/year	418,610	-	-	-	-
Additional shares pursuant to share split issued during the year	88,582,524	-	-	-	-
Issued during the period/year (Refer note (e) & (f) below)	1,462,550.00	25,000.00	165,997	728,250	148,250
Equity shares outstanding at the end of the year	**90,045,074**	**43,731,655**	**43,872,652**	**43,706,655**	**42,978,405**

The Board of Directors of the Company in its meeting held on 12 July 2023 and shareholders in the Extraordinary General Meeting held on 18 July 2023 approved the sub-division of shares from Rs. 10 per share to Rs. 5 per share (Also refer Note 57(i)).

(e) Issue of shares

During the half year ended 30 September 2023, the Company has allotted 3,55,000 equity shares of face value of INR 10/- to Mr. Anil Mehta on account of exercise of Rights to Subscribe at a premium of INR 73.20 per sahre. The said allotment has been approved by the Board of Directors vide circular resolution dated 20 July 2023

The Board of Directors of the Company in its meeting held on 12 July 2023 has made the first and final call of Rs. 349.60 per share on the 1,35,000 equity shares allotted to Mr. Anil Mehta.

(f) Issue of shares against exercise of ESOPs

A) i. During the period ended 30 September, 2023, the Board of Directors of the Comapny have approved allotment of 63,610 equity shares to 6 option holders having face value of INR 10 and 14,62,550 equity shares to 63 option holders, who exercised their options as per the following:

a. 37,500 shares of Rs. 10 each at a premium of Rs. 10.32 each (aggregating to Rs.0.76 million) vide circular dated on 09 May 2023.
b. 23,385 shares of Rs. 10 each at a premium of Rs. 299.59 each (aggregating to Rs.7.24 million) vide circular dated on 09 May 2023
c. 2,725 shares of Rs. 10 each at a premium of Rs. 299.59 each (aggregating to Rs.7.24 million) vide circular dated on 12 July 2023
d. 75,000 shares of Rs. 5 each at a premium of Rs. 5.16 each (aggregating to Rs.0.76 million) vide circular dated on 27 July 2023
e. 1,20,000 shares of Rs. 5 each at a premium of Rs. 74.51 each (aggregating to Rs.9.54 million) vide circular dated on 27 July 2023
f. 50,000 shares of Rs. 5 each at a premium of Rs. 84.96 each (aggregating to Rs.4.50 million) vide circular dated on 27 July 2023
g 1,36,000 shares of Rs. 5 each at a premium of Rs. 87.28 each (aggregating to Rs.12.55 million) vide circular dated on 27 July 2023
h. 12,000 shares of Rs. 5 each at a premium of Rs. 89.78 each (aggregating to Rs.1.14 million) vide circular dated on 27 July 2023
i. 4,50,000 shares of Rs. 5 each at a premium of Rs. 93.90 each (aggregating to Rs.44.51 million) vide circular dated on 27 July 2023
j. 3,68,750 shares of Rs. 5 each at a premium of Rs. 149.80 each (aggregating to Rs.57.08 million) vide circular dated on 27 July 2023
k. 62,400 shares of Rs. 5 each at a premium of Rs. 152.79 each (aggregating to Rs.9.85 million) vide circular dated on 27 July 2023
l. 1,88,400 shares of Rs. 5 each at a premium of Rs. 165.36 each (aggregating to Rs.32.09 million) vide circular dated on 27 July 2023
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B) During the year ended 31 March, 2023,the Board of Directors of the Comapny have approved allotment of 30,997 equity shares to 2 option holders, who exercised their options as per the following:

a. 25,000 shares of Rs. 10 each at a premium of Rs. 73.20 each (aggregating to Rs. 2.08 million) vide circular dated on 26 April 2022.
b. 3,000 shares of Rs. 10 each at a premium of Rs. 169.92 each (aggregating to Rs. 0.54 million) and 2,997 shares of Rs. 10 each at a premium of Rs. 299.59 each (aggregating to Rs. 0.93 million) vide circular dated on 06 January 2022.

C) During the year ended 31 March, 2022, the Board of Directors of the Company have approved allotment of 728,250 equity shares to 14 option holders, who exercised their options as per the following:

a. 92,250 shares of Rs. 10 each at a premium of Rs. 3.27 each (aggregating to Rs. 1.22 million) vide circular dated on 25 July 2021 & 06 January 2022.
b. 5,000 shares of Rs. 10 each at a premium of Rs. 4.18 each (aggregating to Rs. 0.07 million) vide circular dated on 06 January 2022.
c. 50,000 shares of Rs. 10 each at a premium of Rs.10.32 each (aggregating to Rs. 1.02 million) vide circular dated on 29 April 2021 & 25 July 2021.
d. 5,62,500 shares of Rs. 10 each at a premium of Rs.73.20 each (aggregating to Rs. 46.8 million) vide circular dated on 25 July 2021, 08 August 2021 & 23 August 2021
e. 12,000 shares of Rs. 10 each at a premium of Rs.108.48 each (aggregating to Rs. 1.42 million) vide circular dated on 08 August 2021
f. 6,000 shares of Rs. 10 each at a premium of Rs.149.01 each (aggregating to Rs. 0.95 million) vide circular dated on 08 August 2021
g. 500 shares of Rs. 10 each at a premium of Rs.169.92 each (aggregating to Rs. 0.09 million) vide circular dated on 08 August 2021

D) During the year ended 31 March, 2021, the Board of Directors vide circular/resolution dated 10 January 2021 have approved allotment of 148,250 equity shares to 9 option holders, who exercised their options as per the following:

a. 138,250 shares of Rs. 10 each at a premium of Rs. 3.27 each (aggregating to Rs. 1.84 million).
b. 10,000 shares of Rs. 10 each at a premium of Rs. 4.18 each (aggregating to Rs. 0.14 million).

(All amounts in Rs. millions, unless otherwise stated)

(g) Terms and conditions of the main features of each class of shares
The Company has only one class of equity shares having a face value of Rs. 10 per share. Each shareholder is entitled to one vote per share. The dividend, if any, proposed by the Board of Directors, is subject to the approval of shareholders in the ensuing Annual General Meeting. 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 shareholding.

(h) Detail of shareholders holding 5 percent or more

Name of shareholders	As at 30 September 2023		As at 30 September 2022		As at 31 March 2023		As at 31 March 2022		As at 31 March 2021	
	No. of shares	% of holding	No. of shares	% of holding	No. of shares	% of holding	No. of shares	% of holding	No. of shares	% of holding
Sequoia Capital India Investments III	-	#	-	0.00%	-	0.00%	-	0.00%	1,448,776	3.37%
Nexus Ventures III Limited	19,923,596	#	9,961,798	21.06%	9,961,798	22.76%	9,961,798	22.79%	9,961,798	23.18%
Sequoia Capital India Growth Investments I	-	#	-	0.00%	-	0.00%	-	0.00%	2,170,560	5.05%
MIO Starrock (Formerly known as Starrock)	4,435,108	#	1,704,137	3.60%	2,217,554	5.07%	-	0.00%	-	0.00%
WestBridge Crossover Fund, LLC	21,708,302	#	10,854,151	22.95%	10,854,151	24.80%	10,854,151	24.83%	10,854,151	25.25%
Catalyst Trusteeship Limited (Erstwhile Milestone Trusteeship Services Private Limited) acting as trustee for Madison India Opportunities Trust Fund	4,759,908	# # #	2,379,954	5.03%	2,379,954	5.44%	2,379,954	5.45%	2,379,954	5.54%
Aravali Investment Holdings (Wholly owned subsidiary of Westbridge Crossover Fund,LLC)	28,422,818	# #	14,211,409	30.04%	14,211,409	32.47%	14,211,409	32.52%	10,592,073	24.65%
Nexus Opportunity Fund II, Ltd.	5,820,074	#	2,910,037	6.15%	2,910,037	6.65%	2,910,037	6.66%	2,910,037	6.77%

(i) Shares held by promoter

	As at 30 September 2023		As at 30 September 2022		As at 31 March 2023		As at 31 March 2022		As at 31 March 2021	
Name of Promoter	No of shares	% of total shares	No of shares	% of total shares	No of shares	% of total shares	No of shares	% of total shares	No of shares	% of total shares
Anil Mehta	1,570,734	1.74%	820,367	1.73%	430,367	0.73%	820,367	1.88%	1,095,367	2.55%
WestBridge Crossover Fund, LLC	21,708,302	24.11%	10,854,151	22.95%	10,854,151	24.80%	10,854,151	24.83%	-	-
Aravali Investment Holdings (Wholly owned subsidiary of Westbridge Crossover Fund,LLC)	28,422,818	31.57%	14,211,409	30.04%	14,211,409	32.47%	14,211,409	32.52%	-	-

(j) Shares reserved for issue under options and contracts/commitments for the sale of shares
The Comapny has reserved 81,88,374 (30 September 2022: 35,73,344, 31 March 2023: 35,67,347, 31 March 2022: 30,38,344 & 31 March 2021: 2,463,494) number of shares for creating a pool of employee stock options/right to subscribe to equity shares representing 8.34% (30 September 2022: 7.55% 31 March 2023: 7.52%, 31 March 2022: 6.50% & 31 March 2021: 5.42%) of share capital for the benefit of employees on such terms and conditions as determined by the Investors and Board of Directors.

(k) The Company (except disclosed above) has not allotted any shares for consideration other than cash, bonus shares and shares bought back for the five years immediately preceding the reporting date.

(l) The Board of Directors have not proposed any dividend for the period ended 30 September 2023, 30 September 2022, 31 March 2023, 31 March 2022 and 31 March 2021.

(All amounts in Rs. millions, unless otherwise stated)

21. Other equity	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Securities premium	7,200.31	6,858.04	6,871.31	6,857.78	6,782.46
Statutory reserve	1,009.20	699.25	1,009.20	699.25	442.36
Employee share based payment reserve	137.38	136.79	166.10	83.39	55.01
Re-measurements of defined benefit plans	4.58	4.31	5.41	(5.96)	0.92
Share application money pending allotment	7.18	-	-	-	-
Effective portion of cash flow hedge reserve	(65.97)	(25.57)	(17.60)	-	-
Retained earnings	5,006.75	3,309.95	3,933.21	2,689.74	1,662.16
Total	**13,299.43**	**10,982.76**	**11,967.63**	**10,324.20**	**8,942.91**

Nature and purpose of other reserve

Securities premium
Securities premium represents premium received on issue of shares. The amount is utilised in accordance with the provisions of the Companies Act, 2013.

Statutory reserve
This reserve is created as per the provision of Section 29C of the National Housing Bank Act, 1987 (read with Section 36(1)(viii) of the Income-tax Act, 1961).
The Group transfers amount at least 20% of the total comprehensive income after tax to Statutory reserve.

Employee share based payment reserve
This reserve is used to recognise the fair value of the options issued to employees of the Group under Group's employee stock option plan.

Retained earnings
Retained earnings represents the amount of accumulated earnings of the Group.

Re-measurements of defined benefit plans
Represents the cumulative actuarial gains/(losses) arising on defined benefit plans classified under Other Comprehensive income.

Effective portion of cash flow hedge reserve
Represents the cumulative gains/(losses) arising on revaluation of the derivative instruments and underlying financial instrument designated as cash flow hedges through OCI.

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(All amounts in Rs. millions, unless otherwise stated)

22. Interest income (on financial assets measured at amortised cost)	**For the period ended 30 September 2023**	**For the period ended 30 September 2022**	**For the year ended 31 March 2023**	**For the year ended 31 March 2022**	**For the year ended 31 March 2021**
Interest on loans	2,939.32	2,135.30	4,650.45	3,513.16	2,558.91
Interest on investments	90.68	57.21	140.69	56.62	2.88
Interest on deposits with banks	99.04	58.42	122.16	147.20	165.85
Other interest income	71.02	55.97	116.16	19.18	18.08
Interest income on unwinding of assigned portfolio			-	-	
Total	**3,200.06**	**2,306.90**	**5,029.46**	**3,736.16**	**2,745.72**

23. Fees and commission income	**For the period ended 30 September 2023**	**For the period ended 30 September 2022**	**For the year ended 31 March 2023**	**For the year ended 31 March 2022**	**For the year ended 31 March 2021**
Fee based income	178.99	160.29	315.84	200.58	99.93
Total	**178.99**	**160.29**	**315.84**	**200.58**	**99.93**

Revenue from contract with customers

Particulars	**For the period ended 30 September 2023**	**For the period ended 30 September 2022**	**For the year ended 31 March 2023**	**For the year ended 31 March 2022**	**For the year ended 31 March 2021**
i. Type of services					
- Fee and commission income (as per note no- 23)	178.99	160.29	315.84	200.58	99.93
- Marketing support income (as per note no- 25)	125.05	81.64	214.30	117.26	58.72
Total	**304.04**	**241.93**	**530.14**	**317.84**	**158.65**
ii. Primary Geographical market					
- Outside India	-	-	-	-	-
- India	304.04	241.93	530.14	317.84	158.65
Total	**304.04**	**241.93**	**530.14**	**317.84**	**158.65**
iii. Timing of revenue recognition					
- At a point in time upon rendering services	178.99	160.29	315.84	200.58	99.93
- Over period of time upon rendering services	125.05	81.64	214.30	117.26	58.72
Total	**304.04**	**241.93**	**530.14**	**317.84**	**158.65**
iv. Receivable towards contract with customers					
- Opening Balance	25.82	-	-	14.60	-
- Closing Balance	41.83	42.82	25.82	-	14.60
v. Impairement on receivable towards contract with customers	-	-	-	-	-

24. Net gain on fair value changes	**For the period ended 30 September 2023**	**For the period ended 30 September 2022**	**For the year ended 31 March 2023**	**For the year ended 31 March 2022**	**For the year ended 31 March 2021**
Net gain on financial instruments at fair value through profit or loss					
On trading portfolio					
- Investments	57.81	26.49	60.92	45.89	29.19
Total net gain on fair value changes	**57.81**	**26.49**	**60.92**	**45.89**	**29.19**
Fair value changes					
- Realised	57.77	28.09	60.92	42.82	29.19
- Unrealised	0.04	(1.60)	-	3.07	-
Total net gain on fair value changes	**57.81**	**26.49**	**60.92**	**45.89**	**29.19**

25. Other income	**For the period ended 30 September 2023**	**For the period ended 30 September 2022**	**For the year ended 31 March 2023**	**For the year ended 31 March 2022**	**For the year ended 31 March 2021**
Marketing support income	125.05	81.64	214.30	117.26	58.72
Gain on termination of leases	0.65	0.71	0.81	0.82	2.20
Liabilities no longer required, written back	0.15	-	1.90	0.20	-
Miscellaneous Income	-		0.00	-	-
Total	**125.85**	**82.35**	**217.01**	**118.28**	**60.92**

26. Finance costs (on financial liabilities measured at amortised cost)	**For the period ended 30 September 2023**	**For the period ended 30 September 2022**	**For the year ended 31 March 2023**	**For the year ended 31 March 2022**	**For the year ended 31 March 2021**
(a) Interest expenses on					
- Borrowings	1,278.20	848.17	1853.18	1,326.42	835.25
- Debt securities	72.01	83.91	169.72	104.39	161.13
- Securitised loans	36.18	20.94	57.91	42.75	48.50
(b) Other borrowing costs					
- Securitisation expense	0.93	1.07	2.51	0.24	0.75
- Interest expense on lease liabilities	6.53	5.92	11.92	9.19	7.73
- Other interest expense	3.63	1.33	3.46	0.40	0.12
Total	**1,397.48**	**961.34**	**2,098.70**	**1,483.39**	**1,053.48**

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(All amounts in Rs. millions, unless otherwise stated)

27. Impairment on financial instruments (measured at amortised cost)	**For the period ended 30 September 2023**	**For the period ended 30 September 2022**	**For the year ended 31 March 2023**	**For the year ended 31 March 2022**	**For the year ended 31 March 2021**
Impairment loss on loans	63.37	81.70	9.61	35.30	151.60
Net loans written off(net)*	-3.88	3.16	101.15	81.18	45.21
Impairment loss on EIS receivable on direct assignment	4.77	-1.85	1.43	2.41	1.67
Impairement loss on stock of acquired properties	29.84	6.86	28.49	1.23	0.46
Total	**94.10**	**89.87**	**140.68**	**120.12**	**198.94**

*Net of bad debt recovery of INR 29.80 million(30 September 2022: INR 15.88 million, 31 March 2023: INR 49.40 million, 31 March 2022: INR 12.34 million & 31 March 2021: INR 6.61 million)

28. Employee benefits expenses	**For the period ended 30 September 2023**	**For the period ended 30 September 2022**	**For the year ended 31 March 2023**	**For the year ended 31 March 2022**	**For the year ended 31 March 2021**
Salaries, wages and bonus	735.77	548.82	1,174.71	880.02	563.64
Contribution to provident and other funds	42.51	32.99	69.85	54.09	32.86
Share based payments to employees	55.20	53.30	83.04	59.41	16.12
Staff welfare expenses	10.71	6.08	18.00	19.57	7.02
Total	**844.19**	**641.19**	**1,345.60**	**1,013.09**	**619.64**

29. Depreciation and amortisation	**For the period ended 30 September 2023**	**For the period ended 30 September 2022**	**For the year ended 31 March 2023**	**For the year ended 31 March 2022**	**For the year ended 31 March 2021**
Depreciation of property, plant and equipment (Refer note 11)	42.18	37.62	78.09	59.56	44.48
Amortisation of intangible assets (Refer note 12)	1.19	2.10	3.93	5.83	6.50
Total	**43.37**	**39.72**	**82.02**	**65.39**	**50.98**

30. Other expenses	**For the period ended 30 September 2023**	**For the period ended 30 September 2022**	**For the year ended 31 March 2023**	**For the year ended 31 March 2022**	**For the year ended 31 March 2021**
Legal and professional charges	39.63	26.58	66.14	26.04	22.18
Loan processing charges	14.90	18.47	26.67	28.45	16.13
Advertisement and marketing expenses	11.68	7.84	18.21	13.21	7.79
Rent and hire charges	12.15	6.47	15.30	8.45	6.76
Travelling and conveyance	31.53	36.58	76.37	32.67	16.79
Information technology expense	51.10	38.52	74.20	67.99	48.24
Communication expenses	7.43	5.34	10.13	8.09	6.67
Rates and taxes expenses	0.30	0.10	0.36	0.40	0.29
Repairs and maintenance - others	6.12	6.50	12.93	5.29	6.48
Office expenses	5.34	4.75	9.18	10.62	6.97
Electricity and water expenses	9.26	7.88	13.85	8.90	5.56
Printing, stationery and office supplies	3.16	1.83	3.60	2.44	2.39
Insurance expenses	2.77	3.44	6.25	5.69	6.24
Directors' sitting fees	2.17	1.53	3.21	2.75	3.11
Auditor's remuneration (Refer note 30.1 below)	1.61	1.55	4.60	3.82	3.20
Bank charges	5.50	3.10	7.75	3.49	3.67
Loss on derecognition of property, plant and equipment	0.92	0.21	1.31	0.64	1.47
Corporate social responsibility expenses (Refer note 30.2 below)	16.00	11.50	23.00	14.65	9.00
Preliminary expenses (Incorporation Charges)	-	1.03	1.03	-	-
Miscellaneous expenses	1.48	1.77	1.70	3.47	2.44
Total	**223.05**	**184.99**	**375.79**	**247.06**	**175.38**

30.1 Auditor's remuneration	**For the period ended 30 September 2023**	**For the period ended 30 September 2022**	**For the year ended 31 March 2023**	**For the year ended 31 March 2022**	**For the year ended 31 March 2021**
a) As auditors					
- Statutory audit including limited review	1.51	1.45	4.04	3.10	2.75
- Certification and other charges	0.10	0.10	0.34	0.62	0.37
b) for re-imbursement of expenses	-	-	0.22	0.10	0.08

30.2 Expenditure incurred on Corporate Social Responsibility (CSR)

As per section 135 of the Companies Act, 2013 along with Companies (Corporate Social Responsibility Policy) Rules 2014, the Group is required to spend for CSR activities in accordance with its CSR policy. The details of the CSR expenses for the year are as under:

Particulars	**For the period ended 30 September 2023**	**For the period ended 30 September 2022**	**For the year ended 31 March 2023**	**For the year ended 31 March 2022**	**For the year ended 31 March 2021**
a) Gross amount required to be spent by the Group during the year	16.00	11.50	23.00	14.65	9.00
b) Amount spent during the year on:					
i) Construction/acquisition of any asset	-	-	6.19	3.63	-
ii) On purpose other than (a) above					
Contribution towards Trust/NGOs	6.56	-	16.81	11.02	9.00
c) Amount unpaid	9.44	11.50	-	-	-

The nature of CSR activities undertaken by the Company: To improve the lives of the community, especially the socially and economically underprivileged communities, by making a long term, measurable and positive impact through projects in the areas of Education, Health and Skill Development

(All amounts in Rs. millions, unless otherwise stated)

31. Tax expense

Particulars	**For the period ended 30 September 2023**	**For the period ended 30 September 2022**	**For the year ended 31 March 2023**	**For the year ended 31 March 2022**	**For the year ended 31 March 2021**
In respect of the current year	305.89	187.78	464.84	318.36	247.72
	305.89	**187.78**	**464.84**	**318.36**	**247.72**
Deferred tax charge/(credit)	4.14	3.76	1.26	66.18	7.96
	4.14	**3.76**	**1.26**	**66.18**	**7.96**
Total income tax expense recognised (excluding tax recognised in other comprehensive income)	**310.03**	**191.54**	**466.10**	**384.54**	**255.68**

The major components of tax expense and the reconciliation of the expected tax expense based on the domestic effective tax rate and the reported tax expense in statement of profit and loss, is as follows:

Particulars	**For the period ended 30 September 2023**	**For the period ended 30 September 2022**	**For the year ended 31 March 2023**	**For the year ended 31 March 2022**	**For the year ended 31 March 2021**
Profit before tax	1,383.57	811.75	2,019.52	1,669.01	1,129.57
Applicable tax rate	25.17%	25.17%	25.17%	25.17%	25.17%
Expected tax expense [A]	**348.22**	**204.30**	**508.27**	**420.06**	**284.29**
Effect of expenses that are not deductible in determining taxable profit	6.39	3.93	26.19	8.03	1.38
Deductions under section 80JJAA of the Income-tax Act, 1961	(13.28)	(2.02)	(13.63)	(5.27)	(3.89)
Deductions under Section 36(1)(viii) of the Income-tax Act, 1961	(31.30)	(14.67)	(54.73)	(38.28)	(26.10)
Total	**310.03**	**191.54**	**466.10**	**384.54**	**255.68**

Income tax expense recognised in other comprehensive income

Particulars	**For the period ended 30 September 2023**	**For the period ended 30 September 2022**	**For the year ended 31 March 2023**	**For the year ended 31 March 2022**	**For the year ended 31 March 2021**
Income tax relating to re-measurement loss on defined benefit plans	(0.28)	3.45	3.83	2.32	0.71
Income tax relating to re-measurement gains/ (losses) on hedge instruments	(16.27)	(7.85)	(5.92)	-	-
Total	**(16.55)**	**(4.40)**	**(2.09)**	**2.32**	**0.71**

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(All amounts in Rs. millions, unless otherwise stated)

32. Expenditure in foreign currency

Particulars	For the period ended 30 September 2023	For the period ended 30 September 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
Software license expense	-	0.18	0.28	19.77	15.00
Legal and professional expenses	-	0.34	-	-	
Interest Expense on ECB	36.25	3.26	17.23	-	-
Total	**36.25**	**3.78**	**17.51**	**19.77**	**15.00**

The Group's unhedged foreign currency exposure as on 30 September 2023 is Nil (30 September 2022: Nil, 31 March 2023: Nil, 31 March 2022: Nil & 31 March 2021: Nil).

For the year ended 30 September 2023

Particulars	Unhedged			Hedged through forward or derivative			Natural hedge
	</=1 year	> 1 year	Total	</=1year	> 1 year	Total	</=1 year
Foreign currency (FCY) receivables							
Exports	-	-	-	-	-	-	-
Loans to Joint Venture/Wholly Owned Subsidiary (JV/WOS)	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
FCY payables							
Imports	-	-	-	-	-	-	-
Trade credits	-	-	-	-	-	-	-
External Commercial Borrowings (ECBs)	-	-	-	-	2,482.85	2,482.85	-
Other FCY loans	-	-	-	-	-	-	-
INR to USD swaps	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**2,482.85**	**2,482.85**	**-**

For the year ended 30 September 2022

Particulars	Unhedged			Hedged through forward or derivative			Natural hedge
	</=1 year	> 1 year	Total	</=1year	> 1 year	Total	</=1 year
Foreign currency (FCY) receivables							
Exports	-	-	-	-	-	-	-
Loans to Joint Venture/Wholly Owned Subsidiary (JV/WOS)	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
FCY payables							
Imports	-	-	-	-	-	-	-
Trade credits	-	-	-	-	-	-	-
External Commercial Borrowings (ECBs)	-	-	-	-	810.85	810.85	-
Other FCY loans	-	-	-	-	-	-	-
INR to USD swaps	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**810.85**	**810.85**	**-**

For the year ended 31 March 2023

Particulars	Unhedged			Hedged through forward or derivative			Natural hedge
	</=1 year	> 1 year	Total	</=1year	> 1 year	Total	</=1 year
Foreign currency (FCY) receivables							
Exports	-	-	-	-	-	-	-
Loans to Joint Venture/Wholly Owned Subsidiary (JV/WOS)	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
FCY payables							
Imports	-	-	-	-	-	-	-
Trade credits	-	-	-	-	-	-	-
External Commercial Borrowings (ECBs)	-	-	-	-	817.72	817.72	-
Other FCY loans	-	-	-	-	-	-	-
INR to USD swaps	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**817.72**	**817.72**	**-**

For the year ended 31 March 2022

Particulars	Unhedged			Hedged through forward or derivative			Natural hedge
	</=1 year	> 1 year	Total	</=1year	> 1 year	Total	</=1 year
Foreign currency (FCY) receivables							
Exports	-	-	-	-	-	-	-
Loans to Joint Venture/Wholly Owned Subsidiary (JV/WOS)	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
FCY payables							
Imports	-	-	-	-	-	-	-
Trade credits	-	-	-	-	-	-	-
External Commercial Borrowings (ECBs)	-	-	-	-	-	-	-
Other FCY loans	-	-	-	-	-	-	-
INR to USD swaps	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**

For the year ended 31 March 2021

Particulars	Unhedged			Hedged through forward or derivative			Natural hedge
	</=1 year	> 1 year	Total	</=1year	> 1 year	Total	</=1 year
Foreign currency (FCY) receivables							
Exports	-	-	-	-	-	-	-
Loans to Joint Venture/Wholly Owned Subsidiary (JV/WOS)	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
FCY payables							
Imports	-	-	-	-	-	-	-
Trade credits	-	-	-	-	-	-	-
External Commercial Borrowings (ECBs)	-	-	-	-	-	-	-
Other FCY loans	-	-	-	-	-	-	-
INR to USD swaps	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**

33. Segment reporting

The Group is predominantly engaged in a single business segment i.e. providing housing loans and loan against properties in India only, which has similar nature of products and services, type/class of customers and the nature of the regulatory environment, risks and returns and accordingly there are no separately reportable business or geographical segments as per the Indian Accounting Standard ('Ind AS') 108 on Operating Segments.

34. Contingent liabilities and commitments

Particulars	For the period ended 30 September 2023	For the period ended 30 September 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
a) In respect of following:					
- Income tax matters	66.00	66.00	66.00	66.00	44.52
- Goods and Service tax	1.25	-	-	-	-
b) Commitments					
- Loan financing	3,243.09	2,166.23	2,678.94	1,934.12	1,102.26
- Capital commitments	-	-	-	0.50	0.21
c) Bank guarantees	2.50	2.50	2.50	2.50	2.50

Note:

(i) The Company received income tax notice under section 143(3) of the Income Tax Act ,1961 (the Act) dated 25 December 2019 for tax demand amounting to Rs. 44.52 million on account of unexplained credit under Section 68 of the Act for assessment year 2017-18. In response to such notice, the Group has filed an appeal before Commissioner of Income Tax (Appeals). The Group has deposited Rs. 8.91 million under protest. The legal proceeding when ultimately concluded will not, in the opinion of the management, have a material effect on the financial position of the Group.

(ii) The Company received an income tax notice under section 143(1)(a) of the Income Tax Act, 1961 on 4 March, 2020, for the assessment year 2019-20, for tax demand of ₹ 21.48 million, on account of disallowance of Interest payable on NCD issued to mutual fund under section 43B of the Income Tax Act, 1961. The said amount has been adjusted against the refund due for the assessment year 2019-20 The Company has filed an appeal before the National Faceless Appeal Centre, New Delhi.

(iii) The Company has received a demand order of INR 1.25 million for contravention of Section 34(2) of CGST Act 2017 for FY 2019-20 dated 29 September 2023. The Group is in process of filling the appeal with the relevant authorities.

Above amount does not include the contingencies, the likelihood of which is remote.

(All amounts in Rs. millions, unless otherwise stated)

35. Disclosures as per the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
(i) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year;					
- Principal due	Nil	Nil	Nil	Nil	1.21
- Interest due	Nil	Nil	Nil	Nil	Nil
(ii) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil	Nil	Nil	Nil
(iii) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	Nil	Nil	Nil	Nil	Nil
(iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil	Nil	Nil	Nil
(v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil	Nil	Nil	Nil

36. Assets held for sale

The Group has obtained possession of certain properties mortgaged by customers, under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (The SARFAESI Act, 2002), which shall be sold to realise the loan and other amounts receivable by the Group. The Group is in the process of selling these properties and has classified these as assets held for sale.

Particulars	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Gross Carrying Amount	161.55	66.50	99.12	39.78	39.68
Less:- Impairement loss on stock of acquired properties	(64.45)	(12.99)	(34.61)	(6.13)	(4.90)
Net Carrying amount	97.10	53.51	64.51	33.65	34.78

37. Employee benefit plans

A) Defined contribution plans

Provident and other funds

The Group makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund and other funds which are defined contribution plans. The Group has no obligations other than this to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue.

Particulars	For the period ended 30 September 2023	For the period ended 30 September 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
Employer's contribution to provident and other funds	42.51	32.99	69.85	54.09	32.86
	42.51	**32.99**	**69.85**	**54.09**	**32.86**

B) Defined benefit plans

Gratuity

These plans typically expose the Group to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk

The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

Interest risk

The plan exposes the Group to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk

The present value of the defined benefit plan liability is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out by Mr. Ashok Kumar Garg (FIAI M.No. 00057), Fellow of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost, were measured using the projected unit credit method.

Principal assumptions	30 September 2023	30 September 2022	31 March 2023	31 March 2022	31 March 2021
Discount rate(s)	7.25%	7.25%	7.50%	7.00%	7.00%
Expected rate(s) of salary increase	11.00%	10.00%	11.00%	10.00%	10.00%
Retirement age	58	58	58	58	58
Withdrawal rate	20.00%	20.00%	20.00%	8.00%	8.00%
In service mortality	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)

Amounts recognised in the statement of profit and loss in respect of these defined benefit plans are as follows:

Particulars	For the period ended 30 September 2023	For the period ended 30 September 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
Service cost:					
Current service cost	7.09	4.51	11.34	14.89	8.97
Interest cost	1.22	1.28	2.56	1.78	1.13
Components of defined benefit costs recognised in profit or loss	**8.31**	**5.79**	**13.90**	**16.67**	**10.10**
Remeasurement on the net defined benefit liability:					
Actuarial losses/(gains) arising from changes in financial assumptions	0.41	(9.54)	(6.23)	-	3.57
Actuarial (gains)/losses arising from experience adjustments	0.71	(4.18)	(8.97)	9.21	(0.73)
Components of defined benefit costs recognised in other comprehensive income	**1.12**	**(13.72)**	**(15.20)**	**9.21**	**2.84**

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(All amounts in Rs. millions, unless otherwise stated)

The amount included in the balance sheet arising from the Group's obligation in respect of its defined benefit plans is as follows:

Particulars	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Present value of funded defined benefit obligation	40.35	27.11	32.54	36.50	25.37
Fair value of plan assets	-	-	-	-	-
Net liability arising from defined benefit obligation	**40.35**	**27.11**	**32.54**	**36.50**	**25.37**

Movements in the present value of the defined benefit obligation are as follows:

Particulars	Year ended 30 September 2023	Year ended 30 September 2022	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2021
Opening defined benefit obligation	32.54	36.50	36.50	25.37	16.16
Current service cost	7.09	4.51	11.34	14.89	8.97
Interest cost	1.22	1.28	2.56	1.78	1.13
Remeasurement (gains)/losses:					
Actuarial losses/(gains) arising from changes in financial	0.41	(9.54)	(6.23)	-	3.57
Actuarial (gains)/losses arising from experience	0.71	(4.18)	(8.97)	9.21	(0.73)
Past service cost, including losses/(gains) on curtailments	-	-	-	-	-
Benefits paid	(1.62)	(1.46)	(2.66)	(14.75)	(3.73)
Closing defined benefit obligation	**40.35**	**27.11**	**32.54**	**36.50**	**25.37**

Sensitivity analysis

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase, mortality, etc. The sensitivity analysis below have been determined based on reasonable possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

- If the discount rate is 100 basis points higher (lower), the defined benefit obligation would decrease by Rs. 2.17 million (increase by Rs. 1.69 million) [30 September 2022: 1.27 million (increase by Rs. 1.40 million), 31 March 2023: 1.56 million (increase by Rs. 1.69 million), 31 March 2022: 3.79 million (increase by Rs. 4.44 million) & 31 March 2021: 2.48 million (increase by Rs. 2.98 million)].

- If the expected salary growth increases (decreases) by 100 basis points, the defined benefit obligation would increase by Rs. 2.03 million (decrease by Rs. 1.87 million) [30 September 2022: increase by Rs. 1.32 million (decrease by Rs. 1.22 million), 31 March 2023: increase by Rs. 1.61 million (decrease by Rs. 1.53 million), 31 March 2022: increase by Rs. 4.27 million (decrease by Rs. 3.73 million) & 31 March 2021: increase by Rs. 2.86 million (decrease by Rs. 2.44 million)].

Sensitivities due to change in mortality rate and change in withdrawal rate are not expected to be material and hence impact of such change is not calculated.

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of reporting period.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Other disclosures

Maturity profile of defined benefit obligations

Particulars	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Average duration of the defined benefit obligation (in years)					
Less than 1 year	2.68	1.93	2.20	0.70	2.43
Between 1-2 years	0.56	0.56	0.46	0.31	0.12
Between 2-5 years	2.17	1.71	1.81	0.98	0.63
Over 5 years	34.94	22.91	28.07	34.51	22.20

-The expected contributions to the plan for the next year is INR 12.24 million.

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(All amounts in Rs. millions, unless otherwise stated)

38. Maturity analysis of assets and liabilities

	30 September 2023			30 September 2022			31 March 2023			31 March 2022			31 March 2021		
Assets	**Within 12 months**	**After 12 months**	**Total**	**Within 12 months**	**After 12 months**	**Total**	**Within 12 months**	**After 12 months**	**Total**	**Within 12 months**	**After 12 months**	**Total**	**Within 12 months**	**After 12 months**	**Total**
Financial assets															
Cash and cash equivalents	79.41	-	79.41	1,291.91	-	1,291.91	3,609.44	-	3,609.44	1,438.02	-	1,438.02	2,330.94	-	2,330.94
Bank balance other than cash and cash equivalents	1,749.80	272.05	2,021.85	1,163.91	118.54	1,282.45	1,186.91	276.43	1,463.34	1,778.96	85.96	1,864.92	1,606.29	199.54	1,805.83
Derivative financial instruments	-	-	-	-	-	-	0.58	-	0.58	-	-	-	-	-	-
Loans	7,715.16	34,945.56	42,660.72	4,286.91	26,380.67	30,667.58	5,506.64	30,584.80	36,091.44	3,660.27	22,564.98	26,225.25	990.61	18,821.09	19,811.70
Investments	996.00	-	996.00	2,978.12	-	2,978.12	469.28	-	469.28	1,753.20	-	1,753.20	-	-	-
Other financial assets	585.34	710.64	1,295.98	346.87	443.58	790.45	376.42	525.71	902.13	222.81	396.94	619.75	119.34	161.58	280.92
Non-financial assets									-						
Current tax assets (net)	-	-	-	66.66	-	66.66	-	-	-	-	-	-	-	0.35	0.35
Deferred tax assets (net)	-	42.75	42.75	-	30.14	30.14	-	30.36	30.36	-	29.50	29.50	-	93.37	93.37
Property, plant and equipment	-	249.15	249.15	-	236.19	236.19	-	238.35	238.35	-	165.73	165.73	-	140.31	140.31
Other intangible assets	-	3.66	3.66	-	2.54	2.54	-	4.84	4.84	-	4.65	4.65	-	10.77	10.77
Other non-financial assets	117.64	22.52	140.16	74.75	25.63	100.38	57.67	23.97	81.64	55.42	22.12	77.54	42.65	74.78	117.43
Assets held for sale	97.10	-	97.10	53.51	-	53.51	64.51	-	64.51	33.65	-	33.65	34.78	-	34.78
Total assets	**11,340.45**	**36,246.33**	**47,586.78**	**10,262.64**	**27,237.29**	**37,499.93**	**11,271.45**	**31,684.46**	**42,955.91**	**8,942.33**	**23,269.88**	**32,212.21**	**5,124.61**	**19,501.79**	**24,626.40**
Liabilities															
Financial liabilities															
Derivative financial instruments	30.57	-	30.57	16.02	-	16.02									
Trade payables															
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-	-	-	-	-	-	1.21	-	1.21
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	86.85	-	86.85	79.10	-	79.10	61.49	-	61.49	45.94	-	45.94	45.06	-	45.06
Debt securities	766.99	424.28	1,191.27	374.86	1,414.35	1,789.21	1,041.33	724.01	1,765.34	195.58	1,670.40	1,865.98	11.11	811.13	822.24
Borrowings (Other than debt securities)	6,879.92	24,813.62	31,693.54	5,696.89	17,927.88	23,624.77	6,226.08	21,897.27	28,123.35	4,767.56	14,066.55	18,834.11	3,470.34	10,620.33	14,090.67
Other financial liabilities	681.77	-	681.77	501.53	-	501.53	534.35	-	534.35	595.18	-	595.18	238.58	-	238.58
Non-financial liabilities															-
Provisions	5.97	62.01	67.98	5.72	42.04	47.76	9.26	37.64	46.90	8.46	42.87	51.33	8.49	27.48	35.97
Current tax liabilities (Net)	41.31	-	41.31	-	-	-	6.85	-	6.85	43.22	-	43.22	-	-	-
Other non-financial liabilities	43.83	-	43.83	21.45	-	21.45	12.35	-	12.35	15.18	-	15.18	19.98	-	19.98
Total liabilities	**8,537.21**	**25,299.91**	**33,837.12**	**6,695.57**	**19,384.27**	**26,079.84**	**7,891.71**	**22,658.92**	**30,550.63**	**5,671.12**	**15,779.82**	**21,450.94**	**3,794.77**	**11,458.94**	**15,253.71**
Net	**2,803.24**	**10,946.42**	**13,749.66**	**3,567.07**	**7,853.02**	**11,420.09**	**3,379.74**	**9,025.54**	**12,405.28**	**3,271.21**	**7,490.06**	**10,761.27**	**1,329.84**	**8,042.85**	**9,372.69**

Classification of assets & liabilities under maturity buckets is based on estimates and assumptions of the group.

(All amounts in Rs. millions, unless otherwise stated)

39. Financial instruments

39.1 Capital management
Capital
The Company maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of the National Housing Bank (NHB) and Reserve Bank of India (RBI). The adequacy of the Company's capital is monitored using, among other measures, the regulations issued by NHB and RBI.

Capital management
The capital management objectives of the Group are:
- to ensure that the Group complies with externally imposed capital requirements, if any and maintains strong credit ratings and healthy capital ratios
- to ensure the ability to continue as a going concern
- to provide an adequate return to shareholders

Gearing ratio
The gearing ratio at the end of reporting period was as follows:

Particulars	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Debt					
Borrowings(other than debt securities)	31,693.54	23,624.77	28,123.35	18,834.11	14,090.67
Debt securities	1,191.27	1,789.21	1,765.34	1,865.98	822.24
Cash and cash equivalents	8.63	(1,291.91)	(3,609.44)	(1,438.02)	(2,330.95)
Net debt	**32,893.44**	**24,122.07**	**26,279.25**	**19,262.07**	**12,581.96**
Total equity	13,749.66	11,420.09	12,405.28	10,761.27	9,372.70
Net debt to equity ratio	**2.39**	**2.11**	**2.12**	**1.79**	**1.34**

Management assesses the capital requirements of the Group in order to maintain an efficient overall financing structure. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends, return on capital to shareholders, issue new shares, or sell assets to reduce debt.

Below is the Capital risk Adequacy Ratio maintained and calculated as per NHB/RBI guidelines in the respective year by the Company and as per regulatory return filed with NHB in the respective year.

Particulars	As at 30 september 2023	As at 30 september 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Tier I Capital	12,605.68	10,552.40	11,456.84	10,039.22	9,047.12
Tier II Capital	209.57	78.52	161.30	94.83	89.68
Total Capital	**12,815.25**	**10,630.92**	**11,618.14**	**10,134.05**	**9,136.80**
Risk Weighted Assets	**26,331.93**	**21,622.14**	**22,061.28**	**18,136.31**	**12,777.00**
Capital Adequacy Ratio	**48.67%**	**49.23%**	**52.66%**	**55.87%**	**71.51%**
Tier I Capital (%)	47.87%	48.87%	51.93%	55.35%	70.81%
Tier II Capital (%)	0.80%	0.36%	0.73%	0.52%	0.70%

39.2 Categories of financial instruments

The carrying value of financial assets and financial liabilities are as follows:

As at 30 September 2023

Particulars	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total carrying value
Financial assets				
Cash and cash equivalents	-	-	79.41	**79.41**
Bank balance other than cash and cash equivalents	-	-	2,021.85	**2,021.85**
Derivative financial instuments	-	-	-	**-**
Loans	-	-	42,660.72	**42,660.72**
Investments	30.03	-	965.99	**996.02**
Other financial assets	-	-	1,295.98	**1,295.98**
Total financial assets	**30.03**	**-**	**47,023.95**	**47,053.98**
Financial liabilities				
Derivative financial instuments	-	30.57	-	**30.57**
Trade payables	-	-	86.85	**86.85**
Debt securities	-	-	1,191.27	**1,191.27**
Borrowings (Other than debt securities)	-	-	31,693.54	**31,693.54**
Other financial liabilities	-	-	681.77	**681.77**
Total financial liabilities	**-**	**30.57**	**33,653.43**	**33,684.00**

As at 30 September 2022

Particulars	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total carrying value
Financial assets				
Cash and cash equivalents	-	-	1,291.91	**1,291.91**
Bank balance other than cash and cash equivalents	-	-	1,282.45	**1,282.45**
Derivative financial instuments	-	-	-	**-**
Loans	-	-	30,667.58	**30,667.58**
Investments	1,496.48	-	1,481.64	**2,978.12**
Other financial assets	-	-	790.45	**790.45**
Total financial assets	**1,496.48**	**-**	**35,514.03**	**37,010.51**
Financial liabilities				
Derivative financial instuments	-	16.02	-	**16.02**
Trade payables	-	-	79.10	**79.10**
Debt securities	-	-	1,789.21	**1,789.21**
Borrowings (Other than debt securities)	-	-	23,624.77	**23,624.77**
Other financial liabilities	-	-	501.53	**501.53**
Total financial liabilities	**-**	**16.02**	**25,994.61**	**26,010.63**

India Shelter Finance Corporation Limited
Summary of significant accounting policies and other explanatory information on restated consolidated financial information
(All amounts in Rs. millions, unless otherwise stated)

As at 31 March 2023

Particulars	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total carrying value
Financial assets				
Cash and cash equivalents	-	-	3,609.44	**3,609.44**
Bank balance other than cash and cash equivalents	-	-	1,463.34	**1,463.34**
Derivative financial instuments	-	0.58	-	**0.58**
Loans	-	-	36,091.44	**36,091.44**
Investments	50.00	-	419.28	**469.28**
Other financial assets	-	-	902.13	**902.13**
Total financial assets	**50.00**	**0.58**	**42,485.63**	**42,536.21**
Financial liabilities				
Trade payables	-	-	61.49	**61.49**
Debt securities	-	-	1,765.34	**1,765.34**
Borrowings (Other than debt securities)	-	-	28,123.35	**28,123.35**
Other financial liabilities	-	-	534.35	**534.35**
Total financial liabilities	**-**	**-**	**30,484.53**	**30,484.53**

As at 31 March 2022

Particulars	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total carrying value
Financial assets				
Cash and cash equivalents	-	-	1,438.02	**1,438.02**
Bank balance other than cash and cash equivalents	-	-	1,864.92	**1,864.92**
Loans	-	-	26,225.25	**26,225.25**
Investments	1,753.20	-	-	**1,753.20**
Other financial assets	-	-	619.75	**619.75**
Total financial assets	**1,753.20**	**-**	**30,147.94**	**31,901.14**
Financial liabilities				
Trade payables	-	-	45.94	**45.94**
Debt securities	-	-	1,865.98	**1,865.98**
Borrowings (Other than debt securities)	-	-	18,834.11	**18,834.11**
Other financial liabilities	-	-	595.18	**595.18**
Total financial liabilities	**-**	**-**	**21,341.21**	**21,341.21**

As at 31 March 2021

Particulars	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total carrying value
Financial assets				
Cash and cash equivalents	-	-	2,330.94	**2,330.94**
Bank balance other than cash and cash equivalents	-	-	1,805.83	**1,805.83**
Loans	-	-	19,811.70	**19,811.70**
Investments	-	-	-	**-**
Other financial assets	-	-	280.92	**280.92**
Total financial assets	**-**	**-**	**24,229.39**	**24,229.39**
Financial liabilities				
Trade payables	-	-	46.27	**46.27**
Debt securities	-	-	822.24	**822.24**
Borrowings (Other than debt securities)	-	-	14,090.67	**14,090.67**
Other financial liabilities	-	-	238.58	**238.58**
Total financial liabilities	**-**	**-**	**15,197.76**	**15,197.76**

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(All amounts in Rs. millions, unless otherwise stated)

39.3 Fair value measurement of assets and liabilities

- Fair value hierarchy

Assets and liabilities are measured at fair value in the financial statements and are grouped into three levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:
• Level 1: Quoted prices (unadjusted) for identical instruments in an active markets;
• Level 2: Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and
• Level 3: Inputs which are not based on observable market data (unobservable inputs).

The following table shows the levels within the hierarchy of assets measured at fair value on a recurring basis:

As at 30 September 2023

Particulars	Level 1	Level 2	Level 3	Total
Asset measured at fair value on a recurring basis				
Financial Assets carried at fair value through profit and loss				
Investments in mutual fund	30.03	**-**	**-**	**30.03**
Assets measured at fair value on a non recurring basis				
Assets held for sale	-	97.10	-	**97.10**

As at 30 September 2022

Particulars	Level 1	Level 2	Level 3	Total
Asset measured at fair value on a recurring basis				
Financial Assets carried at fair value through profit and loss				
Investments in mutual fund	1,496.48	**-**	**-**	**1,496.48**
Assets measured at fair value on a non recurring basis				
Assets held for sale	-	53.51	-	**53.51**

As at 31 March 2023

Particulars	Level 1	Level 2	Level 3	Total
Asset measured at fair value on a recurring basis				
Financial Assets carried at fair value through profit and loss				
Investments in mutual fund	50.00	**-**	**-**	**50.00**
Assets measured at fair value on a non recurring basis				
Assets held for sale	-	64.51	-	**64.51**

As at 31 March 2022

Particulars	Level 1	Level 2	Level 3	Total
Asset measured at fair value on a recurring basis				
Financial assets carried at fair value through profit or loss				
Investments in mutual fund	1,753.20	-	-	**1,753.20**
Assets measured at fair value on a non recurring basis				
Assets held for sale	-	33.65	-	**33.65**

As at 31 March 2021

Particulars	Level 1	Level 2	Level 3	Total
Asset measured at fair value on a recurring basis				
Assets measured at fair value on a non recurring basis				
Assets held for sale	-	34.78	-	**34.78**

Valuation methodologies of financial instruments measured at fair value
Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are recorded and measured at fair value in the Group's financial statements:
a) **Mutual funds** - Units held in Mutual funds are valued based on their published Net asset value (NAV) and such instruments are classified under Level 1.
b) **Asset held for sale** - Assets held for sale valuation are basis independent valuations by a specialist in valuing these type of assets. The best estimate of fair value is current prices in an active market for similar assets.

39.4 Fair value of instruments measured at amortised cost
Fair value of instruments measured at amortised cost for which fair value is disclosed is as follows, these fair values are calculated using Level 3 inputs:

As at 30 September 2023

Particulars	Carrying value	Fair value			
		Level 1	Level 2	Level 3	Total
Financial assets					
Cash and cash equivalents	79.41	-	-	79.41	79.41
Bank balance other than cash and cash equivalents	2,021.85	-	-	2,021.85	2,021.85
Loans	42,660.72	-	-	42,660.72	42,660.72
Other financial assets	1,295.98	-	-	1,295.98	1,295.98
	46,057.96	**-**	**-**	**46,057.96**	**46,057.96**
Financial liabilities					
Trade payables	86.85	-	-	86.85	86.85
Debt securities	1,191.27	-	-	1,191.27	1,191.27
Borrowings (Other than debt securities)	31,693.54	-	-	31,693.54	31,693.54
Other financial liabilities	681.77	-	-	681.77	681.77
	33,653.43	**-**	**-**	**33,653.43**	**33,653.43**

As at 30 September 2022

Particulars	Carrying value	Fair value			
		Level 1	Level 2	Level 3	Total
Financial assets					
Cash and cash equivalents	1,291.91	-	-	1,291.91	1,291.91
Bank balance other than cash and cash equivalents	1,282.45	-	-	1,282.45	1,282.45
Loans	30,667.58	-	-	30,667.58	30,667.58
Other financial assets	790.45	-	-	790.45	790.45
	34,032.39	**-**	**-**	**34,032.39**	**34,032.39**
Financial liabilities					
Trade payables	79.10	-	-	79.10	79.10
Debt securities	1,789.21	-	-	1,789.21	1,789.21
Borrowings (Other than debt securities)	23,624.77	-	-	23,624.77	23,624.77
Other financial liabilities	501.53	-	-	501.53	501.53
	25,994.61	**-**	**-**	**25,994.61**	**25,994.61**

India Shelter Finance Corporation Limited
Summary of significant accounting policies and other explanatory information on restated consolidated financial information
(All amounts in Rs. millions, unless otherwise stated)

As at 31 March 2023

Particulars	Carrying value	Fair value			
		Level 1	Level 2	Level 3	Total
Financial assets					
Cash and cash equivalents	3,609.44	-	-	3,609.44	3,609.44
Bank balance other than cash and cash equivalents	1,463.34	-	-	1,463.34	1,463.34
Loans	36,091.44	-	-	36,091.44	36,091.44
Other financial assets	902.13	-	-	902.13	902.13
	42,066.35	-	-	**42,066.35**	**42,066.35**
Financial liabilities					
Trade payables	61.49	-	-	61.49	61.49
Debt securities	1,765.34	-	-	1,765.34	1,765.34
Borrowings (Other than debt securities)	28,123.35	-	-	28,123.35	28,123.35
Other financial liabilities	534.35	-	-	534.35	534.35
	30,484.53	-	-	**30,484.53**	**30,484.53**

As at 31 March 2022

Particulars	Carrying value	Fair value			
		Level 1	Level 2	Level 3	Total
Financial assets					
Cash and cash equivalents	1,438.02	-	-	1,438.02	1,438.02
Bank balance other than cash and cash equivalents	1,864.92	-	-	1,864.92	1,864.92
Loans	26,225.25	-	-	26,225.25	26,225.25
Other financial assets	619.75	-	-	619.75	619.75
	30,147.94	-	-	**30,147.94**	**30,147.94**
Financial liabilities					
Trade payables	45.94	-	-	45.94	45.94
Debt securities	1,865.98	-	-	1,865.98	1,865.98
Borrowings (Other than debt securities)	18,834.11	-	-	18,834.11	18,834.11
Other financial liabilities	595.18	-	-	595.18	595.18
	21,341.21	-	-	**21,341.21**	**21,341.21**

As at 31 March 2021

Particulars	Carrying value	Fair value			
		Level 1	Level 2	Level 3	Total
Financial assets					
Cash and cash equivalents	2,330.94	-	-	2,330.94	2,330.94
Bank balance other than cash and cash equivalents	1,805.83	-	-	1,805.83	1,805.83
Loans	19,811.70	-	-	19,811.70	19,811.70
Other financial assets	280.92	-	-	280.92	280.92
	24,229.39	-	-	**24,229.39**	**24,229.39**
Financial liabilities					
Trade payables	46.28	-	-	46.28	46.28
Debt securities	822.24	-	-	822.24	822.24
Borrowings (Other than debt securities)	14,090.67	-	-	14,090.67	14,090.67
Other financial liabilities	238.58	-	-	238.58	238.58
	15,197.77	-	-	**15,197.77**	**15,197.77**

The management is of view that the fair value of bank balances and cash and cash equivalents, other bank balances, loans, other financial assets, trade payables, borrowings including debt securities and other financial liabilities that are being carried at amortised cost, approximates to their respective net carrying value.

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(All amounts in Rs. millions, unless otherwise stated)

39.5. Financial risk management

Risk Management
The Group's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Loan receivables, cash and bank balances, investments, financial assets measured at amortised cost	Expected loss analysis	Credit risk analysis, diversification of customers/asset base, high rated bank deposits, credit limits and collateral.
Liquidity risk	Business commitments and other liabilities	Rolling cash flow forecasts	Maintaining adequate cash reserves and undrawn credit facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.
Market risk - interest rate	Borrowings at variable rates	Sensitivity analysis	Funding strategies to ensure diversified resource-raising options to minimize cost and maximize stability of funds. and Asset Liability Management Committee supervise an interest rate sensitivity report periodically for assessment of interest rate risks.
Market risk - currency risk	External Commercial Borrowings	Sensitivity analysis	Hedging strategies to ensure 100 % hedge by way of booking derivatives in the form of forward cover or cross currency swap. Effectiveness of the hedge is reviewed by Risk

The Board has the overall responsibility of risk management - there are two committees of the Board which takes care of managing overall risk in the organisation. In accordance with the RBI and NHB guidelines to enable Housing Finance Companies to adopt best practices and greater transparency in their operations, the Board of Directors of the Company has constituted a Risk Management Committee to review risk management in relation to various risks, namely, market risk, credit risk, and operational risk, and an Asset Liability Management Committee (ALCO).

a) Credit risk
Credit risk is the risk of loss that may occur from the failure of any party to abide by the terms and conditions of any contract, principally the failure to make required payments of amounts due to the Group. In its lending operations, the Group is principally exposed to credit risk.
The credit risk is governed by various product policies. The product policies outlines the type of products that can be offered, customer categories, the targeted customer profile and the credit approval process and limits. The Group measures, monitors and manages credit risk at an individual borrower level. The credit risk for individual borrowers is being managed at portfolio level for both Housing Loans and Non-housing Loans. The Group has a structured and standardised credit approval process, which includes a well-established procedure of comprehensive credit appraisal.

Credit risk arises from loan financing, cash and cash equivalents, investments and deposits with banks and financial institutions, as shown below:

Particulars	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Loans	42,660.72	30,667.58	36,091.44	26,225.25	19,811.70
Cash and cash equivalents	79.41	1,291.91	3,609.44	1,438.02	2,330.94
Bank balance other than cash and cash equivalents	2,021.85	1,282.45	1,463.34	1,864.92	1,805.83
Investments	996.00	2,978.12	469.28	1,753.20	-
Other financial assets	1,295.98	790.45	902.13	619.75	280.92

Credit risk management
The Group assesses and manages credit risk based on internal credit rating system and external ratings.

Cash and cash equivalents and bank deposits
Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

Loans
The customers are primarily low and middle -income, salaried and self-employed individuals. The credit officers evaluate credit proposals on the basis of active credit policies as on the date of approval. The criteria typically include factors such as the borrower's income and obligations, the loan-to-value ratio and demographic parameters subject to regulatory guidelines. Any deviations need to be approved at the designated levels.
The various process controls such as PAN Number Check, CERSAI database scrubbing, Credit Bureau Report analysis are undertaken prior to approval of a loan. Individual loans are secured by the mortgage of the borrowers property.

Investments
Investments are generally made in mutual funds and high rated debt securities. Credit risk related to these investments is managed by monitoring the recoverability of such amounts continuously.

Other financial assets measured at amortised cost
Other financial assets measured at amortized cost includes security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

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(All amounts in Rs. millions, unless otherwise stated)

b) Liquidity risk
Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due.
Management of the Group monitors forecast of liquidity position and cash and cash equivalents on the basis of expected cash flows. The Asset Liability Management Policy aims to align market risk management with overall strategic objectives, articulate current interest rate view and determine pricing, mix and maturity profile of assets and liabilities. The asset liability management policy involves preparation and analysis of liquidity gap reports and ensuring preventive and corrective measures. It also addresses the interest rate risk by providing for duration gap analysis and control by providing limits to the gaps.

The tables below analyse the financial assets and liabilities of the Group into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows except EIS receivables on direct assignment included in other financial assets. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Maturities of financial assets

30 September 2023	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Cash and cash equivalents	79.41	-	-	-	**79.41**
Bank balance other than cash and cash equivalents	1,749.79	269.56	2.50	-	**2,021.85**
Derivative financial instrument	-	-	-	-	**-**
Loans	7,910.92	4,864.48	5,856.25	25,111.52	**43,743.17**
Investments	996.00	-	-	-	**996.00**
Other financial assets	585.34	470.54	154.29	85.81	**1,295.98**
Total	**11,321.46**	**5,604.58**	**6,013.04**	**25,197.33**	**48,136.41**

30 September 2022	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Cash and cash equivalents	1,291.91	-	-	-	**1,291.91**
Bank balance other than cash and cash equivalents	1,163.91	110.37	8.17	-	**1,282.45**
Derivative financial instrument	-	-	-	-	**-**
Loans	4,412.38	8,744.26	6,982.78	11,425.74	**31,565.16**
Investments	2,978.12	-	-	-	**2,978.12**
Other financial assets	346.87	322.82	92.34	28.42	**790.45**
Total	**10,193.19**	**9,177.45**	**7,083.29**	**11,454.16**	**37,908.09**

31 March 2023	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Cash and cash equivalents	3,609.44	-	-	-	**3,609.44**
Bank balance other than cash and cash equivalents	1,186.91	273.93	2.50	-	**1,463.34**
Derivative financial instrument	0.58	-	-	-	**0.58**
Loans	5,695.54	11,015.49	8,256.43	12,068.81	**37,036.27**
Investments	469.28	-	-	-	**469.28**
Other financial assets	376.42	436.99	85.99	2.73	**902.13**
Total	**11,338.17**	**11,726.41**	**8,344.92**	**12,071.54**	**43,481.04**

31 March 2022	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Cash and cash equivalents	1,438.02	-	-	-	**1,438.02**
Bank balance other than cash and cash equivalents	1,778.96	78.42	5.04	2.50	**1,864.92**
Loans	3,711.48	7,353.60	5,881.14	9,995.26	**26,941.48**
Investments	1,753.20	-	-	-	**1,753.20**
Other financial assets	222.81	276.28	112.60	8.06	**619.75**
Total	**8,904.47**	**7,708.30**	**5,998.78**	**10,005.82**	**32,617.37**

31 March 2021	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Cash and cash equivalents	2,330.94	-	-	-	**2,330.94**
Bank balance other than cash and cash equivalents	1,606.30	186.84	10.16	2.53	**1,805.83**
Loans	990.61	2,361.21	2,927.85	14,128.90	**20,408.57**
Investments	-	-	-	-	**-**
Other financial assets	119.34	112.06	49.52	-	**280.92**
Total	**5,047.19**	**2,660.11**	**2,987.53**	**14,131.43**	**24,826.26**

Maturities of financial liabilities
The tables below analyse the financial liabilities of the group into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

30 September 2023	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Borrowings (Other than debt securities)	6,904.24	12,436.38	9,278.15	3,187.35	**31,806.12**
Debt securities	768.08	425.00	-		**1,193.08**
Derivative financial instrument	30.57	-	-	-	**30.57**
Trade payables	86.85	-	-	-	**86.85**
Other financial liabilities	681.77	-	-	-	**681.77**
Total	**8,471.51**	**12,861.38**	**9,278.15**	**3,187.35**	**33,798.39**

30 September 2022	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Borrowings (Other than debt securities)	5,786.37	9,222.35	6,239.36	2,749.91	**23,997.99**
Debt securities	377.10	775.00	650.00	-	**1,802.10**
Derivative financial instrument	16.02	-	-	-	**16.02**
Trade payables	79.10	-	-	-	**79.10**
Other financial liabilities	501.53	-	-	-	**501.53**
Total	**6,760.12**	**9,997.35**	**6,889.36**	**2,749.91**	**26,396.74**

31 March 2023	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Borrowings (Other than debt securities)	6,226.09	11,030.46	7,183.81	3,819.80	**28,260.16**
Debt securities	923.07	200.00	650.00	-	**1,773.07**
Trade payables	61.49	-	-	-	**61.49**
Other financial liabilities	534.35	-	-	-	**534.35**
Total	**7,745.00**	**11,230.46**	**7,833.81**	**3,819.80**	**30,629.07**

31 March 2022	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Borrowings (Other than debt securities)	4,797.29	7,892.89	4,150.53	2,110.10	**18,950.81**
Debt securities	196.39	1,000.00	684.63	-	**1,881.02**
Trade payables	45.94	-	-	-	**45.94**
Other financial liabilities	595.18	-	-	-	**595.18**
Total	**5,634.80**	**8,892.89**	**4,835.16**	**2,110.10**	**21,472.95**

31 March 2021	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Borrowings (Other than debt securities)	3,517.59	5,873.32	3,169.43	1,577.58	**14,137.92**
Debt securities	12.34	150.00	661.13	-	**823.47**
Trade payables	46.28	-	-	-	**46.28**
Other financial liabilities	238.58	-	-	-	**238.58**
Total	**3,814.79**	**6,023.32**	**3,830.56**	**1,577.58**	**15,246.25**

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c. Public disclosure on Liquidity Risk in accordance with RBI circular No. RBI/2019-20/88 DOR.NBFC(PD) CC. No.102/03.10.001/2019-20 dated 04 November 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies (NBFCs) including Core Investment Companies and RBI circular No. RBI/2020-21/60 DOR.NBFC(HFC).CC.No.118/ 03.10.136/2020-21 dated 22 October 2020 for regulatory framework for Housing Finance Companies (HFCs).

Funding concentration based on significant counterparty*# (borrowings)

	As at 30 September 2023	
Number of significant counterparties	**Amount**	**% of total liabilities**
23	29,705.45	87.79%

	As at 30 September 2022	
Number of significant counterparties	**Amount**	**% of total**
30	23,811.83	91.30%

	As at 31 March 2023	
Number of significant counterparties	**Amount**	**% of total liabilities**
29	27,886.17	91.28%

	As at 31 March 2022	
Number of significant counterparties	**Amount**	**% of total liabilities**
29	19,771.38	92.17%

	As at 31 March 2021	
Number of significant counterparties	**Amount**	**% of total liabilities**
20	14,041.92	92.06%

*A significant counterparty is a single counterparty that has an amount outstanding for more than 1% of the total liabilities as on the reporting date.

Funding concentration based on significant instrument/product*#

	As at 30 September 2023		As at 30 September 2022		As at 31 March 2023		As at 31 March 2022		As at 31 March 2021	
Name of the instrument	**Amount**	**% of total liabilities**	**Amount**	**% of total liabilities**	**Amount**	**% of total liabilities**	**Amount**	**% of total liabilities**	**Amount**	**% of total liabilities**
Term loans from banks and financial institutions	25,026.44	73.96%	18,053.14	69.22%	21,381.75	69.99%	14,949.51	69.69%	8357.46	54.79%
Term loans from National Housing Bank	5,769.58	17.05%	4,646.32	17.82%	5,788.93	18.95%	3,441.56	16.04%	5286.68	34.66%
Non-convertible debentures	1,075.00	3.18%	1,725.00	6.61%	1,650.00	5.40%	1,800.00	8.39%	650.00	4.26%
Securitisation	779.05	2.30%	1,072.03	4.11%	880.55	2.88%	421.32	1.96%	364.19	2.39%
	32,650.07		**25,496.49**		**29,701.23**		**20,612.39**		**14,658.33**	

*A significant instrument/product is defined as a single instrument/product of group of similar instruments/products which in aggregate amount to more than 1% of the total liabilities.

Top 10 borrowings#

	As at 30 September 2023		As at 30 September 2022		As at 31 March 2023		As at 31 March 2022		As at 31 March 2021	
Particulars	**Amount**	**% of total borrowings**	**Amount**	**% of total borrowings**	**Amount**	**% of total borrowings**	**Amount**	**% of total borrowings**	**Loan/NCD/Securitisation**	**% of total borrowings**
Term Loan/NCD/Securitisation	21,977.99	67.31%	14,462.50	56.72%	17,967.99	60.50%	12,052.78	58.47%	11,320.61	77.23%

#All the above mentioned outstanding borrowings are disclosed at gross carrying value.

Stock Ratios:

Particulars	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Commercial papers issued to publlic funds	Nil	Nil	Nil	Nil	Nil
Commercial papers issued to total liabilities	Nil	Nil	Nil	Nil	Nil
Commercial papers issued to total assets	Nil	Nil	Nil	Nil	Nil
NCD (original maturity < one year) to public funds	Nil	Nil	Nil	Nil	Nil
NCD (original maturity < one year) to total liabilities	Nil	Nil	Nil	Nil	Nil
NCD (original maturity < one year) to total assets	Nil	Nil	Nil	Nil	Nil
Other short-term liabilities to public funds	2.49%	2.36%	2.05%	3.18%	2.08%
Other short-term liabilities to total liabilities	2.40%	2.31%	1.99%	3.06%	2.00%
Other short-term liabilities to total assets	1.71%	1.61%	1.42%	2.04%	1.24%

c) Market risk
Interest rate risk
Liabilities
The policy of the Group is to minimise interest rate cash flow risk exposures on long-term loans and borrowings. As at 31 March 2023, the Group is exposed to changes in market interest rates through loans and bank borrowings at variable interest rates.

Interest rate risk exposure
Below is the overall exposure of the Group to interest rate risk:

Particulars	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Variable rate borrowing	24,812.30	20,998.97	23,732.65	17,661.48	10,747.94
Fixed rate borrowing	7,837.77	4,497.52	5,968.58	2,950.91	3,910.39
Total borrowings	**32,650.07**	**25,496.49**	**29,701.23**	**20,612.39**	**14,658.33**

Sensitivity
Below is the sensitivity of profit or loss and equity changes in interest rates:

Particulars	Impact on profit before tax				
	For the period ended 30 September 2023	For the period ended 30 September 2022	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2021
Interest rate - Increase by 100 basis points*	120.77	88.51	192.53	136.84	69.73
Interest rate - Decrease by 100 basis points*	(120.77)	(88.51)	(192.53)	(136.84)	(69.73)

* Holding all other variables constant

Currency risk
Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign currency rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to External Commercial Borrowings (ECB).
(i) The Group has hedged its foreign currency exposure through Cross Currency Swaps in such a manner that it has fixed determinate outflows in its functional currency and as such there would be no significant impact of movement in foreign currency rates on the Group's profit before tax (PBT).

Foreign Currency Exposure

Particulars	For the period ended 30 September 2023	For the period ended 30 September 2022	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2021
External Commercial Borrowing (USD in million)	30.00	10.00	10.00	-	-

Sensitivity
Below is the sensitivity of profit or loss and equity changes in currency rates:

Particulars	Impact on profit before tax					Impact on OCI before tax				
	For the period ended 30 September 2023	For the period ended 30 September 2022	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2021	For the period ended 30 September 2023	For the period ended 30 September 2022	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2021
USD rate - Increase by 5%*	-	-	-	-	-	(124.59)	(40.78)	(41.11)	-	-
USD rate - Decrease by 5%*	-	-	-	-	-	124.59	40.78	41.11	-	-

* Holding all other variables constant

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(All amounts in Rs. millions, unless otherwise stated)

40. Related party transactions

List of related parties:

i. Holding Company

WestBridge Crossover Fund, LLC
Aravali Investment Holdings (wholly-owned subsidiary of Westbridge Crossover Fund, LLC)
(collectively holding more than one-half of the total voting power)

ii. Key management personnel

a. Anil Mehta - Chairman and Non-Executive Director till 31 July 2023 (Managing Director and Chief Executive Officer till 22 November 2021)
b. Sudhin Bhagwandas Choksey- Chairman and Non-executive Director w.e.f 31 July 2023 (Nominee Director (till 30 Jluy 2023))
c. Rupinder Singh- Managing Director and Chief Executive Officer w.e.f 23 Novemebr 2021*
d. Ashish Gupta - Chief Financial Officer
e. Mukti Chaplot - Company Secretary
f. GV Ravishankar - Nominee Director (till 26 October 2021)
g. Anup Gupta - Nominee Director
h. Sumir Chadha - Nominee Director
i. Anisha Motwani - Independent Director (till 17 February 2021)
j. Shailesh J Mehta - Nominee Director (Independent Director till 2 November 2021)
k. Rachna Dikshit - Independent Director
l. Sunil Bhumralkar- Additional Independent Director (till 30 November, 2022)
m. Thomson Kadantot Thomas- Independent Director (w.e.f 02 August 2022)
n. Ajay Narayan Jha- Independent Director (w.e.f 12 July 2023)
o. Parveen Kumar Gupta- Independent Director (w.e.f 12 June 2023)
p. Savita Mahajan- Independent Director (w.e.f 31 July 2023)

iii. Entities having significance influence

a. WestBridge Crossover Fund, LLC (Holder of Equity Shares)
b. Nexus Ventures III Ltd, Mauritius (Holder of Equity Shares)
c. Aravali Investment Holdings (Holder of Equity Shares)
d. Sequoia Capital India Investments III, Mauritius (Holder of Equity Shares)
e. Sequoia Capital India Growth Investment I (Holder of Equity Shares)
f. Nexus Opportunity Fund II, Ltd. (Holder of Equity Shares)

iv. Relative of key management personnel(KMP) - (where there are transactions)

Gaj Singh Mehta - Father of Anil Mehta
Ankit Aggarwal - Husband of Mukti Chaplot (w.e.f. 04 February 2020)
Adit Mehta- Son of Anil Mehta

*Rupinder Singh has been appointed as Executive Director w.e.f 12 May 2021 and re-designated as Managing Director and Chief Executive Officer w.e.f 23 November 2021

Transactions with related parties

Particulars	For the period ended 30 September 2023	For the period ended 30 September 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
Rent paid to relative of KMP	-	0.24	0.27	0.34	0.36

Transaction with key management personnel

Particulars	For the period ended 30 September 2023	For the period ended 30 September 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
Short- term benefits	21.15	16.76	76.33	83.67	55.58
Contribution to pension funds and gratuity payment	1.55	1.81	3.22	17.20	1.53
Fees paid to non-executive director	9.33	4.67	18.67	-	-
Sitting fees paid to independent directors	3.76	1.46	2.95	2.63	2.85
Proceeds from issue of equity shares	7.89	-	0.27	0.80	1.23
Proceeds for security premium	137.75	-	11.53	0.27	0.40
Sale of Assets	-	-	-	0.86	-

Amount payable to key management personnel

Particulars	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Short-term benefits	-	-	41.34	37.96	22.08

Note 1: The KMPs are covered under the Group's gratuity policy, compensated absences policy and ESOP scheme along with other eligible employees of the Group. Proportionate amount of gratuity expenses, provision for compensated absences and ESOP expenses are not included in the aforementioned disclosures as it cannot be separately ascertained.

Note 2:
During the half year ended 30 September 2023, the Company has allotted 3,55,000 equity shares of face value of INR 10/- to Mr. Anil Mehta on account of exercise of Rights to Subscribe at a premium of INR 73.20 per sahre. The said allotment has been approved by the Board of Directors vide circular resolution dated 20 July 2023.
During the half year ended 30 September 2023, the Board of Directors of the Company vide circular resolution dated 27 July 2023 alloted 4,00,000 equity shares to Mr. Rupinder Singh, 1,36,000 equity shares to Mr. Ashish Gupta and 80,000 equity shares to Ms. Mukti Chaplot. The Board of Directors also alloted 17,500 equity shares to Ashish gupta vide circular resolution dated 9 May 2023.
During the year ended 31 march 2022, the Board of Directors of the Company vide circular resolution dated 06 January 2022 allotted 75,000 equity shares (31 March 2021: 1,20,000 equity shares) to Mr. Anil Mehta and 5,000 equity shares (31 March 2021: 2500) to Mrs. Mukti Chaplot pursuant to exercise of Employee Share Option Plan (ESOP) as per the ESOP schemes.

Note 3: During the year ended 31 March 2023, the Company has allotted 1,35,000 partly paid-up equity shares of face value of INR 10/- per share at a premium of INR 427 per share on preferential basis to Mr. Anil Mehta (Promotor). Shares are paid-up to the extent of INR 2 towards face value and INR 85.4 towards premium. The said allotment has been approved by the Board of Directors vide circular resolution dated 19 November 2022. Balance amount on partly paid shares were called by the Board on 12th July 2023.

Note 5: The term loans amounting to Rs. Nil (30 September 2022: Nil, 31 March 2023: Nil, 31 March 2022: Nil & 31 March 2021: Rs. 430.60 million) from banks and Rs. Nil (30 September 2022: Nil, 31 March 2023: Nil, 31 March 2022: Nil & 31 March 2021: Rs. 250 million) from National Housing Bank are personally guaranteed by Mr. Anil Mehta.

Note 4: The Group has incorporated wholly owned subsidiary India Shelter Capital Finance Limited on 24 March 2022 to carry on lending business as Non-Banking Finance Company subject to receipt of regulatory approvals.

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India Shelter Finance Corporation Limited
Summary of significant accounting policies and other explanatory information on restated consolidated financial information
(All amounts in Rs. millions, unless otherwise stated)

Balances outstanding as at the year end

Particulars	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Share capital					
WestBridge Crossover Fund, LLC	108.54	108.54	108.54	108.54	108.54
Aravali Investment Holdings	142.11	142.11	142.11	142.11	105.92
Nexus Opportunity Fund II, Ltd.	29.10	29.10	29.10	29.10	29.10
Nexus Ventures III Ltd	99.62	99.62	99.62	99.62	99.62
Sequoia Capital India Investments III	-	-	-	-	14.49
Sequoia Capital India Growth Investments I	-	-	-	-	21.71
Relative of KMP	0.08	0.08	0.08	0.08	0.08
Key Managerial Personnel	3.55	0.24	3.52	8.44	10.98

Discloure based on the requirements Of Securities And Exchange Board Of India (Issue of Capital And Disclosure Requirements) Regulations, 2018:

Transaction during the period/year	Name of related party	For the period ended 30 September 2023	For the period ended 30 September 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
Rent received form the subsidiary	India Shelter Capital Finance Limited	0.06	0.06	0.12	-	-
Investment during the year	India Shelter Capital Finance Limited	-	120.00	120.00	-	-

Balance as at period/year end	Name of related party	For the period ended 30 September 2023	For the period ended 30 September 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
Investment	India Shelter Capital Finance Limited	120.00	120.00	120.00	-	-
Amount receivable on account of Rent	India Shelter Capital Finance Limited	0.01	0.06	0.12	-	-

41. Earnings per share

Particulars	For the period ended 30 September 2023	For the period ended 30 September 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
Profits for the year	1,073.54	620.21	1,553.42	1,284.47	873.89
Weighted average number of equity shares for calculating basic earnings per share	88,519,599	87,456,442	87,529,304	86,799,480	85,725,475
Effect of potential ordinary shares on Employee Stock Options and right to subscribe outstanding	937,648	915,842	1,411,462	977,842	2,264,784
Total weighted average number of equity shares for calculating diluted earnings per share	89,457,247	88,372,284	88,940,766	87,777,322	87,990,259
Earnings per share on profit for the year (Face value of Rs. 5 per share)					
a) Basic earnings per share (Rs.)	12.13	7.09	17.75	14.80	10.19
b) Diluted earnings per share (Rs.)	12.00	7.02	17.47	14.63	9.93

* The Board of Directors of the Company in its meeting held on 12 July 2023 and shareholders in the Extraordinary General Meeting held on 18 July 2023 approved the sub-division of shares from Rs. 10 per share to Rs. 5 per share. The number of shares used for the calculation of earnings per share, and the earnings per share, have been adjusted for pursuant to Paragraph 64 of Ind AS 33 - "Earnings Per Share", prescribed under Section 133 of the Companies Act, 2013.

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(All amounts in Rs. millions, unless otherwise stated)

42. Lease related disclosures

The Group has leases for office building, branches and related facilities and cars. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. Variable lease payments which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and right-of-use assets. The Group classifies its right-of-use assets in a consistent manner to its property, plant and equipment.

Each lease generally imposes a restriction that, unless there is a contractual right for the Group to sublease the asset to another party, the right-of-use asset can only be used by the Group. Some leases contain an option to extend the lease for a further term.

A Lease payments not included in measurement of lease liability

The expense relating to payments not included in the measurement of the lease liability is as follows:

Particulars	30 September 2023	30 September 2022	31 March 2023	31 March 2022	31 March 2021
Short-term leases	12.15	6.47	15.30	8.45	6.76
Leases of low value assets	-	-	-	-	-
Variable lease payments	-	-	-	-	-

B Total cash outflow for leases for the year ended 30 September 2023 was Rs. 30.66 million (30 September 2022: 28.78 million, 31 March 2023: 58.46 million 31 March 2022: 44.62 million & 31 March 2021: 32.17 million).

C The Group has total commitment for short-term leases as at 30 September 2023 Rs.Nil (30 September 2022: Nil, 31 March 2023: Nil, 31 March 2022: Nil 31 March 2021: Nil).

D Maturity of lease liabilities

The lease liabilities are secured by the related underlying assets. Future minimum lease payments were as follows:

30 September 2023	Minimum lease payments due						
	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	More than 5 years	Total
Lease payments	51.83	47.45	37.14	27.58	12.64	14.28	**190.91**
Interest expense	11.59	8.11	5.32	3.00	1.46	1.40	**30.87**
Net present values	**40.24**	**39.33**	**31.82**	**24.58**	**11.18**	**12.89**	**160.04**

30 September 2022	Minimum lease payments due						
	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	More than 5 years	Total
Lease payments	55.85	40.64	35.17	24.26	14.46	20.14	**190.53**
Interest expense	11.28	8.07	5.34	3.43	2.00	2.77	**32.90**
Net present values	**44.57**	**32.57**	**29.83**	**20.84**	**12.46**	**17.37**	**157.63**

31 March 2023	Minimum lease payments due						
	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	More than 5 years	Total
Lease payments	53.02	42.05	36.91	24.07	11.93	17.14	**185.12**
Interest expense	11.10	7.76	5.12	3.08	1.63	2.03	**30.71**
Net present values	**41.92**	**34.29**	**31.79**	**20.99**	**10.30**	**15.11**	**154.41**

31 March 2022	Minimum lease payments due						
	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	More than 5 years	Total
Lease payments	44.53	32.94	19.91	16.90	5.78	3.79	**123.85**
Interest expense	7.87	4.93	2.72	1.40	0.58	0.21	**17.71**
Net present values	**36.66**	**28.01**	**17.19**	**15.50**	**5.20**	**3.58**	**106.14**

31 March 2021	Minimum lease payments due						
	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	More than 5 years	Total
Lease payments	38.44	35.57	20.48	11.34	9.38	5.90	**121.11**
Interest expense	6.83	3.92	2.23	1.14	0.66	0.60	**15.39**
Net present values	**31.61**	**31.65**	**18.25**	**10.20**	**8.72**	**5.30**	**105.72**

E There are no variable lease agreements.

F Information about extension and termination options

As at 30 September 2023

Right of use assets	Number of leases	Range of remaining term	Average remaining lease term	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
Office premises	160	1 to 7 years	2.60 years	160	-	160
Car lease	6	2-5 years	1.5 years	-	6	6

As at 30 September 2022

Right of use assets	Number of leases	Range of remaining term	Average remaining lease term	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
Office premises	132	1 to 7 years	2.60 years	132	-	132
Car lease	6	2-5 years	1.5 years	-	6	6

As at 31 March 2023

Right of use assets	Number of leases	Range of remaining term	Average remaining lease term	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
Office premises	145	1 to 7 years	2.60 years	145	-	145
Car lease	6	2-5 years	1.5 years	-	6	6

As at 31 March 2022

Right of use assets	Number of leases	Range of remaining term	Average remaining lease term	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
Office premises	104	1 to 7 years	2.60 years	104	-	104
Car lease	2	1-2 years	1.5 years	-	2	2

As at 31 March 2021

Right of use assets	Number of leases	Range of remaining term	Average remaining lease term	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
Office premises	122	1 to 8 years	2.60 years	122	-	122
Car lease	5	3-4 years	2.5 years	-	5	5

G The total future cash outflows as at 30 September 2023 for leases that had not yet commenced is of Rs. Nil (30 September 2022: Nil, 31 March 2023: Nil, 31 March 2022: Nil & 31 March 2021: Nil).

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(All amounts in Rs. millions, unless otherwise stated)

43. Employee Stock Option Scheme

The Group provides Employee Stock option schemes to its employees. For the year ended 31st March 2023 following Employee Stock Option Plans (ESOPs) were in existence. The relevant details of the schemes and the grants are as below:

Particulars	**ESOP 2012**				
Date of grant	01 October 2012	01 October 2013	15 March 2014	22 January 2015	08 June 2016
Exercise price	Rs. 13.27 per option	Rs. 14.18 per option	Rs. 16.84 per option	Rs. 20.32 per option	Rs. 83.20 per option
Vesting dates:					
Tranche I*	01 October 2013	01 October 2014	01 October 2014	21 January 2016	09 June 2017
Tranche II*	01 October 2014	01 October 2015	01 October 2015	21 January 2017	09 June 2018
Tranche III*	01 October 2015	01 October 2016	01 October 2016	21 January 2018	09 June 2019
Tranche IV*	01 October 2016	01 October 2017	01 October 2017	21 January 2019	09 June 2020

* Grant on 01 October 2012, 01 October 2013, 15 March 2014 and 22 January 2015 to be vested equally in each tranche. However, option granted on 08 June 2016 to be vested in the ratio of (3:5:5:7)

Particulars	**ESOP 2017**						
Date of grant	31 January 2018	15 February 2019	17 May 2019	13 August 2019	04 November 2019	01 July 2020	17 September 2020
Exercise price	Rs.118.48 per option	Rs. 159.01 per option	Rs. 179.92 per option	Rs. 184.55 per option	Rs. 189.56 per option	Rs. 197.80 per option	Rs. 197.80 per option
Vesting dates:							
Tranche I (10% of the options granted)	31 January 2019	15 February 2020	17 May 2020	13 August 2020	04 November 2020	01 July 2021	17 September 2021
Tranche II (20% of the options granted)	31 January 2020	15 February 2021	17 May 2021	13 August 2021	04 November 2021	01 July 2022	17 September 2022
Tranche III (30% of the options granted)	31 January 2021	15 February 2022	17 May 2022	13 August 2022	04 November 2022	01 July 2023	17 September 2023
Tranche IV (40% of the options granted)	31 January 2022	15 February 2023	17 May 2023	13 August 2023	04 November 2023	01 July 2024	17 September 2024

Particulars	**ESOP 2021**					
Date of grant	31 August 2021	##############	01 February 2022	31 March 2022	12 May 2022	31 May 2022
Exercise price	Rs.309.59 per option	Rs.315.57 per option	Rs.315.57 per option	Rs.340.71 per option	Rs.340.71 per option	Rs.340.71 per option
Vesting dates:						
Tranche I (20% of the options granted)	31-Aug-22	2-Nov-22	1-Feb-23	31-Mar-23	12 May 2023	31 May 2023
Tranche II (20% of the options granted)	31-Aug-23	2-Nov-23	1-Feb-24	31-Mar-24	12 May 2024	31 May 2024
Tranche III (20% of the options granted)	30-Aug-24	1-Nov-24	1-Feb-25	31-Mar-25	12 May 2025	31 May 2025
Tranche IV (20% of the options granted)	30-Aug-25	1-Nov-25	1-Feb-26	31-Mar-26	12 May 2026	31 May 2026
Tranche V (20% of the options granted)	30-Aug-26	1-Nov-26	1-Feb-27	31-Mar-27	12 May 2027	31 May 2027

Particulars	**ESOP 2021**						
Date of grant	01 July 2022	30 July 2022	01 August 2022	03 November 2022	10 February 2023	09 May 2023	29 September 2023
Exercise price	Rs.340.71 per option	Rs.340.71 per option	Rs.340.71 per option	Rs.394.00 per option	Rs.394.00 per option	Rs.394.00 per option	Rs.204 per option
Vesting dates:							
Tranche I (20% of the options granted)	01 July 2023	30 July 2023	01 August 2023	03 November 2023	10 February 2023	09 May 2024	29-Sep-24
Tranche II (20% of the options granted)	01 July 2024	30 July 2024	01 August 2024	03 November 2024	10 February 2024	09 May 2025	29-Sep-25
Tranche III (20% of the options granted)	01 July 2025	30 July 2025	01 August 2025	03 November 2025	10 February 2025	09 May 2026	29-Sep-26
Tranche IV (20% of the options granted)	01 July 2026	30 July 2026	01 August 2026	03 November 2026	10 February 2026	09 May 2027	29-Sep-27
Tranche V (20% of the options granted)	01 July 2027	30 July 2027	01 August 2027	03 November 2027	10 February 2027	09 May 2028	29-Sep-28

Particulars	**ESOP 2023**
Date of grant	27 July 2023
Exercise price	Rs.204 per option
Vesting dates:	
Tranche I (20% of the options granted)	27-Jul-24
Tranche II (20% of the options granted)	27-Jul-25
Tranche III (20% of the options granted)	27-Jul-26
Tranche IV (20% of the options granted)	27-Jul-27
Tranche V (20% of the options granted)	27-Jul-28

Reconciliation of options under each plan

	ESOP 2012		**ESOP 2017**		**ESOP 2021**		**ESOP 2023**	
Particulars	**Number of options**	**Amount**	**Number of options**	**Amount**	**Number of options**	**Amount**	**Number of options**	**Amount**
Outstanding as at 31 March 2020	962,500	53.18	370,000	60.91	-	-	-	-
Granted during the year	-	-	225,000	44.51	-	-	-	-
Forfeited during the year	4,500	0.06	54,000	8.59	-	-	-	-
Exercised during the year	148,250	1.98	-	-	-	-	-	-
Expired during the year	-	-	-	-	-	-	-	-
Outstanding as at 31 March 2021	809,750	51.14	541,000	96.83	-	-	-	-
Exercisable at the end of the year	809,750	51.14	81,000	12.28	-	-	-	-
Outstanding as at 31 March 2021	809,750	51.14	541,000.00	96.83	-	-	-	-
Granted during the year	-	-	-	-	1,904,595	597.37	-	-
Forfeited during the year	-	-	-	-	22,500	7.00	-	-
Exercised during the year	709,750	49.11	18,500	2.47	-	-	-	-
Expired during the year	-	-	-	-	-	-	-	-
Outstanding as at 31 March 2022	100,000	2.03	522,500	94.36	1,882,095	590.37	-	-
Exercisable at the end of the year	100,000	-	167,000	27.39	-	-	-	-
Outstanding as at 31 March 2022	100,000.00	2.03	522,500.00	94.36	1,882,095	590.37	-	-
Granted during the period	-	-	-	-	343,098	116.90	-	-
Forfeited during the period	-	-	-	-	-	-	-	-
Exercised during the period	25,000.00	0.51			-			
Expired during the year	-	-						
Outstanding as at 30 September 2022	75,000.00	1.52	522,500.00	94.36	2,225,193	590.37	-	-
Exercisable at the end of the period	75,000.00	1.52	522,500.00	94.36	2,225,193	590.37	-	-
Outstanding as at 30 September 2022	75,000.00	1.52	522,500.00	94.36	2,225,193	590.37	-	-
Granted during the year	-	-	-	-	435,000	171.39	-	-
Forfeited during the year	-	-	26,000.00	4.70	299,636	94.09	-	-
Exercised during the year	-	-	3,000.00	0.54	2,997	0.93	-	-
Expired during the year	-	-	-	-	-	-	-	-
Outstanding as at 31 March 2023	75,000.00	1.52	493,500.00	89.65	2,357,560	783.64	-	-
Exercisable at the end of the year	75,000.00	1.52	278,200.00	49.34	337,719	106.04	-	-
Outstanding as at 31 March 2023	75,000.00	1.52	493,500.00	89.65	2,357,560	783.64	-	-
Addition in number of options on account of share split*	-		493,500.00		2,357,560.00			
Granted during the period					416,500	83.77	2,581,500.00	526.63
Forfeited during the period			8,000.00	0.76	262,270	44.84	157,000.00	32.03
Exercised during the period	75,000.00	1.52	773,000.00	72.68	709,288	113.07	-	-
Expired during the period							-	-
Outstanding as at 30 September 2023	-	-	206,000.00	16.21	4,160,062	709.49	2,424,500.00	494.60
Exercisable at the end of the period	-	-	206,000.00	16.21	248,061.00	78.25	-	-

The value of the underlying shares has been determined by an independent valuer. The following assumptions were used for calculation of fair value of grants in accordance with Black Scholes model, for options granted during the financial year:

Particulars	31-Mar-21	31-Mar-22	31-Mar-23	30-Sep-22	30-Sep-23
Risk free interest rate	5.89%	5.19% to 6.38%	7.20% to 7.50%	7.20% to 7.50%	7.12% to 7.21%
Expected life of option		3.6 yrs to 5.6 yrs	3.6 yrs to 5.6 yrs	3.6 yrs to 5.6 yrs	3.6 yrs to 5.6 yrs
Expected Volatility	62.62%	24% to 29%	20% to 22%	20% to 22%	12.45% to 13.79%
Dividend yield	0%	0%	0%	0%	0%

The risk free interest rates are determined based on the Government bond yields with maturity equal to the expected term of the option. Volatility calculation is based on historical stock prices of relvant index using standard deviation of daily change in index price. The historical period is taken into account to match the expected life of the option. Dividend yield has been considered taking into account the historical and expected rate of dividend on equity share price as on grant date.

*The Board of Directors of the Company in its meeting held on 12 July 2023 and shareholders in the Extraordinary General Meeting held on 18 July 2023 approved the sub-division of shares from Rs. 10 per share to Rs. 5 per share.

(All amounts in Rs. millions, unless otherwise stated)

44. **Additional Information as required by Paragraph 2 of the general instruction of preparation of Consolidated financial statement to Schedule III to the companies Act 2013 for the period ended September 30, 2023**

Name of the entity in the Group	Net Assets, i.e., total assets		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Parent								
India Shelter Finance Corporation Limited	99.07%	13,622.41	99.66%	1,069.89	100.00%	(49.22)	99.64%	1,020.67
Subsidiary								
India Shelter Capital Finance Limited	0.93%	127.25	0.34%	3.66	0.00%	-	0.36%	3.66
Non-controlling interests in subsidiary	0.00%	-	0.00%	-	0.00%	-	0.00%	-
TOTAL	**100.00%**	**13,749.66**	**100.00%**	**1,073.55**	**100.00%**	**(49.22)**	**100.00%**	**1,024.33**

Additional Information as required by Paragraph 2 of the general instruction of preparation of Consolidated financial statement to Schedule III to the companies Act 2013 for the period ended September 30, 2022

Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Parent								
India Shelter Finance Corporation Limited	98.94%	11,299.36	99.88%	619.48	100.00%	(15.30)	99.88%	604.18
Subsidiary								
India Shelter Capital Finance Limited	1.06%	120.74	0.12%	0.74	0.00%	-	0.12%	0.74
Non-controlling interests in subsidiary	0.00%	-	0.00%	-	0.00%	-	0.00%	-
TOTAL	**100.00%**	**11,420.10**	**100.00%**	**620.22**	**100.00%**	**(15.30)**	**100.00%**	**604.92**

Additional Information as required by Paragraph 2 of the general instruction of preparation of Consolidated financial statement to Schedule III to the companies Act 2013 for the period ended March 31,2023

Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Parent								
India Shelter Finance Corporation Limited	99.00%	12,281.48	99.76%	1,549.69	100.00%	(6.23)	99.76%	1,543.46
Subsidiary								
India Shelter Capital Finance Limited	1.00%	123.79	0.24%	3.73	0.00%	-	0.24%	3.73
Non-controlling interests in subsidiary	0.00%	-	0.00%	-	0.00%	-	0.00%	-
TOTAL	**100.00%**	**12,405.27**	**100.00%**	**1,553.42**	**100.00%**	**(6.23)**	**100.00%**	**1,547.19**

Additional Information as required by Paragraph 2 of the general instruction of preparation of Consolidated financial statement to Schedule III to the companies Act 2013 for the period ended March 31,2022

Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Parent								
India Shelter Finance Corporation Limited	100.00%	10,761.27	100.00%	1,284.47	100.00%	(6.89)	100.00%	1,277.58
Subsidiary								
India Shelter Capital Finance Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Non-controlling interests in subsidiary	0.00%	-	0.00%	-	0.00%	-	0.00%	-
TOTAL	**100.00%**	**10,761.27**	**100.00%**	**1,284.47**	**100.00%**	**(6.89)**	**100.00%**	**1,277.58**

Additional Information as required by Paragraph 2 of the general instruction of preparation of Consolidated financial statement to Schedule III to the companies Act 2013 for the period ended March 31,2021

Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Parent								
India Shelter Finance Corporation Limited	100.00%	9,372.69	100.00%	873.89	100.00%	(2.13)	100.00%	871.76
Subsidiary								
India Shelter Capital Finance Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Non-controlling interests in subsidiary	0.00%	-	0.00%	-	0.00%	-	0.00%	-
TOTAL	**100.00%**	**9,372.69**	**100.00%**	**873.89**	**100.00%**	**(2.13)**	**100.00%**	**871.76**

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(All amounts in Rs. millions, unless otherwise stated)

45. "Disclosure pursuant to the Reserve Bank of India (Securitisation of Standard Assets) Directions, 2021" ("RBI Securitisation Directions").

A) Disclosure as per the RBI Securitisation Directions for securitisation transactions as an originator :

	Particulars	**As at 30 September 2023**	**As at 30 September 2022**	**As at 31 March 2023**	**As at 31 March 2022**	**As at 31 March 2021**
1	No. of special purpose vehicle's (SPV's) sponsored by HFC for securitisation transaction	2	4	3	4	4
2	Total amount of securitised assets as per books of SPVs sponsored by the HFC	779.05	1,072.02	880.55	427.37	390.31
3	Total amount of exposures retained by the HFC to comply with MRR					
	i) Off-balance sheet exposures					
	a) First loss	-	-	-	-	-
	b) Others	-	-	-	-	-
	ii) On-balance sheet exposures					
	a) First Loss- Cash collateral	65.42	96.81	80.39	60.31	39.20
	b) Others- Over collateral	49.86	133.08	94.77	111.88	113.99
4	Amount of exposures to securitisation transactions other than MRR					
	i) Off-balance sheet exposures	-	-	-	-	-
	a) Exposure to own securitisations					
	First loss	-	-	-	-	-
	Others	-	-	-	-	-
	b) Exposure to third party securitisation					
	First loss	-	-	-	-	-
	Others	-	-	-	-	-
	ii) On-balance sheet exposures towards credit enhancement					
	a) Exposure to own securitisations					
	First loss	-	8.98	8.98	63.81	63.81
	Others	20.61	75.33	20.61	20.52	-
	b) Exposure to third party securitisation transaction					
	First loss	-		-	-	-
	Others					
5	Sale consideration received for the securitised assets and gain/loss on sale on account of securitisation	-	790.60	790.60	320.58	-
6	Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc.			-	-	-
7	Performance of facility provided. Please provide separately for each facility viz. Credit enhancement, liquidity support, servicing agent etc. Mention percent in bracket as of total value of facility provided.					
	Credit Enhancement- Cash collateral					
	(a) Amount paid	-	41.70	41.70	23.72	-
	(b) Repayment received	-	-	16.42	2.61	-
	('c) Outstanding amount	65.42	96.81	80.39	60.31	39.20
8	Average default rate of portfolios observed in the past- Mortgage backed securities	0.35%	1.63%	0.46%	1.85%	2.04%
9	Amount and number of additional/top up loan given on same underlying asset.	-	-	-	-	-
10	Investor complaints					
	(a) Directly/Indirectly received and;	-	-	-	-	-
	(b) Complaints outstanding	-	-	-	-	-

B) Details of financial assets sold to Securitisation / Reconstruction Company for Asset Reconstruction

During the period, the Group has not sold any financial assets to Securitisation / Reconstruction Company for Asset Reconstruction (30 September 2022: Nil, 31 March 2023: Nil, 31 March 2022: Nil & 31 March 2021: Nil)

46. Disclosure pursuant to the Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021" ("RBI TLE Directions").

(a) Details of loans not in default transferred through assignment.

Particulars	**As at 30 September 2023**	**As at 30 September 2022**	**As at 31 March 2023**	**As at 31 March 2022**	**As at 31 March 2021**
Entity	Bank/ Financial Institutions	Bank/ Financial Institutions	Bank/ Financial Institutions	Bank/ Financial Institutions	Bank/ Financial Institutions
Count of loan accounts assigned	3165.00	1711.00	4,833	3,714	3,468
Amount of loan account assigned	2408.42 Million	1660.56 Million	4,409.12 Million	2,732.68 Million	1,694.94 Million
Retention of beneficial economic interest (MRR)	10%	10%	10%	10%	10%
Weighted average maturity (Residual Maturity)	9.4 Years	9.41 Years	9.16 Years	8.93 years	9.06 years
Weighted average holding period	1.00 Years	1.04 Years	0.89 Years	1.55 years	2.17 years
Coverage of tangible security coverage (LTV)	40.53%	41.93%	40.63%	40.32%	37.92%
Number of transactions	4	3	7	7	3
Rating wise distribution of rated loans	Unrated	Unrated	Unrated	Unrated	Unrated

(b) Details of loans not in default transferred through Co-Lending

	As at 30 September 2023	**As at 30 September 2022**	**As at 31 March 2023**	**As at 31 March 2022**	**As at 31 March 2021**
Entity	Bank	-	Bank	-	-
Count of loan accounts assigned	301	-	7	-	-
Amount of loan account assigned	298.47 Million	-	5.98 Million	-	-
Retention of beneficial economic interest (MRR)	20%	-	20%	-	-
Weighted average Residual Tenure of the loans transferred	10.99 Years	-	10.66 Years	-	-
Weighted average holding period	0.31 Years	-	0.25 Years	-	-
Coverage of tangible security coverage (LTV)	44.39%	-	44%	-	-
Number of transactions	1	-	1	-	-
Rating wise distribution of rated loans	Unrated	-	Unrated	-	-

(c) The Group has not acquired any loan assets during the period ended 30 September 2023, 30 September 2022, 31 March 2023, 31 March 2022 and 31 March 2021 in terms with the RBI TLE Directions.

(d) The Group has not transferred/acquired any stressed loan during the period ended 30 September 2023, 30 September 2022, 31 March 2023, 31 March 2022 and 31 March 2021.

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(All amounts in Rs. millions, unless otherwise stated)

47 **COVID impact for year ended 31 March 2022 and 31 March 2021**

The COVID-19 pandemic has adversely impacted the economic activities across the globe and changed the customer behaviour, which may persist. Based on the available information from internal and external sources, the Group has used prudent judgements, estimates and possible forward-looking scenarios to assess the impact of COVID-19 on the provisions in accordance with the expected credit loss (ECL) method on loans and other financial assets. Given the dynamic and evolving nature of the pandemic, these estimates are subject to uncertainties and may be affected by the severity, duration of the pandemic and other variables.

48 **Key Analytical Ratios**

Particulars	**As at 30 September 2023**	**As at 30 September 2022**	**As at 31st March 2023**	**As at 31st March 2022**	**As at 31st March 2021**
Debt -Equity Ratio	2.39 times	2.23 times	2.41 times	1.92 times	1.59 times
Total Debts to Total Assets (Debt securities+ Borrowings {Other than Debt Securities}/Total Assets)	0.69	0.68	0.70	0.64	0.61
Net Profit Margin (%) (PAT/Revenue from operation)	27.81%	23.44%	26.58%	28.67%	27.59%
Gross NPA ratio (DPD> 90 days) (*Gross DPD 90+ loans/Gross Loan Assets*)	0.98%	2.12%	1.06%	1.63%	1.92%
Gross NPA ratio (*Gross Stage 3 loans/Gross Loan Assets*)	1.00%	2.79%	1.13%	2.12%	1.92%
Net NPA ratio (*Net Stage 3 loans/Net Loan Assets*)	0.72%	2.16%	0.85%	1.60%	1.37%
Provision Coverage ratio (*Stage 3 Provision/Gross Stage 3 loans*)	28.74%	23.61%	25.99%	25.47%	29.61%

49 Disclosure as per RBI notification no.DOR.No.BP.BC/3/21.04.048/2020-21 dated 21.08.2020 on resolution framework for COVID-19- related stress

For year ended 30 September 2023

Type of Borrower	Exposure ($) to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half Year	Exposure (#) to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year
Personal Loan**	209.08	10.89	1.35	21.35	186.29
Corporate Persons*	-	-	-	-	-
of which MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	**209.08**	**10.89**	**1.35**	**21.35**	**186.29**

For year ended 30 September 2022

Type of Borrower	Exposure ($) to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half Year	Exposure (#) to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year
Personal Loan**	254.77	55.31	0.02	15.05	189.38
Corporate Persons*	-	-	-	-	-
of which MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	**254.77**	**55.31**	**0.02**	**15.05**	**189.38**

For year ended 31 March 2023

Type of Borrower	Exposure ($) to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half Year	Exposure (#) to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year
Personal Loan**	189.38	8.07	0.01	10.77	209.08
Corporate Persons*	-	-	-	-	-
of which MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	**189.38**	**8.07**	**0.01**	**10.77**	**209.08**

For year ended 31 March 2022

Type of Borrower	Exposure ($) to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half Year	Exposure (#) to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year
Personal Loan**	251.29	31.22	0.06	14.83	254.77
Corporate Persons*	-	-	-	-	-
of which MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	**251.29**	**31.22**	**0.06**	**14.83**	**254.77**

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016
($) Principal outstanding (including capitalised interest) is for live restructured accounts classified as standard as on September 30, 2022.
(#) Principal outstanding (including capitalised interest) is for live restructured accounts (including sub-standard accounts as on Sep 30, 2022) classified as standard as on March 31, 2023
**Personal loans includes housing loan & non housing loan.

50 The Group does not hold any immovable property other than disclosed in Note 11 as on 30 September 2023, 30 September 2022, 31 March 2023, 31 March 2022 and 31 March 2021. All the lease agreements are duly executed in favour of the Group for properties where the Group is the lessee.

51 The Group has taken borrowings from banks and financial institutions and utilised them for the specific purpose for which they were taken as at the Balance sheet date. Unutilised funds as at 30 September 2023 are held by the Group in the form of short term deposits/investments till the time the utilisation is made subsequently.

52 There have been no transactions which have not been recorded in the books of accounts, that have been surrendered or disclosed as income during the period ended 30 September 2023, 30 September 2022, 31 March 2023, 31 March 2022 and 31 March 2021, in the tax assessments under the Income Tax Act, 1961. There have been no previously unrecorded income and related assets which were to be properly recorded in the books of account during the period ended 30 September 2023, 30 September 2022, 31 March 2023, 31 March 2022 and 31 March 2021.

53 i) The Group has not traded or invested in Crypto currency or Virtual Currency during the period ended 30 September 2023, 30 September 2022, 31 March 2023, 31 March 2022 and 31 March 2021.
ii) The Group has not entered into any scheme of arrangement.
iii) The Group has complied with the number of layers prescribed under clause(87) of section 2 of the Act read with Companies(Restriction on number of layers) Rules, 2017 for the financial period ended 30 September 2023, 30 September 2022, 31 March 2023, 31 March 2022 and 31 March 2021.
iv) No proceedings have been initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder, as at 30 September 2023, 30 September 2022, 31 March 2023, 31 March 2022 and 31 March 2021.
v) The Group does not have any transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 during the period ended 30 September 2023, 30 September 2022, 31 March 2023, 31 March 2022 and 31 March 2021.

54 The Group, as part of its normal business, grants loans and advances, makes investment, provides guarantees to and accept from its customers, other entities and persons. These transactions are part of Group’s normal business, which is conducted ensuring adherence to all regulatory requirements.
Other than the transactions described above, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other persons or entities, including foreign entities (“Intermediaries”) with the understanding, whether recorded in writing or otherwise, that the intermediary shall lend or invest in party identified by or on behalf of the Group (Ultimate beneficiaries). The Group has also not received any fund from any parties (Funding party) with the understanding that the Group shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the funding party (“Ultimate beneficiaries”) or provide any guarantee, security or the like on behalf of the ultimate beneficiaries

(All amounts in Rs. millions, unless otherwise stated)

55 All charges or satisfaction are registered with ROC within the statutory period for the period ended 30 September 2023, 30 September 2022, 31 March 2023, 31 March 2022 and 31 March 2021. No charges or satisfactions are yet to be registered with ROC beyond the statutory period.

56 **Reconciliation of audited financial statements with restated financial statements:**

Material Restatement Adjustments
The accounting policies applied as at and for each of the period ended 30 September 2023, 30 September 2022, 31 March 2023, 31 March 2022 and 31 March 2021 are consistent with those adopted in the preparation of financial statements for the period ended 30 September 2023.

These Restated Financial Information has been compiled from the Historical audited financial statements and
(a) there were no changes in accounting policies during the years of these financial statements
(b) there were no material amounts which have been adjusted for in arriving at profit/ loss of the respective years; and
(c) there were no material adjustments for reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the Audited Financial Statements of the Company and the requirements of the SEBI Regulations.

Material Regroupings
Appropriate regroupings have been made in the restated consolidated summary statements of assets and liabilities, profit and loss and cash flows, wherever required, by reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows, in order to bring them in line with the accounting policies and classification as per the Consolidated Financial Statements of the Group for the year ended 31 March 2023 prepared in accordance with Schedule III of the Act, requirements of Ind AS 1 - 'Presentation of financial statements' and other appliacble Ind AS principles and the requiremnets of the SEBI ICDR regulations, as amended.

Reconciliation of total equity as per audited financial statements with total equity as per restated financial information:

Summarised below are the restatement adjustments made to the total equity as per the audited financial statements of the Company for each of the period ended 30 September 2023, 30 September 2022, 31 March 2023, 31 March 2022 and 31 March 2021 and their consequential impact on the equity of the Company.

Particulars	**As at 30 September 2023**	**As at 30 September 2022**	**As at 31 March 2023**	**As at 31 March 2022**	**As at 31 March 2021**
Total equity (as per audited financial statements)	13,749.66	11,420.09	12,405.28	10,761.27	9,372.69
Material restatement adjustments:	-	-	-	-	-
Total equity (as per restated financial information)	**13,749.66**	**11,420.09**	**12,405.28**	**10,761.27**	**9,372.69**

Reconciliation of total comprehensive income as per audited financial statements with total comprehensive income as per restated financial information

Summarised below are the restatement adjustments made to total comprehensive income as per the audited financial statements of the Company for each of the periods ended 30 September 2023, 30 September 2022, 31 March 2023, 31 March 2022 and 31 March 2021.

Particulars	**As at 30 September 2023**	**As at 30 September 2022**	**As at 31 March 2023**	**As at 31 March 2022**	**As at 31 March 2021**
A. Total comprehensive income as per audited financial statements	1,024.33	604.91	1,547.19	1,277.58	871.76
B. Adjustments:					
(i) Audit qualifications	-	-	-	-	-
(ii) Adjustments due to prior period items / other adjustments	-	-	-	-	-
Total Adjustments	-	-	-	-	-
C. Total comprehensive income as per Restated Financial Information (A+B)	**1,024.33**	**604.91**	**1,547.19**	**1,277.58**	**871.76**

Other Non-adjusting items
a. Audit qualifications for the respective years, which do not require any adjustments in the restated financial Statement are as follows:
There are no audit qualification in auditor's report for the period ended 30 September 2023, 30 September 2022, March 31, 2023, March 31, 2022 and March 31, 2021.

b. Other Matter not requiring adjustments to the restated financial Statement:
There are no other matters which require any adjustment for the period ended 30 September 2023, 30 September 2022, March 31, 2023, March 31, 2022 and March 31, 2021.

For **T R Chadha & Co LLP**
Chartered Accountants
Firm's Registration No.: 006711N/N500028

Aashish Gupta
Partner
Membership No.: 097343

Place: Gurugram
Date: 13 November 2023

For and on behalf of the Board of Directors of
India Shelter Finance Corporation Limited

Sudhin Bhagwandas Choksey
Chairman and
Non-Executive Director
DIN: 00036085
Place: Ahemdabad
Date: 13 November 2023

Rupinder Singh
Managing Director and Chief
Executive Officer
DIN: 09153382
Place: Gurugram
Date: 13 November 2023

Ashish Gupta
Chief Financial Officer

Place: Gurugram
Date: 13 November 2023

Mukti Chaplot
Company Secretary
Membership No. 38326

Place: Gurugram
Date: 13 November 2023

OTHER FINANCIAL INFORMATION

The accounting ratios required to be disclosed under Paragraph 11 of Part A of Schedule VI of the SEBI ICDR Regulations as derived from the Restated Consolidated Financial Information are set forth below:

Particulars	As at and for the six months ended September 30, 2023	As at and for the six months ended September 30, 2022	Financial Year 2023	Financial Year 2022	Financial Year 2021
Net worth (in ₹ million)(1)	13,749.66	11,420.09	12,405.28	10,761.27	9,372.69
Profit for the period/ year (in ₹ million)	1,073.54	620.21	1,553.42	1,284.47	873.89
Basic earnings per share/ EPS (in ₹)*(2)	12.13	7.09	17.75	14.80	10.19
Diluted earnings per share/ EPS (in ₹)* (2)	12.00	7.02	17.47	14.63	9.93
Net asset value per equity share (in ₹)* (3)	152.70	130.57	141.38	123.11	109.04
Return on net worth (%)(4)	8.2%	5.6%	13.4%	12.8%	9.8%
EBITDA (in ₹ million)(5)	2,817.89	1,806.90	4,188.31	3,208.59	2,226.30

*Notes: * The impact of sub-division is retrospectively considered for the computation of earnings per equity share and NAV in accordance with the requirement of Ind AS 33.*

1. *Net worth is equivalent to the sum of equity share capital and other equity as per the Restated Consolidated Financial Information.*
2. *Basic and Diluted Earnings per Equity Share are computed in accordance with Ind AS 33 notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended) as appearing in Restated Consolidated Financial Information. Pursuant to the Board resolution dated July 12, 2023 and the Shareholders' resolution dated July 18, 2023, the face value of the equity shares of our Company was sub-divided from ₹10 each to ₹5 each. The sub-division of equity shares is retrospectively considered for the computation of basic and diluted earnings per equity share in accordance with Ind AS 33 for all years presented. Earnings per Equity Share not annualised for the period ended September 30, 2023 and September 30, 2022.*
3. *Net asset value per equity share is computed as net worth as of the last day of the relevant period/ year divided by the outstanding number of issued and subscribed equity shares as of the last day of such period/ year. The impact of sub-division is retrospectively considered for the computation of Net Asset Value in accordance with the requirements of Ind AS 33.*
4. *Return on net worth (%) is calculated as net profit after tax, as restated/ average net worth as calculated as at year end. Return on net worth (%) is not annualized for the period ended September 30, 2023 and September 30, 2022.*
5. *EBITDA is calculated as profit for the year plus income tax expense, depreciation and amortization expense and finance costs (except interest on lease liabilities).*

In accordance with the SEBI ICDR Regulations, the audited financial statements of our Company for the year ended March 31, 2023, March 31, 2022, and March 31, 2021, and the reports thereon dated May 9, 2023, May 12, 2022, and May 12, 2021, respectively ("**Audited Financial Statements**") are available on our website at https://indiashelter.in/investor-relations.

Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Financial Statements do not constitute, (i) a part of this Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, 2013, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere in the world. The Audited Financial Statements should not be considered as part of information that any investor should consider to subscribe for or purchase any securities of our Company, or any entity in which it or its shareholders may have significant influence and should not be relied upon or used as a basis for any investment decision. None of the BRLMs or any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*You should read the following discussion in conjunction with our Restated Consolidated Financial Information included herein as of and for the six months ended September 30, 2023 and September 30, 2022 and the Financial Years 2023, 2022 and 2021, including the related notes, schedules and annexures. Our Restated Consolidated Financial Information have been prepared in accordance with Ind AS and restated in accordance with the requirements of Section 26 of the Companies Act, 2013, the SEBI ICDR Regulations and the Guidance Note. Ind AS differs in certain material respects from IFRS and US GAAP. See "**Risk Factors – External Risk Factors – Risks Related to India – Significant differences exist between Ind AS and other accounting principles, such as Indian Generally Accepted Accounting Principles, U.S. Generally Accepted Accounting Principles and International Financial Reporting Standards, which may be material to investors' assessments of our financial condition.**" on page 74.*

*Our Financial Year commences on April 1 and ends on March 31 of each year, and all references to a particular Financial Year are to the 12 months ended March 31 of that year. Unless otherwise stated, or the context otherwise requires, the financial information used in this section is derived from our "**Financial Information**" beginning on page 332.*

*We have exclusively commissioned and paid for the services of independent third party research agency, CRISIL MI&A ("**CRISIL**") for the purposes of confirming our understanding of the industry in connection with the Offer, and have relied on the report titled "Industry Report on Housing Finance market in India" dated November 2023 (the "**CRISIL Report**"), for industry related data in this Prospectus, including in the sections "**Industry Overview**", "**Our Business**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" on pages 166, 232 and 397, respectively. We officially engaged CRISIL in connection with the preparation of the CRISIL Report pursuant to engagement letters dated June 6, 2023 and October 23, 2023. The CRISIL Report was available on the website of our Company at https://indiashelter.in/investor-relations from the date of the Red Herring Prospectus till the Bid/Offer Closing Date and has also been included in "**Material Contracts and Documents for Inspection – Material Documents**" on page 515. The data included herein includes excerpts from the CRISIL Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the proposed Offer), that has been left out or changed in any manner. Unless otherwise indicated, all financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year, refers to such information for the relevant financial year.*

*This discussion contains forward-looking statements that involve risks and uncertainties and reflects our current view with respect to future events and financial performance. Actual results may differ from those anticipated in these forward-looking statements as a result of factors such as those set forth under "**Forward-looking Statements**" and "**Risk Factors**" on pages 18 and 29, respectively.*

Overview

We are a retail focused affordable housing finance company with an extensive distribution network comprising 203 branches as of September 30, 2023 and a scalable technology infrastructure across our business operations and throughout the loan life cycle. Between Financial Year 2021 and Financial Year 2023, we witnessed a two-year CAGR growth of 40.8% in terms of assets under management ("**AUM**") (Source: *CRISIL Report*). Our target segment is the self-employed customer with a focus on first time home loan takers in the low and middle income group in Tier II and Tier III cities in India, and affordable housing loans, i.e., loans with ticket size lower than ₹2.5 million as per the criteria set out in the Refinance Scheme under Affordable Housing Fund for the Financial Year 2021-22 issued by the National Housing Bank, read with the Master Directions – Reserve Bank of India (Priority Sector Lending – Targets and Classification) Directions, 2020 (Source: *CRISIL Report*). This helps in generating relatively high yields on advances. For the Financial Year 2023, our yield to advances was 14.9%, which was the third highest in India for such period (Source: *CRISIL Report*). Our credit and risk management policies, backed by technology and data analytics throughout our business processes, help us maintain asset quality leading to our GNPA being 1.00% and 2.79% as of September 30, 2023 and September 30, 2022, respectively.

Our Company was incorporated on October 26, 1998 as "Satyaprakash Housing Finance India Limited", a public limited company under the Companies Act, 1956. Subsequently, Mr. Anil Mehta, our Individual Promoter, acquired control of our Company in 2009 and the name of our Company was changed to "India Shelter Finance

Corporation Limited", as approved by our Shareholders pursuant to a special resolution dated May 13, 2010. For details, see "***History and Certain Corporate Matters - Brief history of our Company***" on page 273.

We have an extensive and well-established network of 203 branches spread across 15 states with a significant presence in the states of Rajasthan, Maharashtra, Madhya Pradesh, Karnataka and Gujarat wherein our branch vintage is five year and above, as of September 30, 2023. We have presence in states which cover 94% of the affordable housing finance market in India, as of March 31, 2023 (Source: *CRISIL Report*). We have increased the scale of our operations and grown our branches by adopting a strategy of deepening our penetration in regions with a substantial demand for affordable housing finance. Our vintage in these states has facilitated a better understanding of the location-specific intricacies in affordable housing finance. This experience has empowered us with insights into local businesses and property by-laws, enabling us to make better underwriting decisions based on accurate assessments of cash flows and collateral.

We leverage technology and analytics across our operations and throughout the customer life cycle. This includes onboarding, underwriting, asset quality monitoring, collections and customer services. We have implemented a paperless approach to customer acquisition and onboarding, with tailored mobile solutions that cater to different stages of the lending process. Our iSales application integrates, streamlines and optimizes our customer acquisition process whereas our IndiaShelter iCredit application facilitates underwriting. Through our integrated approach combining digital solutions with personal interaction, overall sales and productivity is enhanced while maintaining customer relationships. To ensure customer satisfaction, we have introduced IndiaShelter iServe application, our dedicated customer service solution designed to promptly address concerns and queries from our existing customers online.

We have an integrated customer relationship management and loan management system set up on a cloud-based platform. This provides us with connectivity and access to real time information with a holistic view of the profile of all our customers, throughout the loan lifecycle. Our information technology systems allow us to increase productivity and reduce turnaround times and transaction costs. During the six months ended September 30, 2023 and September 30, 2022, 92.4% and 92.2%, respectively, of our collections were made through digital modes. Further, during the Financial Year 2023, 91.9% of our collections were made through digital modes, as compared to 86.7% in the Financial Year 2021, reflecting our commitment to leveraging technology for enhanced productivity and customer convenience.

We have also adopted an end-to-end in-house approach to key aspects of our lending operations including customer acquisition, underwriting, collateral valuation, legal assessment, and collections. This allows us to directly connect with our customers, minimize turnaround times, increases customer retention, and mitigate the risk of fraudulent activities. Our underwriting processes are customized to assess creditworthiness of the low and middle-income segment and consequently, we have developed data centric and iterative processes. We have different and separate verticals to underwrite customer's creditworthiness, collateral legal verification, and collateral valuation. All these verticals work in parallel and are independent to each other. We have also established a centralized team that serves as a credit control unit prior to disbursement. All properties are visited by qualified staff to evaluate the valuations of collaterals. This team is further augmented with our tech infrastructure which helps us validate our assessment of collateral. We have been able to maintain our average sanction loan to value ("**LTV**") on portfolio at 50.9% as of September 30, 2023. By conducting our operations in-house, we are able to maintain direct control over our processes, ensuring efficiency and reliability. Our customer-centric approach emphasizes personalized interactions and prompt decision-making.

Our debt financing requirements have been historically met from diverse and long-term sources, including public and private sector banks, refinancing from the NHB, external commercial borrowings and the issuance of non-convertible debentures. As of September 30, 2023, we obtained long-term funding from a diversified lender base comprising over 37 counterparties, including 24 scheduled commercial banks. We have a healthy credit rating of ICRA A+ (stable) from ICRA Limited and CARE A+ (Positive) from CARE Limited, as of September 30, 2023.

Our credit ratings as of the relevant dates indicated are set forth below:

RatingAgency	Instrument	Credit Ratings as of				
		September 30, 2023	September 30, 2022	March 31, 2023	March 31, 2022	March 31, 2021
ICRA Limited	Non-convertible debentures	A+ (Stable)	A+ (Stable)	A+ (Stable)	A (Stable)	A (Stable)
	Long term borrowings	A+ (Stable)	A+ (Stable)	A+ (Stable)	A (Stable)	A (Stable)

RatingAgency	Instrument	Credit Ratings as of				
		September 30, 2023	September 30, 2022	March 31, 2023	March 31, 2022	March 31, 2021
Care Ratings	Long term borrowings	A+ (Positive)	A+ (Stable)	A+ (Stable)	A (Positive)	A (Stable)

See "***Our Business — Credit Ratings***" on page 260.

The RBI increased the repo rate:

- by 40 bps from 4.00% to 4.40% on May 4, 2022,
- by 50 bps from 4.40% to 4.90% on June 8, 2022,
- by 50 bps from 4.90% to 5.40% on August 5, 2022,
- by 50 bps from 5.40% to 5.90% on September 30, 2022,
- by 35 bps from 5.90% to 6.25% on December 7, 2022, and
- by 25 bps from 6.25% to 6.50% on February 8, 2023.

However, despite such increase in the repo rate by the RBI by 250 basis points, our average cost of borrowings as of September 30, 2023 and September 30, 2022 was 8.9% and 8.3%, and our average incremental cost of borrowings as of September 30, 2023 and September 30, 2022 was 8.4% and 7.6%, respectively. Further, we have been able to reduce our average cost of borrowings to 8.3% as of March 31, 2023 from 8.7% as of March 31, 2021. Our average incremental cost of borrowings as of March 31, 2023 was 7.9%, as compared to 8.0% as of March 31, 2021. We seek a disciplined approach to asset liability management ("**ALM**") by focusing to raise long term liability in order to maintain a balance in tenure of assets and liabilities and a positive ALM across tenors. As of September 30, 2023, we had a positive cumulative ALM gap of ₹13,369.96 million.

We have a professional and experienced management team with experience in the banking and finance sectors. We are led by Mr. Rupinder Singh, our Managing Director and Chief Executive Officer, who has extensive experience in mortgage financing. Mr. Anil Mehta, is our Individual Promoter and WestBridge Crossover Fund, LLC and Aravali Investment Holdings are our Corporate Promoters, and our other Shareholders include Nexus Ventures III, Ltd., MIO Starrock and Madison India Opportunities IV (Madison India Capital). We benefit from the capital sponsorship and professional experience of our Shareholders, enhanced credibility in the market, and access to valuable expertise and guidance.

Significant Factors Affecting our Results of Operations

General Economic Conditions in India

Our performance is subject to various external factors beyond our control. This includes developments in the Indian economy, fluctuations in domestic employment levels, conditions in the global economy, volatility in interest rates, movements in global commodity markets, and changes in exchange rates. These factors can either positively or adversely impact the quality of our AUM. Furthermore, our performance as a housing finance company is intricately tied to the prevailing economic conditions in India. As incomes rise and spending on housing increases, the demand for housing loans is likely to experience an upturn. Conversely, a slowdown in the Indian economy could have adverse effects on our business and our customers, particularly if such a slowdown persists over an extended period of time.

The demand for housing finance is also influenced by real estate prices and the overall state of the real estate sector in the regions where we operate. Higher real estate prices generally reduce affordability for prospective buyers. Therefore, any significant trends or events that have a substantial impact on the economic situation in India can potentially have adverse consequences for our business operations.

Availability of Cost-Effective Funding Sources

Our operations are significantly influenced by the availability of cost-effective funding. To meet the increasing demand for new loans from our customers, our ability to secure funding from various external sources on favorable terms and within a reasonable timeframe is crucial. Our debt financing requirements have been historically met from diverse sources, including public and private sector banks, financings from the NHB, external commercial borrowings and the issuance of non-convertible debentures. As of September 30, 2023, September 30, 2022, March 31, 2023, March 31, 2022 and March 31, 2021, our total outstanding borrowings (including lease liabilities) aggregated to ₹32,884.81 million, ₹25,413.98 million, ₹29,888.69 million, ₹20,700.10 million and ₹14,912.90 million, respectively.

We aim to maintain a diverse debt profile to avoid reliance on any single funding type or source. The availability of cost-effective funding sources is subject to numerous external factors, such as economic developments in the Indian market and its credit sector, including interest rate fluctuations and the presence of sufficient liquidity in the debt markets. Our credit ratings and available credit limits also play a significant role in determining our cost of funds. By carefully managing these factors, we aim to ensure that we remain well-equipped to fulfil customer demands and sustain our operational activities. Our average cost of borrowings has reduced from, 8.7% as of March 31, 2021 to 8.3% as of March 31, 2022 and March 31, 2023. Our average cost of borrowings as of September 30, 2023 and September 30, 2022 was 8.9% and 8.3%, respectively.

See also "***–Credit Ratings***" on page 260 and "***Risk Factors – Internal Risk Factors – We require substantial capital for our business and operations and any disruption in our sources of financing could have an adverse effect on our business, results of operations and financial condition***" on page 29.

Volatility in Borrowing and Lending Rates

Our results of operations substantially depend on our net interest spread, which is the difference between the interest rates on our interest-earning assets and interest-bearing liabilities. Any change in interest rates can impact our finance costs and our interest income. We offer customers housing loans at variable interest rates, and we determine our reference rate from time to time based on market conditions. Our interest income constitutes the largest component of our revenue from operations and for the Financial Years 2021, 2022 and 2023 and the six months ended September 30, 2023 and September 30, 2022, interest income constituted 86.7%, 83.4%, 86.0%, 82.9% and 87.2% of our revenue from operations, respectively. Our finance costs, which primarily include interest expense on borrowings, debt securities and securitized loans represented 32.6%, 32.3%, 34.6%, 35.1% and 35.2% of our total income for the Financial Years 2021, 2022 and 2023 and the six months ended September 30, 2023 and September 30, 2022, respectively.

The impact of interest rates on our operations is influenced by various factors that are beyond our control. This includes monetary policies implemented by the Reserve Bank of India (RBI), the deregulation of the financial sector in India, and the prevailing domestic and international economic conditions. Over the past several months, the RBI has taken measures to increase interest rates as inflation rises. Consequently, changes in interest rates directly affect our results of operations and our ability to adjust the pricing of our interest-earning assets accordingly. Therefore, it is critical for us to closely monitor and adapt to these fluctuations in order to mitigate potential risks and maintain a stable financial performance. See "***Risk Factors – Internal Risk Factors – Our business is affected by volatility in interest rates for both our lending and treasury operations, which could cause our net interest income to vary and consequently affect our profitability***" on page 40 and "***– Quantitative and Qualitative Disclosures about Market Risk – Market Risk***" on page 427.

Credit Quality and Provisioning

The management of the credit quality of our loan portfolio significantly influences our results of operation. According to the RBI Master Directions, we are obliged to categorize loans we extend into performing and non-performing assets. When our customers default for a period exceeding 90 days, loans are classified as "non-performing." These non-performing assets are further categorized as standard, sub-standard, doubtful, or loss assets, and provisions are established in accordance with the criteria specified by the RBI Master Directions. To maintain a high-quality loan portfolio, we rely on our credit assessment process, and if deemed necessary by our management, we create provisions above and beyond those mandated by the RBI Master Directions for all non-performing assets. In all instances, when a financial instrument becomes more than 90 days overdue on its contractual payments, we consider it defaulted and designate it as Stage 3 (credit-impaired) for expected credit loss calculations. For further details, see "***–Summary of Significant Accounting Policies – Impairment of Non-Financial Assets***" on page 404.

The following table illustrates our non-performing assets and impairment loss allowance for such non-performing assets as of/for the periods indicated:

Particulars	As of and for the six months ended		As of and for the year ended		
	September 30, 2023	September 30, 2022	March 31, 2023	March 31, 2022	March 31, 2021
	(in ₹ million, except percentages)				
Stage 3 Assets	439.27	880.96	418.96	570.39	391.67
Stage 3 Assets (%)	1.00%	2.79%	1.13%	2.12%	1.92%
Impairment Loss Allowance for Stage 3 Assets	126.25	207.67	108.88	145.27	115.98
Stage 3 Assets (Net)	313.02	673.29	310.08	425.12	275.69
Stage 3 Assets (Net) to Net Carrying Amount (%)	0.72%	2.16%	0.85%	1.60%	1.37%

Furthermore, as our loans are secured by mortgages on our customers' properties, our loan portfolio is susceptible to events that impact the real estate sector. A decrease in real estate prices, and subsequently, the value of the collateral, could potentially hinder our ability to recover the amounts owed to us in the event of foreclosure.

Investment in Technology

We are a technology and analytics-driven affordable housing finance company and have built a scalable operating model that enables us to expand our operations and drive growth in revenue. Our distinctive technology framework, comprising tailored systems and tools, not only enhances convenience for our customers but also improves operational efficiency. During the Financial Years 2021, 2022 and 2023 and the six months ended September 30, 2023 and September 30, 2022, our information technology expenses aggregated to ₹48.24 million, ₹67.99 million, ₹74.20 million, ₹51.10 million and ₹38.52 million, respectively, accounting to 2.3%, 2.3%, 1.8%, 2.0% and 2.0% of our total expenses, respectively. These information technology systems enable us to capitalize on economies of scale, thereby enhancing productivity, reducing turnaround times, and minimizing transaction costs. Our ability to expand our customer base, enhance customer experience, and increase revenues is contingent, in part, on our ability to leverage technology. We intend to continue making substantial investments in technology to establish an end-to-end digital process for housing loans, upgrade and automate our existing systems, and enhance our mobility solutions. See "***Business – Strategies – Leverage our Technology Stack to Achieve Scalability, Improving Efficiency and Productivity of our Existing Branches***" on page 246.

Competition in our Industry

The Indian housing finance industry is characterized by high competition, with various factors determining our competitive positioning. These factors include loan approval rates, interest rates charged for loans, turnaround times, and customer relationships. We encounter competition from multiple housing finance companies (HFCs) and non-banking financial companies (NBFCs) operating in the regions where we have a presence. It is possible that some of our competitors have superior access to funding sources with lower costs. Additionally, in certain geographic areas, our competitors may enjoy stronger brand recognition and possess a larger customer base compared to ours. In the event that we are unable to secure funds at a cost that is comparable to or lower than that of our competitors, or expand our market reach and establish our brand, we run the risk of losing both existing and potential customers to competition, which may result in a decline in our market share.

Furthermore, the demand for housing finance has increased as a result of reduced interest rates, higher income levels, and enhanced financial incentives for customers. Technological advancements and internet-based lending platforms have further improved accessibility to housing finance products and services, leading to increased competition. Given the relatively low barriers to entry in the housing finance sector, competition is anticipated to further intensify due to regulatory changes and liberalization.

Government Policy and Regulation

We operate in a highly regulated industry, and are required to adhere to various laws, rules and regulations. Our results of operations and continued growth also depends on stable government policies and regulations. We are required to comply with, among others, limits on borrowings, investments and interest rates, prudential norms for income recognition, asset classification, norms for creation of special reserves as well as minimum capital adequacy requirements. The regulations applicable to us also address issues such as our conduct with customers and recovery practices, market conduct and foreign investment.

As per the RBI Master Directions, we are required to maintain a minimum capital adequacy ratio, consisting of Tier I Capital and Tier II Capital of not less than 15% on or before March 31, 2022 and thereafter, of its aggregate risk weighted assets and of risk adjusted value of off-balance sheet items. At a minimum, Tier I capital of HFCs cannot be less than 10%. Further, we are required to ensure that our total Tier II Capital does not exceed one hundred percent of our Tier – I capital at any given point. HFCs are also required to maintain a minimum net owned fund of ₹200 million to commence with the business of housing finance or continue as an HFC.

Any significant change by the Government of India, the NHB or the RBI in their various policy initiatives facilitating the provision of housing and housing finance may affect the demand for housing and housing finance in India or could require changes to our systems and business operations, which would require us to incur additional costs and management time. In addition, any changes in the regulatory framework affecting HFCs, including with respect to the provisioning norms for NPAs, capital adequacy requirements, or the calculation of risk-weighted assets, could affect our profitability and consequently our net worth. Furthermore, any additional requirements, such as in relation to refinancing of our loans with NHB or restrictions imposed on lending by banks to HFCs could adversely affect our growth.

Summary of Significant Accounting Policies

Revenue Recognition

Interest and processing fee income on loans

Interest and processing fee income on financial assets is recognized on a time proportion basis considering the amount outstanding and the effective interest rate applicable.

Effective interest rate ("**EIR**")

EIR is the rate that exactly discounts estimated future cash flows of the financial instrument through the expected life of the financial instrument or, where appropriate, a shorter period, to the net carrying amount. The future cash flows are estimated taking into account all the contractual terms of the instrument.

The calculation of the EIR includes all fees paid or received between parties to the contract that are incremental and directly attributable to the specific lending arrangement, transaction costs, and all other premiums or discounts. For financial assets measured at fair value through profit and loss ("**FVTPL**"), transaction costs are recognized in the statement of profit and loss at initial recognition.

Interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e., at the amortized cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets interest income is calculated by applying the EIR to the amortized cost of the credit-impaired financial assets (i.e., the gross carrying amount less the allowance for expected credit losses).

Interest/dividend income on investment

Interest income on investments and fixed deposits is recognized on time proportionate basis with reference to EIR method. Dividend income is accounted for when the right to receive it is established.

Income from assignment

Gains arising out of direct assignment transactions comprise the difference between interest on the loan portfolio and the applicable rate at which the direct assignment is entered into with the assignee, also known as the right of excess interest spread ("**EIS**"). The future EIS basis the scheduled cash flows on execution of the transaction, discounted at the EIR of underlying pool of loans rate entered into with the assignee is recorded upfront in the statement of profit and loss. EIS is evaluated and adjusted for expected credit loss ("**ECL**") and expected prepayment.

Fee and commission income

Fee and commission income includes fees other than those that are an integral part of the EIR method. We recognize the fee and commission income at fair value of the consideration received or receivable when we satisfy the performance obligation.

Other operating revenue

Interest on overdue of loans and other ancillary charges are recognized upon realization. All other income is recognized on an accrual basis upon satisfaction of performance obligation when there is no uncertainty in the ultimate realization/collection and income can be measured reliably.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand (including interest), demand deposits and short-term highly liquid investments that are readily convertible into known amount of cash and which are subject to an insignificant risk of changes in value.

Cash flow statement

Cash flows are reported using indirect method as set out in Ind AS-7 "Statement of Cash Flows", 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 our Company are segregated based on the available information.

Property, plant and equipment

Recognition and initial measurement

Property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use. It also includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, wherever applicable.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to us and the cost of the item can be measured reliably. All other repair and maintenance costs are recognized in statement of profit or loss as incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation on property, plant and equipment is provided on the straight line method over the useful life of the assets as prescribed under Part 'C' of Schedule II of the Companies Act, 2013, or in case of assets where the estimated useful life was determined basis technical evaluation carried out by us, over the useful life so determined.

Depreciation on additions to fixed assets is provided for full month in which acquisition of the assets is made. No depreciation is provided for the month of sale/disposal of asset. Leasehold improvements are amortized over a period of lease. Asset costing less than ₹10,000 each are fully depreciated in the year of capitalization.

The residual values, useful lives and method of depreciation are reviewed at the end of each Financial Year. Estimated useful lives of the assets are as follows:

Asset category	Estimated useful life (in Years)	Life as per Schedule II
Plant & Equipment - Computer and other related equipment	3 years	3 years
Office equipment	5 years	5 years
Furniture and fixtures	10 years	10 years
Vehicles	8 years	8 years
Handheld communication devices (included in office equipment)	2 years	5 years
Leasehold improvements	Over the period of the lease or the estimated useful life whichever is lesser.	Over the period of the lease or the estimated useful life whichever is lesser.

De-recognition

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the statement of profit and loss when the asset is derecognized.

Intangible assets

Recognition and initial measurement

Intangible assets are stated at their cost of acquisition. The cost comprises purchase price including any import duties and other taxes (other than those subsequently recoverable from taxation authorities), borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Amortization method, estimated useful lives and residual value

Intangible assets are amortized over a period of four years from the date when the assets are available for use. The estimated useful life (amortization period) of the intangible assets is arrived basis the expected pattern of consumption of economic benefits and is reviewed at the end of each Financial Year and the amortization period is revised to reflect the changed pattern, if any.

De-recognition of intangible assets

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in statement of profit and loss when the asset is derecognized.

Impairment of non-financial assets

The carrying amounts of non-financial assets are reviewed at each reporting date. If there is any indication of impairment based on internal / external factors, an impairment loss is recognized in the statement of profit and loss wherever the carrying amount of an asset exceeds its recoverable amount. For the purpose of assessing impairment, the smallest identifiable group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit.

Recoverable amount is higher of an asset's or cash generating unit's fair value less cost of disposal and our value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from our disposal at the end of our useful life. After impairment, depreciation is provided on the revised carrying amount of the asset over our remaining useful life. If at the reporting date there is an indication that previously assessed impairment loss no longer exists, the recoverable amount is reassessed, and the asset is reflected at the recoverable amount subject to maximum of depreciable historical cost.

Taxation

Tax expense recognized in Statement of Profit and Loss comprises the sum of deferred tax and current tax except to the extent it recognized in other comprehensive income or directly in equity.

Current tax comprises the tax payable or receivable on taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. Current tax is computed in accordance with relevant tax regulations. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received after considering uncertainty related to income taxes, if any. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

With effect from April 1, 2019, with introduction of Taxation Laws (Amendment) Ordinance, 2019, where section 115BAA was introduced in the Income-tax Act, 1961 proposing option to compute income tax liability at revised taxation rates. Further, under section 115JB (MAT provisions) a sub-section was introduced stating non-applicability of Minimum Alternative Tax ("**MAT**") provisions on the companies exercising option to pay income tax under section 115BAA.

MAT policy applicable before April 1, 2019, MAT under the provisions of the Income-tax Act, 1961 was recognized as current tax in the Statement of Profit and Loss. The credit available under the Income Tax Act, 1961 in respect of MAT paid is recognized as an asset only when and to the extent there is convincing evidence that we will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognized as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

Deferred tax is recognized in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets are recognized on unused tax loss, unused tax credits and deductible temporary differences to the extent it is probable that the future taxable profits will be available against which they can be used. This is assessed based on our forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which we expect, at the reporting date to recover or settle the carrying amount of our assets and liabilities. Deferred tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously. Deferred tax relating to items recognized outside statement of profit and loss is recognized outside statement of profit or loss (either in other comprehensive income or in equity).

Employee benefits

Short-term employee benefits

Short-term employee benefits including salaries, short term compensated absences (such as a paid annual leave) where the absences are expected to occur within twelve months after the end of the period in which the employees render the related service, profit sharing and bonuses payable within twelve months after the end of the period in which the employees render the related services and non-monetary benefits for current employees are estimated and measured on an undiscounted basis.

Post-employment benefit plans are classified into defined benefits plans and defined contribution plans as under:

Defined contribution plans

We have a defined contribution plans namely provident fund, pension fund and employees state insurance scheme. The contribution made by us in respect of these plans are charged to the Statement of Profit and Loss.

Defined benefit plans

We have an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. Where in the employee will receive on retirement is defined by reference to employee's length of service and last drawn salary. Under the defined benefit plans, the amount that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The legal obligation for any benefits remains with us, even we plan assets for funding the defined benefit plan have been set aside. The liability recognized in the statement of financial position for defined benefit plans is the present value of the Defined Benefit Obligation ("**DBO**") at the reporting date less the fair value of plan assets. Management estimates the DBO annually with the assistance of independent actuaries. Actuarial gains/losses resulting from re-measurements of the liability/asset are included in other comprehensive income.

Other long-term employee benefits

We also provide the benefit of compensated absences to our employees which are in the nature of long- term employee benefit plan. Liability in respect of compensated absences becoming due and expected to be availed after one year from the Balance Sheet date is estimated in the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method as on the reporting date. Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to Statement of Profit and Loss in the year in which such gains or losses are determined.

Share based payment

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date.

The fair value of the option determined at the grant date of the equity settled share-based payments is expensed on a straight line basis over the vesting period, based on our estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, we revise our estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognized in the statement of profit and loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

In respect of re-pricing of existing stock option, the incremental fair value of the option on the date of re-pricing is accounted for as employee cost over the remaining vesting period.

Expected credit losses and write-off of financial assets

Loan assets

Loans are classified into performing and non-performing assets in terms of policy adopted by our Company, subject to minimum classification and provisioning norms required under 'Housing Finance Company (Reserve Bank) Directions, 2021' issued by RBI from time to time.

All loan exposures to borrowers with instalment structure are stated at disbursed value after netting off:

(i) unearned income; and

(ii) instalments appropriated up to the year end.

Under Ind AS, our assets have been classified as follows based on Exposure at Default:

- Stage 1: Performing Assets;

- Stage 2: Under Performing Assets; and
- Stage 3: Non-Performing Assets.

Under Ind AS, asset classification and provisioning move from the 'rule based', incurred losses model to the expected credit loss ("**ECL**") model of providing for expected future credit losses. Thus, loan loss provisions are made on the basis of our historical loss experience, future expected credit loss and after factoring in various macro-economic parameters

ECL is measured at 12-month ECL for Stage 1 loan assets and at lifetime ECL for Stage 2 and Stage 3 loan assets. ECL is the product of the probability of default, exposure at default and loss given default, defined as follows:

Probability of Default (PD): The PD represents the likelihood of a borrower defaulting on our financial obligation (as per "Definition of default and credit-impaired" above), either over the next 12 months (12 months PD), or over the remaining lifetime (Lifetime PD) of the obligation.

Loss Given Default (LGD): LGD represents our expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and preference of claim and availability of collateral or other credit support.

Exposure at Default (EAD): EAD is based on the amounts we expect to be owed at the time of default. For a revolving commitment, we include the current drawn balance plus any further amount that is expected to be drawn up to the current contractual limit by the time of default, should it occur.

Forward-looking economic information (including management overlay) is included in determining the 12-month and lifetime PD, EAD and LGD. The assumptions underlying the expected credit loss are monitored and reviewed on an ongoing basis.

Trade receivables

In respect of trade receivables, we apply the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of trade receivables.

Other financial assets

In respect of our other financial assets, we assess if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, we measure the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, we use the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, we compare the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. We assume that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

Write-offs

Financial assets are written off either partially or in their entirety to the extent that there is no realistic prospect of recovery. Any subsequent recoveries are credited to impairment on financial instrument on statement of profit and loss.

Provisions, contingent assets and contingent liabilities

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within our control; or

- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognized nor disclosed except when realization of income is virtually certain, related asset is disclosed.

Leases

Our Company as a Lessee:

At inception of a contract, we assess whether the contract is, or contains, a lease. A contract is, or contains, a lease, a lease if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration.

We recognize a right-of-use asset and a lease liability at the lease commencement date. The right-of- use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, our incremental borrowing rate. Generally, we use our incremental borrowing rate as the discount rate.

The lease liability is measured at amortized cost using the effective interest method. It is re measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in our estimate of the amount expected to be payable under a residual value guarantee, or if we change our assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is re measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

We present right-of-use assets that do not meet the definition of investment property in ‘property and equipment’ and lease liabilities in ‘borrowings (other than debt securities)’ in the balance sheet.

Financial instruments

A Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and measurement

Financial assets and financial liabilities are recognized when we become a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through statement of profit and loss are recognized immediately in statement of profit and loss.

Financial assets

Financial assets, with the exception of loans and advances to customers, are initially recognized on the trade date, i.e., the date that we become a party to the contractual provisions of the instrument. Loans and advances to customers are recognized when funds are disbursed to the customers

Classification and Subsequent measurement of financial assets

Financial assets are classified in to three categories for subsequent measurement:

- Financial asset at amortized cost;
- Financial asset at fair value through other comprehensive income ("**FVTOCI**"); and
- Financial asset at fair value through profit and loss("**FVTPL**").

Financial asset at amortized cost

Financial instruments that meet the following conditions are subsequently measured at amortized cost less impairment loss:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest ("**SPPI**") on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate ("**EIR**") method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in interest income in the Statement of Profit and Loss.

Financial assets (debt instruments) at FVOCI

Financial asset (debt instruments) is classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets; and
- The asset's contractual cash flows represent SPPI. Financial assets included within the above category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income ("**OCI**"). However, we recognize interest income, impairment losses & reversals and foreign exchange gain or loss in the profit and loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Financial Asset at FVTPL

Financial asset which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. Financial assets classified under FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

De-recognition of financial assets

Financial assets (or where applicable, a part of financial asset or part of a group of similar financial assets) are derecognized (i.e., removed from our balance sheet) when the contractual rights to receive the cash flows from the financial asset have expired, or when the financial asset and substantially all the risks and rewards are transferred. Further, if we have not retained control, it shall also derecognize the financial asset and recognize separately as assets or liabilities any rights and obligations created or retained in the transfer.

Financial liabilities

Debt and equity instruments issued by us are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

All financial liabilities are subsequently measured at amortized cost using the effective interest method or at FVTPL.

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method.

Subsequent measurement

Subsequent to initial recognition, all non-derivative financial liabilities are measured at amortized cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

Derivative Financial Instruments

We hold derivative financial instruments to hedge our foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if certain criteria are met.

Derivatives are initially recognized at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. The resulting gain/loss is recognized in the statement of profit and loss immediately unless the derivative is designated and is effective as a hedging instrument, in which event the timing of the recognition in the statement of profit and loss depends on the nature of the hedge relationship.

We designate certain derivatives as hedging instruments to hedge the variability in cash flows associated with its external commercial borrowings arising from changes in exchange rates.

At inception of designated hedging relationships, we document the risk management objective and strategy for undertaking the hedge. We also document the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in OCI and accumulated in the other equity under 'effective portion of cash flows hedges'. The effective portion of changes in the fair value of the derivative that is recognized in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in fair value of the derivative is recognized immediately in profit or loss.

We designate only the change in fair value of the spot element of forward exchange contracts as the hedging instrument in cash flow hedge relationships. The change in fair value of the forward element of the forward exchange contracts ('forward points') is separately accounted for as cost of hedging and recognized separately within equity. If a hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax 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 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. 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.

Foreign currency

Functional and presentation currency

Items included in our Restated Consolidated Financial Information are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Restated Consolidated Financial Information have been prepared and presented in Indian Rupees, which is our functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency, by applying the exchange rates on the foreign currency amounts at the date of the transaction. Foreign currency monetary items outstanding at the balance sheet date are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the Statement of Profit and Loss in the year in which they arise.

Insurance Claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

Operating Cycle

Based on the nature of products / activities of our Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, we have determined its operating cycle as 12 months.

Share/Securities issue expense

Share/security 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 utilization in the Securities Premium Account. Share/security issue expenses in excess of the balance in the Securities Premium Account are expensed off in the Statement of Profit and Loss.

Borrowing Costs

Borrowing costs are interest and other costs incurred in connection with the borrowings of funds. Borrowing costs primarily include interest on amounts borrowed for our revenue operations. These are expensed to the statement of profit and loss using the EIR. All other borrowing costs are recognized in the statement of profit and loss in the period in which they are incurred.

Assets held for sale

Assets acquired by us under Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 have been classified as assets held for sale, as their carrying amounts will be recovered principally through a sale of asset. In accordance with Ind AS 105, we are committed to sell these assets and they are measured at the lower of their carrying amount and the fair value less costs to sell.

Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker ("**CODM**"). CODM is responsible for allocating the resources, assess our financial performance and position and make strategic decision.

Significant management judgement in applying accounting policies and estimation uncertainty

The preparation of the Restated Consolidated Financial Information requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures. Actual results may differ from these estimates.

Significant management judgements:

Expected credit loss ("**ECL**"): The measurement of expected credit loss allowance for financial assets measured at amortized cost requires use of complex models and significant assumptions about future economic conditions and credit behavior (e.g., likelihood of customers defaulting and resulting losses). We make significant judgements with regard to the following while assessing expected credit loss:

- Determining criteria for significant increase in credit risk;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and the associated ECL; and
- Establishing groups of similar financial assets for the purposes of measuring ECL.

Significant estimates:

Provision for employee benefits: Provision for employee benefits, requires that certain assumptions such as expected future salary increases, average life expectancy and discount rates etc. are made in order to determine the amount to be recorded for retirement benefit obligations. Substantial changes in the assumed development of any of these variables may significantly change our retirement benefit obligations.

Useful lives of depreciable/amortizable assets: Management reviews its estimate of the useful lives of depreciable/amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

Standard issued but not yet effective

No new standards as notified by Ministry of Corporate Affairs ("**MCA**"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules are effective for the current year.

Components of Profit and Loss Statement

Income. Total income comprises revenue from operations and other income.

Revenue from operations. Revenue from operations comprises interest income, fees and commission income, net gain on fair value changes and net gain on derecognition of financial instruments under amortised cost.

Interest income primarily comprises interest on balance of home loans and loans against property disbursed to our customers. It also includes interest accrued on our investments and deposits held with banks, along with other interest income comprising excess interest spread on securitized portfolio and interest accrued on balance of excess interest spread receivable on direct assignment.

Fees and commission income comprises fee based income, which are primarily application fees, charges for servicing a loan such as EMI bounce charges, cash handling charges and loan pre-closure charges.

Other Income. Other income comprises income towards marketing support provided by our Company to third parties for publishing their marketing material at our branches and website and gain on termination of leases and liabilities written back.

Expenses. Total expenses comprise finance costs, impairment on financial instruments, employee benefits expenses, depreciation and amortization expenses and other expenses.

Finance Costs. Finance costs comprise interest expense on borrowings, debt securities and securitised loans; and other borrowing costs, consisting of securitisation expenses, interest expense on lease liabilities and other interest expense.

Impairment of Financial Instruments. Impairment of financial instruments (measured at amortised cost) comprises impairment loss on loans, net loans written off, impairment loss on excess interest spread receivable on direct assignment and impairment loss on stock of acquired properties under SARFAESI proceedings.

Employee Benefits Expenses. Employee benefits expenses comprise salaries, wages and bonus; contributions to provident and other funds; share based payment to employee; and staff welfare expenses.

Depreciation and Amortization Expense. Depreciation and amortization expenses comprise depreciation of property, plant and equipment and amortization of intangible assets.

Other Expenses. Other expenses primarily comprise travelling and conveyance, information technology expense, legal and professional charges, loan processing charges, corporate social responsibility expenses, rent and hire charges, and advertisement and marketing expenses.

Our Results of Operations

The following table sets out select financial data derived from our Restated Consolidated Statement of Profit and Loss for the six months ended September 30, 2023 and September 30, 2022, the Financial Years 2023, 2022 and 2021, the components of which are also expressed as a percentage of total income for such periods:

Particulars	Six months ended September 30,			
	2023		2022	
	(in ₹ millions)	*(% of Total Income)*	*(in ₹ millions)*	*(% of Total Income)*
Revenue from operations:				
Interest income	3,200.06	80.3%	2,306.90	84.5%
Fees and commission income	178.99	4.5%	160.29	5.9%
Net gain on fair value changes	57.81	1.5%	26.49	1.0%
Net gain on derecognition of financial instruments under amortized cost category	423.05	10.5%	152.83	5.6%
Total revenue from operations	**3,859.91**	**96.8%**	**2,646.51**	**97.0%**
Other income	125.85	3.2%	82.35	3.0%
Total income	**3,985.76**	**100.0%**	**2,728.86**	**100.0%**
Expenses:				
Finance costs	1,397.48	35.0%	961.34	35.2%
Impairment on financial instruments	94.10	2.4%	89.87	3.3%
Employee benefits expenses	844.19	21.2%	641.19	23.5%
Depreciation and amortization	43.37	1.1%	39.72	1.5%
Other expenses	223.05	5.6%	184.99	6.8%
Total expenses	**2,602.19**	**65.3%**	**1,917.11**	**70.3%**
Profit before tax	**1,383.57**	**34.7%**	**811.75**	**29.7%**
Tax expense:				
Current tax	305.89	7.7%	187.78	6.9%
Deferred tax charge/(credit)	4.14	0.1%	3.76	0.1%
Total tax expense	**310.03**	**7.8%**	**191.54**	**7.0%**
Profit for the period	**1,073.54**	**26.9%**	**620.21**	**22.7%**

Particulars	Financial Year					
	2023		2022		2021	
	(in ₹ millions)	*(% of Total Income)*	*(in ₹ millions)*	*(% of Total Income)*	*(in ₹ millions)*	*(% of Total Income)*
Revenue from operations:						
Interest income	5,029.46	83.0%	3,736.16	81.3%	2,745.72	85.1%
Fees and commission income	315.84	5.2%	200.58	4.4%	99.93	3.1%
Net gain on fair value changes	60.92	1.0%	45.89	1.0%	29.19	0.9%
Net gain on derecognition of financial instruments under amortized cost category	439.08	7.2%	497.15	10.8%	292.23	9.1%

Particulars	Financial Year					
	2023		2022		2021	
	(in ₹ millions)	*(% of Total Income)*	*(in ₹ millions)*	*(% of Total Income)*	*(in ₹ millions)*	*(% of Total Income)*
Total revenue from operations	**5,845.30**	**96.4%**	**4,479.78**	**97.4%**	**3,167.07**	**98.1%**
Other income	217.01	3.6%	118.28	2.6%	60.92	1.9%
Total income	**6,062.31**	**100.0%**	**4,598.06**	**100.0%**	**3,227.99**	**100.0%**
Expenses:						
Finance costs	2,098.70	34.6%	1,483.39	32.3%	1,053.48	32.6%
Impairment on financial instruments	140.68	2.3%	120.12	2.6%	198.94	6.2%
Employee benefits expenses	1,345.60	22.2%	1,013.09	22.0%	619.64	19.2%
Depreciation and amortization	82.02	1.4%	65.39	1.4%	50.98	1.6%
Other expenses	375.79	6.2%	247.06	5.4%	175.38	5.4%
Total expenses	**4,042.79**	**66.7%**	**2,929.05**	**63.7%**	**2,098.42**	**65.0%**
Profit before tax	**2,019.52**	**33.3%**	**1,669.01**	**36.3%**	**1,129.57**	**35.0%**
Tax expense:						
Current tax	464.84	7.7%	318.36	6.9%	247.72	7.7%
Deferred tax charge/(credit)	1.26	0.0%	66.18	1.4%	7.96	0.2%
Total tax expense	**466.10**	**7.7%**	**384.54**	**8.4%**	**255.68**	**7.9%**
Profit for the year	**1,553.42**	**25.6%**	**1,284.47**	**27.9%**	**873.89**	**27.1%**

Six Months ended September 30, 2022 compared to Six Months ended September 30, 2023

Total Income

Our total income increased by 46.1% to ₹3,985.76 million for the six months ended September 30, 2023 from ₹2,728.86 million for the six months ended September 30, 2022, due to increase in our revenue from operations and other income.

Revenue from Operations: Revenue from operations increased by 45.8% to ₹3,859.91 million for the six months ended September 30, 2023 from ₹2,646.51 million for the six months ended September 30, 2022, primarily due to an increase in interest income to ₹3,200.06 million for the six months ended September 30, 2023 from ₹2,306.90 million for the six months ended September 30, 2022 which was on account of an increase in interest on loans to ₹2,939.32 million for the six months ended September 30, 2023 from ₹2,135.30 million for the six months ended September 30, 2022. The increase in interest on loans was in line with increases in (i) active customers to 68,480 as of six months ended September 30, 2023 from 49,481 as of six months ended September 30, 2022, (ii) disbursements to ₹12,203.17 million for the six months ended September 30, 2023 from ₹8,618.94 million for the six months ended September 30, 2022, and (iii) AUM to ₹51,806.89 million as of six months ended September 30, 2023 from ₹36,148.74 million as of six months ended September 30, 2022. These increases in disbursements and AUM were as a result of an expansion in the number of our branches to 203 as of September 30, 2023 from 167 as of September 30, 2022. Our interest income also increased due to increases in interest on investments to ₹90.68 million for the six months ended September 30, 2023 from ₹57.21 million for the six months ended September 30, 2022, primarily due to higher returns on investment pursuant to an increase in the interest accrued on our investments in liquid funds and other high-rated debt instruments, interest on deposits with banks to ₹99.04 million for the six months ended September 30, 2023 from ₹58.42 million for the six months ended September 30, 2022 due to higher interest earned on fixed deposits with the banks, and other interest income to ₹71.02 million for the six months ended September 30, 2023 from ₹55.97 million for the six months ended September 30, 2022, primarily due to increase in income on balance of EIS on direct assignment due to an increase in the balance of EIS receivable pursuant to an increase in volume of direct assignment transactions.

Other Income: Other income increased by 52.8% to ₹125.85 million for the six months ended September 30, 2023 from ₹82.35 million for the six months ended September 30, 2022, primarily due to an increase in marketing support income to ₹125.05 million for the six months ended September 30, 2023 from ₹81.64 million for the six months ended September 30, 2022 on account of an increase in the number of our branches to 203 as of September 30, 2023 from 167 as of September 30, 2022.

Expenses

Our total expenses increased by 35.7% to ₹2,602.19 million for the six months ended September 30, 2023 from ₹1,917.11 million for the six months ended September 30, 2022, due to increase in our finance costs, impairment on financial instruments, employee benefits expenses, depreciation and amortization expense and other expense.

Finance Costs: Finance costs increased by 45.4% to ₹1,397.48 million for the six months ended September 30, 2023 from ₹961.34 million for the six months ended September 30, 2022, primarily due to increases in (i) interest expense on borrowings to ₹1,278.20 million for the six months ended September 30, 2023 from ₹848.17 million for the six months ended September 30, 2022 on account of an increase in our borrowings to ₹31,693.54 million during the six months ended September 30, 2023 from ₹23,624.77 million during the six months ended September 30, 2022 to support the growth in our loan disbursements, and (ii) interest expense on securitised loans to ₹36.18 million for the six months ended September 30, 2023 from ₹20.94 million for the six months ended September 30, 2022 on account of new securitisation transactions entered into during the second half of Financial Year 2023.

Impairment on Financial Instruments: Impairment on financial instruments increased by 4.7% to ₹94.10 million for the six months ended September 30, 2023 from ₹89.87 million for the six months ended September 30, 2022, primarily due to an increase in (i) impairment loss on stock of acquired properties to ₹29.84 million for the six months ended September 30, 2023 from ₹6.86 million for the six months ended September 30, 2022 on account of an increase in the balance of stock of acquired properties pursuant to the proceedings under the SARFAESI Act and (ii) impairment loss on EIS receivable on direct assignment to ₹4.77 million for the six months ended September 30, 2023 from ₹(1.85) million for the six months ended September 30, 2022 on account of an increase in the outstanding EIS to ₹1,059.50 million as on September 30, 2023 from ₹676.70 million as on September 30, 2022. This was partially offset by a decrease in (i) impairment loss on loans to ₹63.37 million for the six months ended September 30, 2023 from ₹81.70 million for the six months ended September 30, 2022, and (ii) net loans written off to ₹(3.88) million for the six months ended September 30, 2023 from ₹3.16 million for the six months September 30, 2022 with a net bad debt recovery of ₹29.80 million.

Employee Benefits Expenses: Employee benefits expenses increased by 31.7% to ₹844.19 million for the six months ended September 30, 2023 from ₹641.19 million for the six months ended September 30, 2022, primarily due to an increase in salaries, wages and bonus to ₹735.77 million for the six months ended September 30, 2023 from ₹548.82 million for the six months ended September 30, 2022, on account of an increase in the number of our employees to 2,997 as of September 30, 2023 from 2,456 as of September 30, 2022, and annual increments.

Depreciation and Amortization Expense: Depreciation and amortization expense increased by 9.2% to ₹43.37 million for the six months ended September 30, 2023 from ₹39.72 million for the six months ended September 30, 2022, primarily due to an increase in depreciation of property, plant and equipment to ₹42.18 million for the six months ended September 30, 2023 from ₹37.62 million for the six months ended September 30, 2022, on account of an increase in our gross block of right of use buildings and leasehold improvements due to renewal of leases for our branches, along with an increase in the number of our branches. This was partially offset by a decrease in amortization of intangible assets to ₹1.19 million for the six months ended September 30, 2023 from ₹2.10 million for the six months ended September 30, 2022.

Other Expenses: Other expenses increased by 20.6% to ₹223.05 million for the six months ended September 30, 2023 from ₹184.99 million for the six months ended September 30, 2022, primarily due to increases in (i) rent and hire charges to ₹12.15 million for the six months ended September 30, 2023 from ₹6.47 million for the six months ended September 30, 2022 due to an increase in the number of branches from 167 as of September 30, 2022 to 203 as of September 30, 2023, (ii) information technology expense to ₹51.10 million for six months ended September 30, 2023 to ₹38.52 million for the six months ended September 30, 2022 on account of an increase in the number of our branches and employees to 2,997 as of September 30, 2023 from 2,456 as of September 30, 2022, (iii) legal and professional charges to ₹39.63 million for the six months ended September 30, 2023 from ₹26.58 million for the six months ended September 30, 2022 due to increase in fees paid to Mr. Anil Mehta by ₹10.00 million and an increase in expenses on legal proceedings for recovery of the non-performing assets, (iv) advertisement and marketing expenses to ₹11.68 million for the six months ended September 30, 2023 from ₹7.84

million for the six months ended September 30, 2022 due to increase in the number of branches to 203 as of September 20, 2023 from 167 as at September 30, 2022 and (v) bank charges to ₹5.50 million for the six months ended September 30, 2023 from ₹3.10 million for the six months ended September 30, 2022 due to an increase in the number of our customers.

Tax Expense: Tax expense increased by 61.9% to ₹310.03 million for the six months ended September 30, 2023 from ₹191.54 million for the six months ended September 30, 2022. For the six months ended September 30, 2023, we incurred current tax of ₹305.89 million and a deferred tax charge of ₹4.14 million. For six months ended September 30, 2022, we incurred current tax of ₹187.78 million and a deferred tax charge of ₹3.76 million. Our effective tax rate was 22.4% and 23.6% for the six months ended September 30, 2023 and September 30, 2022, respectively. The increase in the deferred tax charge was primarily due to an increase in deferred tax assets created on unamortised processing fees and an increase in provisions for impairment on assets held for sale.

Profit for the period: Our profit for the period increased by 73.1% to ₹1,073.54 million for the six months ended September 30, 2023 from ₹620.21 million for the six months ended September 30, 2022.

Financial Year 2023 compared to Financial Year 2022

Total Income

Our total income increased by 31.8% to ₹6,062.31 million for the Financial Year 2023 from ₹4,598.06 million for the Financial Year 2022, due to increase in our revenue from operations and other income.

Revenue from Operations: Revenue from operations increased by 30.5% to ₹5,845.30 million for the Financial Year 2023 from ₹4,479.78 million for the Financial Year 2022, primarily due to an increase in interest income to ₹5,029.46 million for the Financial Year 2023 from ₹3,736.16 million for the Financial Year 2022 which was on account of an increase in interest on loans to ₹4,650.45 million for the Financial Year 2023 from ₹3,513.16 million for the Financial Year 2022. The increase in interest on loans was in line with increases in (i) active customers to 58,552 as of March 31, 2023 from 43,328 as of March 31, 2022, (ii) disbursements to ₹19,643.77 million for the Financial Year 2023 from ₹12,952.61 million for the Financial Year 2022, and (iii) AUM to ₹43,594.31 million as of March 31, 2023 from ₹30,732.93 million as of March 31, 2022. These increases in disbursements and AUM were as a result of an expansion in the number of our branches to 183 as of March 31, 2023 from 130 as of March 31, 2022. Our interest income also increased due to increases in interest on investments to ₹140.69 million for the Financial Year 2023 from ₹56.62 million for the Financial Year 2022, primarily due to higher returns on investment pursuant to an increase in the interest accrued on our investments in liquid funds and other high-rated debt instruments, and other interest income to ₹116.16 million for the Financial Year 2023 from ₹19.18 million for the Financial Year 2022, primarily due to increase in income on balance of EIS on direct assignment due to an increase in the balance of EIS receivable pursuant to an increase in volume of direct assignment transactions. This was partially offset by a decrease in interest on deposits with banks to ₹122.16 million for the Financial Year 2023 from ₹147.20 million for the Financial Year 2022 primarily due to investment of substantial portions of our surplus fund in high rated debt securities with relatively higher yields than bank deposits.

Other Income: Other income increased by 83.5% to ₹217.01 million for the Financial Year 2023 from ₹118.28 million for the Financial Year 2022, primarily due to an increase in marketing support income to ₹214.30 million for the Financial Year 2023 from ₹117.26 million for the Financial Year 2022 on account of an increase in the number of our branches to 183 as of March 31, 2023 from 130 as of March 31, 2022, along with an increase in our marketing activities during the Financial Year 2023, as compared to the Financial Year 2022, due to the restrictions imposed pursuant to the COVID-19 pandemic during certain periods in the Financial Year 2022.

Expenses

Our total expenses increased by 38.0% to ₹4,042.79 million for the Financial Year 2023 from ₹2,929.05 million for the Financial Year 2022, due to increase in our finance costs, impairment on financial instruments, employee benefits expenses, depreciation and amortization expense and other expense.

Finance Costs: Finance costs increased by 41.5% to ₹2,098.70 million for the Financial Year 2023 from ₹1,483.39 million for the Financial Year 2022, primarily due to increases in (i) interest expense on borrowings to ₹1,853.18 million for the Financial Year 2023 from ₹1,326.42 million for the Financial Year 2022 on account of an increase in our borrowings to ₹28,123.35 million during the Financial Year 2023 from ₹18,834.11 million during the Financial Year 2022 to support the growth in our loan disbursements, and (ii) interest expense on debt securities to ₹169.72 million for the Financial Year 2023 from ₹104.39 million for the Financial Year 2022 on account of issuance of non-convertible debentures in order to support an increase in disbursements. Our cost of borrowings was stable at 8.3% during the Financial Years 2023 and 2022.

Impairment on Financial Instruments: Impairment on financial instruments increased by 17.1% to ₹140.68 million for the Financial Year 2023 from ₹120.12 million for the Financial Year 2022, primarily due to an increase in net loans written off to ₹101.15 million for the Financial Year 2023 from ₹81.18 million for the Financial Year 2022 on account of an increase in our disbursements, along with an increase in the number of our customers to 58,552 during the Financial Year 2023 from 43,328 during the Financial Year 2022, and an increase in impairment loss on stock of acquired properties to ₹28.49 million for the Financial Year 2023 from ₹1.23 million for the Financial Year 2022 on account of an increase in the balance of stock of acquired properties pursuant to the proceedings under the SARFAESI Act. This was partially offset by a decrease in impairment loss on loans to ₹9.61 million for the Financial Year 2023 from ₹35.30 million for the Financial Year 2022 on account of an improvement in the asset quality of our loans.

Employee Benefits Expenses: Employee benefits expenses increased by 32.8% to ₹1,345.60 million for the Financial Year 2023 from ₹1,013.09 million for the Financial Year 2022, primarily due to an increase in salaries, wages and bonus to ₹1,174.71 million for the Financial Year 2023 from ₹880.02 million for the Financial Year 2022, on account of an increase in the number of our employees to 2,709 as of March 31, 2023 from 2,200 as of March 31, 2022, and annual increments.

Depreciation and Amortization Expense: Depreciation and amortization expense increased by 25.4% to ₹82.02 million for the Financial Year 2023 from ₹65.39 million for the Financial Year 2022, primarily due to an increase in depreciation of property, plant and equipment to ₹78.09 million for the Financial Year 2023 from ₹59.56 million for the Financial Year 2022, on account of an increase in our gross block of right of use buildings and leasehold improvements due to renewal of leases for our branches, along with an increase in the number of our branches. This was partially offset by a decrease in amortization of intangible assets to ₹3.93 million for the Financial Year 2023 from ₹5.83 million for the Financial Year 2022.

Other Expenses: Other expenses increased by 52.1% to ₹375.79 million for the Financial Year 2023 from ₹247.06 million for the Financial Year 2022, primarily due to increases in (i) travelling and conveyance to ₹76.37 million for the Financial Year 2023 from ₹32.67 million for the Financial Year 2022 due to relaxation in travel restrictions imposed pursuant to the COVID-19 pandemic during the Financial Year 2023, as compared to restrictive travelling arrangements during the Financial Year 2022, and an increase in the number of our branches to 183 as of March 31, 2023 from 130 as of March 31, 2022, (ii) information technology expense to ₹74.20 million for the Financial Year 2023 to ₹67.99 million for the Financial Year 2022 on account of an increase in the number of our branches and employees during the Financial Year 2023, (iii) legal and professional charges to ₹66.14 million for the Financial Year 2023 to ₹26.04 million for the Financial Year 2022 due to an increase in expenses on legal proceedings for recovery of the non-performing assets, (iv) corporate social responsibility expenses to ₹23.00 million for the Financial Year 2023 from ₹14.65 million for the Financial Year 2022 proportionate to the increase in our average profit for last three Financial Years, in accordance with the applicable statutory requirements, (v) rent and hire charges to ₹15.30 million for the Financial Year 2023 from ₹8.45 million for the Financial Year 2022, and (vi) repairs and maintenance – others to ₹12.93 million for the Financial Year 2023 from ₹5.29 million for the Financial Year 2022.

Tax Expense: Tax expense increased by 21.2% to ₹466.10 million for the Financial Year 2023 from ₹384.54 million for the Financial Year 2022. For the Financial Year 2023, we incurred current tax of ₹464.84 million and a deferred tax charge of ₹1.26 million. For the Financial Year 2022, we incurred current tax of ₹318.36 million and a deferred tax charge of ₹66.18 million. Our effective tax rate was 23.1% and 23.0% for the Financial Years 2023 and 2022, respectively. The decrease in the deferred tax charge was primarily due to the incremental deferred tax liability created on upfront EIS receivable on direct assignment during the Financial Year 2022 being reduced due to creation of loan loss reserve during the Financial Year 2023.

Profit for the year: Our profit for the year increased by 20.9% to ₹1,553.42 million for the Financial Year 2023 from ₹1,284.47 million for the Financial Year 2022.

Financial Year 2022 compared to Financial Year 2021

Total Income

Our total income increased by 42.4% to ₹4,598.06 million for the Financial Year 2022 from ₹3,227.99 million for the Financial Year 2022, due to increase in our revenue from operations and other income.

Revenue from Operations: Revenue from operations increased by 41.4% to ₹4,479.78 million for the Financial Year 2022 from ₹3,167.07 million for the Financial Year 2021, primarily due to an increase in interest income to ₹3,736.16 million for the Financial Year 2022 from ₹2,745.72 million for the Financial Year 2021 which was on account of an increase in interest on loans to ₹3,513.16 million for the Financial Year 2022 from ₹2,558.91 million for the Financial Year 2021. The increase in interest on loans was in line with increases in (i) active customers to 43,328 as of March 31, 2022 from 33,607 as of March 31, 2021, (ii) disbursements to ₹12,952.61 million for the Financial Year 2022 from ₹8,948.76 million for the Financial Year 2021, and (iii) AUM to ₹30,732.93 million as of March 31, 2022 from ₹21,985.27 million as of March 31, 2021. These increases were as a result of an expansion in the number of our branches to 130 as of March 31, 2022 from 115 as of March 31, 2021. Our average yield on loan principal outstanding increased to 14.9% during the Financial Year 2022 as compared to 14.4% during the Financial Year 2021. Our interest income also increased due to an increase in interest on investments to ₹56.62 million for the Financial Year 2022 from ₹2.88 million for the Financial Year 2021, primarily due to an increase in the investment of our surplus fund in high rated debt securities with relatively higher yields than bank deposits, partially offset by a decrease in interest on deposits with banks to ₹147.20 million for the Financial Year 2022 from ₹165.85 million for the Financial Year 2021. Further, our revenue from operations also increased due to an increase in fees and commission income to ₹200.58 million for the Financial Year 2022 from ₹99.93 million for the Financial Year 2021 on account of relative relaxation in the restrictions imposed pursuant to the COVID-19 pandemic during the Financial Year 2022 as compared to the Financial Year 2021, and an increase in net gain on derecognition of financial instruments under amortised cost category to ₹497.15 million for the Financial Year 2022 from ₹292.23 million for the Financial Year 2021 on account of an increase in direct assignment transactions during the Financial Year 2022.

Other Income: Other income increased by 94.2% to ₹118.28 million for the Financial Year 2022 from ₹60.92 million for the Financial Year 2021, primarily due to an increase in marketing support income to ₹117.26 million for the Financial Year 2022 from ₹58.72 million for the Financial Year 2021 on account of an increase in our marketing activity income due to increase in the number of our branches to 130 as of March 31, 2022 from 115 as of March 31, 2021. Further, our marketing support income was higher during the Financial Year 2022, as compared with Financial Year 2021 as we undertook lesser marketing activities due to the COVID-19 pandemic during the Financial Year 2021.

Expenses

Our total expenses increased by 39.6% to ₹2,929.05 million for the Financial Year 2022 from ₹2,098.42 million for the Financial Year 2021, due to increase in our finance costs, employee benefits expenses, depreciation and amortization expense and other expense.

Finance Costs: Finance costs increased by 40.8% to ₹1,483.39 million for the Financial Year 2022 from ₹1,053.48 million for the Financial Year 2021, primarily due to an increase in interest expense on borrowings to ₹1,326.42 million for the Financial Year 2022 from ₹835.25 million for the Financial Year 2021 due to an increase in our borrowings to ₹18,834.11 million during the Financial Year 2022 from ₹14,090.67 million during the Financial Year 2021 to support the growth in our loan disbursement. This was partially offset by a decrease in interest expense on debt securities to ₹104.39 million for the Financial Year 2022 from ₹161.13 million for the Financial Year 2021, due to repayment of certain debt securities during the Financial Year 2022.

Impairment on Financial Instruments: Impairment on financial instruments decreased by 39.6% to ₹120.12 million for the Financial Year 2022 from ₹198.94 million for the Financial Year 2021, primarily due to a decrease in impairment loss on loans to ₹35.30 million for the Financial Year 2022 to ₹151.60 million for the Financial Year 2021 due to a decrease in the provisions made for delinquent customers during the Financial Year 2022 as compared to the provisions made during the Financial Year 2021 due to the impact of the COVID-19 pandemic. This was partially offset by an increase in net loans written off to ₹81.18 million for the Financial Year 2022 from ₹45.21 million for the Financial Year 2021 due to the impact of the COVID-19 pandemic leading to a lower probability of loan recovery during the Financial Year 2022.

Employee Benefits Expense: Employee benefits expense increased by 63.5% to ₹1,013.09 million for the Financial Year 2022 from ₹619.64 million for the Financial Year 2021, primarily due to an increase in salaries, wages and bonus to ₹880.02 million for the Financial Year 2022 from ₹563.64 million for the Financial Year 2021, on account of an increase in the number of our employees to 2,200 as of March 31, 2022 from 1,576 as of March 31, 2021, and annual increments.

Depreciation and Amortization Expense: Depreciation and amortization expense increased by 28.3% to ₹65.39 million for the Financial Year 2022 from ₹50.98 million for the Financial Year 2021, primarily due to an increase in depreciation of property, plant and equipment to ₹59.56 million for the Financial Year 2022 from ₹44.48 million for the Financial Year 2021, on account of an increase in our gross block of right of use buildings and leasehold improvements due to renewal of leases for our branches, along with an increase in the number of our branches. This was partially offset by a decrease in amortization of intangible assets to ₹5.83 million for the Financial Year 2022 from ₹6.50 million for the Financial Year 2021.

Other Expenses: Other expenses increased by 40.9% to ₹247.06 million for the Financial Year 2022 from ₹175.38 million for the Financial Year 2021, primarily due to increases in (i) information technology expenses to ₹67.99 million for the Financial Year 2022 from ₹48.24 million for the Financial Year 2021 on account of an increased focus on automation in our operations, (ii) increase in travelling and conveyance to ₹32.67 million for the Financial Year 2022 from ₹16.79 million for the Financial Year 2021 due to relaxation in travel restrictions imposed pursuant to the COVID-19 pandemic during the Financial Year 2022, as compared to restrictive travelling arrangements during the Financial Year 2021, and an increase in the number of our branches to 130 as of March 31, 2022 from 115 as of March 31, 2021, (iii) loan processing charges to ₹28.45 million for the Financial Year 2022 from ₹16.13 million for the Financial Year 2021 due to an increase in the scale of our operations, (iv) legal and professional charges to ₹26.04 million for the Financial Year 2022 from ₹22.18 million for the Financial Year 2021 on account of increase in our operations, and (v) corporate social responsibility expenses to ₹14.65 million for the Financial Year 2022 from ₹9.00 million for the Financial Year 2021 as a proportionate increase in our average profit for three years, in accordance with the applicable statutory mandates.

Tax Expense: Tax expense increased by 50.4% to ₹384.54 million for the Financial Year 2022 from ₹255.68 million for the Financial Year 2021. For the Financial Year 2022, we incurred current tax of ₹318.36 million and a deferred tax charge of ₹66.18 million. For the Financial Year 2021, we incurred current tax of ₹247.72 million and a deferred tax charge of ₹7.96 million. The increase in the deferred tax charge was primarily due to creation of an incremental deferred tax liability on upfront EIS receivable on direct assignment during the Financial Year 2022. Our effective tax rate was 23.0% and 22.6% for the Financial Years 2022 and 2021, respectively.

Profit for the year: Our profit for the year increased by 47.0% to ₹1,284.47 million for the Financial Year 2022 from ₹873.89 million for the Financial Year 2021.

Financial Position

Assets

The following table sets forth the principal components of our assets as of September 30, 2023, September 30, 2022, March 31, 2023, March 31, 2022 and March 31, 2021:

Assets	As of September 30,		As of March 31,		
	2023	2022	2023	2022	2021
	(in ₹ millions)	*(in ₹ millions)*	*(in ₹ millions)*	*(in ₹ millions)*	*(in ₹ millions)*
Financial Assets:					
Cash and cash equivalents	79.41	1,291.91	3,609.44	1,438.02	2,330.94
Bank balance other than cash and cash equivalents	2,021.85	1,282.45	1,463.34	1,864.92	1,805.83
Derivative financial instruments	-	-	0.58	-	-
Loans	42,660.72	30,667.58	36,091.44	26,225.25	19,811.70
Investments	996.00	2,978.12	469.28	1,753.20	0.00
Other financial assets	1,295.98	790.45	902.13	619.75	280.92

Assets	As of September 30,		As of March 31,		
	2023	2022	2023	2022	2021
	(in ₹ millions)	*(in ₹ millions)*	*(in ₹ millions)*	*(in ₹ millions)*	*(in ₹ millions)*
Non-financial Assets:					
Current tax assets (Net)	-	66.66	-	-	0.35
Deferred tax assets (Net)	42.75	30.14	30.36	29.50	93.37
Property, plant and equipment	249.15	236.19	238.35	165.73	140.31
Other intangible assets	3.66	2.54	4.84	4.65	10.77
Other non-financial assets	140.16	100.38	81.64	77.54	117.43
Assets held for sale	97.10	53.51	64.51	33.65	34.78
Total Assets	**47,586.78**	**37,499.93**	**42,955.91**	**32,212.21**	**24,626.40**

We had total assets as of September 30, 2023 of ₹47,586.78 million, compared to September 30, 2022 of ₹37,499.93 million. Our total assets as of March 31, 2023 were ₹42,955.91 million, compared to ₹32,212.21 million as of March 31, 2022 and ₹24,626.40 million as of March 31, 2021. The increase in our total assets was primarily on account of a significant growth in our loan portfolio primarily due to an increase in the number of our customers.

Cash and Cash Equivalents

We had cash and cash equivalents as of September 30, 2023 of ₹79.41 million compared to September 30, 2022 of ₹1,291.91 million. Our cash and cash equivalents as of March 31, 2023 were ₹3,609.44 million, compared to ₹1,438.02 million as of March 31, 2022, and to ₹2,330.94 million as of March 31, 2021. Our cash and cash equivalents increased between March 31, 2021 and March 31, 2023, primarily due to an increase in the requirement for liquid funds to address the credit requirements of our growing customer base.

Bank balance other than cash and cash equivalents

Our bank balance other than cash and cash equivalents as of September 30, 2023 was ₹2,021.85 million compared to September 30, 2022 of ₹1,282.45 million. We had bank balance other than cash and cash equivalents as of March 31, 2023 of ₹1,463.34 million, compared to ₹1,864.92 million as of March 31, 2022, compared to ₹1,805.83 million as of March 31, 2021. Our bank balance other than cash and cash equivalents decreased between March 31, 2021 and March 31, 2023, primarily due to deployment of surplus funds toward investment in high rated debt securities with relatively higher yields than bank deposits.

Loans

We had loans as of September 30, 2023 of ₹42,660.72 million, compared to September 30, 2022 of ₹30,667.58 million. We had loans as of March 31, 2023 of ₹36,091.44 million, compared to ₹26,225.25 million as of March 31, 2022, compared to ₹19,811.70 million as of March 31, 2021. The increase in our loans between March 31, 2021 and March 31, 2023 was primarily on account of growth in our active customers, disbursements and AUM, along with an increase in our branch network.

Other Financial Assets

We had other financial assets as of September 30, 2023 of ₹1,295.98 million compared to September 30, 2022 of ₹790.45 million. We had other financial assets as of March 31, 2023 of ₹902.13 million, compared to ₹619.75 million as of March 31, 2022, compared to ₹280.92 million as of March 31, 2021. The increase in other financial assets between March 31, 2021 and March 31, 2023 was primarily on account of an increase in excess interest spread receivable on direct assignment transactions.

Liabilities

The following table sets forth the principal components of our liabilities as of September 30, 2023, September 30, 2022, March 31, 2023, March 31, 2022 and March 31, 2021:

Liabilities	Six months ended September 30,		As of March 31,		
	2023	2022	2023	2022	2021
	(in ₹ millions)	*(in ₹ millions)*	*(in ₹ millions)*	*(in ₹ millions)*	*(in ₹ millions)*
Financial Liabilities:					
Derivative financial instruments	30.57	16.02	-	-	-
Trade Payables:					
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-	1.21
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	86.85	79.10	61.49	45.94	45.06
Debt securities	1,191.27	1,789.21	1,765.34	1,865.98	822.24
Borrowings (other than debt securities)	31,693.54	23,624.77	28,123.35	18,834.11	14,090.67
Other financial liabilities	681.77	501.53	534.35	595.18	238.58
Non-Financial Liabilities:					
Provisions	67.98	47.76	46.90	51.33	35.97
Current tax liabilities (Net)	41.31	-	6.85	43.22	-
Other non-financial liabilities	43.83	21.45	12.35	15.18	19.98
Total Liabilities	**33,837.12**	**26,079.84**	**30,550.63**	**21,450.94**	**15,253.71**
Equity:					
Equity Share Capital	450.23	437.32	437.65	437.07	429.78
Other Equity	13,299.43	10,982.77	11,967.63	10,324.20	8,942.91
Total Equity	**13,749.66**	**11,420.09**	**12,405.28**	**10,761.27**	**9,372.69**
Total Liabilities and Equity	**47,586.78**	**37,499.93**	**42,955.91**	**32,212.21**	**24,626.40**

Debt Securities

We had debt securities as of September 30, 2023 of ₹1,191.27 million compared to September 30, 2022 of ₹1,789.21 million. We had debt securities as of March 31, 2023 of ₹1,765.34 million, compared to ₹1,865.98 million as of March 31, 2022, compared to ₹822.24 million as of March 31, 2021. The increase in debt securities between March 31, 2021 and March 31, 2023 was primarily on account of issuance of NCDs to address the credit requirements of our growing customer base, partially offset by repayment of some of the NCDs in terms of the repayment schedule.

Borrowings (Other than Debt Securities)

We had borrowings (other than debt securities) as of September 30, 2023 of ₹31,693.54 million compared to September 30, 2022 of ₹23,624.77 million. We had borrowings (other than debt securities) as of March 31, 2023 of ₹28,123.35 million, compared to ₹18,834.11 million as of March 31, 2022, compared to ₹14,090.67 million as of March 31, 2021. The increase in borrowings (other than debt securities) between March 31, 2021 and March 31, 2023 was on account of an increase in our borrowings from banks and NHB to address the credit requirements of our growing customer base.

Total Liabilities

We had total liabilities as of September 30, 2023 of ₹33,837.12 million compared to September 30, 2022 of ₹26,079.84 million. We had total liabilities as of March 31, 2023 of ₹30,550.63 million, compared to ₹21,450.94 million as of March 31, 2022, compared to ₹15,253.71 million as of March 31, 2021. This increase was primarily on account of an increase in our borrowings and debt securities, in line with the growth in our business.

Shareholders' Funds

Our total equity as of September 30, 2023 and September 30, 2022 was ₹13,749.66 million and ₹11,420.09 million, representing 28.9% and 30.5% of our total assets, respectively. Our total equity as of March 31, 2023 was ₹12,405.28 million, representing 28.9% of our total assets. As of March 31, 2022, our total equity was ₹10,761.27 million, representing 33.4% of our total assets. As of March 31, 2021, our total equity was ₹9,372.69 million, representing 38.1% of our total assets. The increase in our total equity between March 31, 2021 and March 31, 2023, was primarily due to an increase in our retained earnings.

Liquidity and Capital Resources

Our debt financing requirements have been historically met from diverse sources, including public and private sector banks, financing from the NHB, external commercial borrowings and the issuance of non-convertible debentures. As of September 30, 2023, September 30, 2022, March 31, 2023, March 31, 2022 and March 31, 2021, we had total borrowings (other than debt securities) of ₹31,693.54 million, ₹23,624.77 million, ₹28,123.35 million, ₹18,834.11 million, and ₹14,090.67 million, respectively.

We actively manage our liquidity and capital position by raising funds periodically. We regularly monitor our capital levels to ensure that we are able to satisfy the requirements for loan disbursements and maturity of our liabilities. All our loan agreements contain a number of covenants including financial covenants. For details, see "***Financial Indebtedness***" and "***Risk Factors – Internal Risk Factors – Our inability to comply with the financial and other covenants under our debt financing arrangements could adversely affect our business, results of operations and financial condition.***" on pages 430 and 30, respectively.

Cash Flows

The following table sets forth our cash flows for the periods indicated:

Particulars	**Six months period ended September 30,**		**Financial Year**		
	2023	**2022**	**2023**	**2022**	**2021**
	(in ₹ millions)	***(in ₹ millions)***	***(in ₹ millions)***	***(in ₹ millions)***	***(in ₹ millions)***
Net cash flow used in operating activities	(5,636.91)	(4,101.46)	(8,521.82)	(4,952.82)	(4,208.51)
Net cash flow from / (used in) investing activities	(1,108.70)	(677.26)	1,624.96	(1,857.78)	766.42
Net cash flow from financing activities	3,215.58	4,632.62	9,068.28	5 ,917.68	5,599.63
Net increase in cash and cash equivalents	(3,530.03)	(146.11)	2,171.42	(892.92)	2,157.54

Operating Activities

Net cash used in operating activities was ₹5,636.91 million for the six months ended September 30, 2023. Our profit before tax was ₹1,383.57 million for the six months ended September 30, 2023. We had an operating profit before working capital changes of ₹1,240.08 million, which was primarily adjusted for net gain on derecognition of financial instruments under amortised cost category of ₹423.05 million, effective interest rate adjustment on financial assets of ₹82.50 million and impairment on financial instruments of ₹64.26 million. Changes in our working capital for the six months ended September 30, 2023 primarily comprised an increase in loans of ₹6,710.50 million.

Net cash used in operating activities was ₹4,101.46 million for the six months ended September 30, 2022. Our profit before tax was ₹811.75 million for the six months ended September 30, 2022. We had an operating profit before working capital changes of ₹897.75 million, which was primarily adjusted for net gain on derecognition of financial instruments under amortised cost category of ₹152.83 million, effective interest rate adjustment on financial assets of ₹80.08 million and impairment on financial instruments of ₹83.01 million. Changes in our working capital for the six months ended September 30, 2022 primarily comprised an increase in loans of ₹4,607.74 million.

Net cash used in operating activities was ₹8,521.82 million for the Financial Year 2023. Our profit before tax was ₹2,019.52 million for the Financial Year 2023. We had an operating profit before working capital changes of

₹2,061.89 million, which was primarily adjusted for net gain on derecognition of financial instruments under amortised cost category of ₹439.08 million, effective interest rate adjustment on financial assets of ₹200.19 million and impairment on financial instruments of ₹112.19 million. Changes in our working capital for the Financial Year 2023 primarily comprised an increase in loans of ₹10,178.90 million.

Net cash used in operating activities was ₹4,952.82 million for the Financial Year 2022. Our profit before tax was ₹1,669.01 million for the Financial Year 2022. We had an operating profit before working capital changes of ₹1,460.38 million, which was primarily adjusted for net gain on derecognition of financial instruments under amortised cost category of ₹497.15 million, impairment on financial instruments of ₹118.89 million, and effective interest rate adjustment on financial assets of ₹77.68 million. Changes in our working capital for the Financial Year 2022 primarily comprised an increase in loans of ₹6,605.86 million and increase in other financial liabilities of ₹386.29 million.

Net cash used in operating activities was ₹4,208.51 million for the Financial Year 2021. Our profit before tax was ₹1,129.57 million for the Financial Year 2021. We had an operating profit before working capital changes of ₹1,162.75 million, which was primarily adjusted for net gain on derecognition of financial instruments under amortised cost category of ₹292.23 million and impairment on financial instruments of ₹198.48 million. Our changes in working capital for the Financial Year 2021 primarily comprised an increase in loans of ₹5,306.82 million.

Investing Activities

Net cash used in investing activities was ₹1,108.70 million for the six months ended September 30, 2023, primarily comprising payments for investments (net) of ₹526.69 million, investment in other bank balance (net) of ₹558.51 million and payments made for purchase of property, plant and equipment and intangible assets of ₹25.76 million.

Net cash used in investing activities was ₹677.26 million for the six months ended September 30, 2022, primarily comprising payments for investments (net) of ₹1,226.52 million, proceeds in other bank balance (net) of ₹582.47 million and payments made for purchase of property, plant and equipment and intangible assets of ₹33.27 million.

Net cash generated from investing activities was ₹1,624.96 million for the Financial Year 2023, primarily comprising proceeds from investments (net) of ₹1,283.92 million and proceeds in other bank balance (net) of ₹401.58 million, which was partially offset by payments made for purchase of property, plant and equipment and intangible assets of ₹63.97 million.

Net cash used in investing activities was ₹1,857.78 million for the Financial Year 2022, primarily comprising payments for investments (net) of ₹1,750.13 million, investment in other bank balance (net) of ₹59.09 million and payments made for purchase of property, plant and equipment and intangible assets of ₹50.79 million.

Net cash generated from investing activities was ₹766.42 million for the Financial Year 2021, primarily comprising proceeds from investments (net) of ₹938.59 million, which was partially offset by investment in other bank balance (net) of ₹154.45 million and payments made for purchase of property, plant and equipment and intangible assets ₹17.80 million.

Financing Activities

Net cash flow from financing activities was ₹3,215.58 million for the six months ended September 30, 2023, primarily comprising proceeds from borrowings (other than debt securities) of ₹7,737.00 million and proceeds from issue of equity share capital of ₹264.87 million, which was partially offset by repayment of borrowings of ₹4,180.63 million, repayment of debt securities of ₹575.00 million and payment towards lease liabilities of ₹30.66 million.

Net cash flow from financing activities was ₹4,632.62 million for the six months ended September 30, 2022, primarily comprising proceeds from borrowings (other than debt securities) of ₹7,753.90 million and proceeds from issue of equity share capital of ₹0.51 million, which was partially offset by repayment of borrowings of ₹3,018.01 million, repayment of debt securities of ₹75.00 million and payment towards lease liabilities of ₹28.78 million.

Net cash flow from financing activities was ₹9,068.28 million for the Financial Year 2023, primarily comprising proceeds from borrowings (other than debt securities) of ₹16,385.90 million and proceeds from issue of equity share capital of ₹13.78 million, which was partially offset by repayment of borrowings of ₹7,122.94 million, repayment of debt securities of ₹150.00 million and payment towards lease liabilities of ₹58.46 million.

Net cash generated from financing activities was ₹5,917.68 million for the Financial Year 2022, primarily comprising proceeds from borrowings (other than debt securities) of ₹11,406.35 million and proceeds from issue of debt securities of ₹1,650.00 million, which was partially offset by repayment of borrowings of ₹6,645.63 million, repayment of debt securities of ₹500.00 million and payment towards lease liabilities of ₹44.62 million.

Net cash generated from financing activities was ₹5,599.63 million for the Financial Year 2021, primarily comprising proceeds from borrowings (other than debt securities) of ₹9,784.00 million and proceeds from issue of debt securities of ₹150.00 million, which was partially offset by repayment of borrowings of ₹2,518.48 million, repayment of debt securities of ₹1,785.72 million and payment towards lease liabilities of ₹32.17 million.

Financial Indebtedness

The following table sets forth certain information relating to outstanding indebtedness as of September 30, 2023, and our repayment obligations in the periods indicated:

	As of September 30, 2023 Payment due by period				
	Total	**Less than 1 year**	**1-3 years**	**3-5 years**	**More than 5 years**
			(in ₹ millions)		
Borrowings (other than debt securities)	31,806.12	6,904.24	12,436.38	9,278.15	3,187.35
Debt securities	1,193.08	768.08	425.00	-	-
Derivative financial instrument	30.57	30.57	-	-	
Trade payables	86.85	86.85	-	-	
Other financial liabilities	681.77	681.77	-	-	-
Total	**33,798.39**	**8,471.51**	**12,861.38**	**9,278.15**	**3,187.35**

Securitization and Assignment Arrangements

Our assignments for the six months ended September 30, 2023 and September 30, 2022, and the Financial Years 2023, 2022 and 2021 amounted to ₹2,408.82 million, ₹1,660.56 million, ₹4,409.12 million, ₹2,732.68 million, and ₹1,694.94 million, respectively. Our securitization arrangements for the six monthss ended September 30, 2023 and September 30, 2022, and the Financial Years 2023, 2022 and 2021 amounted to nil, ₹790.60 million, ₹790.60 million, ₹320.58 million, and nil, respectively.

Contingent Liabilities and Commitments

As of and for the six months ended September 30, 2023 and September 30, 2022, and the Financial Years 2023, 2022 and 2021, our contingent liabilities and commitments were as follows:

	Six months ended September 30,		**Financial Year**		
	2023	**2022**	**2023**	**2022**	**2021**
			(in ₹ millions)		
In respect of income tax matters(1)(2)	66.00	66.00	66.00	66.00	44.52
In respect of indirect tax matters(3)	1.25				
Commitments:					
- Loan financing	3,243.09	2,166.23	2,678.94	1,934.12	1,102.26
- Capital commitments	-	-	-	0.50	0.21

	Six months ended September 30,		Financial Year		
	2023	2022	2023	2022	2021
			(in ₹ millions)		
Bank guarantees	2.50	2.50	2.50	2.50	2.50
Total	**3,312.84**	**2,234.73**	**2,747.44**	**2,003.12**	**1,149.49**

(1) We received an income tax notice under Section 143(3) of the Income Tax Act ,1961 dated December 25, 2019 for tax demand amounting to ₹44.52 million on account of unexplained credit under Section 68 of the Income Tax Act, 1961 for assessment year 2017-18. In response to such notice, we have filed an appeal before Commissioner of Income Tax (Appeals) and have deposited ₹8.91 million under protest.

(2) We received an income tax notice under section 143(1)(a) of the Income Tax Act, 1961 on 4 March, 2020, for the assessment year 2019-20, for tax demand of ₹21.48 million, on account of disallowance of Interest payable on non-convertible debentures issued to mutual fund under Section 43B of the Income Tax Act, 1961. The said amount has been adjusted against the refund due for the assessment year 2019-20. The Company has filed an appeal before the National Faceless Appeal Centre, New Delhi.

(3) Our Company has received a demand order of ₹1.25 million dated September 29, 2023 for contravention of Section 34(2) of the Control Goods and Services Tax Act, 2017 for the Financial Year 2020. Our Company is in the process of filing an appeal with the relevant authorities.

Off-Balance Sheet Commitments and Arrangements

Except as disclosed under "***– Securitization and Assignment Arrangements***" on page 425, we do not have any off-balance sheet arrangements, derivative instruments, swap transactions or relationships with affiliates or other unconsolidated entities or financial partnerships that would have been established for the purpose of facilitating off-balance sheet arrangements.

Capital Expenditure

Our capital expenditure primarily comprises expenditure incurred towards expansion of our branch network and investment in technological infrastructure. During the six months ended September 30, 2023 and September 30, 2022, and the Financial Years 2023, 2022 and 2021, our capital expenditure amounted to ₹59.20 million, ₹114.59 million, ₹164.28 million, ₹95.57 million and ₹80.01 million, respectively, incurred towards purchase of property, plant and equipment. For the Financial Year 2024, we expect our capital expenditure to be incurred for expansion of our branch network and enhancement of our information technology infrastructure.

Capital to Risk-Weighted Assets Ratios

The following table sets forth certain details of our CRAR derived from our Restated Consolidated Financial Information, as of the dates indicated:

Particulars	As of				
	September 30, 2023	September 30, 2022	March 31, 2023	March 31, 2022	March 31, 2021
Capital Adequacy Ratio (%)	48.7%	49.2%	52.7%	55.9%	71.5%
Tier I Capital (%)	47.9%	48.9%	51.9%	55.4%	70.8%
Tier II Capital (%)	0.8%	0.4%	0.7%	0.5%	0.7%

Credit Ratings

Our current credit ratings are set forth below:

Rating Agency	Instrument	Credit Ratings
ICRA Limited	Non-convertible Debentures	ICRA A+ (Stable)
	Long term borrowings	ICRA A+ (Stable)
Care Ratings	Long term borrowings	CARE A+ (Positive)

Related Party Transactions

We have engaged in the past, and may engage in the future, in transactions with related parties. For details of our related party transactions, see "***Restated Consolidated Financial Information – Note 40 – Related Party Transactions***" on page 387.

Quantitative and Qualitative Disclosures about Market Risk

In the course of our business, we are exposed to certain financial risks such as credit risk, liquidity risk and market risks (interest rate risk and currency risk).

Credit Risk

Credit risk is the risk of loss that may occur from the failure of any party to abide by the terms and conditions of any contract. This is primarily in relation to failure of our customers to make required payments of amounts due to us. The credit risk is governed by various product policies. The product policies outline the type of products that can be offered, customer categories, targeted customer profile and credit approval process and limits. We measure, monitor and manage credit risk at an individual borrower level. We have a structured and standardized credit approval process, which includes a well-established procedure of comprehensive credit appraisal. Credit risk arises from loan financing, cash and cash equivalents, and investments and deposits with banks and financial institutions.

Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. We monitor the forecast of our liquidity position and cash and cash equivalents on the basis of expected cash flows. Our asset liability management policy aims to align market risk management with overall strategic objectives, articulate our view on current interest rates and determine pricing, mix and maturity profile of assets and liabilities. It involves preparation and analysis of liquidity gap reports and ensuring preventive and corrective measures. It also addresses the interest rate risk by providing for duration gap analysis and controls by providing limits to the gaps.

Market Risk

Market risks comprise interest rate risk and currency risk. Our policy aims to minimize interest rate cash flow risk exposures on long-term loans and borrowings. We are exposed to changes in market interest rates through loans and bank borrowings at variable interest rates. Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign currency rates. Our exposure to the risk of changes in foreign exchange rates relates primarily to our external commercial borrowings.

Unusual or Infrequent Events or Transactions

Except as described in this Prospectus, to our knowledge, there have been no unusual or infrequent events or transactions that have in the past or may in the future affect our business operations or future financial performance.

Significant Economic Changes and Known Trends or Uncertainties

Our business has been subject, and we expect it to continue to be subject, to significant economic changes arising from the trends identified in **"— *Significant Factors Affecting our Results of Operations***" on page 399 and the uncertainties described in "***Risk Factors***" on page 29. To our knowledge, except as disclosed in this Prospectus, there are no known trends or uncertainties which we expect to have a material adverse effect on our income.

Future Relationship between Cost and Revenue

Other than as described in "***Risk Factors***", "***Our Business***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages 29, 232 and 397, respectively, to our knowledge there are no known factors that may adversely affect our business prospects, results of operations and financial condition.

New Products or Business Segments

Other than as disclosed in this section and in "***Our Business***" on page 29, there are no new products or business segments that have or are expected to have a material impact on our business prospects, results of operations or financial condition.

Dependence on a Few Customers

Given the nature of our operations, we are not dependent on any single or a few customers.

Seasonality of Business

Our business is not seasonal in nature.

Competitive Conditions

We operate in a competitive environment. Please refer to "***Our Business***", "***Industry Overview***" and "***Risk Factors***" on pages 232, 166 and 29, respectively for further information on our industry and competition.

Recent Accounting Pronouncements

As of the date of this Prospectus, there are no recent accounting pronouncements, which would have a material effect on our financial condition or results of operations.

Significant developments subsequent to September 30, 2023

Except as disclosed in this Prospectus, no circumstances have arisen since the date of the last financial statements disclosed in this Prospectus, which materially and adversely affect or are likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 months.

CAPITALISATION STATEMENT

The following table sets forth our Company's capitalization as at September 30, 2023, as derived from our Restated Consolidated Financial Information. This table should be read in conjunction with the sections "***Risk Factors***", "***Restated Consolidated Financial Information***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***", beginning on pages 29, 332 and 397, respectively.

(in ₹ million, except ratios)

Particulars	Pre-offer as at September 30, 2023*	As adjusted for the Offer**
Borrowings		
Total borrowings (I)(1)	**32,724.77**	**32,724.77**
Equity		
Equity share capital (II) (2)	450.23	531.37
Other Equity (III)#	13,299.43	21,218.29
Total Equity (IV = II + III) (3)	**13,749.66**	**21,749.66**
Total borrowings/ Total equity (V = I/IV)	**2.4**	**1.5**

** All the figures (other than calculated figures) are based on Restated Consolidated Financial Information of our Company as on September 30, 2023.*

*** The Fresh Issue of Equity Shares of face value of ₹ 5 each, aggregating to ₹ 8,000 million has been considered at Cap Price, each at a premium of ₹488 per share, as approved by the Board in their meeting dated December 7, 2023. Accordingly, equity share capital and share premium has been adjusted for the Offer.*

 # Other equity shall carry the meaning as per Restated Consolidated Financial Information prepared in accordance with Schedule III of the Companies Act, 2013 (as amended) excluding revaluation reserve.

Notes:

(1) Total Borrowings means the aggregate value of the debt securities and other borrowings (excluding lease liabilities) of our Company on a restated and consolidated basis.

(2) Pursuant to a resolution of our Board passed in their meeting held on July 12, 2023 and a resolution of our Shareholders passed in their extraordinary general meeting held on July 18, 2023, the authorised share capital of our Company comprising of 81,000,000 equity shares of face value ₹10 was split into 162,000,000 Equity Shares of face value ₹5 each.

(3) Total Equity means the aggregate value of the paid-up share capital and other equity after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation, each as applicable for our Company on a restated and consolidated basis.

FINANCIAL INDEBTEDNESS

In furtherance of our Articles of Association and subject to applicable laws, our Board is authorized to borrow sums of money for the purposes of our Company, and upon such terms and conditions as the Board thinks fit. For details of the borrowing powers of our Board, see "***Our Management – Borrowing Powers***" on page 289.

Our Company is engaged in the business of providing housing loans and accordingly, has availed loans in the ordinary course of its business for the purposes of onward lending and working capital requirements.

Set forth below is a brief summary of our aggregate outstanding borrowings amounting to ₹ 32,721.88 million, as on October 31, 2023, on a consolidated basis.

(in ₹ million)

Category of Borrowing	Sanctioned Amount	Amount outstanding as on October 31, 2023*(2)
Debt Securities		
Secured redeemable non-convertible debentures(1)	1,300.00	1,075.00
Borrowings (other than debt securities)		
Term loans from scheduled banks	30,250.00	19,993.78
Term loans from National Housing Bank	9,900.00	5,734.96
Term loans from other financial institutions(3)	6,235.10	5,139.07
Liabilities against securitised assets	1,082.32	779.07
Total borrowings	**48,767.42**	**32,721.88**

* *As certified by B. B. & Associates, Chartered Accountants, by way of their certificate dated December 16, 2023.*
(1) Represents non-convertible debentures of our Company listed on BSE.
(2) Represents principal amount outstanding.
(3) Includes external commercial borrowings having sanctioned amount of United States Dollar 30 million and outstanding amount of USD 30 million converted using exchange rate of ₹ 83.27.

As on October 31, 2023, our Subsidiary does not have any outstanding borrowings.

The details provided below are indicative and there may be additional terms, conditions and requirements under the various borrowing arrangements entered into by our Company. See "***Risk Factors – Internal Risk Factors – Our inability to comply with the financial and other covenants under our debt financing arrangements could adversely affect our business, results of operations and financial condition.***" on page 30.

Key terms of our borrowings are disclosed below:

- ***Tenor and Interest***: The tenor of our Company's borrowings range from 30 months to 180 months. Term loans from scheduled banks and other financial institutions carry rate of interest (including hedge cost in case of external commercial borrowings) ranging from 6.9% to 11.0% per annum. Secured loans from National Housing Bank ("**NHB**") carry interest rate ranging from 2.8% to 8.3%, which is linked to the marginal cost of funds-based lending rate or prime lending rates of the borrowings. Further the refinance assistance is provided either on a fixed or floating interest rate depending upon NHB's lending rate prevailing for the respective refinance schemes on the date of each disbursement. The interest rate for non-convetible debentures ("**NCDs**") ranges from 8.7% to 11.0% per annum, and the interest rate for securitization facilities ranges from 8.7% to 9.3% per annum.

- ***Security***: In terms of our borrowings and NCDs, where security needs to be created, we are required to create security by way of hypothecation on our Company's book-debts and receivables. There may be additional requirements for creation of security under the various borrowing arrangements entered into by us.

- ***Repayment***: The repayment period for most term loans and NHB sanctioned refinance typically ranges from 48 months to 180 months and 60 months to 180 months, respectively. We are required to repay the amounts in such instalments as per the repayment schedule stipulated in the relevant loan documentation. The redemption period for the NCDs ranges from 30 months to 60 months.

- ***Prepayment:*** We have the option to prepay the lenders, subject to payment of prepayment charges at such rate as may be stipulated by the lenders which typically ranges from Nil to 2.5%. Further, some loans may be prepaid without any prepayment charges subject to the fulfilment of conditions, including by providing prior notice to the lender. In relation to the NCDs, the Company may be required to redeem the NCDs prior to the expiry of redemption period in accordance with the terms contained in the debenture trust deeds.

- ***Penal Interest:*** We are typically bound to pay additional interest to our lenders for defaults in the payment of interest or other monies due and payable. This additional interest is charged as per the terms of our loan agreements and is typically from Nil to 4.0% over the applicable interest rate.

- ***Restrictive Covenants:*** As per the terms of our borrowings, certain corporate actions for which our Company requires prior written consent of the lenders include:

  (a) Change in control/ownership/management of our Company;
  (b) Amending the constitutional documents of our Company;
  (c) Entering into any scheme for merger, de-merger, arrangement, amalgamation, reconstruction, consolidation;
  (d) Implementing any scheme of expansion, modernisation, diversification;
  (e) Effecting any changes to the capital structure or shareholding pattern of our Company;
  (f) Permit any change in the general nature of the business; and
  (g) Create encumbrance, lien or dispose of assets charged in favour of the lenders.

- ***Events of Default:*** As per the terms of our borrowings, the following, among others, constitute events of default:

  (a) Failure and inability to pay amounts on the due date;
  (b) Violation of any covenant of the relevant agreement or any other borrowing agreement;
  (c) Any material adverse effect which would have an effect on our ability to repay the facilities availed;
  (d) Bankruptcy, liquidation, insolvency, re-organisation and/or any such analogous event;
  (e) Cross default under other financing arrangements entered into with the lenders; and
  (f) Any circumstance of expropriation or unlawfulness for continuance of facility.

- ***Consequences of occurrence of events of default:*** In terms of our borrowing arrangements, the following, *inter alia*, are the consequences of occurrence of events of default, whereby our lenders may:

  (a) Withdrawal or termination of the sanctioned facilities;
  (b) Seek immediate repayments of all or part of the outstanding amounts under the respective facilities;
  (c) Initiate legal proceedings for recovery of their dues;
  (d) Enforce the security over the hypothecated/ mortgaged assets; and
  (e) Appoint a nominee director on the board of the Company.

This is an indicative list and there may be additional terms that may require the consent of the relevant lender, the breach of which may amount to an event of default under various borrowing arrangements entered into by us, and the same may lead to consequences other than those stated above. We have obtained the necessary consents required under the relevant loan documentation for undertaking activities in relation to the Offer, including, *inter alia*, effecting a change in our shareholding pattern, effecting a change in the composition of our Board and amending our constitutional documents.

Listed debt securities of our Company

Details of the non-convertible debentures and sub-debt issued by our Company, as of October 31, 2023, which are currently listed on stock exchanges:

ISIN	Scrip Code	Status	Number of Debenture Holders	Name of Debenture Trustee	Outstanding Amount as on October 31, 2023 (in ₹ million)	Maturity
INE922K07070	973414	Listed	1	Catalyst Trusteeship Limited	300.00	August 31, 2026
INE922K07062	973263	Listed	12	Catalyst Trusteeship Limited	500.00	December 27, 2023
INE922K07096	973589	Listed	2	Catalyst Trusteeship Limited	275.00	March 23, 2025

For risks in relation to the financial and other covenants required to be complied with in relation to our borrowings, see "***Risk Factors – Internal Risk Factors – Our inability to comply with the financial and other covenants under our debt financing arrangements could adversely affect our business, results of operations and financial condition.***" on page 30.

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as stated in this section, there are no outstanding (i) criminal proceedings, (ii) actions taken by statutory or regulatory authorities, (iii) claims related to direct and indirect taxes, or (iv) other pending litigation as determined to be material, in each case involving our Company, Subsidiary, Promoters or our Directors (collectively, the "**Relevant Parties**"). Further, there are no disciplinary actions including penalty imposed by the Securities and Exchange Board of India ("**SEBI**") or stock exchanges against our Promoters in the last five Financial Years including any outstanding action. In relation to (iv) above, our Board in its meeting held on July 31, 2023, has considered and adopted a policy of materiality for identification of material civil litigation involving the Relevant Parties ("**Materiality Policy**").*

In terms of the Materiality Policy, any pending litigation/ arbitration proceedings (other than the litigations mentioned in points (i) to (iii) above) involving the Relevant Parties, has been considered 'material' for the purpose of disclosure in this Prospectus where:

*(a) the monetary amount of claim by or against the Relevant Parties in any such pending proceeding is equivalent to or above 1% of the profit after tax ("**Materiality Threshold**") as per the Restated Consolidated Financial Information for the Financial Year 2023, being ₹ 15.53 million; or*

(b) where the decision in one case is likely to affect the decision in similar matters such that the cumulative amount involved in such matters exceeds the threshold as specified in (a) above, even though the amount involved in an individual matter may not exceed the threshold as specified in (a) above; or

(c) any such litigation wherein a monetary liability is not determinable or quantifiable or which does exceed the materiality threshold as specified in (a) or (b) above, or such pending matters (including any litigation under the Insolvency and Bankruptcy Code, 2016, as amended, and public interest litigation against the Relevant Parties) which involve the Relevant Parties but are not falling in (a) or (b) above but the outcome of which could, nonetheless, have a material adverse effect on the business, operations, performance, prospects, financial position or reputation of the Company.

It is clarified that for the purposes of the above, pre-litigation notices received by the Relevant Parties from third parties (excluding governmental/ statutory/ regulatory/ judicial authorities or notices threatening criminal action) shall, in any event, not be considered as litigation until such time that Relevant Parties are impleaded as defendants in proceedings initiated before any court, tribunal or governmental authority, or is notified by any governmental, statutory or regulatory authority of any such proceeding that may be commenced.

*Except as stated in this section, there are no outstanding material dues to creditors of our Company. In terms of the Materiality Policy, outstanding dues to any creditor of our Company having monetary value exceeding ₹ 4.34 million, which is 5% of the consolidated trade payables of our Company as on September 30, 2023, as per the Restated Consolidated Financial Information included in this Prospectus, shall be considered as 'material'. Accordingly, as on September 30, 2023, any outstanding dues exceeding ₹ 4.34 million, have been considered as material outstanding dues for the purpose of disclosure in this section. Further, for outstanding dues to any party which is a micro, small or medium enterprise ("**MSME**"), the disclosure will be based on information available with the Company regarding status of the creditor as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006, as amended.*

Summary of outstanding litigation

A summary of outstanding litigation proceedings involving our Company, our Subsidiary, our Promoters and our Directors is set forth below:

Category of individuals/entities	Criminal proceedings	Tax proceedings	Statutory or regulatory actions	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters in the last five years, including outstanding action	Material civil litigations	Aggregate amount involved* (in ₹ million)
Company						
By our Company	777(1)	NA	NA	NA	481(2)	1,227.76
Against our Company	3	3	Nil	NA	Nil	67.25
Directors						
By our Directors	Nil	NA	NA	NA	Nil	Nil
Against our Directors	Nil	Nil	Nil	NA	1	52.50
Promoters						
By the Promoters	Nil	NA	NA	NA	Nil	Nil
Against our Promoters	Nil	Nil	Nil	Nil	Nil	Nil
Subsidiary						
By our Subsidiary	Nil	NA	NA	NA	Nil	Nil
Against our Subsidiary	Nil	Nil	Nil	NA	Nil	Nil

**Amount to the extent quantifiable.*

(1) This includes 764 complaints under Section 138 of the Negotiable Instruments Act, 1881, as amended, involving an aggregate amount of ₹ 929.28 million (to the extent quantifiable).

(2) This comprises 481 proceedings under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 and the Security Interest (Enforcement) Rules, 2002, each as amended, involving an aggregate amount of ₹ 298.48 million (to the extent quantifiable).

I. Litigation involving our Company

Litigation by our Company

A. Criminal proceedings

1. As on the date of this Prospectus, our Company has filed 764 complaints against various persons, including certain customers of our Company, under Section 138 read with Sections 141 and 142 of the Negotiable Instruments Act, 1881, as amended, alleging dishonour of cheques in relation to recovery of dues of our Company. These matters are currently pending at different stages of adjudication before various courts and judicial fora. The aggregate pecuniary amount involved in these matters as on the date of this Prospectus is ₹ 929.28 million.

2. Our Company has filed a criminal complaint against Guriya Devi before the Chief Metropolitan Magistrate, Tis Hazari Court, New Delhi, under the Indian Penal Code, 1860, as amended, for non-payment of equated monthly instalments. The matter is currently pending.

3. Our Company has filed a criminal complaint against Sonam Gupta with the Farash Vihar Police Station, Shahdara, New Delhi, under the Indian Penal Code, 1860, as amended, alleging non-repayment of borrowings availed from our Company and threatening the employees of our Company.

4. Our Company has filed a criminal complaint against Praveen Bano with the Superintendent of Police, Jabalpur, Madhya Pradesh, under the Indian Penal Code, 1860, as amended, for trespass of the mortgaged property with our Company and non-payment of equated monthly instalments.

5. Our Company has filed a criminal complaint against Nigar Praveen with the Superintendent of Police, Jabalpur, Madhya Pradesh, under the Indian Penal Code, 1860, as amended, for trespass of the mortgaged property with our Company and non-payment of equated monthly instalments.

6. Our Company has filed a petition against Raju Devi before the Judicial Magistrate, Bhilwada, Rajasthan under the Indian Penal Code, 1860, for trespassing the mortgaged assets, sealed by our Company for non-payment of equated monthly instalments. The matter is currently pending.

7. Our Company filed a first information report against Poonam Sharma with the Chhatta Bazaar Police Station, Agra, Uttar Pradesh, under the Indian Penal Code, 1860, for fabricating and forging the loan documents for availing loan from our Company. The matter is currently pending.

8. Our Company has filed a criminal complaint against Rupali Lakhe with the Wardha Police Station, Wardha, Maharashtra, under the Indian Penal Code, 1860, for availing a loan against from our Company against a mortgaged property already sold to another property and submitting a forged no-objection certificate.

9. Our Company has filed a first information report against Pooja Kumar, with the Sector-27 Police Station, Sonipat, Haryana under the Indian Penal Code, 1860, for non-repayment of the loan availed from our Company. The matter is currently pending.

10. Our Company has filed a first information report against Jitendra Khobragade and Surekha Khobragade with the Khaparkheda Police Station, Nagpur, Maharashtra under the Indian Penal Code, 1860, for selling the mortgaged property against which the Respondent had availed a loan from our Company. The matter is currently pending.

11. Our Company has filed a first information report against Madhu Ramavat and others, before the Chief Metropolitan Magistrate, Jaipur Court, Jaipur under the Indian Penal Code, 1860, as amended for misrepresentation of facts at the time of availing loan from our Company. The matter is currently pending.

12. Our Company has filed a first information report against Mamta Goyal and others before the Chief Metropolitan Magistrate, Jaipur Court, Jaipur under the Indian Penal Code, 1860, as amended alleging non-repayment of borrowings availed from our Company and threatening the employees of our Company. The matter is currently pending.

13. Our Company has filed a first information report against Satyabala Saini and others before the Chief Metropolitan Magistrate, Jaipur Court, Jaipur under the Indian Penal Code, 1860, as amended for misrepresentation of facts at the time of availing loan from our Company. The matter is currently pending.

14. Our Company has filed a first information report against Gokul Bai and others before the Mandana Police Station, Kota, Rajasthan under the Indian Penal Code, 1860, as amended for trespassing the mortgaged assets, sealed by our Company for non-payment of equated monthly instalments. The matter is currently pending.

B. Material civil litigation

In the ordinary course of business as a housing finance company, our Company from time to time initiates recovery proceedings under various provisions of Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 ("**SARFAESI Act**") and rules thereunder including the Security Interest (Enforcement) Rules, 2002, each as amended, in addition to civil suits and arbitration proceedings before various courts, tribunals and judicial fora in relation to recovery of dues against our customers and other persons in connection with non-repayment of dues. As on the date of this Prospectus, our Company has initiated 481 proceedings under Section 14 of the SARFAESI Act read with Rule 9 of the Security Interest (Enforcement) Rules, 2002, before relevant courts across jurisdictions, for seeking directions to take physical possession of the property and to exercise the right over mortgaged property. These matters are currently pending at different stages of adjudication before various fora. The aggregate amount involved in these matters is ₹ 298.48 million.

Litigation against our Company

A. Criminal proceedings

1. Deepika, wife of Shyam Sunder has filed a first information report against our Company and one of our employees, Deepak, in addition to certain of our former employees, with the Govardhan Police Station, Mathura, Uttar Pradesh, under Sections 420, 467, 468, 471 and 120B of the Indian Penal Code, 1860 alleging that such employees of our Company had fabricated and forged documents in connection with a loan availed from our Company, without procuring appropriate signatures on relevant documents and procuring signatures from Deepika and her husband on blank documents. It is further alleged that based on such fabricated and forged documents, our Company and such employees had, among other things, imposed a higher rate of interest, and further imposed mortgage on Shyam Sunder's property. Our employee, Deepak has in this regard filed a criminal writ petition before the High Court of Judicature at Allahabad seeking quashing of the first information report filed by Deepika Sunder, pursuant to which the High Court of Judicature at Allahabad has stayed the arrest of Deepak. These matters are currently pending.

2. Vijender Kumar has filed a first information report against our Company, among others, with the Pratapgarh Police Station, Alwar, Rajasthan, under Sections 420, 406, 506 and 120B of the Indian Penal Code, 1860 and Section 3(1)(r)(s) of the Scheduled Caste and Scheduled Tribe (Prevention of Atrocities) Act, 1989, as amended alleging that our Company along with the other accused, forged the documents in connection with the loan availed from our Company by Vijender Kumar and tried to delay the process of foreclosure of the loan. It is further alleged that our Company misappropriated the instalments given by Vijender Kumar for the foreclosure of his loan by entering into a conspiracy with the other accused in the matter. The matter is currently pending.

3. Girdhari Lal has filed a first information report against our Company, among others, with the Kardhani Police Station, Jaipur, Rajasthan, under Sections 420, 467, 468, 471 and 120B of the Indian Penal Code, 1860, as amended, alleging that our Company had fabricated and forged documents to falsely create a mortgage over the property owned by Girdhari Lal. It is further alleged that our Company, along with the other accused, deliberately committed fraud in furtherance of a criminal conspiracy, by preparing fabricated and forged documents in relation to a loan availed by Girdhari Lal. The matter is currently pending.

B. Material civil litigation

Nil

C. Outstanding actions by regulatory and statutory authorities

Nil

D. Other pending litigation

Nil

E. Tax proceedings

Particulars	Number of cases	Aggregate amount involved to the extent ascertainable (in ₹ million)
Direct Tax	2	66.00
Indirect Tax	1	1.25
Total	2	67.25

Tax proceedings which involve an amount higher than the Materiality Threshold

1. Our Company received an income tax notice under section 143(3) of the Income Tax Act, 1961 on December 25, 2019, for the assessment year 2017-18, for a tax demand amounting to ₹ 44.52 million under Section 68 of the Income Tax Act, 1961 on account of unexplained credit towards equity infusion received during the year. Our Company has filed an appeal before the Assistant Commissioner of Income Tax, Gurgaon (Appeals) and deposited ₹ 8.91 million under protest. The matter is currently pending.

2. Our Company received an income tax notice under section 143(1)(a) of the Income Tax Act, 1961 on March 4, 2020, for the assessment year 2019-20, for tax demand of ₹ 21.48 million, on account of disallowance of interest payable on non-convertible debentures issued to a mutual fund under Section 43B of the Income Tax Act, 1961. The said amount was adjusted against the refund due for the assessment year 2019-20. Our

Company has filed an appeal before the National Faceless Appeal Centre, New Delhi. The matter is currently pending.

II. Litigation involving our Subsidiary

Litigation by our Subsidiary

A. Criminal proceedings

Nil

B. Material Civil proceedings

Nil

Litigation against our Subsidiary

A. Criminal proceedings

Nil

B. Material Civil proceedings

Nil

C. Outstanding actions by regulatory and statutory authorities

Nil

D. Tax proceedings

Particulars	Number of cases	Aggregate amount involved to the extent ascertainable (in ₹ million)
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Total	Nil	Nil

III. Litigation involving our Directors

Litigation by our Directors

A. *Criminal proceedings*

Nil

B. Material Civil proceedings

Nil

Litigation against our Directors

A. Criminal proceedings

Nil

B. Material Civil proceedings

One of our Non-Executive Nominee Directors, Anup Kumar Gupta, was appointed as a non-executive director on the board of directors of Inasra Technologies Pvt. Ltd ("**Inasra**") on May 13, 2015 as a nominee director of Nexus Ventures III, Ltd. (one of the investors in Inasra). Anup Kumar Gupta resigned from the board of directors of Inasra on February 14, 2017. The National Company Law Tribunal, Chennai, Tamil Nadu ("**NCLT Chennai**"), passed an order dated August 16, 2018, admitting Inasra for liquidation under the Insolvency and Bankruptcy Code, 2016 ("**IBC**"). On May 29, 2023, Anup Kumar Gupta was served with five interim applications (four of which were dated May 22, 2023 and one was dated May 18, 2023) filed by the liquidator of Inasra under Section 66 of the IBC ("**Interim Applications**") wherein he have been impleaded as a respondent along with all the past directors of Inasra and the liquidator prayed to the NCLT Chennai to direct all the respondents to contribute a total of ₹52.50 million towards the liquidation estate of Inasra.

On July 31, 2023 and August 2, 2023, Anup Kumar Gupta filed the affidavits in reply to the Interim Applications before the NCLT Chennai, stating that (i) he has been wrongfully made a party (respondent) to the Interim Applications, as he was only a non-executive nominee director in Inasra until February 14, 2017 and has no knowledge of the alleged transactions through the board processes. Further, he also prayed to the NCLT Chennai to dismiss the Interim Applications *qua* himself; (ii) the liquidator had wrongfully invoked Section 66 of the IBC, having failed to show that the requirements of Section 66 of the IBC are being met *qua* himself; and (iii) the report relied upon by the liquidator in the Interim Applications does not categorically attribute knowledge of alleged transactions to him. The Interim Applications are scheduled for hearing on January 5, 2024.

C. Outstanding actions by regulatory and statutory authorities

Nil

IV. Litigation involving our Promoters

Litigation by our Promoters

A. Criminal proceedings

Nil

B. Material Civil proceedings

Nil

Litigation against our Promoters

A. Criminal proceedings

Nil

B. Material Civil proceedings

Nil

C. Outstanding actions by regulatory and statutory authorities

Nil

*D. Disciplinary actions including penalties imposed by Securities and Exchange Board of India ("**SEBI**") or stock exchanges in the last five financial years including outstanding actions*

Nil

V. Outstanding dues to creditors

In terms of the Materiality Policy, creditors of our Company to whom an amount exceeding 5% per cent of our total trade payables as on September 30, 2023 was outstanding, were considered 'material' creditors. As per the Restated Consolidated Financial Information, our total trade payables as on September 30, 2023 was ₹ 86.85 million and accordingly, creditors to whom outstanding dues exceed ₹ 4.34 million have been considered as material creditors for the purposes of disclosure in this Prospectus. Based on this criteria, details of outstanding dues owed as on September 30, 2023 by our Company are set out below:

Type of creditors	Number of creditors	Amount involved (in ₹ million)
Material creditors	Nil	0.00
Micro, Small and Medium Enterprises	Nil	0.00
Other creditors	120	6.20
Total*	120	6.20

** For the purpose of reporting of creditors outstanding as on September 30, 2023, the other creditors means trade payables as per the Restated Consolidated Financial Information of the Company as on September 30, 2023 excluding provision recognized for expenses in the books of accounts in respect of vendors for which invoices have not been received till September 30, 2023 and not credited in respective vendor's accounts and advances given to vendors.*

The details pertaining to outstanding dues to the material creditors along with names and amounts involved for each such material creditor are available on the website at https://indiashelter.in/investor-relations.

Material Developments

Other than as stated in the section "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" beginning on page 397, there have not arisen, since the date of the last financial information disclosed in this Prospectus, any circumstances which materially and adversely affect, or are likely to affect, our operations, our profitability taken as a whole or the value of our assets or our ability to pay our liabilities within the next 12 months, from the date of filing of this Prospectus.

GOVERNMENT AND OTHER APPROVALS

Our business requires various approvals, licenses, registrations, and permits issued by relevant regulatory authorities under various rules and regulations. Set out below is an indicative list of all material approvals, licenses, registrations, and permits obtained by our Company, which are necessary for undertaking its business. In view of such material approvals, our Company can undertake the Offer and its current business activities as disclosed in this Prospectus. Additionally, unless otherwise stated, these approvals, licenses, registrations, and permits are valid as on the date of this Prospectus. Certain approvals, licenses, registrations, and permits may expire periodically in the ordinary course and applications for renewal of such expired approvals are submitted in accordance with applicable requirements.

*For details of risk associated with not obtaining or delay in obtaining the requisite approvals, see "**Risk Factors – Internal Risk Factors - We require certain statutory and regulatory approvals for conducting our business and our inability to obtain, retain or renew them in a timely manner, or at all, may adversely affect our operations.**" on page 54. For further details in connection with the regulatory and legal framework within which we operate, see "**Key Regulations and Policies**" on page 264.*

I. Material approvals in relation to the Offer

For details regarding the approvals and authorisations obtained by our Company in relation to the Offer, see "***Other Statutory and Regulatory Disclosures – Authority for the Offer***" on page 444.

II. Material approvals obtained in relation to our Company

We require various approvals to carry on our business in India. We have received the following material government and other approvals pertaining to our business:

A. Material approvals in relation to our incorporation

1. Certificate of incorporation dated October 26, 1998 issued to our Company, under the name 'Satyaprakash Housing Finance India Limited' by the Registrar of Companies, Madhya Pradesh at Gwalior.

2. Certificate for commencement of business dated November 18, 1998 by the Registrar of Companies, Madhya Pradesh at Gwalior.

3. Certificate of incorporation dated July 8, 2010 issued to our Company, consequent upon change of name from 'Satyaprakash Housing Finance India Limited' to 'India Shelter Finance Corporation Limited' by the Registrar of Companies, Madhya Pradesh and Chhattisgarh at Gwalior.

4. Our Company has been allotted a corporate identity number U65922HR1998PLC042782.

For details in relation to incorporation of our Company, see "***History and Certain Corporate Matters***" on page 273.

B. Material approvals in relation to our business

The material approvals in relation to the branches and business operations of our Company issued by authorities of the respective jurisdictions in which our establishments and business operations are located are set forth below:

1. Certificate of registration dated December 31, 2002, granted to "Satyaprakash Housing Finance India Limited" by the National Housing Bank ("**NHB**") bearing registration number 02.0034.02 to carry on the business of a housing finance institution without accepting public deposits.

2. Certificate of registration dated September 14, 2010, granted by the NHB bearing registration number 09.0087.10 to our Company, to carry on the business of a housing finance institution without accepting public deposits.

3. Recognition as a 'financial institution' by the Ministry of Finance, by notification dated December 18, 2015 for the purpose of sub-clause (iv) of clause (m) of sub-section (1) of Section 2 of the

Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 ("**SARFAESI Act**").

4. Legal Entity Identifier registration number 335800LYXG6JYBGK1K19 from Legal Entity Identifier India Limited.

5. Registration for information utility services from National e-Governance Services Limited dated June 13, 2023.

6. Registration with the Central Registry of Securitisation Asset Reconstruction and Security Interest of India for registration of security interest.

C. Tax related approvals

1. Our permanent account number is AAGCS7358Q.

2. Our tax deduction account number is RTKI01539G.

3. Goods and services tax registration numbers of our Company, as per the state where our business operations are spread, are set forth below:

State	Registration Number
Rajasthan	08AAGCS7358Q1ZE
Uttar Pradesh	09AAGCS7358Q1ZC
Odisha	21AAGCS7358Q1ZQ
Chhattisgarh	22AAGCS7358Q1ZO
Madhya Pradesh	23AAGCS7358Q1ZM
Gujarat	24AAGCS7358Q1ZK
Maharashtra	27AAGCS7358Q1ZE
Punjab	03AAGCS7358Q1ZO
Uttarakhand	05AAGCS7358Q1ZK
Haryana	06AAGCS7358Q1ZI
Delhi	07AAGCS7358Q2ZF
Karnataka	29AAGCS7358Q1ZA
Tamil Nadu	33AAGCS7358Q1ZL
Telangana	36AAGCS7358Q1ZF
Andhra Pradesh	37AAGCS7358Q1ZD

4. Our Company has branches in Rajasthan, Odisha, Chhattisgarh, Madhya Pradesh, Gujarat, Maharashtra, Punjab, Karnataka, Tamil Nadu, Telangana and Andhra Pradesh, and is accordingly required to obtain registrations under the professional tax legislations respectively. Accordingly, our Company has obtained the necessary licenses and approvals from the appropriate regulatory and governing authorities in relation to such tax laws.

D. Labour and commercial approvals

1. We are required to obtain a certificate of establishment issued by the labour departments of the respective state governments where the Registered and Corporate Office and branch offices of our Company are located under the provisions of the relevant state specific legislations on shops and establishments. We have obtained the relevant shops and establishment registrations under the applicable provisions of the shops and establishments legislations of the relevant state for our Registered Office and branch offices in India; and

2. We are required to intimate NHB before opening of new branches. We have made intimations for opening of new branches in accordance with the applicable law.

3. Code no. GNGGN2789109000 issued by the Employees' Provident Fund Organisation, India under the Employees Provident Fund and Miscellaneous Provisions Act, 1952.

4. Registrations issued by the Employees' State Insurance Corporation, India under the Employees State Insurance Act, 1948, for the states where we carry our business operations, as applicable.

E. Intellectual Property Registrations

Trademark

As on the date of this Prospectus, our Company has a registered trademark as disclosed below:

Description	Class of trademark under the Trade Marks Act, 1999	Registering authority	Date of the registration
IndiaShelter Apna Ghar Apni Shaan	36	Trade Marks Registry, Delhi	June 2, 2021

Additionally, our Company has filed an application dated July 18, 2023 for registration of the trademark " IndiaShelter Home Loans " under class 36 before the Registry of Trade Marks, Delhi.

Copyright

As on the date of this Prospectus, our Company has a registered copyright as disclosed below:

Work title	Type of work	Date of Registration	Registering authority
India Shelter Jingle	Musical work	November 23, 2023	Registrar of Copyrights, Copyright Office, Department of Industrial Police and Promotion, Ministry of Commerce and Industry, Government of India, New Delhi

III. Material approvals pending to be made or obtained in relation to the business of our Company

In the ordinary course of business and from time to time, our Company establishes new branches in the various states it operates, in connection with which our Company is required to obtain professional tax enrolments and registrations under applicable professional tax laws in such states, employee state insurance and further, registrations under applicable shops' and establishments' legislations in the states in which such branches are established. Further, registrations obtained by our Company under applicable shops' and establishments' in relation to our branches may expire from time to time in the ordinary course of business in accordance with their terms and the provisions of the applicable registrations under applicable shops' and establishments' legislations (which may vary from state to state).

1. Approvals for which renewal applications/applications have been made

Except as disclosed below, as on the date of this Prospectus, there are no approvals for which fresh/renewal applications have been made:

(a) Fresh application of the shops and establishments licenses for our seven branches located in the states of Rajasthan, Tamil Nadu and Telangana.
(b) Application for renewal of the shops and establishments licenses for our one branch located in the state of Rajasthan.

2. Approvals for which renewal applications/application have not been made

Except as disclosed below, as on the date of this Prospectus, there are no approvals for which fresh/renewal applications have not been made:

(a) Fresh application for shops and establishment licenses for 18 branches located in the states of Gujarat, Andhra Pradesh, Rajasthan, Uttar Pradesh, Haryana, Madhya Pradesh, Telangana, Punjab, Karnataka and Tamil Nadu.

(b) Application for renewal of the shops and establishment license for one branch located in the state of Chhattisgarh.
(c) Fresh application for professional tax registrations for seven branches located in the states of Telangana and Tamil Nadu.
(d) Fresh application for employee state insurance registration for nine branches located in the states of Rajasthan, Madhya Pradesh, Tamil Nadu, Telangana and Uttar Pradesh.

Our Company has also filed an application dated August 10, 2023, with the Insurance Regulatory and Development Authority of India for grant of registration to act as corporate agent under the Insurance Regulatory and Development Authority of India (Registration of Corporate Agent) Regulations, 2015. See, "***Risk Factors – Internal Risk Factors - We require certain statutory and regulatory approvals for conducting our business and our inability to obtain, retain or renew them in a timely manner, or at all, may adversely affect our operations.***" on page 54.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

Corporate Approvals

- Our Board has authorised the Offer pursuant to a resolution dated July 12, 2023.
- Our Shareholders have authorised the Fresh Issue, pursuant to a special resolution passed at their extraordinary general meeting held on July 18, 2023.
- Our Board has taken on record the consent and authorisation of the Selling Shareholders to participate in the Offer for Sale pursuant to its resolution dated December 7, 2023.
- The Draft Red Herring Prospectus was approved pursuant to a resolution passed by our Board on August 3, 2023 and the IPO Committee on August 4, 2023.
- The Red Herring Prospectus has been approved pursuant to a resolution passed by our Board on December 7, 2023.
- This Prospectus has been approved pursuant to a resolution passed by our Board on December 16, 2023.

Approvals from the Selling Shareholders

Each of the Selling Shareholders has, severally and not jointly, confirmed and authorised the transfer of its respective portion of the Offered Shares pursuant to the Offer for Sale, as set out below:

Name of the Selling Shareholder	Date of consent letter	Date of board resolution/corporate authorisation, if applicable	Number of Offered Shares	Aggregate proceeds from the sale of Equity Shares forming part of the Offer for Sale (₹ in million)
Catalyst Trusteeship Limited (as trustee of MICP Trust)	December 5, 2023	June 9, 2023	405^	0.20^
Catalyst Trusteeship Limited (as trustee of Madison India Opportunities Trust Fund)	December 5, 2023	June 9, 2023	3,474,442^	1,712.90^
Madison India Opportunities IV	December 5, 2023	July 6, 2023	1,104,056^	544.30^
MIO Starrock	December 5, 2023	July 6, 2023	644,219^	317.60^
Nexus Ventures III, Ltd.	November 23, 2023	August 2, 2023	2,890,466^	1,425.00^

^ *Subject to finalization of Basis of Allotment.*

Our Company had filed an application dated July 13, 2023 with the Reserve Bank of India ("**RBI**") seeking prior written permission under the RBI Master Directions to undertake the Offer. Pursuant to letter dated September 15, 2023 from the RBI, our Company had received the no-objection from the RBI in relation to the Offer.

The Board of our Company has delegated the power to make key decisions in relation to the initial public offering ("**IPO**") to the duly authorised IPO Committee constituted by the Board. See "***Our Management – Committees of the Board – IPO Committee***" on page 297.

In-principle listing approvals

Our Company has received in-principle approvals from the BSE Limited ("**BSE**") and the National Stock Exchange of India Limited ("**NSE**") for the listing of our Equity Shares pursuant to letters each dated October 3, 2023.

Prohibition by the Securities and Exchange Board of India ("SEBI"), the Reserve Bank of India ("RBI") or governmental authorities

Our Company, our Promoters (the persons in control of our Company), members of our Promoter Group, our Directors, the persons in control of our Corporate Promoters and each of the Selling Shareholders are not prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

None of our Company, Promoters and Directors have been declared as a Wilful Defaulter or a Fraudulent Borrower. Our Promoters and Directors have not been declared as Fugitive Economic Offenders.

Compliance with the Companies (Significant Beneficial Owners) Rules, 2018, as amended

Each of our Company, our Promoters, members of our Promoter Group and the Selling Shareholders, severally and not jointly, confirms that it is in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, as amended, to the extent applicable thereto in respect of its respective holding in our Company, as on the date of this Prospectus.

Directors associated with the securities market

Except our Independent Director, Parveen Kumar Gupta, who is a director on the board of National Securities Depository Limited and an independent director on the board of Bank of India Investment Managers Private Limited, none of our Directors are associated with the securities market in any manner. No outstanding action has been initiated by SEBI against any of our Directors in the five years preceding the date of this Prospectus.

Non-appearance in list of companies struck off by the Ministry of Corporate Affairs ("MCA")

Except Shailesh J. Mehta, who was a director on the board of Abp Realty Advisors Private Limited and G H Infotech Services Private Limited, we confirm that the names of any of Directors, Promoters or individuals forming part of the Promoter Group are not appearing in the list of directors of struck-off companies by the RoC or the MCA.

Eligibility for the Offer

Our Company is eligible to undertake the Offer in accordance with the eligibility criteria provided in Regulation 6(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("**SEBI ICDR Regulations**"), and is in compliance with the conditions specified therein in the following manner:

- our Company has net tangible assets of at least ₹ 30 million, calculated on a restated and consolidated basis, in each of the preceding three full years (of 12 months each), of which not more than 50% are held in monetary assets;
- our Company has an average operating profit of at least ₹ 150 million, calculated on a restated and consolidated basis, during the preceding three years (of 12 months each), with operating profit in each of these preceding three years;
- our Company has a net worth of at least ₹10 million in each of the three preceding full years (of 12 months each), calculated on a restated and consolidated basis; and
- there has been no change of name of our Company at any time during the one year immediately preceding the date of filing of this Prospectus.

Set forth below are our Company's net tangible assets, monetary assets as a percentage of our net tangible assets, operating profit and net worth, derived from our Restated Consolidated Financial Information included in this Prospectus.

(in ₹ million, except as stated)

	Financial year ended as on		
	March 31, 2023	**March 31, 2022**	**March 31, 2021**
Restated net tangible assets	12,370.09	10,727.13	9,268.20
Restated monetary assets	4,414.25	2,912.75	3,788.99
% of monetary assets to net tangible assets	35.7%	27.2%	40.9%
Restated operating profit	1,802.51	1,550.73	1,068.65
Average restated operating profit		1,473.96	
Net worth	12,405.28	10,761.27	9,372.69

Notes:

1) *Net tangible assets means total assets (except intangible assets and deferred tax assets) less total liabilities.*
2) *Restated monetary assets means cash and cash equivalents and bank balance other than cash and cash equivalents (except deposit held as margin money under securitisation and borrowing agreements).*
3) *Restated operating profit is computed as total revenue from operations less total expenses.*
4) *Net Worth for the purposes of above, is calculated as per Regulation 2(1)(hh) of the SEBI ICDR Regulations, i.e., the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation..*

Our Company confirms that it is in compliance with the conditions specified in Regulation 7(1) of the SEBI ICDR Regulations, to the extent applicable, and will ensure compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable. Each of the Selling Shareholders, severally and not jointly, confirms that its respective portion of the Offered Shares is in compliance with Regulation 8 of the SEBI ICDR Regulations, and it has held its respective portion of the Offered Shares for a period of at least one year prior to the date of filing of the Draft Red Herring Prospectus.

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees under the Offer shall be not less than 1,000, failing which, the entire application money will be refunded forthwith, in accordance with the SEBI ICDR Regulations and applicable law.

The details of our compliance with Regulation 5 and Regulation 7(1) of the SEBI ICDR Regulations are as follows:

(a) None of our Company, our Promoters, members of our Promoter Group, our Directors or any of the Selling Shareholders are debarred from accessing the capital markets by SEBI;

(b) None of our Promoters or Directors are promoters or directors of companies which are debarred from accessing the capital markets by SEBI;

(c) None of our Company, Promoters, Promoter Group or Directors is a Wilful Defaulter or declared as a 'fraudulent borrower' by the lending banks or financial institution or consortium, in terms of RBI master circular dated July 1, 2016;

(d) None of our Promoters or Directors has been declared a Fugitive Economic Offender;

(e) Except for outstanding employee stock options granted pursuant to the ESOP Schemes, there are no outstanding convertible securities, warrants, options or rights to convert debentures, loans or other instruments convertible into, or any other right which would entitle any person any option to receive Equity Shares, as on the date of this Prospectus. See "***Capital Structure – Employee Stock Option Schemes***" on page 124;

(f) Our Company along with the Registrar to the Offer has entered into tripartite agreements dated July 22, 2023 and July 21, 2023 with National Securities Depository Limited ("**NSDL**") and Central Depository Services (India) Limited ("**CDSL**"), respectively for dematerialisation of the Equity Shares;

(g) The Equity Shares held by the Promoters are in the dematerialised form;

(h) There is no requirement for us to make firm arrangements of finance under Regulation 7(1)(e) of the SEBI ICDR Regulations through verifiable means towards 75% of the stated means of finance; and

(i) All the Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing of this Prospectus.

Our Company shall ensure compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable.

DISCLAIMER CLAUSE OF SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI")

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO 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 OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGERS, BEING ICICI SECURITIES LIMITED, CITIGROUP GLOBAL MARKETS INDIA LIMITED, KOTAK MAHINDRA CAPITAL COMPANY LIMITED AND AMBIT PRIVATE LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI ICDR REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS AND EACH OF THE SELLING SHAREHOLDERS WILL BE RESPONSIBLE, SEVERALLY AND NOT JOINTLY ONLY FOR THE STATEMENTS SPECIFICALLY CONFIRMED OR UNDERTAKEN BY IT IN THE DRAFT RED HERRING PROSPECTUS TO THE EXTENT OF INFORMATION SPECIFICALLY PERTAINING TO ITSELF FOR ITS RESPECTIVE PORTION OF OFFERED SHARES. THE BOOK RUNNING LEAD MANAGERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND THE SELLING SHAREHOLDERS DISCHARGE THEIR RESPONSIBILITIES ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGERS, BEING ICICI SECURITIES LIMITED, CITIGROUP GLOBAL MARKETS INDIA LIMITED, KOTAK MAHINDRA CAPITAL COMPANY LIMITED AND AMBIT PRIVATE LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED AUGUST 4, 2023 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V (FORM A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED.

THE FILING OF THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013, AS AMENDED OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGERS, ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.

Disclaimer from our Company, our Directors, the Selling Shareholders, and the Book Running Lead Managers ("BRLMs")

Our Company, our Directors and the BRLMs accept no responsibility for statements made otherwise than in this Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website at www.indiashelter.in or any of the websites of the Subsidiary or any affiliate of our Company or of any of the Selling Shareholders, would be doing so at his or her own risk.

Each of the Selling Shareholders, its respective directors, affiliates, partners, associates and officers, accept no responsibility for any statements made or undertakings provided other than those specifically confirmed or undertaken by such Selling Shareholder, and only in relation to itself and/or to the respective Equity Shares offered by such Selling Shareholder through the Offer for Sale and included in this Prospectus and anyone placing reliance on any other source of information, including our Company's website at www.indiashelter.in or any of the websites of the Subsidiary or any affiliate of our Company or of any of the Selling Shareholders, would be doing so at his or her own risk.

The BRLMs accept no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement.

All information shall be made available by our Company, each of the Selling Shareholders (with respect to itself and its respective portion of the Offered Shares) and the BRLMs to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at Bidding Centres or elsewhere.

None among our Company, the Selling Shareholders or any member of the Syndicate is liable for any failure in uploading the Bids due to faults in any software/ hardware system or otherwise; the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Banks on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

Investors who Bid in the Offer were required to confirm and would be deemed to have represented to our Company, the Selling Shareholders, Underwriters and their respective directors, partners, designated partners, trustees, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Selling Shareholders, the Underwriters and their respective directors, partners, designated partners, trustees, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The BRLMs and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, the Selling Shareholders and their respective affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, the Selling Shareholders and their respective affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

Disclaimer in respect of jurisdiction

The Offer is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, as amended, Hindu Undivided Families ("**HUFs**"), companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in equity shares, domestic Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to permission from RBI), systemically important Non-Baning Financial Companies ("**NBFCs**") or trusts under applicable trust law and who are authorised under their respective constitutions to hold and invest in equity shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, multilateral and bilateral development financial institutions, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority of India ("**IRDAI**"), permitted provident funds (subject to applicable law) and permitted pension funds (subject to applicable law), National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, Government of India ("**GoI**") and permitted Non-Residents including Foreign Portfolio Investors ("**FPIs**") and Eligible Non-Resident Individuals ("**NRIs**"), Alternate Investment Funds ("**AIFs**"), and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares. The Red Herring Prospectus does not constitute an invitation to subscribe to or purchase the Equity Shares in the Offer in any jurisdiction, including India. Any person into whose possession the Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions.

Any dispute arising out of the Offer will be subject to the jurisdiction of appropriate court(s) in Gurugram, Haryana, India only.

Bidders are advised to ensure that any Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law.

Eligibility and transfer restrictions

The Equity Shares offered in the Offer have not been and will not be registered, listed or otherwise qualified in any jurisdiction except India and may not be offered or sold to persons outside of India except in compliance with the applicable laws of each such jurisdiction. In particular, the Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (i) within the United States solely to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act) pursuant to Section 4(a) of the U.S. Securities Act, and (ii) outside the United States in offshore transactions in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales are made.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Disclaimer clause of the BSE Limited

As required, a copy of the Draft Red Herring Prospectus has been submitted to the BSE. The disclaimer clause as intimated by the BSE to our Company, post scrutiny of the Draft Red Herring Prospectus, is as under:

"BSE Limited ("the Exchange") has given vide its letter dated October 3, 2023, 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 reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever."

Disclaimer clause of the National Stock Exchange of India Limited

As required, a copy of the Draft Red Herring Prospectus has been submitted to the NSE. The disclaimer clause as intimated by the NSE to our Company, post scrutiny of the Draft Red Herring Prospectus, is as under:

"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.: NSE/LIST/2626 dated October 03, 2023, 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."

Disclaimer Clause of the National Housing Bank

The disclaimer clause of the NHB as included in the certificate of registration dated September 14, 2010 granted to our Company is set out below:

"*The Company is having a valid Certificate of Registration dated September 14, 2010 issued by the National Housing Bank (NHB) under Section 29A of the National Housing Bank Act, 1987. However, the NHB does not* *accept any responsibility or guarantee about the present position as to the financial soundness of the company or for the correctness of any of the statements or representations made or opinion expressed by the company and for repayment of deposits/ discharge of liabilities by the company.*"

Listing

The Equity Shares Allotted pursuant to the Red Herring Prospectus and this Prospectus are proposed to be listed on the BSE and the NSE. Applications will be made to the Stock Exchanges for obtaining permission for the listing and trading of the Equity Shares being issued and sold in the Offer and NSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalised.

If the permission to deal in and for an official quotation of the Equity Shares are not granted by the Stock Exchanges, our Company shall forthwith repay, without interest, all monies received from the applicants in pursuance of the Red Herring Prospectus and this Prospectus in accordance with applicable law. If such money is not repaid within the prescribed time, then our Company and every officer in default shall be liable to repay the money, with interest, as prescribed under applicable law. Any expense incurred by our Company on behalf of any of the Selling Shareholders with regard to interest on such refunds as required under the Companies Act, 2013 and any other applicable law will be reimbursed by such Selling Shareholder as agreed among our Company and the Selling Shareholders in writing, in proportion to its respective portion of the Offered Shares. Provided that no Selling Shareholder shall be responsible or liable for payment of any expenses or interest, unless such delay is solely and directly attributable to an act or omission of such Selling Shareholder and such liability shall be limited to the extent of its respective Offered Shares.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of Equity Shares at the Stock Exchanges are taken within three Working Days of the Bid/Offer Closing Date or such other period as may be prescribed by the SEBI. Each of the Selling Shareholders, severally and not jointly, shall extend commercially reasonable co-operation to our Company, as may be required solely in relation to its respective Offered Shares, in accordance with applicable law, to facilitate the process of listing the Equity Shares on the Stock Exchanges.

If our Company does not allot Equity Shares pursuant to the Offer within three Working Days from the Bid/Offer Closing Date or within such timeline as prescribed by the SEBI, it shall repay without interest all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period or such other rate as may be prescribed by the SEBI.

Consents

Consents in writing of: (a) each of the Selling Shareholders, our Directors, our Company Secretary and Chief Compliance Officer, our Statutory Auditors, the legal counsel to our Company, the bankers to our Company, CRISIL MI&A as the industry report provider, B. B. & Associates, Chartered Accountants, in their capacity as independent chartered accountants, the BRLMs, and the Registrar to the Offer have been obtained; and (b) the Syndicate Members, Escrow Collection Bank(s), Public Offer Account Bank, Sponsor Banks, Refund Bank and Monitoring Agency to act in their respective capacities, were obtained prior to filing the Red Herring Prospectus with the Registrar of Companies ("**RoC**"). Further, such consents as mentioned under (a) hereinabove have not been withdrawn up to the time of delivery of the Red Herring Prospectus with the SEBI.

Experts to the Offer

Our Company has received written consent dated December 7, 2023, from T R Chadha & Co. LLP, Chartered Accountants, our Statutory Auditors, who hold a valid peer review certificate from ICAI, to include their name as required under Section 26(5) of the Companies Act, 2013 read with the SEBI ICDR Regulations, in this Prospectus, and as an "expert", as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report dated November 13, 2023 relating to the Restated Consolidated Financial Information, and (ii) the statement of possible special tax benefits dated August 4, 2023 included in this Prospectus and such consent has not been withdrawn as on the date of this Prospectus.

Our Company has received written consent dated December 16, 2023, from B. B. & Associates, Chartered Accountants, to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Prospectus and as an "expert", as defined under Section 2(38) of the Companies Act, 2013 in respect of various certifications issued by them in their capacity as independent chartered accountants to our Company.

Such consents have not been withdrawn as on the date of this Prospectus. The term "experts" and consent thereof does not represent an expert or consent within the meaning under the U.S. Securities Act.

Particulars regarding public or rights issues during the last five years

There have been no public issues, including any rights issues undertaken by our Company, during the five years preceding the date of this Prospectus.

Commission or brokerage on previous issues in the last five years

Since this is the initial public offering of the Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure public subscription for any of our Equity Shares during the five years preceding the date of this Prospectus.

Capital issues in the preceding three years by our Company, our listed group companies, Subsidiary and associates of our Company

Except as disclosed in "***Capital Structure – Notes to capital structure – Equity share capital history of our Company***" on page 94, our Company has not made any capital issue during the three years preceding the date of this Prospectus. As on the date of this Prospectus, our Subsidiary is not listed. As on the date of this Prospectus, we do not have any associates or group company.

Performance vis-à-vis objects – public/rights issue of our Company

There have been no public issues, including any rights issues undertaken by our Company, during the five years preceding the date of this Prospectus.

Performance vis-à-vis objects - public/rights issue of any listed subsidiary/Promoters of our Company

As on the date of this Prospectus, none of our Promoters or Subsidiary are listed.

Price information of past issues handled by the Book Running Lead Managers

ICICI Securities Limited

1. *Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by ICICI Securities Limited.*

Sr. No.	Issue Name	Issue Size (₹ Mn.)	Issue price (₹)	Listing Date	Opening Price on Listing Date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Zaggle Prepaid Ocean Services Limited^^	5,633.77	164.00	September 22, 2023	164.00	+30.95%, [-0.67%]	NA*	NA*
2	Signatureglobal (India) Limited^^	7,300.00	385.00	September 27, 2023	444.00	+35.79%, [-4.36%]	NA*	NA*
3	JSW Infrastructure Limited^	28,000.00	119.00	October 3, 2023	143.00	+41.34% [-2.93%]	NA*	NA*
4	Blue Jet Healthcare Limited^^	8,402.67	346.00	November 1, 2023	380.00	+4.08%, [+6.02%]	NA*	NA*
5	Cello World Limited^^	19,000.00	648.00(1)	November 6, 2023	829.00	+21.92%, [+7.44%]	NA*	NA*
6	ESAF Small Finance Bank Limited^	4,630.00	60.00(2)	November 10, 2023	71.90	+12.87%, [+7.58%]	NA*	NA*
7	Protean eGov Technologies Limited^	4,892.02	792.00(3)	November 13, 2023	792.00	+45.21%, [+7.11%]	NA*	NA*
8	ASK Automotive Limited^^	8,339.13	282.00	November 15, 2023	303.30	+2.73%, [+7.66%]	NA*	NA*
9	Gandhar Oil Refinery (India) Limited^^	5,006.92	169.00	November 30, 2023	298.00	NA*	NA*	NA*
10	Fedbank Financial Services Limited^^	10,922.64	140.00 (4)	November 30, 2023	138.00	NA*	NA*	NA*

**Data not available*
^BSE as designated stock exchange
^^NSE as designated stock exchange
(1) Discount of ₹ 61 per equity share offered to eligible employees. All calculations are based on Issue Price of ₹ 648.00 per equity share.
(2) Discount of ₹ 5 per equity share offered to eligible employees. All calculations are based on Issue Price of ₹ 60.00 per equity share.
(3) Discount of ₹ 75 per equity share offered to eligible employees. All calculations are based on Issue Price of ₹ 792.00 per equity share.
(4) Discount of ₹ 10 per equity share offered to eligible employees. All calculations are based on Issue Price of ₹ 140.00 per equity share.

2. *Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by ICICI Securities Limited.*

Financial Year	Total no. of IPOs	Total funds raised (Millions)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date	Nos. of IPOs trading at premium on as on 30th calendar days from listing date	Nos. of IPOs trading at discount as on 180th calendar days from listing date	Nos. of IPOs trading at premium as on 180th calendar days from listing date

			Over 50%	Between 25% - 50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2023-24*	13	1,11,731.30	-	-	-	2	4	4	-	-	-	-	-	-
2022-23	9	2,95,341.82	-	1	3	-	3	2	-	1	1	-	5	2
2021-22	26	7,43,520.19	-	3	6	6	4	7	3	4	5	5	4	5

** This data covers issues up to year-to-date.*

Notes:

1. *Data is sourced either from www.nseindia.com or www.bseindia.com, as per the designated stock exchange disclosed by the respective Issuer Company.*
2. *Similarly, benchmark index considered is "NIFTY 50" where NSE is the designated stock exchange and "S&P BSE SENSEX" where BSE is the designated stock exchange, as disclosed by the respective Issuer Company.*
3. *30th, 90th, 180th calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th, 90th, 180th calendar day is a holiday, in which case we have considered the closing data of the previous trading day.*

Citigroup Global Markets India Private Limited

1. *Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Citigroup Global Markets India Private Limited.*

S. No.	Issue Name	Issue Size (₹ million)	Issue price (₹)	Listing Date	Opening Price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Tata Technologies Limited	30,425.14	500.00	November 30, 2023	1,199.95	NA	NA	NA
2	Honasa Consumer Limited	17,014.40	324.00	November 7, 2023	330.00	+17.58% [+7.89%]	NA	NA
3	R R Kabel Limited	19,640.10	1,035.00	September 20, 2023	1,179.00	34.45% [-1.75%]	NA	NA
4	Concord Biotech Limited	15,505.21	741.00	August 18, 2023	900.05	+36.82% [+4.57%]	+83.91% [+1.89%]	NA
5	Delhivery Limited	52,350.0	487.00	May 24, 2022	495.20	+3.49% [-4.41%]	+17.00% [+10.13%]	-27.99% [+13.53%]
6	Life Insurance Corporation of India	205,572.3	949.00	May 17, 2022	872.00	-27.2% [-3.3%]	-28.1% [+9.5%]	-33.8%[+13.8%]
7	Star Health and Allied Insurance Company Limited	64,004.39	900.00	December 10, 2021	845.00	-14.78%[+1.96%]	-29.79%[-6.66%]	-22.21%[-6.25%]
8	One 97 Communications Limited	183,000.00	2,150.00	November 18, 2021	1,955.00	-38.5%[-4.4%]	-60.40%[-2.5%]	-72.5%[-11.2%]
9	PB Fintech Limited	57,097.15	980.00	November 15, 2021	1,150.00	14.86%[-4.17%]	-20.52%[-4.06%]	-33.86%[-12.85%]

S. No.	Issue Name	Issue Size (₹ million)	Issue price (₹)	Listing Date	Opening Price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
10	FSN E-Commerce Ventures Limited	53,497.24	1,125.00	November 10, 2021	2,018.00	92.31%[-2.53%]	68.46%[-4.46%]	36.80%[-8.91%]
11	Aditya Birla Sun Life AMC Limited	27,682.56	712.00	October 11, 2021	715.00	-11.4%[-0.98%]	-23.85%[-0.51%]	-25.65%[-0.90%]
12	Aptus Value Housing Finance India Limited	27,800.52	353.00	August 24, 2021	333.00	-2.82%[+5.55%]	-0.82%[+7.38%]	+0.62%[+6.86%]
13	Cartrade Tech Limited	29,985.13	1,618.00	August 20, 2021	1,599.80	-10.31%[+6.90%]	-32.68%[+9.24%]	-61.17%[+8.80%]
14	Zomato Limited	93,750.00	76.00	July 23, 2021	115.00	+83.22%[+4.44%]	+91.97%[+15.64%]	+75.07%[14.68%]

Source:

Notes:

1. Nifty is considered as the benchmark index.

2. % of change in closing price on 30th / 90th / 180th calendar day from listing day is calculated vs. issue price. % change in closing benchmark index is calculated based on closing index on listing day vs. closing index on 30th / 90th / 180th calendar day from listing day.

3. 30th, 90th, 180th calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th, 90th, 180th calendar day is a holiday, in which case closing price on NSE of a trading day immediately prior to the 30th / 90th / 180th day, is considered.

2. *Summary statement of price information of past issues handled by Citigroup Global Markets India Private Limited.*

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ mn)	No. of IPOs trading at discount – 30th calendar days from listing			No. of IPOs trading at premium – 30th calendar days from listing			No. of IPOs trading at discount – 180th calendar days from listing			No. of IPOs trading at premium – 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2023-24	4	82,584.85	-	-	-	-	2	1	-	-	-	-	-	-
2022-23	2	257,922.30	-	1	-	-	-	1	-	2	-	-	-	-
2021-22	8	5,36,816.99	-	1	4	2	-	1	2	2	1	1	1	1

Source: www.nseindia.com

Notes:

(1) The information is as on the date of the document.

(2) The information for each of the financial years is based on issues listed during such financial year.

(3) Since 30 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.

Kotak Mahindra Capital Company Limited

1. *Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Kotak Mahindra Capital Company Limited*

S. No.	Issue name	Issue size (₹ million)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Honasa Consumer Limited	17,014.40	324[1]	November 7, 2023	330.00	+17.58%, [7.89%]	Not Applicable	Not Applicable
2.	Cello World Limited	19,000	648[2]	November 6, 2023	829.00	+21.92%, [7.44%]	Not Applicable	Not Applicable
3.	Blue Jet Healthcare Limited	8,402.67	346	November 1, 2023	380.00	+4.08%, [6.02%]	Not Applicable	Not Applicable
4.	JSW Infrastructure Limited	2,800.00	119	October 3, 2023	143.00	+41.34%, [-2.93%]	Not Applicable	Not Applicable
5.	Signatureglobal (India) Limited	7,300.00	385	September 27, 2023	444.00	+35.79.%, [-4.36%]	Not Applicable	Not Applicable
6.	SAMHI Hotels Limited	13,701.00	126	September 22, 2023	130.55	+15.16.%, [-0.93%]	Not Applicable	Not Applicable
7.	Concord Biotech Limited	15,505.21	741[3]	August 18, 2023	900.05	+36.82.%, [+4.57%]	+ 83.91%, [+ 1.89%]	Not Applicable
8.	SBFC Finance Limited	10,250.00	57[4]	August 16, 2023	82.00	+51.75.%, [+3.28%]	+61.14%, [-0.11%]	Not Applicable
9.	Utkarsh Small Finance Bank Limited	5,000.00	25	July 21, 2023	40.00	+92.80%, [-2.20%]	+119.00%, [-0.37%]	Not Applicable
10.	Mankind Pharma Limited	43,263.55	1,080	May 09, 2023	1,300.00	+37.61%, [+2.52%]	+74.13%, [+6.85%]	+64.36%, [+5.28%]

Source: www.nseindia.com; www.bseindia.com

Notes:
1. *In Honasa Consumer Limited, the issue price to eligible employees was ₹ 294 after a discount of ₹ 30 per equity share*
2. *In Cello World Limited, the issue price to eligible employees was ₹ 587 after a discount of ₹ 61 per equity share*
3. *In Concord Biotech Limited, the issue price to eligible employees was ₹ 671 after a discount of ₹ 70 per equity share*
4. *In SBFC Finance Limited, the issue price to eligible employees was ₹ 55 after a discount of ₹ 2 per equity share*
5. *In the event any day falls on a holiday, the price/index of the immediately preceding trading day has been considered.*
6. *The 30th, 90th, 180th calendar days from listed day have been taken as listing day plus 29, 89 and 179 calendar days.*
7. *Designated Stock Exchange as disclosed by the respective Issuer at the time of the issue has been considered for disclosing the price information.*
8. *Restricted to last 10 equity initial public issues.*

2. *Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Kotak Mahindra Capital Company Limited*

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ million)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2023-24	10	167,436.83	-	-	-	2	4	4	-	-	-	1	-	-
2022-23	10	367,209.37	-	1	2	-	3	4	-	2	1	2	3	2

2021-22	19	624,047.99	-	-	5	5	5	4	1	4	2	8	2	2

Notes:

1. *The information is as on the date of this Prospectus.*
2. *The information for each of the financial years is based on issues listed during such financial year.*

Ambit Private Limited

1. *Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Ambit Private Limited.*

Sr. No.	Issue Name	Issue Size (in ₹ million)	Issue Price (in ₹)	Designated Stock Exchange as disclosed in the Red Herring Prospectus filed	Listing Date	Opening price on Listing Date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark] - 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 180th calendar days from listing
1.	Yatharth Hospital & Trauma Care Services Limited	6,865.51	300.00	BSE	August 7, 2023	304.00	+23.30, [-0.26%]	+20.58%, [-2.41%]	N.A
2.	Senco Gold Limited	4,050.00	317.00	NSE	July 14, 2023	430.00	+25.28, [-0.70%]	+105.32%, [+1.26%]	N.A
3.	Metro Brands	13,675.05	500.00	BSE	December 22, 2021	436.00	+21.77%, [+4.45%]	+14.57%, [+0.64%]	+7.93%, [-9.78%]
4.	Star Health and Allied Insurance Company Limited	60,186.84	900.00	NSE	December 10, 2021	845.00	-14.78%, [+1.72%]	-29.79%, [-6.66%]	-22.21%, [-6.25%]
5.	Ami Organics Limited	5,696.36	610.00	BSE	September 14, 2021	902.00	+116.86%, [+4.27%]	+63.94%, [+0.93%]	+47.34%, [-4.63%]
6.	Chemplast Sanmar Limited	38,500.00	541.00	NSE	August 24, 2021	550.00	+2.06%, [+5.55%]	+12.68%, [+6.86%]	-3.30%, [+3.92%]

Source: www.nseindia.com and www.bseindia.com

Notes:

a. *Issue Size derived from Prospectus/final post issue reports, as available.*
b. *The CNX NIFTY or S&P BSE SENSEX is considered as the Benchmark Index as per the Designated Stock Exchange disclosed by the respective Issuer at the time of the issue, as applicable*
c. *Price on NSE or BSE is considered for all of the above calculations as per the Designated Stock Exchange disclosed by the respective Issuer at the time of the issue, as applicable.*
d. *In case 30th/90th/180th day is not a trading day, closing price of the previous trading day has been considered.*
e. *Since 30/90/180 calendar days from listing date has not elapsed for the above issue, data for same is not available.*

2. *Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Ambit Private Limited.*

Financial Year	Total No. of IPO's	Total Funds Raised (in ₹ Mn)	No. of IPOs trading at discount – 30th calendar days from listing			No. of IPOs trading at premium – 30th calendar days from listing			No. of IPOs trading at discount – 180th calendar days from listing			No. of IPOs trading at premium – 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2023-24*	2	10,915.51	-	-	-	-	1	1	-	-	-	-	-	-
2022-23	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2021-22	4	118,058.25	-	-	1	1	-	2	-	-	2	-	1	1

Source: www.nseindia.com and www.bseindia.com

** The information is as on the date of the document*

Note: Since 30 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.

Track record of past issues handled by the BRLMs

For details regarding the track record of the Book Running Lead Managers, as specified in circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please see the websites of the Book Running Lead Managers, as set forth in the table below:

Sr. No.	Name of the BRLM	Website
1.	ICICI Securities Limited	www.icicisecurities.com
2.	Citigroup Global Markets India Private Limited	www.online.citibank.co.in/rhtm/citigroupglobalscreen1.htm
3.	Kotak Mahindra Capital Company Limited	https://investmentbank.kotak.com
4.	Ambit Private Limited	www.ambit.co

Stock market data of the Equity Shares

This being the initial public offering of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange as on the date of this Prospectus, and accordingly, no stock market data is available for the Equity Shares.

Mechanism for Redressal of Investor Grievances

The Registrar Agreement provides for retention of records with the Registrar to the Offer for a period of at least eight years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges or any such period as prescribed under the applicable laws, to enable the investors to approach the Registrar to the Offer for redressal of their grievances. The Registrar to the Offer shall obtain the required information from the Self Certified Syndicate Banks ("**SCSBs**") for addressing any clarifications or grievances of application supported by blocked amount ("**ASBA**") Bidders.

Bidders can contact the Company Secretary and Chief Compliance Officer and/or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. For all Offer related queries and for redressal of complaints, Bidders may also write to the BRLMs, in the manner provided below. Our Company, the Selling Shareholders, the BRLMs and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under the applicable provisions of the SEBI ICDR Regulations.

All Offer related grievances, other than of Anchor Investors, may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary, with whom the Bid cum Application Form was submitted giving full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, Unified Payments Interface Identity ("**UPI ID**"), Permanent Account Number ("**PAN**"), address of Bidder, number of the Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for UPI Bidders who make the payment of Bid Amount through the UPI Mechanism), date of Bid cum Application Form and the name and address of the relevant Designated Intermediary where the Bid was submitted. Further, the Bidder shall enclose the Acknowledgment Slip or the application number from the Designated Intermediary in addition to the documents or information mentioned hereinabove. The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders. For Offer-related grievances, investors may contact the BRLMs, details of which are given in "***General Information – Book Running Lead Managers***" on page 85.

In case of any delay in unblocking of amounts in the ASBA Accounts exceeding two Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding two Working Days from the Bid / Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Pursuant to the SEBI master circular for Issue of Capital and Disclosure Requirements bearing reference number SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 ("**SEBI ICDR Master Circular**"), SEBI has identified the need to put in place measures, in order to manage and handle investor issues arising out of the UPI Mechanism *inter alia* in relation to delay in receipt of mandates by Bidders for blocking of funds due to systemic issues faced by Designated Intermediaries/SCSBs and failure to unblock funds in cases of partial allotment/non allotment within prescribed timelines and procedures.

In terms of SEBI ICDR Master Circular issued by the SEBI, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, in terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLMs, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

Separately, pursuant to the circular (No. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M) dated March 16, 2021 issued by the SEBI ("**March 2021 Circular**"), the following compensation mechanism shall be applicable for investor grievances in relation to Bids made through the UPI Mechanism, for public issues opening on or after May 1, 2021, for which the relevant SCSBs shall be liable to compensate the investor:

Scenario	Compensation amount	Compensation period
Delayed unblock for cancelled/withdrawn/deleted applications	₹100 per day or 15% per annum of the Bid Amount, whichever is higher	From the date on which the request for cancellation/withdrawal/deletion is placed on the bidding platform of the Stock Exchanges till the date of actual unblock
Blocking of multiple amounts for the same Bid made through the UPI Mechanism	1. Instantly revoke the blocked funds other than the original Bid Amount; and 2. ₹100 per day or 15% per annum of the total cumulative blocked amount except the original Bid Amount, whichever is higher	From the date on which multiple amounts were blocked till the date of actual unblock
Blocking more amount than the Bid Amount	1. Instantly revoke the difference amount, i.e., the blocked amount less the Bid Amount; and 2. ₹100 per day or 15% per annum of the difference amount, whichever is higher	From the date on which the funds to the excess of the Bid Amount were blocked till the date of actual unblock
Delayed unblock for non–Allotted/partially Allotted applications	₹100 per day or 15% per annum of the Bid Amount, whichever is higher	From the Working Day subsequent to the finalisation of the Basis of Allotment till the date of actual unblock

Further, in the event there are any delays in resolving the investor grievance beyond the date of receipt of the complaint from the investor, for each day delayed, the BRLMs shall be liable to compensate the investor ₹100 per day or 15% per annum of the Bid Amount, whichever is higher. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock.

All grievances relating to Bids submitted with Registered Brokers, may be addressed to the Stock Exchanges, with a copy to the Registrar to the Offer.

All Offer-related grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or first bidder, Anchor Investor Application Form number, Bidders' DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the BRLMs where the Anchor Investor Application Form was submitted by the Anchor Investor. Our Company, the BRLMs, and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations.

Disposal of investor grievances by our Company

Our Company estimates that the average time required by our Company or the Registrar to the Offer or the SCSBs in case of ASBA bidders for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has obtained authentication on the SCORES platform in terms of the SEBI circular no. CIR/OIAE/1/2013 dated April 17, 2013 and shall comply with the SEBI master circular bearing number SEBI/HO/OIAE/IGRD/P/CIR2022/0150 dated November 7, 2022 in relation to redressal of investor grievances through SCORES.

Our Company has appointed Mukti Chaplot, as the Company Secretary and Chief Compliance Officer of our Company. See "***General Information – Company Secretary and Chief Compliance Officer***" on page 84.

Each of the Selling Shareholders, severally and not jointly, have authorised Mukti Chaplot, the Company Secretary and Chief Compliance Officer of our Company and the Registrar to the offer to redress any complaints received from Bidders solely to the extent of the statements specifically made, confirmed or undertaken by Selling Shareholders in the Offer Documents in respect of themselves and their respective Offered Shares.

Our Company has also constituted a Stakeholders' Relationship Committee, comprising our Directors, Ajay Narayan Jha, Savita Mahajan, Rachna Dikshit, Shailesh J. Mehta and Rupinder Singh, to resolve the grievances of the security holders of our Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends and issue of new/duplicate certificates. See "***Our Management – Stakeholders' Relationship Committee***" on page 294.

Our Company has not received any investor complaint during the three years preceding the date of this Prospectus. Further, no investor complaint in relation to our Company is pending as on the date of this Prospectus.

Exemption from complying with any provisions of securities laws, if any, granted by SEBI

Our Company has not sought any exemption from complying with any provisions of securities laws as on the date of this Prospectus.

SECTION VII – OFFER INFORMATION

TERMS OF THE OFFER

The Equity Shares offered and Allotted pursuant to this Offer are and were subject to the provisions of the Companies Act, 2013 ("**Companies Act**"), the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("**SEBI ICDR Regulations**"), the Securities Contracts (Regulation) Act, 1956 ("**SCRA**"), the Securities Contracts (Regulation) Rules, 1957 ("**SCRR**"), the Memorandum of Association, the Articles of Association, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**"), the terms of the Draft Red Herring Prospectus, the Red Herring Prospectus and this Prospectus, the Bid cum Application Form, the Revision Form, the Abridged Prospectus and other terms and conditions as may be incorporated in the Confirmation of Alloment Note ("**CAN**"), Allotment Advice and other documents and certificates that were executed in respect of the Offer. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities, issued from time to time, by Securities and Exchange Board of India ("**SEBI**"), Government of India ("**GoI**"), the Stock Exchange, the Registrar of Companies, Delhi and Haryana at New Delhi, Delhi ("**RoC**"), the Reserve Bank of India ("**RBI**"), the National Housing Bank ("**NHB**") and/or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as maybe prescribed by SEBI, GoI, the Stock Exchange, the RoC, the RBI, the NHB and/or other authorities while granting its approval for the Offer.

Ranking of Equity Shares

The Equity Shares offered/Allotted and transferred pursuant to the Offer will rank *pari passu* in all respects with the existing Equity Shares of our Company, including in respect of rights to receive dividends and other corporate benefits, if any, declared by our Company after the date of Allotment as per the applicable law. See "***Description of Equity Shares and Terms of the Articles of Association***" beginning on page 494.

Mode of payment of dividend

Our Company will pay dividends, if declared, to the Shareholders, as per the provisions of the Companies Act, 2013, the SEBI Listing Regulations, the Memorandum of Association and the Articles of Association, and any guidelines or directives that may be issued by the Government of India in this respect or any other applicable law. Any dividends declared, after the date of Allotment in the Offer, will be payable to the Allottees who have been Allotted Equity Shares in the Offer, for the entire year, in accordance with applicable laws. See "***Dividend Policy***" and "***Description of Equity Shares and Terms of the Articles of Association***" beginning on pages 313 and 494, respectively.

Face Value, Offer Price and Price Band

The face value of each Equity Share is ₹5 each and the Offer Price at the lower end of the Price Band is ₹ 469 per Equity Share and at the higher end of the Price Band is ₹ 493 per Equity Share. The Anchor Investor Offer Price is ₹ 493 per Equity Share.

The Price Band and the minimum Bid Lot was decided by our Company in consultation with the Book Running Lead Managers ("**BRLMs**"), and were published by our Company in all editions of Financial Express (a widely circulated English national daily newspaper) and all editions of Jansatta (a widely circulated Hindi national daily newspaper, Hindi also being the regional language of Haryana, where our Registered Office is located), at least two Working Days prior to the Bid/Offer Opening Date, and were made available to the Stock Exchanges for the purpose of uploading the same on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price were pre-filled in the Bid-cum-Application Forms available at the respective websites of the Stock Exchanges. The Offer Price was determined by our Company, in consultation with the BRLMs, after the Bid/Offer Closing Date, on the basis of assessment of market demand for Equity Shares offered by way of the Book Building Process.

At any given point in time there will be only one denomination for the Equity Shares.

Compliance with disclosure and accounting norms

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the Equity Shareholders will have the following rights:

1. right to receive dividends, if declared;

2. right to attend general meetings and exercise voting powers, unless prohibited by law;

3. right to vote on a poll either in person or by proxy and e-voting in accordance with the provisions of the Companies Act;

4. right to receive offers for rights shares and be allotted bonus shares, if announced;

5. right to receive any surplus on liquidation subject to any statutory and preferential claims being satisfied;

6. right of free transferability of their Equity Shares, subject to applicable foreign exchange regulations and other applicable law; and

7. such other rights as may be available to a shareholder of a listed public company under the Companies Act, the terms of the SEBI Listing Regulations and our Memorandum of Association and Articles of Association.

For a detailed description of the main provisions of our Articles of Association relating to voting rights, dividend, forfeiture, lien, transfer, transmission, consolidation and splitting, see "***Description of Equity Shares and Terms of the Articles of Association***" beginning on page 494.

Allotment only in dematerialised form

Pursuant to Section 29 of the Companies Act, 2013 and the SEBI ICDR Regulations, the Equity Shares shall be allotted only in dematerialised form. Hence, the Equity Shares offered through this Prospectus can be applied for in dematerialised form only. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form.

In this context, two agreements have been entered into and amongst our Company, the respective Depositories and the Registrar to the Offer:

- Tripartite Agreement dated July 22, 2023, among NSDL, our Company and the Registrar to the Offer.

- Tripartite Agreement dated July 21, 2023, among CDSL, our Company and Registrar to the Offer.

Market Lot and Trading Lot

Since trading of the Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment in the Offer will be only in electronic form in multiples of 30 Equity Share, subject to a minimum Allotment of 30 Equity Shares. For the method of Basis of Allotment, see "***Offer Procedure***" beginning on page 471.

Jurisdiction

Exclusive jurisdiction for the purpose of the Offer is with the competent courts/authorities in Delhi, India.

Joint Holders

Subject to the provisions of the Articles of Association, where two or more persons are registered as the holders of the Equity Shares, they are deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

Nomination Facility

In accordance with Section 72 of the Companies Act, 2013, read with the Companies (Share Capital and Debentures) Rules, 2014, as amended, the sole Bidder, or the first bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner. A person, being a nominee, entitled to the

Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale, transfer or alienation of Equity Share(s) by the person nominating. A nomination may be cancelled or varied by nominating any other person in place of the present nominee by the holder of the Equity Shares who has made the nomination by giving a notice of such cancellation. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the Registrar and Share Transfer Agents of our Company.

Further, any person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, as amended, will, on the production of such evidence as may be required by our Board, elect either:

- to register himself or herself as holder of Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

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 Equity Shares, and if the notice is not complied with within a period of 90 days, our Board may thereafter withhold payment of all dividend, interests, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Offer will be made only in dematerialised form, there is no need to make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the Bidder will prevail. If Bidders want to change their nomination, they are advised to inform their respective Depository Participants.

Bid/Offer Period

BID/OFFER OPENED ON	Wednesday, December 13, 2023
BID/OFFER CLOSED ON	Friday, December 15, 2023

An indicative timetable in respect of the Offer is set out below:

FINALISATION OF BASIS OF ALLOTMENT WITH THE DESIGNATED STOCK EXCHANGE	On or about Monday, December 18, 2023
INITIATION OF REFUNDS FOR ANCHOR INVESTORS/ UNBLOCKING OF FUNDS FROM ASBA ACCOUNT*	On or about Tuesday, December 19, 2023
CREDIT OF EQUITY SHARES TO DEPOSITORY ACCOUNTS	On or about Tuesday, December 19, 2023
COMMENCEMENT OF TRADING OF THE EQUITY SHARES ON THE STOCK EXCHANGE	On or about Wednesday, December 20, 2023

* *In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Offer Closing Date for cancelled/withdrawn/deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher, for the entire duration of delay exceeding two Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs and shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The Bidder shall be compensated by the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with the SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, and the SEBI ICDR Master Circular, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of the Company with the Self Certified Syndicate Bank(s)("**SCSB**"), to the extent applicable. The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation in compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.*

The above timetable is indicative and does not constitute any obligation on our Company or any of the Selling Shareholders or the BRLMs. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within three Working days of Bid/ Offer Closing Date or such time as may be prescribed by SEBI, with reasonable support and co-operation of each of the Selling Shareholders, as may be required in respect of its respective portion of the Offered Shares, the timetable may be extended due to various factors, such as any delay in receiving the final listing and trading approval from the Stock Exchanges or delay in receipt of final certificates from SCSBs, etc. The commencement of trading of the

Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. Each of the Selling Shareholder, severally and not jointly, confirms that it shall extend commercially reasonable co-operation to our Company, as may be required solely in relation to its respective Offered Shares, in accordance with applicable law, to facilitate the process of listing and commencement of trading of the Equity Shares on the Stock Exchanges within three Working Days from the Bid/Offer Closing Date or such time as prescribed by SEBI.

SEBI vide circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has reduced the post issue timeline for initial public offerings ("**IPO**"). The revised timeline of T+3 days has been made applicable in two phases, i.e., voluntary for all public issues opening on or after September 1, 2023 and mandatory on or after December 1, 2023. Accordingly, the Offer will be made under UPI Phase III on mandatory basis, subject to the timing of the Offer and any circulars, clarification or notification issued by the SEBI from time to time, including with respect to SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023.

In terms of the UPI Circulars, in relation to the Offer, the BRLMs will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within three Working days of Bid/ Offer Closing Date or such time prescribed by SEBI, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

Further, the offer procedure is subject to change basis any revised SEBI circulars to this effect.

Submission of Bids (other than Bids from Anchor Investors):

Bid/Offer Period (except the Bid/Offer Closing Date)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time ("**IST**")
Bid/Offer Closing Date*	
Submission of Electronic Applications (Online ASBA through 3-in-1 accounts) – For RIIs, other than QIBs and Non-Institutional Investors	Only between 10.00 a.m. and up to 5.00 p.m. IST
Submission of Electronic Applications (Bank ASBA through Online channels like Internet Banking, Mobile Banking and Syndicate UPI ASBA applications)	Only between 10.00 a.m. and up to 4.00 p.m. IST
Submission of Electronic Applications (Syndicate Non-Retail, Non-Individual Applications)	Only between 10.00 a.m. and up to 3.00 p.m. IST
Submission of Physical Applications (Bank ASBA)	Only between 10.00 a.m. and up to 1.00 p.m. IST
Submission of Physical Applications (Syndicate Non-Retail, Non-Individual Applications of QIBs and Non-Institutional Investors	Only between 10.00 a.m. and up to 12.00 p.m. IST
Modification/ Revision/cancellation of Bids	
Upward Revision of Bids by QIBs and Non-Institutional Investors categories#	Only between 10.00 a.m. on the Bid/Offer Opening Date and up to 4.00 p.m. IST on Bid/Offer Closing Date
Upward or downward Revision of Bids or cancellation of Bids by RIIs	Only between 10.00 a.m. on the Bid/Offer Opening Date and up to 5.00 p.m. IST on Bid/Offer Closing Date

**UPI mandate end time and date was at 5:00 pm on the Bid/Offer Closing Date.*
#QIBs and Non-Institutional Investors can neither revise their bids downwards nor cancel/ withdraw their Bids.

On the Bid/Offer Closing Date, the Bids were uploaded until:

(i) 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Investors; and

(ii) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Investors.

The Registrar to the Offer submitted the details of cancelled/withdrawn/deleted applications to the SCSBs on a daily basis within 60 minutes of the bid closure time from the Bid/Offer Opening Date till the Bid/Offer Closing Date by obtaining such information from the Stock Exchanges. The SCSBs unblocked such applications by the closing hours of the Working Day and submit the confirmation to the BRLMs and the Registrar to the Offer on a daily basis.

It is clarified that Bids shall be processed only after the application monies are blocked in the application supported by blocked amount ("**ASBA**") Account and Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs, or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

To avoid duplication, the facility of re-initiation provided to Syndicate Members shall preferably be allowed only once per bid/batch and as deemed fit by the Stock Exchanges, after closure of the time for uploading Bids.

Due to limitation of time available for uploading the Bids on the Bid/Offer Closing Date, Bidders were advised to submit their Bids one day prior to the Bid/Offer Closing Date and, in any case, no later than 12.00 p.m. (Indian Standard Time) on the Bid/ Offer Closing Date. Any time mentioned in this Prospectus is IST. Bidders were cautioned that, in the event a large number of Bids were received on the Bid/Offer Closing Date, some Bids would not get uploaded due to lack of sufficient time. Such Bids that could not be uploaded have not been considered for allocation under the Offer. Bids were accepted on the Stock Exchange platform only during Working Days, during the Bid/ Offer Period. The Designated Intermediaries shall modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period till 5.00 pm on the Bid/Offer Closing Date after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing. Further, as per letter no. list/SMD/SM/2006 dated July 3, 2006 and letter no. NSE/IPO/25101- 6 dated July 6, 2006 issued by the BSE Limited ("**BSE**") and the National Stock Exchange of India Limited ("**NSE**") respectively, Bids and any revision in Bids were not accepted on Saturdays, Sundays and public/bank holidays as declared by the Stock Exchanges. Bids by ASBA Bidders shall be uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchanges.

In case of discrepancy in data entered in the electronic book vis-vis data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment.

Minimum Subscription

On the date of closure of the Offer, if our Company does not receive (i) minimum subscription of 90% of the Fresh Issue and (ii) a subscription in the Offer equivalent to at least the minimum number of securities as specified under Rule 19(2)(b) of the SCRR our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond two days, our Company shall pay interest at the rate of 15% per annum including the circular bearing no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, issued by SEBI and the SEBI ICDR Master Circular.

Further, in terms of Regulation 49(1) of the SEBI ICDR Regulations, our Company will ensure that the number of Bidders to whom the Equity Shares will be Allotted will be not less than 1,000, failing which the entire application money shall be unblocked in the respective ASBA Accounts of the Bidders. In case of under-subscription in the Offer, Equity Shares up to 90% of the Fresh Issue ("**Minimum Subscription**") will be issued prior to the sale of Equity Shares in the Offer for Sale, provided that the balance subscription in the Offer will be met in the following order of priority (i) through the sale of the Offered Shares being offered by the Selling Shareholders in the Offer for Sale on a proportionate basis, and (ii) through the issuance of balance part of the Fresh Issue. The balance Equity Shares of the Fresh Issue (*i.e.*, 10% of the Fresh Issue) will be offered only once the entire portion of the Offered Shares is Allotted in the Offer.

Arrangements for disposal of odd Lots

Since the Equity Shares will be treated in dematerialised form only, and the market lot for the Equity Shares will be one Equity Share, there are no arrangements for disposal of odd lots.

New financial instruments

Our Company is not issuing any new financial instruments through the Offer.

Restrictions, if any on transfer and transmission of Equity Shares

Except for lock-in of pre-Offer equity shareholding, minimum Promoter's contribution and Anchor Investor lock-in in the Offer, as detailed in "***Capital Structure – History of build-up of Promoters' shareholding and lock-in of Promoters' shareholding (including Promoters' contribution***" beginning on page 114 and except as provided in our Articles as detailed in "***Description of Equity Shares and Terms of the Articles of Association***" beginning on page 494, there are no restrictions on transfers and transmission of shares/debentures and on their consolidation/splitting.

Option to receive Equity Shares in dematerialized form

Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Offer, subject to applicable laws.

Withdrawal of the Offer

Our Company, in consultation with the BRLMs, reserved the right not to proceed with the Offer, in whole or in part thereof, after the Bid/Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Offer advertisements were published, within two days of the Bid/Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer and inform the Stock Exchanges promptly on which the Equity Shares are proposed to be listed. The BRLMs, through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Banks, in case of UPI Bidders, to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification and also inform the Bankers to the Offer to process refunds to the Anchor Investors, as the case may be. The notice of withdrawal will be issued in the same newspapers where the pre-Offer advertisements have appeared and the Stock Exchanges will also be informed promptly.

If our Company in consultation with the BRLMs withdraw the Offer after the Bid/Offer Closing Date and thereafter determines that it will proceed with a public offering of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI. Notwithstanding the foregoing, the Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment and within three Working Days of the Bid/ Offer Closing Date or such other time period as prescribed under applicable law; and (ii) the final RoC approval of the Prospectus after it is filed and/ or submitted with the RoC and the Stock Exchanges. If Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law.

OFFER STRUCTURE

The Offer is 24,340,768^ Equity Shares of face value of ₹5 each, for cash at a price of ₹ 493 per Equity Share (including a premium of ₹ 488 per Equity Share) aggregating to ₹ 12,000 million^ comprising a Fresh Issue of 16,227,180^ Equity Shares, aggregating to ₹ 8,000 million^ by our Company and an Offer for Sale of 8,113,588^ Equity Shares, aggregating to ₹ 4,000 million^ by the Selling Shareholders. The Offer constitutes 22.74% of the post-Offer paid-up Equity Share capital of our Company.

^ *Subject to finalization of Basis of Allotment.*

In terms of Rule 19(2)(b) of the the Securities Contracts (Regulation) Rules, 1957 ("**SCRR**"), the Offer is being made through the Book Building Process, in compliance with Regulation 31 of the the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("**SEBI ICDR Regulations**").

Particulars	Qualified Institutional Buyers ("QIB")(1)	Non-Institutional Investors	Retail Individual Investors
Number of Equity Shares available for Allotment or allocation*(2)	12,170,383** Equity Shares of face value of ₹5 each aggregating to ₹ 6,000 million	3,651,116** Equity Shares of face value of ₹5 each aggregating to ₹ 1,800 million or Offer less allocation to QIB ("**Qualified Institutional Buyers**") Bidders and RIIs	Not less than 8,519,269** Equity Shares of face value of ₹5 each available for allocation or Offer less allocation to QIB Bidders and Non-Institutional Investors
Percentage of Offer Size available for Allotment or allocation	Not more than 50% of the Offer was made available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion (excluding the Anchor Investor Portion) was available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion is also eligible for allocation in the remaining Net QIB Portion (excluding the Anchor Investor Portion). The unsubscribed portion in the Mutual Fund Portion was available for allocation to other QIBs	Not less than 15% of the Offer or the Offer less allocation to QIB Bidders and Retail Individual Investors ("**RII**"). One-third of the Non-Institutional Portion was available for allocation to Bidders with an application size of more than ₹ 200,000 up to ₹ 1,000,000 and two-thirds of the Non-Institutional Portion was available for allocation to Bidders with an application size of more than ₹ 1,000,000 and under-subscription in either of these two sub-categories of the Non-Institutional Portion may be allocated to Bidders in the other sub-category of the Non-Institutional Portion in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("**SEBI ICDR Regulations**"), subject to valid Bids being received at or above the Offer Price	Not less than 35% of the Offer or the Offer less allocation to QIB Bidders and Non-Institutional Investors was available for allocation
Basis of Allotment if respective category is oversubscribed*	Proportionate as follows (excluding the Anchor Investor Portion): a) at least 243,408** Equity Shares of face value of ₹5 each is made available for allocation on a proportionate basis to Mutual Funds only; and	The Allotment of Equity Shares to each Non-Institutional Investor shall not be less than the minimum application size, subject to availability in the Non-Institutional Portion, and the remainder, if any, shall be allotted on a proportionate basis in accordance with the conditions specified in	The allotment to each RII shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be Allotted on a proportionate basis. See "***Offer Procedure***" beginning on page 471.

Particulars	Qualified Institutional Buyers ("QIB")[(1)]	Non-Institutional Investors	Retail Individual Investors
	b) 4,624,746** Equity Shares of face value of ₹5 were available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above. c) 7,302,229** Equity Shares of face value of ₹5 each were allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price.	Schedule XIII to the SEBI ICDR Regulations	
Mode of Bid	Application Supported by Blocked Amount ("**ASBA**") Process only (except in case of Anchor Investors)^	ASBA Process only (including the Unified Payments Interface ("**UPI**") Mechanism), to the extent of Bids up to ₹ 500,000	ASBA Process only (including the UPI Mechanism)
Minimum Bid	Such number of Equity Shares in multiples of 30 Equity Shares of face value of ₹5 each such that the Bid Amount exceeds ₹ 200,000.	Such number of Equity Shares in multiples of 30 Equity Shares of face value of ₹5 each such that the Bid Amount exceeds ₹ 200,000.	30 Equity Shares of face value of ₹5 each
Maximum Bid	Such number of Equity Shares in multiples of 30 Equity Shares of face value of ₹5 each not exceeding the size of the Offer (excluding the Anchor Investor Portion), subject to applicable limits to each Bidder	Such number of Equity Shares in multiples of 30 Equity Shares of face value of ₹5 each not exceeding the size of the Offer, (excluding the QIB Portion) subject to limits applicable to the Bidder	Such number of Equity Shares in multiples of 30 Equity Shares of face value of ₹5 each so that the Bid Amount does not exceed ₹ 200,000
Mode of Allotment	Compulsorily in dematerialised form		
Bid Lot	30 Equity Shares and in multiples of 30 Equity Shares of face value of ₹5 each thereafter		
Allotment Lot	30 Equity Shares and in multiples of one Equity Share of face value of ₹5 each thereafter	30 Equity Shares and in multiples of one Equity Share of face value of ₹5 each thereafter	30 Equity Shares and in multiples of one Equity Share of face value of ₹5 each thereafter
Trading Lot	One Equity Share		
Who can apply[(3)(4)(5)(6)]	Public financial institutions as specified in Section 2(72) of the Companies Act, 2013 ("**Companies Act**"), scheduled commercial banks, Mutual Funds, Foreign Portfolio Investors ("**FPIs**") (other than individuals, corporate bodies and family offices), Venture Capital Funds ("**VCFs**"), Alternate Investment Funds ("**AIFs**"), Foreign Venture Capital Investors ("**FVCIs**") registered with Securities and Exchange Board of India ("**SEBI**"), multilateral and bilateral development financial	Resident Indian individuals, Eligible Non-Resident Individuals ("**NRIs**"), Hindu Undivided Families ("**HUFs**") (in the name of the karta), companies, corporate bodies, scientific institutions, societies, trusts, family offices and FPIs who are individuals, corporate bodies and family offices which are re-categorised as Category II FPIs and registered with SEBI.	Resident Indian individuals, Eligible NRIs and HUFs (in the name of the karta)

Particulars	Qualified Institutional Buyers ("QIB")[(1)]	Non-Institutional Investors	Retail Individual Investors
	institutions, state industrial development corporation, insurance companies registered with Insurance Regulatory and Development Authority of India ("**IRDAI**"), provident funds (subject to applicable law) with minimum corpus of ₹250,000,000, pension funds with minimum corpus of ₹250,000,000, registered with the Pension Fund Regulatory and Development Authority established under subsection (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013, National Investment Fund set up by the Government of India ("**GoI**") through resolution F. No.2/3/2005-DD-II dated November 23, 2005, the insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important Non-Banking Financial Companies ("**NBFCs**") in accordance with applicable laws.		
Terms of Payment	**In case of Anchor Investors**: Full Bid Amount was paid by the Anchor Investors at the time of submission of their Bids[(4)] **In case of all other Bidders**: Full Bid Amount was blocked by the Self-Certified Syndicate Banks ("**SCSBs**") in the bank account of the ASBA Bidder (other than Anchor Investors), or by the Sponsor Banks through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form		

* *Assuming full subscription in the Offer.*

*** Subject to finalization of Basis of Allotment.*

^ SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, has mandated that ASBA applications in public issues shall be processed only after the application monies are blocked in the bank accounts of the investors. Accordingly, Stock Exchanges shall, for all categories of investors viz. QIBs, NIIs and RIIs and also for all modes through which the applications are processed, accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked.

(1) *Our Company may, in consultation with the Book Running Lead Managers ("**BRLMs**"), allocated 60% of the QIB Portion to Anchor Investors at the Anchor Investor Offer Price, on a discretionary basis, subject to having been (i) a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion was up to ₹100,000,000, (ii) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion was more than ₹100,000,000 but up to ₹ 2,500,000,000 under the Anchor Investor Portion, subject to a minimum Allotment of ₹ 50,000,000 per Anchor Investor, and (iii) in case of allocation above ₹ 2,500,000,000 under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 2,500,000,000, and an additional 10 Anchor Investors for every additional ₹ 2,500,000,000 or part thereof was permitted, subject to minimum allotment of ₹ 50,000,000 per Anchor Investor. An Anchor Investor could make a minimum Bid of such number of Equity Shares, that the Bid Amount was at least ₹100,000,000. One-third of the Anchor Investor Portion was reserved for domestic Mutual Funds, subject to valid Bids having been received at or above the price at which allocation is made to Anchor Investors, which price was determined by the Company in consultation with the BRLMs.*

(2) *This Offer is being made in accordance with Rule 19(2)(b) of the SCRR and Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Offer was made available for allocation on a proportionate basis to QIBs. Such number of Equity Shares representing 5% of the Net QIB Portion was made available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion was made available for allocation on a proportionate basis to QIBs, including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. Further, not less than 15% of the Offer was made available for allocation to Non-Institutional Investors, of which (a) one-third portion was reserved for applicants with application size of more than ₹ 200,000 and up to ₹ 1,000,000; and (b) two-thirds portion was reserved for applicants with application size of more than ₹ 1,000,000, provided that the unsubscribed portion in either of such sub-categories was allocated to applicants in the other sub-category of Non-Institutional Investors, subject to valid Bids being received at or above the Offer Price and not less than 35% of the Offer was made available for allocation to RII in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price.*

(3) *In the event that a Bid is submitted in joint names, the relevant Bidders should ensure that the depository account is also held in the same joint names and the names are in the same sequence in which they appear in the Bid cum Application Form. The Bid cum Application*

Form contained only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders.

(4) *Full Bid Amount was payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Offer Price shall be payable by the Anchor Investor pay-in date as indicated in the Confirmation of Allotment Note ("**CAN**").*

(5) *Bids by FPIs with certain structures as described under "**Offer Procedure - Bids by Foreign Portfolio Investors**" beginning on page 478 and having the same PAN were collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with the same PAN) have been proportionately distributed.*

(6) *Bidders were required to confirm and were deemed to have represented to our Company, the Selling Shareholders, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.*

Subject to valid Bids having been at or above the Offer Price, under-subscription, if any, in any category except the QIB Portion, has been allowed to be met with spill over from any other category or combination of categories at the discretion of our Company, in consultation with the Book Running Lead Managers and the Designated Stock Exchange, on a proportionate basis.

OFFER PROCEDURE

*All Bidders were required to read the General Information Document for Investing in Public Offers prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the Unified Payment Interface ("**UPI**") Circulars (the "**General Information Document**") which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956 ("**SCRA**"), the Securities Contracts (Regulation) Rules, 1957 ("**SCRR**") and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("**SEBI ICDR Regulations**") which was part of the Abridged Prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchanges and the Book Running Lead Managers ("**BRLMs**"). Please refer to the relevant provisions of the General Information Document which are applicable to the Offer. The investors should note that the details and process provided in the General Information Document should be read along with this section.*

*Bidders could refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for Application Supported by Blocked Amount ("**ASBA**") Bidders; (v) issuance of Confirmation of Allocation Note ("**CAN**") and Allotment in the Offer; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) designated date; (viii) disposal of applications and electronic registrations of bids; (ix) submission of Bid cum Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.*

*Securities and Exchange Board of India ("**SEBI**") through the UPI Circulars has proposed to introduce an alternate payment mechanism using Unified Payments Interface ("**UPI**") and consequent reduction in timelines for listing in a phased manner. UPI has been introduced in a phased manner as a payment mechanism in addition to ASBA for applications by Retail Individual Investors ("**RIIs**") through intermediaries from January 1, 2019. The UPI Mechanism for Retail Individual Investors applying through Designated Intermediaries, in phase I, was effective along with the prior process and timeline of T+6 days ("**UPI Phase I**"), until June 30, 2019. Subsequently, for applications by Retail Individual Investors through Designated Intermediaries, the process of physical movement of forms from Designated Intermediaries to Self-Certified Syndicate Banks ("**SCSBs**") for blocking of funds has been discontinued and Retail Individual Investors ("**RIIs**") submitting their ASBA Forms through Designated Intermediaries (other than SCSBs) can only use UPI Mechanism with timeline of T+6 days until further notice pursuant to SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 ("**UPI Phase II**"). The final reduced timeline of T+3 days for the UPI Mechanism for applications by UPI Bidders ("**UPI Phase III**") and modalities of the implementation of UPI* Phase III *was notified by SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 and made effective on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023 ("**T+3 Notification**"). Accordingly, the Offer has been undertaken pursuant to the processes and procedures under UPI Phase III on mandatory basis, subject to any circulars, clarification or notification issued by the SEBI pursuant to the T+3 Notification. This Prospectus has been drafted in accordance with Phase III of the UPI framework, and also reflects additional measures for streamlining the process of initial public offers.*

*Further, pursuant to SEBI master circular bearing reference no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 ("**SEBI RTA Master Circular**") and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. Furthermore, Securities and Exchange Board of India ("**SEBI**") pursuant to its circular SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, has mandated all individual investors Bidding in the Offer up to ₹ 500,000 shall use the UPI Mechanism for submitting their Bids with (i) a Syndicate Member; (ii) a Registered Broker at the Broker Centre; (iii) a Collecting Depository Participant; and (iv) the Registrar to the Offer. Subsequently, pursuant to the SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories).*

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding two Working Days from the Bid/Offer

Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, SEBI pursuant to its circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, has reduced the timelines for refund of Application monies from 15 days to four days.

The BRLMs shall be the nodal entity for any Issues arising out of the public issuance process. In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI RTA Master Circular shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and the BRLMs shall continue to coordinate with intermediaries involved in the said process.

Further, our Company, the Selling Shareholders and the BRLMs and members of Syndicate do not accept any responsibility for any amendment, modification or change in the applicable law which may occur after the date of the Red Herring Prospectus and this Prospectus. Bidders were advised to make their independent investigations and ensure that their Bids were submitted in accordance with applicable laws and did not exceed the investment limits or maximum number of Equity Shares that could be held by them under applicable law or as specified in the Red Herring Prospectus and this Prospectus.

Further, our Company, the Selling Shareholders and the members of the Syndicate do not accept any responsibility for any adverse occurrence consequent to the implementation of the UPI Mechanism for application in the Offer.

Book Building Procedure

The Offer was made in terms of Rule 19(2)(b) of the SCRR, read with Regulation 31 of the SEBI ICDR Regulations. The Offer was made through the Book Building Process, in compliance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Offer was available for allocation on a proportionate basis to Qualified Institutional Buyers ("**QIBs**"), provided that our Company in consultation with the BRLMs, allocated up to 60% of the QIB Portion to Anchor Investors and the basis of such allocation was on a discretionary basis by our Company in consultation with the BRLMs, of which one-third was reserved for the domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above Anchor Investor Allocation Price in accordance with the SEBI ICDR Regulations. Further, 5% of the Net QIB Portion (excluding the Anchor Investor Portion) was made available for allocation on a proportionate basis only to Mutual Funds, subject to valid Bids being received at or above the Offer Price, and the remainder of the Net QIB Portion was made available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids having been received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Offer was made available for allocation to Non-Institutional Investors (out of which one-third of the portion available to Non-Institutional Investors was made available for allocation to Bidders with an application size of more than ₹ 200,000 and up to ₹ 1,000,000 and two-thirds of the Non-Institutional Portion was made available for allocation to Bidders with an application size of more than ₹ 1,000,000 and under-subscription in either of these two sub-categories of Non-Institutional Portion was allocated to Bidders in the other sub-category of Non-Institutional Portion). Further, not less than 35% of the Offer was made available for allocation to Retail Individual Investors, in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price.

Subject to valid Bids being received at or above the Offer Price, undersubscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLMs, and the Designated Stock Exchange. In case of under-subscription in the Offer, Equity Shares up to 90% of the Fresh Issue will be issued prior to the sale of Equity Shares in the Offer for Sale, provided that the balance subscription in the Offer will be met in the following order of priority (i) through the sale of the Offered Shares being offered by the Selling Shareholders in the Offer for Sale on a proportionate basis, and (ii) through the issuance of balance part of the Fresh Issue. The balance Equity Shares of the Fresh Issue (*i.e.*, 10% of the Fresh Issue) will be offered only once the entire portion of the Offered Shares is Allotted in the Offer. In accordance with Rule 19(2)(b) of the SCRR, the Offer constitutes 22.74% of the post Offer paid-up Equity Share capital of our Company.

Investors must ensure that their Permanent Account Number ("**PAN**") is linked with Aadhaar and are in compliance with the notification issued by Central Board of Direct Taxes on February 13, 2020, and press release dated June 25, 2021 and September 17, 2021, CBDT circular no.7 of 2022, dated March 30, 2022, read with press release dated March 28, 2023, read with subsequent circulars issued in relation thereto.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchanges.

Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which did not have the details of the Bidders' depository account, including depository participant's identity number ("**DP ID**"), client identification number ("**Client ID**"), PAN and unified payments interface identity number ("**UPI ID**"), as applicable, were required to be treated as incomplete and were required to be rejected. Bidders do not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Offer, subject to applicable laws.

Phased implementation of Unified Payments Interface

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of *inter alia* equity shares and convertibles by introducing an alternate payment mechanism using UPI. Pursuant to the relevant UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by UPI Bidder through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced and implemented the UPI Mechanism in three phases in the following manner:

Phase I: This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended until June 30, 2019. Under this phase, an RII had the option to submit the ASBA Form with any of the Designated Intermediary and use his/her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

Phase II: This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. SEBI pursuant to its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, had decided to extend the timeline for implementation of UPI Phase II until March 31, 2020. Subsequently, SEBI pursuant to its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. Under this phase, submission of the ASBA Form by RIIs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds was discontinued and replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continued to be six Working Days during this phase.

Phase III: This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("**T+3 Notification**"). In this phase, the time duration from public issue closure to listing has been reduced to three Working Days. The Offer shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the SCSBs only after such banks provide a written confirmation, in compliance with the SEBI RTA Master Circular in a format as prescribed by SEBI, from time to time, and such payment of processing fees to the SCSBs shall be made in compliance with circulars prescribed by SEBI and applicable law. Accordingly, the Offer has been undertaken pursuant to the processes and procedures under UPI Phase III, subject to any circulars, clarification or notification issued by the SEBI pursuant to the T+3 Notification. The Offer has been advertised in all editions of Financial Express (a widely circulated English national daily newspaper) and all editions of Jansatta (a widely circulated Hindi national daily newspaper, Hindi also being the regional language of Haryana, where our Registered Office is located), on or prior to the Bid/Offer Opening Date and such advertisement has also been made available to the Stock Exchanges for the purpose of uploading on their websites.

All SCSBs offering the facility of making application in public issues shall also provide facility to make application using UPI. Our Company has appointed the Sponsor Banks to act as a conduit between the Stock

Exchanges and National Payments Corporation of India ("**NPCI**") in order to facilitate collection of requests and/or payment instructions of the UPI Bidders using the UPI.

NPCI through its circular (NPCI/UPI/OC No. 127/ 2021-22) dated December 9, 2021, inter alia, has enhanced the per transaction limit from ₹ 200,000 to ₹ 500,000 for applications using UPI in initial public offerings.

Pursuant to the UPI Circulars, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send short message service ("**SMS**") alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one Working Day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLMs.

Further, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, all UPI Bidders shall provide their UPI ID in the Bid cum Application Form submitted with any of the entities mentioned herein below:

(i) a syndicate member;

(ii) a stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity);

(iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for this activity);

(iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for this activity).

Electronic registration of Bids

a) The Designated Intermediary could register the Bids using the online facilities of the Stock Exchanges. The Designated Intermediaries could also set up facilities for off-line electronic registration of Bids, subject to the condition that they would subsequently upload the off-line data file into the online facilities for Book Building on a regular basis before the closure of the Offer.

b) On the Bid/Offer Closing Date, the Designated Intermediaries could upload the Bids till such time as was permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus and this Prospectus.

c) Only Bids that were uploaded on the Stock Exchanges Platform will be considered for allocation/Allotment. The Designated Intermediaries were given till 5:00 pm on the Bid/Offer Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period after which the Stock Exchange(s) sent the bid information to the Registrar to the Offer for further processing.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus were made available with the Designated Intermediaries at the Bidding Centres, and our Registered Office. An electronic copy of the Bid cum Application Form was also be available for download on the websites of the BSE Limited ("**BSE**") (https://www.bseindia.com) and the National Stock Exchange of India Limited ("**NSE**") (https://www.nseindia.com) at least one day prior to the Bid/Offer Opening Date.

Copies of the Anchor Investor Application Form were made available at the offices of the BRLMs.

All Bidders (other than Anchor Investors) were required to mandatorily participate in the Offer only through the ASBA process. UPI Bidders shall Bid in the Offer through the UPI Mechanism. ASBA Bidders were required to provide either (i) the bank account details and authorisation to block funds in the ASBA Form, or (ii) the UPI ID, as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms did not contain such details that were liable to be rejected. Applications made by the UPI Bidders using third party bank account or using third party linked bank account UPI ID were liable for rejection. Anchor Investors were not permitted to participate in the Offer through the ASBA process. UPI Bidders Bidding using the UPI Mechanism may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of SEBI. ASBA Bidders were required to ensure that the Bids were made on ASBA Forms bearing the stamp of the relevant Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp were liable to be rejected. For all initial public offerings opening on or after September 1, 2022, as specified in SEBI pursuant to its circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, the ASBA applications in public issues shall be processed only after the application monies are blocked in the investor's bank accounts. Stock Exchanges shall accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked. This circular shall be applicable for all categories of investors viz. Retail, QIB, NII and other reserved categories and also for all modes through which the applications are processed. ASBA Bidders could submit the ASBA Form in the manner below:

(i) UPI Bidders using the UPI Mechanism, could submit their ASBA Forms, including details of their UPI IDs with the Syndicate, Sub-Syndicate Members, Registered Brokers, Registrar and Share Transfer Agents ("**RTAs**") or Collecting Depository Participants ("**CDPs**"), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

(ii) RIIs authorising an SCSB to block the Bid Amount in the ASBA Account could submit their ASBA Forms with the SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

(iii) QIBs and NIBs (other than UPI Bidders) could submit their ASBA Forms with SCSBs, Syndicate, Sub-Syndicate Members, Registered Brokers, RTAs or CDPs.

The ASBA Bidders, including UPI Bidders, were required to ensure that they had sufficient credit balance such that an amount equivalent to full Bid Amount can be blocked therein, at the time of submitting the Bid. as the application made by a ASBA Bidder could only be processed after the Bid amount was blocked in the ASBA account of the investor's bank accounts, pursuant to SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, which is effective from September 1, 2022.

The prescribed colour of the Bid cum Application Form for the various categories was as follows:

Category	Colour of Bid cum Application Form*
Resident Indians, including resident QIBs, Non-Institutional Investors, Retail Individual Investors and Eligible NRIs applying on a non-repatriation basis^	White
Non-Residents including Foreign Portfolio Investors ("**FPIs**"), Eligible Non-Resident Investors ("**NRIs**") applying on a repatriation basis, foreign Venture Capital Investors ("**FVCIs**") and registered bilateral and multilateral institutions	Blue
Anchor Investors^^	White

**Excluding the electronic Bid cum Application Form*

^*Electronic Bid cum Application Form were made available for download on the website of the BSE (www.bseindia.com) and NSE (www.nseindia.com)*

^^*Bid cum Application Forms for Anchor Investors were made available at the offices of the BRLMs.*

In case of ASBA Forms, the relevant Designated Intermediaries were required to upload the relevant bid details in the electronic bidding system of the Stock Exchanges and the Stock Exchanges were required to accept the ASBA applications in their electronic bidding system only with a mandatory confirmation on the application monies blocked. For RIIs using the UPI Mechanism, the Stock Exchanges were required to share the Bid details (including UPI ID) with the Sponsor Banks on a continuous basis to enable the Sponsor Banks to initiate UPI Mandate Request to UPI Bidders for blocking of funds.

In case of ASBA Forms, the relevant Designated Intermediaries were required to capture and upload the relevant bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchanges.

For UPI Bidders using UPI Mechanism, the Stock Exchanges were required to share the Bid details (including UPI ID) with the Sponsor Banks on a continuous basis through API integration to enable the Sponsor Banks to initiate UPI Mandate Request to UPI Bidders, for blocking of funds. Stock Exchanges were required to validate the electronic bids with the records of the CDP for DP ID/Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. Stock Exchanges were required to allow modification of either DP ID/Client ID or PAN ID, bank code and location code in the Bid details already uploaded. The Sponsor Banks were required to initiate request for blocking of funds through NPCI to UPI Bidders, who were required to accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. In accordance with BSE Circular No: 20220803-40 and NSE Circular No: 25/2022, each dated August 3, 2022, for all pending UPI Mandate Requests, the Sponsor Banks were required to initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm on the Bid/Offer Closing Date ("**Cut-Off Time**"). Accordingly, UPI Bidders Bidding using through the UPI Mechanism were required to accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. Further, modification of Bids were required to be allowed in parallel during the Bid/Offer Period until the Cut-Off Time. The NPCI was required to maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate UPI Bidders (Bidding through UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Banks, NPCI or the issuer bank) at whose end the lifecycle of the transaction has come to a halt. The NPCI was required to share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the issuer bank. The Sponsor Banks and the Bankers to the Offer were required to provide the audit trail to the BRLMs for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs was required to send SMS alerts for mandate block and unblock including details specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated April 20, 2022.

The Sponsor Banks were required to undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and were also required to ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Banks were required to undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the BRLMs in the format and within the timelines as specified under the UPI Circulars. Sponsor Banks and issuer banks were required to download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three way reconciliation with UPI switch data, Core Banking System ("**CBS**") data and UPI raw data. NPCI was required to coordinate with issuer banks and Sponsor Banks on a continuous basis.

For ASBA Forms (other than UPI Bidders using UPI Mechanism) Designated Intermediaries (other than SCSBs) were required to submit/deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank(s).

The Sponsor Banks are required to host a web portal for intermediaries (closed user group) from the date of Bid/Offer Opening Date till the date of listing of the Equity Shares with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any) across intermediaries and any such processes having an impact/bearing on the Offer Bidding process.

Participation by the Promoters and Promoter Group of our Company, BRLMs, the Syndicate Members and their associates and affiliates and the persons related thereto

The BRLMs and the Syndicate Members were not allowed to purchase Equity Shares in the Offer in any manner, except towards fulfilling their respective underwriting obligations. However, the respective associates and affiliates of the BRLMs and the Syndicate Members could Bid for Equity Shares in the Offer, either in the QIB Portion or in the Non-Institutional Portion as could be applicable to such Bidders, and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the BRLMs and Syndicate Members, were required to be treated equally for the purpose of allocation.

Except as stated below, neither the BRLMs nor any persons related to the BRLMs could apply in the Offer under the Anchor Investor Portion:

(i) mutual funds sponsored by entities which are associate of the BRLMs;

(ii) insurance companies promoted by entities which are associate of the BRLMs;

(iii) Alternate Investment Funds ("**AIFs**") sponsored by the entities which are associate of the BRLMs;

(iv) Foreign Portfolio Investors ("**FPIs**") other than individuals, corporate bodies and family offices sponsored by the entities which are associate of the BRLMs; or

(v) pension funds sponsored by entities which are associate of the BRLMs;

Our Promoters and the members of our Promoter Group, will not participate in the Offer. Further, persons related to our Promoters and Promoter Group shall not apply in the Offer under the Anchor Investor Portion.

For the purposes of the above, a QIB who has the following rights was deemed to be a person related to our Promoters or Promoter Group:

(i) rights under a shareholders' agreement or voting agreement entered into with our Promoters or Promoter Group;

(ii) veto rights; or

(iii) right to appoint any nominee director on the Board.

Further, an Anchor Investor was deemed to be an "associate of the BRLM" if:

(i) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or

(ii) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or

(iii) there is a common director, excluding nominee director, amongst the Anchor Investors and the BRLMs.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate were required to lodged along with the Bid cum Application Form. Failing this, our Company in consultation with the BRLMs reserve the right to reject any Bid without assigning any reason thereof, subject to applicable laws.

Bids made by asset management companies or custodians of Mutual Funds were required to specifically state names of the concerned schemes for which such Bids were made.

In case of a Mutual Fund, a separate Bid could be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund were not to be treated as multiple Bids provided that the Bids clearly indicated the scheme concerned for which the Bid has been made.

No Mutual Fund scheme could invest more than 10% of its net asset value ("**NAV**") in equity shares or equity related instruments of any single company provided that the limit of 10% was not applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible Non-resident Indians ("NRIs")

Eligible NRIs could obtain copies of Bid cum Application Form from the Designated Intermediaries. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident forms were required to authorise their SCSB to block their Non-Resident External ("**NRE**") accounts (including UPI ID, if activated), or Foreign Currency Non-Resident ("**FCNR**") accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using resident forms were required to authorise their SCSB to block their Non-Resident Ordinary ("**NRO**") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form. NRIs applying in the Offer through the UPI Mechanism were advised to enquire with the relevant bank, whether their account was UPI linked, prior to submitting a Bid cum Application Form.

Eligible NRIs Bidding on non-repatriation basis were advised to use the Bid cum Application Form for residents (white in colour). Eligible NRIs Bidding on a repatriation basis were advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

Participation of Eligible NRIs in the Offer were subject to the Foreign Exchange Management Act ("**FEMA**") Non-debt Instrument Rules. Only bids accompanied by payment in Indian rupees or fully convertible foreign exchange were considered for allotment.

Eligible NRIs were permitted to apply in the Offer through Channel I or Channel II (as specified in the SEBI UPI Circulars). Further, subject to applicable law, Eligible NRIs could use Channel IV (as specified in the SEBI UPI Circulars) to apply in the Offer, provided the UPI facility is enabled for their NRE/NRO accounts. In accordance with the FEMA Non-Debt Instruments Rules, the total holding by any individual NRI, on a repatriation basis, could not exceed 5% of the total paid-up Equity Share capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and Overseas Citizen of India ("**OCI**") put together could not exceed 10% of the total paid-up Equity Share capital on a fully diluted basis or could not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company. Pursuant to the special resolution of our Shareholders dated August 1, 2023, the aggregate ceiling of 10% was raised to 24%.

For details of restrictions on investment by NRIs, see "***Restrictions on Foreign Ownership of Indian Securities***" beginning on page 492.

Bids by Hindu Undivided Families ("HUFs")

Bids by Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder was required to specify that the Bid was being made in the name of the HUF in the Bid cum Application Form as follows: "Name of sole or first bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids by HUFs could be considered at par with Bids from individuals.

Bids by Foreign Portfolio Investors ("FPIs")

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) must be below 10% of our post-Offer Equity Share capital. Further, in terms of the FEMA Non-debt Instruments Rules, the total holding by each FPI, of an investor group, shall be below 10% of the total paid-up Equity Share capital of our Company and the aggregate limit for FPI investments shall be the sectoral caps applicable to our Company, which is 100% of the total paid-up Equity Share capital of our Company. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements. Further, the total holdings of all FPIs put together, with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100%). In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs was included. Bids by FPIs which utilise the multi investment manager structure, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs may not be treated as multiple Bids.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations was required to be attached to the Bid cum Application Form, failing which our Company, in consultation with the BRLMs reserves the right to reject any Bid without assigning any reason, subject to applicable laws.

FPIs were permitted to participate in the Offer subject to compliance with conditions and restrictions specified by the Government from time to time. In terms of the FEMA Non-debt Instruments Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs was required to be included.

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Offer to ensure there is no breach of the investment limit, within the timelines for issue procedure, as prescribed by SEBI from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, could issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments were issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments were issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments were issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

In case the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements.

An FPI issuing offshore derivative instruments was also required to ensure that any transfer of offshore derivative instruments issued by, or on behalf of it subject to, inter alia, the following conditions:

(a) such offshore derivative instruments were transferred to persons subject to fulfilment of SEBI FPI Regulations; and

(b) prior consent of the FPI was obtained for such transfer, except when the persons to whom the offshore derivative instruments were to be transferred were pre-approved by the FPI.

The FPIs who wished to participate in the Offer were advised to use the Bid cum Application Form for non-residents.

Bids received from FPIs bearing the same PAN were be treated as multiple Bids and were liable to be rejected, except for Bids from FPIs that utilize the multiple investment manager structure in accordance with SEBI master circular bearing reference number SEBI/HO/AFD-2/CIR/P/2022/175 dated December 19, 2022, provided such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs.

Accordingly, it should be noted that multiple Bids received from FPIs, who did not utilize the multiple investment managers ("**MIM**") Structure, and bear the same PAN, were liable to be rejected. In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, were required to provide a confirmation in the Bid cum Application Forms that the relevant FPIs making multiple Bids utilize the MIM Structure. In the absence of such confirmation from the relevant FPIs, such multiple Bids were required to be rejected.

Further, in the following cases, Bids by FPIs were not be treated as multiple Bids:

- FPIs which utilise the MIM structure, indicating the name of their respective investment managers in such confirmation;
- Offshore derivative instruments ("**ODI**") which have obtained separate FPI registration for ODI and proprietary derivative investments;
- Sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration;
- FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager;
- Multiple branches in different jurisdictions of foreign bank registered as FPIs;
- Government and Government related investors registered as Category 1 FPIs; and
- Entities registered as collective investment scheme having multiple share classes.

The Bids belonging to any of the above mentioned seven structures and having same PAN could be collated and identified as a single Bid in the Bidding process. The Equity Shares allotted in the Bid could be proportionately distributed to the Applicant FPIs (with same PAN). In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, were required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize any of the above-mentioned structures and indicate the name of their respective investment managers in such confirmation. In the absence of such confirmation from the relevant FPIs, such multiple Bids were required to be rejected.

Please note that in terms of the General Information Document, the maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under applicable laws. Further, MIM Bids by an FPI Bidder utilising the MIM Structure shall be aggregated for determining the permissible maximum Bid. Further, please note that as disclosed in the Draft Red Herring Prospectus read with the General Information Document, Bid Cum Application Forms are liable to be rejected in the event that the Bid in the Bid cum Application Form "*exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Red Herring Prospectus.*"

For example, an FPI must ensure that any Bid by a single FPI and/ or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) (collective, the "**FPI Group**") shall be below 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis. Any Bids by FPIs and/ or the FPI Group (including but not limited to (a) FPIs Bidding through the MIM Structure; or (b) FPIs with separate registrations for offshore derivative instruments and proprietary derivative instruments) for 10% or more of our total paid-up post Offer Equity Share capital shall be liable to be rejected.

Bids by Securities and Exchange Board of India ("SEBI") registered Venture Capital Funds ("VCFs"), Alternate Investment Funds ("AIFs") and Foreign Capital Investors ("FVCIs")

The Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 ("**SEBI VCF Regulations**") as amended, inter alia prescribe the investment restrictions on VCFs, registered with SEBI. The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 ("**SEBI AIF Regulations**") prescribe, amongst others, the investment restrictions on AIFs. The Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000 as amended ("**SEBI FVCI Regulations**") prescribe the investment restrictions on FVCIs.

Accordingly, the holding in any company by any individual VCF or FVCIs registered with SEBI should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds in various prescribed instruments, including in public offering.

Category I and II AIFs cannot invest more than 25% of the investible funds in one investee company. A Category III AIF cannot invest more than 10% of the investible funds in one investee company. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking whose shares are proposed to be listed. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All non-resident investors were required to note that refunds (in case of Anchor Investors), dividends and other distributions, if any, were payable in Indian Rupees only and net of bank charges and commission.

Our Company or the BRLMs will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Participation of AIFs, VCFs and FVCIs shall also be subject to the FEMA Rules.

Further, the shareholding of VCFs, category I AIFs or category II AIFs and FVCIs holding equity shares of a company prior to an initial public offering being undertaken by such company, shall be exempt from lock-in requirements, provided that such equity shares shall be locked in for a period of at least six months from the date of purchase by the venture capital fund or alternative investment fund or foreign venture capital investor.

There was no reservation for Eligible NRI Bidders, AIFs, FPIs and FVCIs. All Bidders were treated on the same basis with other categories for the purpose of allocation.

Bids by Limited Liability Partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, were required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs reserve the right to reject any Bid without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with the RBI, certified copies of (i) the certificate of registration issued by the RBI, and (ii) the approval of such banking company's investment committee was required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "**Banking Regulation Act**"), and Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended, is 10% of the paid-up share capital of the investee company or 10% of the bank's own paid-up share capital and reserves, whichever is lower. Further, the aggregate equity investments in subsidiaries and other entities engaged in financial and non-financial services, including overseas investments, cannot exceed 20% of the bank's paid-up share capital and reserves. However, a banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI, provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act or the additional acquisition is through restructuring of debt, or to protect the bank's interest on loans/investments made to a company.

Bids by Self-Certified Syndicate Banks ("SCSBs")

SCSBs participating in the Offer were required to comply with the terms of the circulars bearing numbers CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012, and January 2, 2013, respectively, issued by SEBI. Such SCSBs were required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. 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 such applications.

Bids by Insurance Companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI was required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016, read with the Investments – Master Circular dated October 27, 2022, each as amended, are broadly set forth below:

(a) equity shares of a company: the lower of 10%* of the outstanding equity shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer or health insurer;

(b) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or health insurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and

(c) the industry sector in which the investee company operates: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or health insurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, could not exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be.

**The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹ 2,500,000 million or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 500,000 million or more but less than ₹ 2,500,000 million.*

Insurance companies participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Bids by Provident Funds/Pension Funds

In case of Bids made by provident funds/pension funds with minimum corpus of ₹ 250,000,000, registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013, subject to applicable law, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund was required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs reserve the right to reject any Bid, without assigning any reason thereof.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, systematically important non-banking finance company ("**NBFC-SI**"), insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹ 250,000,000 (subject to applicable laws) and pension funds with a minimum corpus of ₹ 250,000,000, registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013, 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 were required to be lodged along with the Bid cum Application Form. Failing this, our Company reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company, in consultation with the BRLMs, in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company, in consultation with the BRLMs, may deem fit.

Bids by Anchor Investors

In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section the key terms for participation by Anchor Investors are provided below:

(a) Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the offices of the BRLMs.

(b) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹100,000,000. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹100,000,000.

(c) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.

(d) Bidding for Anchor Investors will open one Working Day before the Bid/Offer Opening Date, and will be completed on the same day.

(e) Our Company may finalise allocation to the Anchor Investors and the basis of such allocation will be on a discretionary basis by our Company in consultation with the BRLMs, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than:

    (i) maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹100,000,000;

    (ii) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹100,000,000 but up to ₹ 2,500,000,000, subject to a minimum Allotment of ₹ 50,000,000 per Anchor Investor; and

    (iii) in case of allocation above ₹ 2,500,000,000 under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 2,500,000,000, and an additional 10 Anchor Investors for every additional ₹ 2,500,000,000, subject to minimum Allotment of ₹ 50,000,000 per Anchor Investor.

(f) Allocation to Anchor Investors was completed on the Anchor Investor Bid/Offer Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made, will be made available in the public domain by the BRLMs before the Bid/Offer Opening Date, through intimation to the Stock Exchanges.

(g) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.

(h) If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Offer Price will be payable by the Anchor Investors on the Anchor Investor Pay-in Date specified in the CAN. If the Offer Price is lower than the Anchor Investor Offer Price, Allotment to successful Anchor Investors will be at the higher price.

(i) 50% of the Equity Shares Allotted to the Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 90 days from the date of Allotment and the remaining 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.

(j) Neither the BRLMs nor any associate of the BRLMs (except Mutual Funds sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associate of BRLMs or AIFs sponsored by the entities which are associate of the BRLMs or FPIs, other than individuals, corporate bodies and family offices sponsored by the entities which are associate of the and BRLMs) shall apply in the Offer under the Anchor Investor Portion. See ***"– Participation by the Promoters and Promoter Group of our Company, BRLMs, the Syndicate Members and their associates and affiliates and the persons related thereto***" on page 476.

(k) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

Bids by Systemically Important Non-Banking Financial Companies

In case of Bids made by NBFC-SI registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis, (iii) a net worth certificate from its statutory auditors, and (iv) such other approval as may be required by the NBFC-SI, were required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law. NBFC-SI participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for NBFC-SI shall be as prescribed by RBI from time to time.

For more information, please read the General Information Document.

The above information is given for the benefit of the Bidders. Bidders are advised to make their independent investigations and ensure that any single Bid from it does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by it under applicable law or regulation or as specified in the Red Herring Prospectus and this Prospectus.

The relevant Designated Intermediary was required to enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options were not considered as multiple Bids. It was the Bidder's responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such Acknowledgement Slip is non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he/she was required to surrender the earlier Acknowledgement Slip and request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid. In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system could not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, the Selling Shareholders and/or the Book Running Lead Managers are cleared or approved by the Stock Exchanges; nor did it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor did it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor did it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Prospectus; nor did it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

General Instructions

Please note that QIBs and Non-Institutional Investors were not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. RIIs could revise their Bid(s) during the Bid/Offer Period and withdraw or lower the size of their Bid(s) until Bid/Offer Closing Date. Anchor Investors were not allowed to withdraw their Bids after the Anchor Investor Bid/Offer Period.

***Do's*:**

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;

2. All Bidders (other than Anchor Investors) were required to submit their Bids through the ASBA process only;

3. Ensure that you have Bid within the Price Band;

4. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;

5. Ensure that you (other than the Anchor Investors) have mentioned the correct details of ASBA Account (i.e. bank account number or UPI ID, as applicable) and PAN in the Bid cum Application Form and if you are a UPI Bidder ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;

6. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the relevant Bidding Centre (except in case of electronic Bids) within the prescribed time;

7. UPI Bidders Bidding using the UPI Mechanism in the Offer were required to ensure that they use only their own ASBA Account or only their own bank account linked UPI ID to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party;

8. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to the relevant Designated Intermediaries;

9. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Banks prior to 5:00 pm on the Bid/Offer Closing Date;

10. Ensure that the signature of the first bidder in case of joint Bids, is included in the Bid cum Application Forms. If the first bidder is not the ASBA Account holder, ensure that the Bid cum Application Form is also signed by the ASBA Account holder;

11. Ensure that the names given in the Bid cum Application Form is/are exactly the same as the names in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain the name of only the first bidder whose name should also appear as the first holder of the beneficiary account held in joint names;

12. Ensure that you request for and receive a stamped acknowledgement in the form of a counterfoil of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;

13. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

14. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the circular no. MRD/DoP/Cir-20/2008 dated June 30, 2008 issued by SEBI, may be exempt from specifying their PAN for transacting in the securities market, (ii) Bids by persons resident in the state of Sikkim, who, in terms of the circular dated July 20, 2006 issued by SEBI, may be exempted from specifying

their PAN for transacting in the securities market, and (iii) persons/entities exempt from holding a PAN under applicable law, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the 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 beneficial 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. All other applications in which PAN was not mentioned were liable to be rejected;

15. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, were required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected;

16. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;

17. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;

18. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents including a copy of the power of attorney, if applicable, are submitted;

19. Ensure that Bids submitted by any person outside India is in compliance with applicable foreign and Indian laws;

20. However, Bids received from FPIs bearing the same PAN shall not be treated as multiple Bids in the event such FPIs utilise the MIM Structure and such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs;

21. Since the Allotment will be in dematerialised form only, ensure that the depository account is active, the correct DP ID, Client ID, UPI ID (for UPI Bidders bidding through UPI mechanism) and the PAN are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, UPI ID (for UPI Bidders bidding through UPI mechanism) and the PAN entered into the online initial public offerings ("**IPO**") system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, UPI ID (for UPI Bidders bidding through UPI mechanism) and PAN available in the Depository database;

22. In case of QIBs and NIIs, ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at http://www.sebi.gov.in);

23. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB or the Sponsor Banks, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid. In case of UPI Bidder Bidding through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Banks for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;

24. Ensure that the Demographic Details are updated, true and correct in all respects;

25. The ASBA Bidders shall use only their own bank account or only their own bank account linked UPI ID for the purposes of making Application in the Offer, which is UPI 2.0 certified by NPCI;

26. The ASBA Bidders shall ensure that bids above ₹ 5,00,000, are uploaded only by the SCSBs;

27. Bidders (except UPI Bidders Bidding through the UPI Mechanism) should instruct their respective banks to release the funds blocked in the ASBA account under the ASBA process. In case of UPI Bidders, once the Sponsor Banks issues the Mandate Request, the UPI Bidders would be required to proceed to authorise the blocking of funds by confirming or accepting the UPI Mandate Request to authorise the blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;

28. Bidding through UPI Mechanism shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorisation of the mandate using his/her UPI PIN, a UPI Bidder Bidding through UPI Mechanism shall be deemed to have verified the attachment containing the application details of the UPI Bidding through UPI Mechanism in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorised the Sponsor Banks issue a request to block the Bid Amount specified in the Bid cum Application Form in his/her ASBA Account;

29. UPI Bidders bidding using the UPI Mechanism were required to mention valid UPI ID of only the Bidder (in case of single account) and of the first bidder (in case of joint account) in the Bid cum Application Form;

30. UPI Bidders using the UPI Mechanism who had revised their Bids subsequent to making the initial Bid were required to also approve the revised UPI Mandate Request generated by the Sponsor Banks to authorise blocking of funds equivalent to the revised Bid Amount and subsequent debit of funds in case of Allotment in a timely manner.

31. Bids by Eligible NRIs HUFs and any individuals, corporate bodies and family offices which are recategorised as Category II FPI and registered with SEBI for a Bid Amount of less than ₹ 200,000 would be considered under the Retail Portion for the purposes of allocation and Bids for a Bid Amount exceeding ₹ 200,000 would be considered under the Non-Institutional Portion for allocation in the Offer; and

32. Ensure that Anchor Investors submit their Bid cum Application Forms only to the BRLMs.

The Bid cum Application Form was liable to be rejected if the above instructions, as applicable, were not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned on the list available on the website of SEBI and updated from time to time and at such other websites as may be prescribed by SEBI from time to time was liable to be rejected.

Don'ts:

1. Do not Bid for lower than the minimum Bid Lot;

2. Do not submit a Bid using UPI ID, if you are not a UPI Bidder;

3. Do not Bid for a Bid Amount exceeding ₹ 200,000 for Bids by Retail Individual Investors;

4. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediary;

5. Do not Bid/revise the Bid amount to less than the floor price or higher than the cap price;

6. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;

7. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;

8. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Investors);

9. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

10. Do not submit the Bid for an amount more than funds available in your ASBA Account;

11. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;

12. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;

13. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);

14. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;

15. Do not Bid for Equity Shares more than specified by the respective Stock Exchanges for each category;

16. In case of ASBA Bidders (other than UPI Bidders using UPI mechanism), do not submit more than one Bid cum Application Form per ASBA Account;

17. If you are UPI Bidder and are using UPI mechanism, do not submit more than one Bid cum Application Form for each UPI ID;

18. Do not make the Bid cum Application Form using third party bank account or using third party linked bank account UPI ID;

19. Anchor Investors should not bid through the ASBA process;

20. Do not submit the Bid cum Application Form to any non-SCSB bank or our Company;

21. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;

22. Do not submit the GIR number instead of the PAN;

23. Anchor Investors should submit Anchor Investor Application Form only to the BRLMs;

24. Do not Bid on a Bid cum Application Form that does not have the stamp of a Designated Intermediary;

25. If you are a QIB, do not submit your Bid after 3 p.m. on the QIB Bid/Offer Closing Date;

26. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Investor. Retail Individual Investors can revise or withdraw their Bids on or before the Bid/Offer Closing Date;

27. Do not submit Bids to a Designated Intermediary at a location other than at the relevant Bidding Centres. If you are UPI Bidder and are using UPI mechanism, do not submit the ASBA Form directly with SCSBs;

28. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID details if you are a UPI Bidder Bidding through the UPI Mechanism. Further, do not provide details for a beneficiary account which is suspended or for which details cannot be verified to the Registrar to the Offer;

29. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA Account;

30. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by UPI Bidders using the UPI Mechanism;

31. UPI Bidders Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account

of an SCSB or a banks which is not mentioned in the list provided in the SEBI website is liable to be rejected;

32. Do not submit more than one Bid cum Application Form for each UPI ID in case of UPI Bidders Bidding using the UPI Mechanism; and

33. Do not Bid if you are an OCB.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

For helpline details of the BRLMs pursuant to the SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, see "***General Information – Book Running Lead Managers***" on page 85.

Further, in case of any pre-Offer or post Offer related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out the Company Secretary and Chief Compliance Officer. For details of the Company Secretary and Chief Compliance Officer, see "***General Information – Company Secretary and Chief Compliance Officer***" on page 84.

For details of grounds for technical rejections of a Bid cum Application Form, please see the General Information Document.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorised employees of the Stock Exchanges, along with the BRLMs and the Registrar to the Offer, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in the SEBI ICDR Regulations.

Method of allotment as may be prescribed by SEBI from time to time

Our Company will not make any allotment in excess of the Equity Shares offered through the Offer except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an allotment of not more than 1% of the Offer to public may be made for the purpose of making allotment in minimum lots.

The allotment of Equity Shares to Bidders other than to the RIIs, non-institutional investors ("**NIIs**") and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each RII shall not be less than the minimum bid lot, subject to the availability of shares in RII category, and the remaining available shares, if any, shall be allotted on a proportionate basis. The allotment to each Non-Institutional Investor shall not be less than the minimum application size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis in accordance with the conditions specified in Schedule XIII to the SEBI ICDR Regulations.

Payment into Anchor Investor Escrow Account

Our Company in consultation with the BRLMs decided the list of Anchor Investors to whom the CAN was sent, pursuant to which, the details of the Equity Shares allocated to them in their respective names were notified to such Anchor Investors. Anchor Investors were not permitted to Bid in the Offer through the ASBA process. Instead, Anchor Investors could transfer the Bid Amount (through direct credit, real time gross settlement ("**RTGS**"), national automated clearing house ("**NACH**") or national electronic fund transfer ("**NEFT**") to the Escrow Account(s). For Anchor Investors, the payment instruments for payment into the Anchor Investor Escrow Account were required to be drawn in favour of:

(a) In case of resident Anchor Investors: "India Shelter Finance Corporation Limited – Anchor Account -R"

(b) In case of Non-Resident Anchor Investors: "India Shelter Finance Corporation Ltd. – Anchor NR A/C"

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Selling Shareholders, the Syndicate, the Escrow Collection Bank and the Registrar to the Offer to facilitate collections of Bid amounts from Anchor Investors.

Pre-Offer Advertisement

Our Company shall, after filing the Red Herring Prospectus with the RoC, published a pre-Offer advertisement, in the form prescribed under the SEBI ICDR Regulations, in all editions of Financial Express (a widely circulated English national daily newspaper) and all editions of Jansatta (a widely circulated Hindi national daily newspaper, Hindi also being the regional language of Haryana, where our Registered Office is located).

In the pre-Offer advertisement, our Company stated the Bid/Offer Opening Date and the Bid/Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, was in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

The information set out above was given for the benefit of the Bidders/applicants. Bidders/applicants were advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the prescribed limits under applicable laws or regulations.

In accordance with RBI regulations, Overseas Corporate Body ("**OCB**") cannot participate in the Offer.

Allotment Advertisement

Our Company, the BRLMs and the Registrar to the Offer shall publish an allotment advertisement before commencement of trading, disclosing the date of commencement of trading in all editions of Financial Express (a widely circulated English national daily newspaper) and all editions of Jansatta (a widely circulated Hindi national daily newspaper, Hindi also being the regional language of Haryana, where our Registered Office is located).

Signing of the Underwriting Agreement and Filing with the RoC

a) Our Company, the Selling Shareholders and the Underwriters have entered into an Underwriting Agreement after the finalisation of the Offer Price but prior to the filing of the Prospectus.

b) After signing the Underwriting Agreement, this Prospectus is being filed with the RoC in accordance with applicable law, which would then be termed as the Prospectus. This Prospectus contains details of the Offer Price, the Anchor Investor Offer Price, the Offer size, and underwriting arrangements and is complete in all material respects.

Impersonation

Attention of the applicants was 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."

The liability prescribed under Section 447 of the Companies Act, 2013, for fraud involving an amount of at least ₹ 1 million or 1% of the turnover of our Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹ 1 million or one per cent of the turnover of our Company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹5 million or with both.

Undertakings by our Company

Our Company undertakes the following:

- the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;

- all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed are taken within such other time period as may be prescribed by the SEBI or applicable law will be taken;

- the funds required for making refunds/unblocking (to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;

- if Allotment is not made within the prescribed timelines under applicable laws, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable laws. If there is a delay beyond such prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI ICDR Regulations and other applicable laws for the delayed period;

- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the Applicant within time prescribed under applicable laws, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

- where release of block on the applicable amount for unsuccessful Bidders or part of the application amount in case of proportionate Allotment, a suitable communication shall be sent to the applicants;

- adequate arrangements shall be made to collect ASBA applications;

- that if our Company or the Selling Shareholders do not proceed with the Offer after the Bid/Offer Closing Date but prior to Allotment, the reason thereof shall be given by our Company as a public notice within two days of the Bid/Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The Stock Exchanges shall be informed promptly;

- that if our Company and/or the Selling Shareholders withdraw the Offer after the Bid/Offer Closing Date, our Company shall be required to file a fresh offer document with SEBI, in the event our Company or the Selling Shareholders subsequently decide to proceed with the Offer;

- Except for issuance of Equity Shares pursuant to exercise of options granted under the ESOP Schemes, no further issue of Equity Shares shall be made till the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are unblocked in ASBA Account/refunded on account of non-listing, under-subscription, etc.; and

- adequate arrangements were made to collect all Bid cum Application Forms from Bidders.

Undertakings by the Selling Shareholders

Each of the Selling Shareholder, severally and not jointly, specifically undertakes and/or confirms the following in respect to itself as a Selling Shareholder and its respective portion of the Offered Shares:

- that the Offered Shares are eligible for being offered in the Offer for Sale in terms of Regulation 8 of the SEBI ICDR Regulations and are in dematerialised form;

- it is the legal and beneficial owner of its respective portion of the Offered Shares with valid and marketable title, and shall be transferred pursuant to the Offer, free and clear of any encumbrances;

- it shall transfer its respective portion of the Offered Shares in an escrow demat account in accordance with the Share Escrow Agreement;
- it shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid in the Offer;
- its respective portion of the Offered Shares are fully paid and are in dematerialized form; and
- it shall not have recourse to the proceeds from the Offer for Sale until receipt by our Company of the final listing and trading approvals from the Stock Exchanges in accordance with applicable law.

Utilisation of proceeds from the Offer

Our Board certifies that:

(i) all monies received out of the Offer shall be credited/transferred to a separate bank account other than the bank account referred to in sub-Section (3) of Section 40 of the Companies Act, 2013;

(ii) details of all monies utilised out of the Fresh Issue shall be disclosed, and continue to be disclosed till the time any part of the Fresh Issue proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and

(iii) details of all unutilised monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilised monies have been invested.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Foreign investment is permitted (except in the prohibited sectors) in Indian companies, either through the automatic route or the approval route, depending upon the sector in which foreign investment is sought to be made. The Government of India makes policy announcements on FDI through press notes and press releases. The regulatory framework, over a period of time, thus, consists of acts, regulations, press notes, press releases, and clarifications among other amendments. The DPIIT (formerly Department of Industrial Policy & Promotion) issued the Consolidated FDI Policy Circular dated October 15, 2020, with effect from October 15, 2020 (the "**FDI Circular**"), which consolidates and supersedes all previous press note, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020.

In terms of Press Note 3 of 2020, dated April 17, 2020 ("**Press Note**"), issued by the DPIIT, the FDI Circular and the FEMA (Non-debt Instruments) Rules has been amended to state that all investments under the foreign direct investment route by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country will require prior approval of the Government of India. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government of India. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank of fund in India. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Offer in writing about such approval along with a copy thereof within the Offer Period.

As per the FDI Circular read with Press Note, 100% foreign direct investment is permitted under the automatic route for financial services activities regulated by financial sector regulators including RBI and NHB, however, investments under the foreign direct investment route by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country will require prior approval of the Government of India.

Transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI Circular and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Circular; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

For details of the aggregate limit for investments by NRIs and FPIs in our Company, see "***Offer Procedure – Bids by Eligible Non-resident Indians***" and "***Offer Procedure – Bids by Foreign Portfolio Investors***" on page 477 and 478, respectively.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold (i) within the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act) pursuant to Section 4(a) of the U.S. Securities Act, and (ii) outside the United States in offshore transactions in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. The above information is given for the benefit of the Bidders. Our Company and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus and this Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION VIII – DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION

*Capitalized terms used in this section have the meanings that have been given to such terms in the Articles of Association of our Company (“**Articles**”). The main provisions of the Articles of Association of our Company (“**Articles**”) are detailed below.*

Form No. INC-34

[1]e-AOA (e-Articles of Association)

Pursuant to Section 5 of the Companies Act, 2013 and rules made thereunder read with Schedule I

The name of the company	INDIA SHELTER FINANCE CORPORATION LIMITED (the “Company”)

Interpretation

Check if not applicable	Check if altered	Article No.	Description
	Yes	(I)	Applicability of Table F 1. Subject as hereinafter provided and in so far as these presents do not modify or exclude them, the regulations contained in Table ‘F’ of Schedule I of the Companies Act, 2013 shall apply to the Company only so far as they are not inconsistent with any of the provisions contained in these Articles or modification thereof or are not expressly or by implication excluded from these Articles. 2. The regulations for the management of the Company and for the observance by the members thereto and their representatives, shall, subject to any exercise of the statutory powers of the Company with reference to the deletion or alteration of or addition to its regulations by resolution as prescribed or permitted by the Companies Act, 2013, as amended from time to time, be such as are contained in these Articles. Definitions and Interpretation 1. In these Articles— a. “the Act” means the Companies Act, 2013, and any amendments, re-enactments or other statutory modifications thereof for the time being in force and rules made thereunder, as amended.

1 1 This set of Articles of Association has been approved pursuant to the provisions of Section 14 of the Companies Act, 2013 and by a special resolution passed at the Extraordinary General Meeting of India Shelter Finance Corporation Limited (the “Company”) held on August 01, 2023. These Articles have been adopted as the Articles of Association of the Company in substitution for and to the exclusion of all the existing Articles thereof.

b. “the seal” means the common seal of the company.
c. “Articles of Association” or Articles” means the articles of association of the Company as amended from time to time in accordance with the Act.

2. Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the Company.

Public Company

The Company is a public limited company within the meaning of the Act.

Share Capital and Variation of rights

Check if not applicable	Check if altered	Article No.	Description
		(II)	
		1.	1. Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or at a discount (subject to compliance with Sections 52 and 53 and other provisions of the Act), at such time as it may from time to time deem fit, and with the sanction of the Company in a General Meeting, to give to any person or persons the option or right to call for any Shares, either at par or premium during such time and for such consideration as the Board deems fit, and may issue and allot Shares on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business. Any Shares so allotted may be issued as fully paid-up Shares and if so issued, shall be deemed to be fully paid-up Shares. Provided that, the option or right to call for Shares shall not be given to any person or persons without the sanction of the Company in a General Meeting. As regards all allotments, from time to time made, the Board shall duly comply with Sections 23 and 39 of the Act, as the case may be. 2. The authorized share capital of the Company shall be such amount, divided into such class(es), denomination(s) and number of shares in the Company as stated in Clause V of the Memorandum of Association, with power to increase or reduce such capital from time to time and power to divide the shares in the capital for the time being into other classes and to attach thereto respectively such preferential, convertible, deferred, qualified, or other special rights, privileges, conditions or restrictions and to vary, modify or abrogate the same in such manner as may be determined by or in accordance with the Articles of the Company, subject to the provisions of applicable law for the time being in force. 3. Except so far as otherwise provided by the conditions of issue or by these Articles, any capital raised by the creation of new shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise. 4. Where at any time, it is proposed to increase its subscribed Share Capital by the issuance/ allotment of further Shares either out of the unissued Share

Capital or increased Share Capital then, such further Shares may be offered to:

(i) Persons who, at the date of offer, are holders of equity Shares of the Company, in proportion, as nearly as circumstances admit, to the capital paid up on those Shares by sending a letter of offer subject to the following conditions: (a) the offer shall be made by notice specifying the number of Shares offered and limiting a time not being less than 15 (fifteen) days and not exceeding 30 (thirty) days or such shorter period as may be prescribed under applicable law, from the date of the offer within which the offer, if not accepted, will be deemed to have been declined; (b) the offer aforesaid shall be deemed to include a right exercisable by the Person concerned to renounce the Shares offered to him or any of them in favour of any other Person and the notice referred to in (a) shall contain a statement of this right, provided that the Board may decline, without assigning any reason therefore, to allot any Shares to any Person in whose favour any Member may renounce the Shares offered to him; and (c) after expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the Person to whom such notice is given that he declines to accept the Shares offered, the Board may dispose of them in such manner which is not disadvantageous to the Members and the Company;

Nothing in sub-Article (i)(b) above shall be deemed to extend the time within which the offer should be accepted; or to authorize any Person to exercise the right of renunciation for a second time on the ground that the Person in whose favour the renunciation was first made has declined to take the Shares comprised in the renunciation. The notice referred to in sub-Article (i)(a) above shall be dispatched through registered post or speed post or through electronic mode or courier or any other mode having proof of delivery to all the existing shareholders at least three days before the opening of the offer.

(ii) employees under a scheme of employees' stock option, subject to Special Resolution passed by the Company and subject to such conditions as may be prescribed under the Act and other applicable Laws; or

(iii) any Persons, if authorized by a special resolution, whether or not those Persons include the Persons referred to in (i) or (ii) above, either for cash or for a consideration other than cash, subject to the compliance with applicable laws.

Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the Debentures issued or loan raised by the Company to convert such Debentures or loans into Shares in the Company or to subscribe for Shares in the Company; provided that the terms of issue of such Debentures or loan containing such an option have been approved before the issue of such Debentures by the Central Government or the raising of loan by a Special Resolution adopted by the Company in a General Meeting.

5. Any Debentures, debenture stock or other Securities may be issued at a discount, premium or otherwise, if permissible under the Act, and may be issued on the condition that they shall be convertible into Shares of any denomination and with any privileges and conditions as to redemption, surrender, drawings, allotment of Shares, attending (but not voting) at General Meetings, appointment of Directors and otherwise. Debentures with the rights to conversion into or allotment of Shares shall not be issued except with the sanction of the Company in General Meeting by a Special Resolution and subject to the provisions of the Act.

Provided that the company, if is in default of payment of interest or repayment of principal amount in respect of listed debt securities, shall appoint the person nominated by the debenture trustee(s) as a director on its Board of Directors, within one month from date of receipt of nomination from the debenture trustee or the date of publication of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) (Amendment) Regulations, 2023 in the official gazette, whichever is later.

The Board of Directors to appoint the person nominated by the debenture trustee(s) in terms of clause (e) of sub regulation (1) of regulation 15 of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 as a director on its Board of Directors.

Yes 2

i. Unless the Shares have been issued in dematerialized form, every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or sub-division or consolidation or renewal of any of its Shares as the case may be or within a period of six months from the date of allotment in the case of any allotment of Debenture or within such other period as the conditions of issue shall be provided,—
   a. one certificate for all his shares without payment of any charges; or
   b. several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.

ii. Every certificate shall be under the seal and shall specify the number and distinctive number of shares to which it relates and the amount paid-up thereon.

iii. In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

iv. The Company shall recognize interest in dematerialized securities under the Depositories Act, 1996.

Subject to the provisions of the Act, either the Company or the investor may exercise an option to issue (in case of the Company only), deal in, hold the securities (including shares) with a Depository in electronic form and the certificates in respect thereof shall be dematerialized, in which event, the rights and obligations of the parties concerned and matters connected therewith or incidental thereof shall be governed by the provisions of the Depositories Act, 1996 as amended from time to time or any statutory modification(s) thereto or re-enactment thereof, the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and other applicable laws.

(a) Dematerialization/Re-materialization of securities

Notwithstanding anything to the contrary or inconsistent contained in these Articles, the Company shall be entitled to dematerialize its existing securities, re materialize its securities held in Depositories and/or offer its fresh securities in the dematerialized form pursuant to the Depositories Act, 1996 and the rules framed thereunder, if any.

(b) Option to receive security certificate or hold securities with the Depository

Every person subscribing to or holding securities of the Company shall have the option to receive the security certificate or hold securities with a Depository. Where a person opts to hold a security with the Depository, the Company shall intimate such Depository of the details of allotment of the security and on receipt of such information, the Depository shall enter in its Record, the name of the allottees as the beneficial owner of that Security.

(c) Securities in electronic form

All securities held by a Depository shall be dematerialized and held in electronic form. No certificate shall be issued for the securities held by the Depository.

(d) Beneficial owner deemed as absolute owner

Except as ordered by a court of competent jurisdiction or by applicable law required and subject to the provisions of the Act, the Company shall be entitled to treat the person whose name appears on the applicable register as the holder of any security or whose name appears as the beneficial owner of any security in the records of the Depository as the absolute owner thereof and accordingly shall not be bound to recognize any benami trust or equity, equitable contingent, future, partial interest, other claim to or interest in respect of such securities or (except only as by these Articles otherwise expressly provided) any right in respect of a security other than an absolute right thereto in accordance with these Articles, on the part of any other person whether or not it has expressed or implied notice thereof but the Board shall at their sole discretion register any security in the joint names of any two or more persons or the survivor or survivors of them.

(e) Register and index of beneficial owners

The Company shall cause to be kept a register and index of members with details of securities held in materialized and dematerialized forms in any media as may be permitted by law including any form of electronic media. The register and index of beneficial owners maintained by a Depository under the Depositories Act, 1996 shall be deemed to be a register and index of members for the purposes of this Act. The Company shall have the power to keep in any state or country outside India, a Register of Members, resident in that state or country.

3 If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer or in case of sub-division or consolidation of Shares, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deems adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under this Article shall be issued without payment of fee if the Board so decides, or on payment of such fee (not exceeding Rs. 50 (Rupees Fifty) for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is not further space on the back thereof for endorsement of transfer or in case of sub-division or

			consolidation of Shares. Provided that notwithstanding what is stated above, the Directors shall comply with such rules or regulations and requirements of any stock exchange or the rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other act or rules applicable in this behalf. The provisions of this Article shall mutatis mutandis apply to issue of certificates for any other securities, including debentures, of the Company.
		4	Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
		5	i. The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder. ii. The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40. iii. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
		6	i. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class. ii. To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at shall be as per the applicable provisions of the Act.
		7	The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.
		8	Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

Lien			
Check if not applicable	Check if altered	Article No.	Description
		9	The Company shall have a first and paramount lien upon all the Shares/ Debentures (other than fully paid up Shares/ Debentures) registered in the name of each Member (whether solely or jointly with others) to the extent of

			monies called or payable in respect thereof, and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such Shares/ Debentures and no equitable interest in any Share shall be created except upon the footing and condition that this Article will have full effect. Such lien shall extend to all dividends and bonuses from time to time declared in respect of such Shares/ Debentures. Fully paid up Shares shall be free from all liens. Unless otherwise agreed, the registration of a transfer of Shares/ Debentures shall operate as a waiver of the Company's lien if any, on such Shares/ Debentures. In case of partly-paid Shares, Company's lien shall be restricted to the monies called or payable at a fixed time in respect of such Shares. Provided that the Board may at any time declare any Shares/ Debentures wholly or in part to be exempt from the provisions of this Article. i.
		10	• Subject to the provisions of the Act, the company may sell, in such manner as the Board thinks fit, any Shares on which the company has a lien: Provided that no sale shall be made— a. unless a sum in respect of which the lien exists is presently payable; or b. until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency. • A Member shall not exercise any voting rights in respect of the Shares in regard to which the Company has exercised the right of lien.
		11	i. To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof. ii. The purchaser shall be registered as the holder of the shares comprised in any such transfer. iii. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
		12	i. The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. ii. The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

Calls on shares

Check if not applicable	Check if altered	Article No.	Description
		13	i. The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account

of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

ii. Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.

iii. A call may be revoked or postponed at the discretion of the Board.

	14	A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by instalments.
	15	The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
	16	• If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine. • The Board shall be at liberty to waive payment of any such interest wholly or in part.
	17	i. Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable. ii. In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
	18	• The Board - • a. may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him and • b. upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.
		The Board may, if it thinks fit, subject to the provisions of the Section 50 of the Act, agree to and receive from any Member willing to advance the same, whole or any part of the moneys due upon the Shares held by him beyond the sums actually called for and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the Shares in respect of which such advance has been made, the Company may pay interest at twelve per cent per annum. Provided that money paid in advance of calls on any Share may carry interest but shall

			not confer a right to dividend or to participate in profits. The Board may at any time repay the amount so advanced. The Member shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable. The provisions of these Articles shall mutatis mutandis apply to any calls on Debentures of the Company.

Transfer of shares

Check if not applicable	Check if altered	Article No.	Description
		19	i. The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee. ii. The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof. iii. A common form of transfer shall be used in case of transfer of Shares.
		20	i. The Board may, subject to the right of appeal conferred by section 58 decline to register— ii. the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or iii. any transfer of shares on which the company has a lien.
		21	The Board may decline to recognise any instrument of transfer unless— a. the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56; b. the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and c. the instrument of transfer is in respect of only one class of shares. No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other documents. The registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever.
		22	• On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine: • Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

Transmission of shares

Check if not applicable	Check if altered	Article No.	Description
		23	i. On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares. ii. Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
		24	i. Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either— a. to be registered himself as holder of the share; or b. to make such transfer of the share as the deceased or insolvent member could have made. ii. The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.
		25	i. If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects. ii. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share. iii. All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.
		26	• A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company: • Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.
Not applicable		27	In case of a One Person Company— i. on the death of the sole member, the person nominated by such member shall be the person recognised by the company as having title to all the shares of the member;

			ii. the nominee on becoming entitled to such shares in case of the member's death shall be informed of such event by the Board of the company; iii. such nominee shall be entitled to the same dividends and other rights and liabilities to which such sole member of the company was entitled or liable; iv. on becoming member, such nominee shall nominate any other person with the prior written consent of such person who, shall in the event of the death of the member, become the member of the company.

Forfeiture of shares

Check if not applicable	Check if altered	Article No.	Description
		28	If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.
		29	• The notice aforesaid shall— • name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and • state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.
		30	If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
		31	i. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit. ii. At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
		32	i. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares. ii. The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.
		33	i. A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share; ii. The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of

			the share in favour of the person to whom the share is sold or disposed of; iii. The transferee shall thereupon be registered as the holder of the share; and iv. The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
		34	The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

Alteration of capital

Check if not applicable	Check if altered	Article No.	Description
		35	The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.
		36	• Subject to the provisions of section 61, the company may, by ordinary resolution,— • consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; • convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination; • sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum; • cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.
		37	• Where shares are converted into stock,— • the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit: • Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose. • the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company,and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage. • such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder”

			in those regulations shall include "stock" and "stock-holder" respectively.
		38	• The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law, — • it share capital; • any capital redemption reserve account; or • any share premium account.

Capitalisation of profits

Check if not applicable	Check if altered	Article No.	Description
		39	• The company in general meeting may, upon the recommendation of the Board, resolve— • that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the, profit and loss account, or otherwise available for distribution; and • that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions. • The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards— • paying up any amounts for the time being unpaid on any shares held by such members respectively; • paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid; • partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B); • A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares; • The Board shall give effect to the resolution passed by the company in pursuance of this regulation.
		40	i. Whenever such a resolution as aforesaid shall have been passed, the Board shall— a. make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and b. generally do all acts and things required to give effect thereto. ii. The Board shall have power— a. to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and b. to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the

company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

iii. Any agreement made under such authority shall be effective and binding on such members.

Buy-back of shares

Check if not applicable	Check if altered	Article No.	Description
		41	Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.

General meetings

Check if not applicable	Check if altered	Article No.	Description
		42	All general meetings other than annual general meeting shall be called extraordinary general meeting.
		43	i. The Board may, whenever it thinks fit, call an extraordinary general meeting. ii. If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

Proceedings at general meetings

Check if not applicable	Check if altered	Article No.	Description
		44	i. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. ii. Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103 of the Act.
		45	The Chairman, if any, of the Board shall preside as Chairman at every general meeting of the company.

		46	If there is no such Chairman, or if he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairman of the meeting, the directors present shall elect one of their members to be Chairman of the meeting.
		47	If at any meeting no director is willing to act as Chairman or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairman of the meeting.
Not Applicable		48	In case of a One Person Company— i. the resolution required to be passed at the general meetings of the company shall be deemed to have been passed if the resolution is agreed upon by the sole member and communicated to the company and entered in the minutes book maintained under section 118; ii. such minutes book shall be signed and dated by the member; iii. the resolution shall become effective from the date of signing such minutes by the sole member.

Adjournment of meeting

Check if not applicable	Check if altered	Article No.	Description
		49	i. The Chairman may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place. ii. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. iii. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. iv. Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

Voting rights

Check if not applicable	Check if altered	Article No.	Description
		50	• Subject to any rights or restrictions for the time being attached to any class or classes of shares,— • on a show of hands, every member present in person shall have one vote; and • on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.
		51	A member may exercise his vote at a meeting by electronic means in accordance with section 108 of the Act and shall vote only once.
		52	i. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

			ii. For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
		53	A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
		54	Any business other than that upon which a poll has been demanded maybe proceeded with, pending the taking of the poll.
		55	No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.
		56	i. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. ii. Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision shall be final and conclusive.

Proxy

Check if not applicable	Check if altered	Article No.	Description
		57	The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
		58	An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105 of the Act.
		59	• A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given: • Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

Board of Directors

Check if not applicable	Check if altered	Article No.	Description

	Yes	60	The Company shall at all times have such number of Directors appointed in accordance with the provisions of the Act and subject to applicable law.
		61	• The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day. • In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them— • in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or • in connection with the business of the company.
		62	The Board may pay all expenses incurred in getting up and registering the company.
		63	The company may exercise the powers conferred on it by section 88 of the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.
		64	All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine
		65	Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.
		66	i. Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles. ii. Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

Proceedings of the Board

Check if not applicable	Check if altered	Article No.	Description
		67	• The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit. • A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.
		68	i. Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes. ii. In case of an equality of votes, the Chairman of the Board, if any, shall have a second or casting vote.
		69	The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the

			Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.
		70	i. The Board may elect a Chairman of its meetings and determine the period for which he is to hold office. ii. If no such Chairman is elected, or if at any meeting the Chairman is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairman of the meeting.
		71	i. The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit. ii. Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
		72	i. A committee may elect a Chairman of its meetings. ii. If no such Chairman is elected, or if at any meeting the Chairman is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairman of the meeting.
		73	i. A committee may meet and adjourn as it thinks fit. ii. Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairman shall have a second or casting vote.
		74	All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
		75	Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.
Not applicable		76	i. In case of a One Person Company— ii. where the company is having only one director, all the businesses to be transacted at the meeting of the Board shall be entered into minutes book maintained under section 118; iii. such minutes book shall be signed and dated by the director; iv. the resolution shall become effective from the date of signing such minutes by the director.

Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer

Check if not applicable	Check if altered	Article No.	Description
		77	• Subject to the provisions of the Act,—

			• A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board; • A director may be appointed as chief executive officer, manager, company secretary or chief financial officer
		78	A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

The Seal

Check if not applicable	Check if altered	Article No.	Description
		79	i. The Board shall provide for the safe custody of the seal. ii. The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

Dividends and Reserve

Check if not applicable	Check if altered	Article No.	Description
		80	The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
		81	Subject to the provisions of section 123 of the Act, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.
		82	i. The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit. ii. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
		83	i. Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in

respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

ii. No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

iii. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

	84	The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.
	85	i. Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct. ii. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
	86	Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.
	87	Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
	88	No dividend shall bear interest against the company. Where a dividend has been declared by the Company but has not been paid or claimed within thirty days from the date of the declaration to any Shareholder entitled to the payment of the dividend, the Company shall, within seven days from the date of expiry of the said period of thirty days, transfer the total amount of dividend which remains unpaid or unclaimed to a special account to be opened by the Company in that behalf in any scheduled bank to be called the ‘Unpaid Dividend Account’. Any money transferred to the ‘Unpaid Dividend Account’ of the Company which remains unpaid or unclaimed for a period of 7 (seven) years from the date of such transfer, shall be transferred by the Company along with the interest accrued, if any, to the Fund known as Investor Education and Protection Fund established under section 125 of the Act. There shall be no forfeiture of unclaimed dividends before the claim becomes barred by law. All Shares in respect of which the Dividend has not been paid or claimed for 7 (seven) consecutive years or more shall be transferred by the Company in the name of Investor Education and Protection Fund along with a statement containing such details as may be prescribed. Provided that any claimant of Shares so transferred shall be entitled to claim the transfer of Shares from Investor Education and Protection Fund in accordance with such procedure and on submission of such documents as may be prescribed. The Company shall comply with the provisions of the Act in respect of any dividend remaining unpaid or unclaimed with the Company.

Accounts

Check if not applicable	Check if altered	Article No.	Description
		89	i. The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors. ii. No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

Winding up

Check if not applicable	Check if altered	Article No.	Description
		90	• Subject to the provisions of Chapter XX of the Act and rules made thereunder— • If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not. • For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members. • The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

Indemnity

Check if not applicable	Check if altered	Article No.	Description
		91	Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

Others

	Yes	92	

SECTION IX – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company) which are or may be deemed material were attached to the copy of the Red Herring Prospectus and filed with the RoC. Copies of the contracts and documents for inspection referred to hereunder, may be inspected at our Registered Office, from 10.00 am to 5.00 pm on all Working Days and were made available on the website of our Company at https://indiashelter.in/investor-relations from the date of the Red Herring Prospectus until the Bid/Offer Closing Date, except for such contracts and documents that will be entered into or executed subsequent to the completion of the Bid/Offer Closing Date.

Material Contracts to the Offer

1. Offer Agreement dated August 4, 2023 entered into among our Company, the Selling Shareholders and the BRLMs.

2. Amendment Agreement dated November 23, 2023 and December 7, 2023, to the Offer Agreement dated August 4, 2023 entered into among our Company, the Selling Shareholders and the BRLMs.

3. Registrar Agreement dated August 3, 2023 entered into among our Company, the Selling Shareholders and the Registrar to the Offer.

4. Amendment Agreement dated November 23, 2023 to the Registrar Agreement dated August 3, 2023 entered into among our Company, the Selling Shareholders and the Registrar to the Offer.

5. Monitoring Agency Agreement dated December 7, 2023 entered into between our Company and the Monitoring Agency.

6. Cash Escrow and Sponsor Bank Agreement dated December 7, 2023 entered into among our Company, the Selling Shareholders, the BRLMs, the Syndicate Members, Banker(s) to the Offer and the Registrar to the Offer.

7. Share Escrow Agreement dated December 7, 2023 entered into among the Selling Shareholders, our Company and the Share Escrow Agent.

8. Syndicate Agreement dated December 7, 2023 entered into among the Members of the Syndicate, our Company, the Selling Shareholders and the Registrar to the Offer.

9. Underwriting Agreement dated December 16, 2023 entered into among our Company, the Selling Shareholders and the Underwriters.

Material Documents

1. Certified copies of our Memorandum of Association and Articles of Association, as amended from time to time.

2. Certificate of incorporation dated October 26, 1998 issued to our Company, under the name ‘Satyaprakash Housing Finance India Limited’ by the Registrar of Companies, Madhya Pradesh at Gwalior.

3. Certificate for commencement of business dated November 18, 1998 by the Registrar of Companies, Madhya Pradesh at Gwalior.

4. Certificate of incorporation dated July 8, 2010 issued to our Company, consequent upon change of name from ‘Satyaprakash Housing Finance India Limited’ to ‘India Shelter Finance Corporation Limited’ by the Registrar of Companies, Madhya Pradesh and Chhattisgarh at Gwalior.

5. Certificate of registration dated December 31, 2002, granted to "Satyaprakash Housing Finance India Limited" by the NHB bearing registration number 02.0034.02 to carry on the business of a housing finance institution without accepting public deposits.

6. Certificate of registration dated September 14, 2010, granted by the NHB bearing registration number 09.0087.10 to our Company, to carry on the business of a housing finance institution without accepting public deposits.

7. Letter dated September 15, 2023, from the RBI, granting prior approval for undertaking this Offer.

8. Resolution of our Board dated July 12, 2023, approving the Offer and other related matters.

9. Shareholders' resolution dated July 18, 2023, authorising the Fresh Issue.

10. Resolution of our Board of Directors dated December 7, 2023, taking on record the consent and authorisation of the Selling Shareholders to participate in the Offer for Sale.

11. Resolution of our Board dated August 3, 2023 approving the Draft Red Herring Prospectus.

12. Resolution of our IPO Committee dated August 4, 2023 approving the Draft Red Herring Prospectus.

13. Resolution of our Board dated December 7, 2023 approving the Red Herring Prospectus.

14. Resolution of our Board dated December 16, 2023 approving this Prospectus.

15. Consent letters and authorisations from the Selling Shareholders consenting to participate in the Offer for Sale.

16. Copies of the annual reports of our Company for the Financial Years 2023, 2022 and 2021.

17. (i) Amended and Restated Shareholder's Agreement dated July 30, 2022, executed between (a) our Company, (b) Nexus Ventures III, Ltd., (c) Nexus Opportunity Fund II, Ltd., (d) WestBridge Crossover Fund, LLC, (e) Aravali Investment Holdings, (f) Catalyst Trusteeship Limited, as trustee of Madison India Opportunities Trust Fund, (g) Madison India Opportunities IV, (h) MIO Starrock, (i) Catalyst Trusteeship Limited, as trustee of MICP Trust and (j) Anil Mehta; (ii) Amendment cum waiver and consent agreement dated August 1, 2023, executed between (a) our Company, (b) Nexus Ventures III, Ltd., (c) Nexus Opportunity Fund II, Ltd., (d) WestBridge Crossover Fund, LLC, (e) Aravali Investment Holdings, (f) Catalyst Trusteeship Limited, as trustee of Madison India Opportunities Trust Fund, (g) Madison India Opportunities IV, (h) MIO Starrock, (i) Catalyst Trusteeship Limited, as trustee of MICP Trust and (j) Anil Mehta.

18. Employment agreement dated November 9, 2021 entered into between our Company and Rupinder Singh.

19. Amended and restated letter agreement dated November 4, 2022 entered into between Anil Mehta and our Company, read with the acknowledgment of exercise of right to subscribe to equity shares of our Company dated August 1, 2023, pursuant to the amended and restated letter agreement dated November 4, 2022.

20. The examination report dated November 13, 2023, of the Statutory Auditors on our Restated Consolidated Financial Information.

21. The report dated August 4, 2023, on the 'Statement of possible special tax benefits' available to our Company and its shareholders under the applicable laws in India' from the Statutory Auditors.

22. Certificate dated November 23, 2023, received from B. B. & Associates, Chartered Accountants, independent chartered accountants on the basis for offer price.

23. Certificate dated December 16, 2023, received from B. B. & Associates, Chartered Accountants,

independent chartered accountants on (i) average cost of acquisition per Equity Share of our Company held by the Promoters and Selling Shareholders; (ii) price at which Equity Shares were acquired by the Promoters, members of the Promoter Group, Selling Shareholders and shareholders of our Company with nominee director rights or other rights, in the last three years; (iii) weighted average cost of acquisition per Equity Share (on a fully diluted basis) for the Promoters and Selling Shareholders; (iv) weighted average price at which all shares were transacted by all shareholders of our Company in the last year, last 18 months and last three years; and (v) last five primary issuance by our Company or secondary transactions of the Equity Shares (secondary transactions where Promoters, members of the Promoter Group, Selling Shareholders or Shareholder(s) having the right to nominate Director(s) on the Board, are a party to the transaction), not older than three years prior to the date of this Prospectus irrespective of the size of transactions.

24. Certificate dated December 16, 2023, received from B. B. & Associates, Chartered Accountants, independent chartered accountants on related party transactions.

25. Certificate dated December 16, 2023, received from T R Chadha & Co. LLP, Chartered Accountants on ESOP Schemes.

26. Certificate dated December 16, 2023, received from B. B. & Associates, Chartered Accountants in relation to the loans, advances and working capital facilities from banks/institutions or any guarantees extended by our Company, and any other financial indebtedness of our Company.

27. Consent dated December 7, 2023 from T R Chadha & Co. LLP, Chartered Accountants, holding a valid peer review certificate from ICAI, to include their name as required under section 26 (5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Prospectus and as an "expert" as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report, dated November 13, 2023 on our Restated Consolidated Financial Information; and (ii) their report dated August 4, 2023 on the statement of possible special tax benefits included in this Prospectus and such consent has not been withdrawn as on the date of this Prospectus.

28. Certificate dated December 16, 2023, received from B. B. & Associates, Chartered Accountants, independent chartered accountants on promoter's contribution and lock-in.

29. Consent dated December 16, 2023, from B. B. & Associates, Chartered Accountants, to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations in this Prospectus and referred to as an "expert" as defined under Section 2(38) of the Companies Act, 2013 in respect of various certifications issued by them in their capacity as independent chartered accountant to our Company.

30. Consents of our Directors, Bankers to our Company, the BRLMs, Registrar to the Offer, Banker(s) to the Offer, legal counsel to our Company, lenders to our Company, Company Secretary and Chief Compliance Officer of our Company, as referred to act, in relation to the Offer and in their respective capacities.

31. Industry report titled "Industry Report on Housing Finance market in India" dated November 2023, prepared by CRISIL MI&A, appointed by our Company pursuant to engagement letters dated June 6, 2023 and October 23, 2023, commissioned by and paid for by our Company, and the consent letter dated August 3, 2023 and November 23, 2023, issued by CRISIL Limited in this regard.

32. In-principle listing approvals each dated October 3, 2023 from BSE and the NSE, respectively.

33. Tripartite Agreement dated July 22 2023 among our Company, NSDL and the Registrar to the Offer.

34. Tripartite Agreement dated July 21, 2023 among our Company, CDSL and the Registrar to the Offer.

35. Due diligence certificate to SEBI from the BRLMs, dated August 4, 2023.

36. Letter dated September 15, 2023 from the RBI in relation to the Offer.

37. SEBI final observation letter no. SEBI/HO/CFD/RAC/DIL-1/EB/SM/OW/2023/45561/1 dated November 13, 2023.

Any of the contracts or documents mentioned in this Prospectus may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, without notice to the Shareholders subject to compliance of the provisions contained in the Companies Act, 2013 and other applicable law.

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013, and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations and guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 2013, the SEBI Act, the SCRA and the SCRR, each as amended, or the rules, regulations and guidelines issued thereunder, as the case may be. I further certify that all the statements and disclosures made in this Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sudhin Bhagwandas Choksey
Chairman and Non-Executive Nominee Director

Date: December 16, 2023
Place: Ahmedabad

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013, and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations and guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 2013, the SEBI Act, the SCRA and the SCRR, each as amended, or the rules, regulations and guidelines issued thereunder, as the case may be. I further certify that all the statements and disclosures made in this Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Rupinder Singh
Managing Director and Chief Executive Officer

Date: December 16, 2023
Place: Panchkula

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013, and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations and guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 2013, the SEBI Act, the SCRA and the SCRR, each as amended, or the rules, regulations and guidelines issued thereunder, as the case may be. I further certify that all the statements and disclosures made in this Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Anup Kumar Gupta
Non-Executive Nominee Director

Date: December 16, 2023
Place: Mumbai

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013, and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations and guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 2013, the SEBI Act, the SCRA and the SCRR, each as amended, or the rules, regulations and guidelines issued thereunder, as the case may be. I further certify that all the statements and disclosures made in this Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Shailesh J. Mehta
Non-Executive Nominee Director

Date: December 16, 2023
Place: Mumbai

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013, and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations and guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 2013, the SEBI Act, the SCRA and the SCRR, each as amended, or the rules, regulations and guidelines issued thereunder, as the case may be. I further certify that all the statements and disclosures made in this Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sumir Chadha
Non-Executive Nominee Director

Date: December 16, 2023
Place: San Mateo, CA

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013, and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations and guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 2013, the SEBI Act, the SCRA and the SCRR, each as amended, or the rules, regulations and guidelines issued thereunder, as the case may be. I further certify that all the statements and disclosures made in this Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Rachna Dikshit
Independent Director

Date: December 16, 2023
Place: Gurugram

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013, and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations and guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 2013, the SEBI Act, the SCRA and the SCRR, each as amended, or the rules, regulations and guidelines issued thereunder, as the case may be. I further certify that all the statements and disclosures made in this Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Thomson Kadantot Thomas
Independent Director

Date: December 16, 2023
Place: Mumbai

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013, and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations and guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 2013, the SEBI Act, the SCRA and the SCRR, each as amended, or the rules, regulations and guidelines issued thereunder, as the case may be. I further certify that all the statements and disclosures made in this Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Parveen Kumar Gupta
Independent Director

Date: December 16, 2023
Place: Mumbai

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013, and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations and guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 2013, the SEBI Act, the SCRA and the SCRR, each as amended, or the rules, regulations and guidelines issued thereunder, as the case may be. I further certify that all the statements and disclosures made in this Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Ajay Narayan Jha
Independent Director

Date: December 16, 2023
Place: Gurugram

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013, and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations and guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 2013, the SEBI Act, the SCRA and the SCRR, each as amended, or the rules, regulations and guidelines issued thereunder, as the case may be. I further certify that all the statements and disclosures made in this Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Savita Mahajan
Independent Director

Date: December 16, 2023
Place: Dehradun

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013, and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations and guidelines issued by SEBI established under Section 3 of the SEBI Act, 1992, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 2013, the SEBI Act, the SCRA and the SCRR, each as amended, or the rules, regulations and guidelines issued thereunder, as the case may be. I further certify that all the statements and disclosures in this Prospectus are true and correct.

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

Ashish Gupta
Chief Financial Officer

Date: December 16, 2023
Place: New Delhi

DECLARATION

We, Catalyst Trusteeship Limited, as trustee of Madison India Opportunities Trust Fund, the Selling Shareholder, hereby confirm that all statements and undertakings specifically made or confirmed by us, severally and not jointly, in this Prospectus in relation to ourselves, as an Investor Selling Shareholder and our respective portion of the Offered Shares, are true and correct. We assume no responsibility for any other statements, disclosures and undertakings, including, any of the statements, disclosures and undertakings made or confirmed by or relating to the Company or any other Selling Shareholder(s) or any other person(s) in this Prospectus.

Signed for and on behalf of Catalyst Trusteeship Limited, as trustee of Madison India Opportunities Trust Fund

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Designation: Authorised Signatory

Date: December 16, 2023
Place: Mumbai

DECLARATION

We, Catalyst Trusteeship Limited, as trustee of MICP Trust, the Selling Shareholder, hereby confirm that all statements and undertakings specifically made or confirmed by us, severally and not jointly, in this Prospectus in relation to ourselves, as an Investor Selling Shareholder and our respective portion of the Offered Shares, are true and correct. We assume no responsibility for any other statements, disclosures and undertakings, including, any of the statements, disclosures and undertakings made or confirmed by or relating to the Company or any other Selling Shareholder(s) or any other person(s) in this Prospectus.

Signed for and on behalf of Catalyst Trusteeship Limited, as trustee of MICP Trust

Designation: Authorised Signatory

Date: December 16, 2023
Place: Mumbai

DECLARATION

We, Madison India Opportunities IV, the Selling Shareholder, hereby confirm that all statements and undertakings specifically made or confirmed by us, severally and not jointly, in this Prospectus in relation to ourselves, as an Investor Selling Shareholder and our respective portion of the Offered Shares, are true and correct. We assume no responsibility for any other statements, disclosures and undertakings, including, any of the statements, disclosures and undertakings made or confirmed by or relating to the Company or any other Selling Shareholder(s) or any other person(s) in this Prospectus.

Signed for and on behalf of Madison India Opportunities IV

Dilshaad Rajabalee
Designation: Director

Date: December 16, 2023
Place: Mauritius

DECLARATION

We, MIO Starrock, the Selling Shareholder, hereby confirm that all statements and undertakings specifically made or confirmed by us, severally and not jointly, in this Prospectus in relation to ourselves, as an Investor Selling Shareholder and our respective portion of the Offered Shares, are true and correct. We assume no responsibility for any other statements, disclosures and undertakings, including, any of the statements, disclosures and undertakings made or confirmed by or relating to the Company or any other Selling Shareholder(s) or any other person(s) in this Prospectus.

Signed for and on behalf of MIO Starrock

Wendy Ramakrishnan
Designation: Director

Date: December 16, 2023
Place: Mauritius

DECLARATION

We, Nexus Ventures III, Ltd., the Selling Shareholder, hereby confirm that all statements and undertakings specifically made or confirmed by us, severally and not jointly, in this Prospectus in relation to ourselves, as an Investor Selling Shareholder and our respective portion of the Offered Shares, are true and correct. We assume no responsibility for any other statements, disclosures and undertakings, including, any of the statements, disclosures and undertakings made or confirmed by or relating to the Company or any other Selling Shareholder(s) or any other person(s) in this Prospectus.

Signed for and on behalf of Nexus Ventures III, Ltd.

Thirumagen Vaitilingon
Designation: Director

Date: December 16, 2023
Place: Mauritius