Private & Confidential – Not for Circulation

DISCLOSURE DOCUMENT

(THIS DISCLOSURE DOCUMENT IS NEITHER A PROSPECTUS NOR A STATEMENT IN LIEU OF PROSPECTUS AND DOES NOT CONSTITUTE AN OFFER TO THE PUBLIC GENERALLY TO SUBSCRIBE FOR OR OTHERWISE ACQUIRE THE DEBENTURES TO BE ISSUED BY THE ISSUE. THIS DISCLOSURE DOCUMENT HAS BEEN PREPARED IN CONFORMITY WITH SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF DEBT SECURITIES) REGULATIONS, 2008 ISSUED VIDE CIRCULAR NO. LAD-NRO/GN/2008/13/127878 DATED JUNE 06, 2008, AS AMENDED FROM TIME TO TIME, THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 ISSUED VIDE CIRCULAR NO. SEBI/LAD-NRO/GN/2015-16/013 DATED SEPTEMBER 02, 2015, AS AMENDED FORM TIME TO TIME)

Shriram Transport Finance Company Limited

A Public Limited Company Incorporated under the Companies Act, 1956 (Registered as a Non-Banking Financial Company within the meaning of the Reserve Bank of India Act, 1934 (2 of 1934)) and validly existing under the Companies Act, 2013

Registered Office: 14A, South Phase, Industrial Estate, Guindy, Chennai – 600032 **Tel No:** +91 44 2499 0356 **Fax:** +91 44 2499 3272
Corporate Office: Wockhardt Towers, Level - 3, West Wing, C-2, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051 **Tel No**: +91 22 4095 9595 **Fax**: +91 22 4095 9596/97 **Website**: www.stfc.in
Contact Person: Mr. Parag Sharma – Chief Financial Officer; E-mail: parag@stfc.in

<u>ISSUE:</u>
Disclosure Document for Private Placement of 2,400 (Two Thousand Four Hundred) senior, listed, secured, rated, redeemable non-convertible debentures of the face value of INR 10,00,000/- (Indian Rupees Ten Lakhs Only) each ("**Debentures**"), for cash at par aggregating to INR 240,00,00,000/- (Indian Rupees Two Hundred Forty Crores only) (the "**Issue**").

<u>GENERAL RISKS:</u>
Investment in debt and debt related securities involve a degree of risk and investors should not invest any funds in debt instruments unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the 'Risk Factors' carefully before investing in this offering. For taking an investment decision, investors must rely on their own examination of the Issue, the Disclosure Document including the risks involved. The Issue has not been recommended or approved by Securities and Exchange Board of India (SEBI) nor does SEBI guarantee the accuracy or adequacy of this Disclosure Document.

<u>CREDIT RATING:</u>
The Rating Agency has assigned a rating of 'AA+' vide its letter dated December 21, 2020. Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk. The above rating is not a recommendation to buy, sell or hold securities and investors should take their own decision. The rating may be subject to revision or withdrawal at any time by the assigning rating agency and each rating should be evaluated independently of any other rating. The rating obtained is subject to revision at any point of time in the future. The rating agencies have a right to suspend, withdraw the rating at any time on the basis of new information etc.

<u>WILFUL DEFAULTER:</u>
The Issuer, its Directors and Promoters have not been declared as a wilful defaulter by RBI or any other authority.

<u>ISSUER'S ABSOLUTE RESPONSIBILTY:</u>
The Issuer, having made all reasonable inquiries, accepts responsibility for, and confirms that this Disclosure Document contains all information with regard to the Issuer and the Issue, which is material in the context of the Issue, that the information contained in this Disclosure Document is true and correct in all material respects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

<u>LISTING:</u>
The Debentures are proposed to be listed on the Wholesale Debt Market (WDM) segment of the BSE Limited ("**BSE**"). Please refer to **Annexure III** of this Disclosure Document for a copy of the in-principle approval letter dated December 23, 2020 issued by BSE.

RATING AGENCY	REGISTRAR TO THE ISSUE
CRISIL RATINGS CRISIL Limited: CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai – 400076. India	Integrated since 1974 Investments Simplified **Integrated Registry Management Services Private Limited** 2nd Floor, "Kences Towers", No. 1 Ramakrishna Street, North Usman Road, T Nagar, Chennai - 600 017, Phone: 044-28140801 to 28140803, Fax: 044-28142479 Email: stfcipo@integratedindia.in]

DEBENTURE TRUSTEE
Catalyst Trusteeship Limited Office No. 83 – 87, 8th floor, 'Mittal Tower', 'B' Wing, Nariman Point, Mumbai – 400021, Tel: +91 22 4922 0555 Website: catalysttrustee.com

DEFINITIONS AND ABBREVIATIONS

The Company / Issuer / We / Our Company/ Us	Shriram Transport Finance Company Limited having its Registered Office at 14A, South Phase, Industrial Estate, Guindy, Chennai – 600032.
Additional Security	means any additional security as may be provided/ to be provided by the Issuer to secure the Redemption Amount and Amounts Due, upon the request of Debenture Trustee or in the event the Security Cover falls below the stipulated ratio as required in terms hereof, which may be in the form of: (a) Security Coupon on any other movable and immoveable assets which is acceptable to the Debenture Trustee; and/or (b) cash or fixed / term deposits/ investments / any other liquid assets acceptable to the Debenture Trustee.
Application Form	The form used by the recipient of this Disclosure Document and Private Placement Offer Cum Application Letter to apply for subscription to the Debentures, which will be annexed to each Private Placement Offer Cum Application Letter.
Applicable Law	shall mean any Indian statute, law, acts of the state legislature or Indian parliament, regulation, ordinance, rule, judgment, order, decree, bye-laws, clearances, directives, guidelines, policy requirement, or any governmental restriction or any similar form of decision of, or determination by, or any interpretation or administration having the force of law in India of any of the foregoing, by any Governmental Authority having jurisdiction over the matter in question, whether in effect as of the date of the issue of the Debentures or thereafter, and includes laws which may be applicable to the transaction contemplated herein.
Allotment Intimation	An advice informing the allottee of the number of Letter(s) of Allotment/ Debenture(s) allotted to him in Electronic (Dematerialised) Form.
Allot/Allotment/Allotted	Unless the context otherwise requires or implies, the allotment of the Debentures pursuant to the Issue.
Amounts Due	shall mean in relation to the Debentures, all Coupon (due and payable), default interest and prepayment charges, interest on application money, if any, payable in relation to the Debentures, costs (including legal costs on full indemnity basis), charges, expenses, commissions, fees including the remuneration of the Debenture Trustee and expenses payable to the Debenture Trustee and the Receiver, all taxes, dues, duties, levies, cess including stamp duty, registration and other fees and charges payable by the Issuer with respect to or on the Transaction Documents including those payable for the negotiation, preparation, execution, registration, preservation, protection and enforcement of the Transaction Documents, as may be outstanding/ payable at any given date, excluding the Redemption Amount in respect of the Debentures and wherever the context may require shall mean the aggregate of aforementioned amounts in respect of the Debentures.
Articles	The articles of association of the Company, as amended from time to time.
Board	Board of Directors of the Company or a Committee thereof of, formed or to be formed in this regard.
Business Day	A day (other than a Saturday or Sunday or a public holiday within the meaning of Section 25 of the Negotiable Instruments Act, 1881) on which banks are open for general business in Delhi/ Mumbai or such other city where payments are to be made.
BSE	BSE Limited (earlier known as Bombay Stock Exchange).
Coupon	shall mean interest payable on the Debentures at the rate mentioned in Term Sheet, calculated on per day actual basis, payable annually.
Coupon Payment Date	shall mean the dates on which Coupon is payable on the Debentures by the Company, as more particularly detailed in Term Sheet.

Credit Rating Agency (s)	Credit Analysis and Research Limited/ India Ratings and Research Private Limited/ CRISIL Limited or any other rating agency accredited with SEBI, appointed from time to time.
Date of Allotment	Means the date on which the Debentures being issued are deemed to be allotted to the Debenture Holder(s).
Debentures/ NCDs/Bonds	2400 senior, listed, secured, rated, redeemable non-convertible debentures of the face value of INR 10,00,000/- (Indian Rupees Ten Lacs Only) each for cash at par aggregating to INR 240,00,00,000/- (Indian Rupees Two Hundred Forty Crores only) to be issued by Shriram Transport Finance Company.
Debenture Holder	means the several persons who are/will be holders of the Debentures and whose name(s) are entered in the Register of Debenture Holders as maintained by the Issuer as Debenture Holders and shall include the beneficial owner(s) of the Debentures in dematerialized form as per the list of beneficial owners prepared and maintained by the Depository as the case may be, as per the provisions of Depositories Act, 1996.
Debenture Trust Deed	Debenture Trust Deed executed on or about the date hereof by and between the Debenture Trustee and the Issuer for capturing the detailed terms of the Issue comprsing of the 2400 senior, listed, secured, rated, redeemable non-convertible debentures of the face value of INR 10,00,000/- (Indian Rupees Ten Lacs Only) each for cash at par aggregating to INR 240,00,00,000/- (Indian Rupees Two Hundred Forty Crores only).
Debenture Trustee	Trustee for the Debenture holders, in this case being in this case being Catalyst Trusteeship Limited.
Deemed Date of Allotment	December 30, 2020 or such other date as notified to the Investor by the Issuer on which the Investor has infused the subscription amount in the Issuer towards the Debentures. All benefits relating to the Debentures including Interest thereon shall be available to the Debenture Holders from the Deemed Date of Allotment. The actual allotment of Debentures may take place on a date other than the Deemed Date of Allotment.
Depository/ies	National Securities Depository Limited ("**NSDL**") and Central Depository Services (India) Limited ("**CDSL**")
DP	Depository Participant.
Debenture Trustee Appointment Agreement or DTA	means the debenture trustee appointment agreement executed/ to be executed between the Issuer and the DebentureTrustee, whereby the Debenture Trustee is appointed as the debenture trustee in respect of the Debentures acting for and on behalf of the Debenture Holders.
FEMA Regulations	The Regulations framed by the RBI under the provisions of the Foreign Exchange Management Act, 1999, as amended from time to time.
Final Settlement Date	shall mean the date on which the Redemption Amounts and the Amounts Due in respect of the Debentures have been fully and irrevocably paid or discharged as per the terms of the Transaction Documents, to the satisfaction of the Debenture Trustee.
FII	Foreign Institutional Investor (as defined under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995) registered with SEBI.
Financial Indebtedness	shall mean, in relation to any person, aggregate of: (i) All long term debt outstanding, whether secured or unsecured, of the said Person; plus (ii) Contingent liability pertaining to corporate/ financial guarantees given by the said Person, on behalf of any company/ special purpose vehicle/ subsidiary/ affiliate to the extent of outstanding of such guaranteed debt; plus (iii) Any short term debt outstanding of the said Person, including working capital or any other borrowing, whether secured or unsecured, whether availed in lieu of long term debt or by way of bridge financing for long term debt or any other purpose; Provided however, that non fund based working facilities used in regular business operations of the said Person, shall be excluded; plus: (iv) Any amount raised by acceptance under any acceptance credit facility; plus (v) Any receivables sold or discounted (other than the receivables to the extent they are sold on a non-recourse basis); plus (vi) Any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing: plus (vii) any derivative transaction entered into in connection with protection against or benefit from

	fluctuation in price (and, when calculating the value of any derivative transaction, only the marked to market value shall be taken into account) plus; (viii) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; (ix) the amount of any liability under an advance or deferred purchase agreement if one of the primary reasons behind the entry into such agreement is to raise finance plus; (x) (without double counting) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (i) to (ix).
Governmental Authortiy	means any government or any governmental agency, semi-governmental or judicial or quasi-judicial or administrative entity or authority (including without limitation, any self-regulatory organization established under any law or regulation).
Hypothecated Assets	shall mean the specific identified Pool of Assets with a Security Cover of 1x over which charge shall be/ has been created in terms of the Unattested Memorandum of Hypothecation for securing the obligations of the Company in relation to the Debentures.
Initial Subscriber	shall mean the initial subscriber of Debentures, to whom the Debentures are offered for subscription by the Issuer.
I.T. Act	The Income-tax Act, 1961 as amended from time to time.
Disclosure Document/ Information Memorandum	This disclosure document, dated December 24, 2020 which sets out the information regarding the issue of Debentures.
Investor	Any person subscribing to the Debentures in accordance with the terms of this Information Memorandum and other Transaction Documents.
Issue	Issue of 2400 (Two Thousand and Four Hundred) senior, listed, secured, rated, redeemable non-convertible debentures of the face value of INR 10,00,000/- (Indian Rupees Ten Lacs Only) each for cash at par aggregating to INR 240,00,00,000/- (Indian Rupees Two Hundred Forty Crores only) on a Private Placement basis.
ISIN	International Securities Identification Number
Memorandum / MoA	Memorandum of Association of the Company, as amended from time to time.
Material Adverse Effect	material adverse effect on or a material adverse change (in the judgement of Debenture Trustee acting on the instructions of Majority Debenture Holders) in: (a) the business, operations, property, assets, condition (financial or otherwise) or prospects of the Issuer; (b) the ability of the Issuer /Company to enter into and to perform its obligations under the Transaction Documents or such other documents executed/ issued in relation to the Debentures to which the Issuer /Company is or will be a party; or (c) the validity or enforceability of the Transaction Documents or any other related document or the rights or remedies of Debenture Holders thereunder; which in the opinion of Debenture Trustee (acting on the instructions of Majority Debenture Holders) could adversely affect the Debentures.
Majority Debenture Holders	shall mean the Debenture Holder(s) holding an aggregate amount representing not less than 66.67% (Sixty Six point Six Seven Percent) of the outstanding value of the Debentures.
NBFC	Non-Banking Finance Company
NRI	A person resident outside India, who is a citizen of India or a person of Indian origin and shall have the same meaning as ascribed to such term in the FEMA Regulations.
Person	means any natural person, limited or unlimited liability company, corporation, partnership (whether limited or unlimited), proprietorship, Hindu undivided family, trust, union, association, government or any agency or thereof or any other entity that may be treated as a person under Applicable Law.
Pool of Assets	means specific receivables and book debts including but not limited to vehicles and / or consumer durables and / or equipment created out of the debenture proceeds by way of leasing / hire–purchase / loan of Commercial Vehicles and / or consumer durables and / or equipments in the course of business of the Company and all vehicles and / or consumer durables and/or equipments acquired / to be acquired by the Issuer out of the debenture proceeds together with all bills, securities, investments, owned assets, spares, tools and accessories and whether installed or not and whether now lying loose or in cases or brought into

	or upon or be stored or be in or about all the Issuer's premises and godowns or wherever else the same may be or be held by any party to the order or disposition of the Borrower issuer or in the course of transit or on high seas or on order, or delivery or other assets as periodically notified by the Company.
Private Placement Offer cum Application Letter	Shall mean the private placement offer cum application letter prepared in compliance with Section 42 of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended from time to time, which shall be issued with respect to the Issue.
Record Date	shall be date falling fifteen (15) days prior to each Coupon Payment Date and/or Redemption Date.
Redemption Amount	shall mean the amounts outstanding towards the principal amount of Debentures on the Redemption Date.
Redemption Date	shall mean the date falling on the expiry of 2 years from the Deemed Date of Allotment.
Register of Debenture Holders	means the register maintained by the Issuer at its registered office and containing the names of the Debenture Holders.
Registrar/Registrar to the Issue	Registrar to the Issue, in this case being Integrated Registry Management Services Private Limited.
ROC	The Registrar of Companies, Chennai
RTGS	Real Time Gross Settlement, an electronic funds transfer facility provided by RBI.
RBI	The Reserve Bank of India
SEBI	Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992 (as amended from time to time).
SEBI Debt Listing Regulations	The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (as amended from time to time), issued by SEBI.
Secured Assets	Means and includes: (i) the Hypothecated Assets; and (ii) such other assets and properties as may be charged in favour of the Debenture Trustee for securing the Debentures, from time to time, including but not limited to any Additional Security furnished by the Issuer and any property substituted in place of the existing Secured Assets, in terms of the Transaction Documents.
Security Coupon	Means any mortgage, pledge, lien, hypothecation, charge, or interest in the nature of a security assignment, deed of trust, deposit, encumbrance of any kind, or any other type of preferential arrangement, preference, priority or other security agreement of any kind or nature whatsoever including without limitation, any agreement to give any of the foregoing, any conditional sale or other title retention agreement or any lease in the nature thereof, over the Secured Assets or any designation as any loss payees or beneficiaries under any insurance contracts and any mortgage, pledge, lien, hypothecation, charge, assignment or other interest created by any other Person.
Security	The Security Interest created in terms of the Unattested Memorandum of Hypothecation and other Transaction Documents in favour of the Debenture Trustee for the benefit of the Debenture Holders.
Security Cover	Minimum security cover for the Secured Assets of 1.0x to be maintained throughout the tenor of the Debentures.
Security Interest	Means the security created in favour of the Debenture Trustee for securing the obligations of the Company in relation to the Debentures.
Term Sheet	Please refer to the 'Term Sheet' set out under Chapter V hereinbelow.
The Act	The Companies Act, 2013 or The Companies Act,1956, as may be applicable.
Transaction Documents	Means and includes the following: a. this Disclosure Document/Information Memorandum; b. Debenture Trust Deed; c. DTA; d. Unattested Memorandum of Hypothecation; e. All other agreements, letters, documents, undertakings and writings that are executed/may be executed by the Issuer in relation to the issue of the Debentures from time to time and designated as such by the Debenture Trustee.

Unattested Memorandum of Hypothecation	means the unattested memorandum of hypothecation executed/to be executed between the Issuer and the Debenture Trustee for creation of charge over the Hypothecated Assets in terms of the Transaction Documents.

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SECTION 1: NOTICE TO THE INVESTORS AND DISCLAIMER

GENERAL DISCLAIMER

This document is neither a "Prospectus" nor a "Statement in Lieu of prospectus under the Companies Act, 2013 but a "Disclosure Document" prepared in accordance with Securities and Exchange Board of India (Issue & Listing of Debt Securities) Regulations, 2008, issued vide circular no. LAD-NRO/GN/2008/13/127878 dated June 6, 2008, as amended from time to time, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 issued vide Circular No. Sebi/Lad-Nro/Gn/2015-16/013 dated September 02, 2015, as amended form time to time and Section 42 and rule 14(1) of Companies (Prospectus and Allotment of Securities) Rules. 2014. This document does not constitute an offer to the public generally to subscribe for or otherwise acquire the Debentures to be issued by Shriram Transport Finance Company Limited.

The Disclosure Document is for the exclusive use to whom it is delivered and it should not be circulated or distributed to third party/ (ies). The Issuer certifies that the disclosures made in this Disclosure Document are generally adequate and are in conformity with the SEBI Regulations. The Company shall comply with applicable provisions of RBI circular no. DNBR (PD) CC No. 021/03.10.001/2014-15 dated February 20, 2015 and clarifications thereto issued by the Reserve Bank of India in issue of Debentures under this Disclosure Document. This requirement is to facilitate investors to take an informed decision for making investment in the proposed Issue.

Apart from the Disclosure Document, no offer document or prospectus has been prepared in connection with this Issue and no prospectus in relation to the Issuer or the Debentures relating to this offer has been delivered for registration nor is such a document required to be registered under the applicable laws.

This Disclosure Document is issued by the Company and has been prepared by the Company to provide general information on the Company to potential investors to whom it is addressed and who are eligible and willing to subscribe to the Debentures and does not purport to contain all the information a potential investor may require. Where this Disclosure Document summarizes the provisions of any other document, that summary should not be solely relied upon and the relevant document should be referred to for the full effect of the provisions. Neither this Disclosure Document, nor any other information supplied in connection with the Debentures is intended to provide the basis of any credit or other evaluation. Any recipient of this Disclosure Document should not consider such receipt a recommendation to purchase the Debentures. Each potential investor contemplating the purchase of any Debentures should make its own independent investigation of the financial condition and affairs of the Issuer, and its own appraisal of the creditworthiness of the Issuer. Potential investors should consult their own legal, regulatory, tax, financial, accounting, and/or other professional advisors as to the risks and investment considerations arising from an investment in the Debentures and should possess the appropriate resources to analyze such investment and the suitability of such investment to such potential investor's particular circumstances.

This Disclosure Document shall not be considered as a recommendation to purchase the Debentures and recipients are urged to determine, investigate and evaluate for themselves, the authenticity, origin, validity, accuracy, completeness, adequacy or otherwise the relevance of information contained in this Disclosure Document. The recipients are required to make their own independent valuation and judgment of the Company and the Debentures. It is the responsibility of potential investors to ensure that if they sell/ transfer these Debentures, they shall do so in strict accordance with this Disclosure Document and other applicable laws, so that the sale does not constitute an offer to the public, within the meaning of The Act. The potential investors should also consult their own tax advisors on the tax implications relating to acquisition, ownership, sale or redemption of the Debentures and in respect of income arising thereon. Investors are also required to make their own assessment regarding their eligibility for making investment(s) in the Debentures. The Company or any of its directors, employees, advisors, affiliates; subsidiaries or representatives do not accept any responsibility and/ or liability for any loss or damage however arising and of whatever nature and extent in connection with the said information.

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

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

No invitation is being made to any Persons other than those to whom Application Form(s) along with this Disclosure Document being issued have been sent by or on behalf of the Issuer. Any application by a Person to whom the Disclosure Document has not been sent by or on behalf of the Issuer shall be rejected without assigning any reason.

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

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

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

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

This Issue is a domestic issue restricted to India and no steps have been taken or will be taken to facilitate the Issue in any jurisdictions other than India. This Disclosure Document does not constitute, nor may it be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation. No action is being taken to permit an offering of the Debentures or the distribution of this Disclosure Document in any jurisdiction where such action is required. The distribution of this Disclosure Document and the offering may be restricted by law in certain jurisdictions. Persons into whose possession this Disclosure Document comes are required to inform them about and to observe any such restrictions. The Disclosure Document is made available to investors in the Issue on the strict understanding that the contents hereof are strictly confidential.

DISCLAIMER OF THE RESERVE BANK OF INDIA

The Debentures have not been recommended or approved by the RBI nor does RBI guarantee the accuracy or adequacy of this Disclosure Document. It is to be distinctly understood that this Disclosure Document should not, in any way, be deemed or construed that the securities have been recommended for investment by the RBI. RBI does not take any responsibility either for the financial soundness of the Issuer, or the securities being issued by the Issuer or for the correctness of the statements made or opinions expressed in this Disclosure Document. Potential investors may make investment decision in the securities offered in terms of this Disclosure Document solely on the basis of their own analysis and RBI does not accept any responsibility about servicing/ repayment of such investment.

DISCLAIMER OF THE SECURITIES & EXCHANGE BOARD OF INDIA

This Disclosure Document has not been filed with SEBI. The Debentures have not been recommended or approved by SEBI nor does SEBI guarantee the accuracy or adequacy of this Disclosure Document. It is to be distinctly understood that this Disclosure Document should not, in any way, be deemed or construed that the same has been cleared or vetted by SEBI. SEBI does not take any responsibility either for the financial soundness of any scheme or the project for which the Issue is proposed to be made, or for the correctness of the statements made or opinions expressed in this Disclosure Document. The issue of Debentures being made on private placement basis, filing of this Disclosure Document is not required with SEBI; However, SEBI reserves the right to take up at any point of time, with the Issuer, any irregularities or lapses in this Disclosure Document.

DISCLAIMER CLAUSE OF THE STOCK EXCHANGE

As required, a copy of this Disclosure Document would be duly filed with BSE in terms of SEBI Debt Listing Regulations. It is to be distinctly understood that submission of this Disclosure Document to the BSE should not in any way be deemed or construed to mean that this Disclosure Document has been reviewed, cleared or approved by BSE, nor does BSE in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Disclosure Document. BSE does not warrant that the Debentures will be listed or will continue to be listed on BSE nor does BSE take any responsibility for the soundness of the financial and other conditions of the Company, its promoters, its management or any scheme or project of the Company.

DISCLAIMER OF THE TRUSTEE

The Debenture Trustee, 'ipso facto' does not have the obligations of a borrower or a principal debtor or a guarantor as to the monies paid/invested by Debenture Holders.

DISCLAIMER IN RESPECT OF JURISDICTION

Issue of these Debentures have been/will be made in India to investors as specified under clause "Who Can Apply" in this Disclosure Document, who have been/shall be specifically approached by the Company. This Disclosure Document is not to be construed or constituted as an offer to sell or an invitation to subscribe to Debentures offered hereby to any person to whom it is not specifically addressed. The Debentures are governed by and shall be construed in accordance with the existing Indian laws as applicable in the state of Chennai. Any dispute arising in respect thereof will be subject to the non - exclusive jurisdiction of the courts and tribunals of the city of Chennai.

DISCLAIMER CLAUSE OF THE RATING AGENCIES

Ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned facilities or to buy, sell or hold any security. The Rating Agency(ies) has based its ratings on information obtained from sources believed by it to be accurate and reliable. The Rating Agency(ies) do not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities / instruments are rated by the Rating Agency(ies) have paid a credit rating fee, based on the amount and type of bank facilities / instruments.

DISCLAIMER CLAUSE OF THE LEAD ARRANGER

The only role of Standard Chartered Bank ("**Arranger**") with respect to the Debentures is confined to arranging placement of the Debentures on the basis of this Disclosure Document as prepared by the Issuer.

"Standard Chartered Bank" means Standard Chartered Bank and any group company, subsidiary, affiliate, representative or branch office of Standard Chartered Bank and their respective directors, officers, employees, agents, representatives and/or any persons connected with them.

Nothing in this Disclosure Document constitutes an offer of securities for sale in the United States or any other jurisdiction where such offer or placement would be in violation of any law, rule or regulation.

All the information contained in this Disclosure Document has either been provided by the Issuer or is publicly available information, and such information has not been independently verified by the Arranger. No representation or warranty, expressed or implied, is or will be made, and no responsibility or liability is or will be accepted, by the Arranger or its affiliates for the accuracy, completeness, reliability, correctness or fairness of this Disclosure Document or any of the information or opinions contained therein, and the Arranger hereby expressly disclaims, to the fullest extent permitted by law, any responsibility for the contents of this Disclosure Document and any liability, whether arising in tort or contract or otherwise relating to or resulting from this Disclosure Document or any information or errors contained therein or any omissions therefrom. by, accepting this Disclosure Document, you agree that the Arranger will not have any such liability.

You should carefully read and retain this Disclosure Document. however, you are not to construe the contents of this Disclosure Document as investment, legal, accounting, regulatory or tax advice, and you should consult with your own advisors as to all legal, accounting, regulatory, tax, financial and related matters concerning an investment in the Debentures.

Standard Chartered Bank may purchase and hold the Debentures for its own account or for the accounts of its customers or enter into other transactions (including derivatives) relating to the Debentures at the same time as the offering of the Debentures. Standard Chartered Bank may have engaged in or may in the future engage in other dealings in the ordinary course of business with the Issuer and/or its subsidiaries and affiliate.

FORCE MAJEURE BEFORE CLOSING DATE

The Company reserves the right to withdraw the Issue at any time prior to the closing date thereof in the event of any unforeseen development adversely affecting the economic and/or regulatory environment or otherwise. In such an event, the Company will refund the application money, if any, collected in respect of the Debentures without assigning any reason.

ISSUE OF DEBENTURES IN DEMATERIALISED FORM

The Debentures will be issued in dematerialized form. The Issuer has made arrangements with the depositories for the issue of the Debentures in dematerialized form. Investors will have to hold the Debentures in dematerialized form as per the provisions of the Depositories Act, 1996. The Issuer shall take necessary steps to credit the Debentures allotted to the beneficiary account maintained by the Investor with its depository participant. The Issuer will make the allotment to Investors on the Deemed Date of Allotment after verification of the Application Form, the accompanying documents and on realisation of the application money.

EACH PERSON RECEIVING THIS DISCLOSURE DOCUMENT ACKNOWLEDGES THAT SUCH PERSON:

(a) has reviewed the terms and conditions applicable to the Debentures as contained in this Disclosure Document and has understood the same, and, on an independent assessment thereof, found the same acceptable for the investment made and has also reviewed the risk disclosures contained herein and has understood the risks, and determined that the investment in the Debentures are a suitable investment and that the Debenture Holders can bear the economic risk of that investment;

(b) has received all the information believed by it to be necessary and appropriate or material in connection with, and for investment in the Debentures;

(c) has sufficient knowledge, experience and expertise as an investor, to make the investment in the Debentures;

(d) has not relied on either the Company or any of its affiliate, associate, holding, subsidiary or group entities or any person acting in its or their behalf for any information, advice or recommendations of any sort expect as regards the accuracy of the specific factual information about the terms of the Debentures set out in this Disclosure Document;

(e) has understood that information contained in this Disclosure Document is not to be constructed as business or investment advice;

(f) has made an independent evaluation and judgment of all risks and merits before investing in the Debentures;

(g) has understood that the Debentures, even after being listed, may not be marketable or may not have a market at all;

(h) has legal ability to invest in the Debentures and the investment does not contravene any provision of any law, regulation or contractual restriction or obligation or undertaking binding on or affecting the Debenture Holders or its assets.

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

FORWARD LOOKING STATEMENTS

This Disclosure Document contains certain forward-looking statements. These forward-looking statements generally can be identified by words or phrases such as ‘aim’, ‘anticipate’, ‘believe’, ‘expect’, ‘estimate’, ‘intend’, ‘objective’, ‘plan’, ‘project’, ‘shall’, ‘will’, ‘will continue’, ‘will pursue’ or other words or phrases of similar import. Similarly, statements that describe our objectives, strategies, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about the Issuer that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results to differ materially from the Issuer’s expectations include, but are not limited to, the following:

(a) delay or non-receipt of necessary government and other approvals;
(b) regulatory changes pertaining to the industry in India which have an impact on the Issuer’s business and durability to respond to them;
(c) the Issuer’s ability to successfully implement its strategy, growth and expansion;
(d) competition in the industry in which the Issuer operates in;
(e) the Issuer’s ability to respond to technological changes;
(f) the Issuer’s exposure to market risks;
(g) the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates,
(h) foreign exchange rates, equity prices and other rates or prices; and

(i) general economic and political conditions in India and globally, which have an impact on the Issuer's business and its ability to respond to them.

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 future gains or losses could materially differ from those that have been estimated. All subsequent written and oral forward-looking statements attributable to the Issuer are expressly qualified in their entirety by reference to these cautionary statements. Neither the Issuer nor the registrar nor any of 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.

SECTION 2: RISK FACTORS

The following are some of the important factors that could cause actual results to differ materially from the Company's expectations:

The following are the risks envisaged by the management of the Company relating to the Company, the Debentures and the market in general. Potential investors should carefully consider all the risk factors stated in this Disclosure Document in relation to the Debentures for evaluating the Company and its business and the Debentures before making any investment decision relating to the Debentures. The Company believes that the factors described below represents the principal risks inherent in investing in the Debentures but does not represent that the statements below regarding the risks of holding the Debentures are exhaustive. *The ordering of the risk factors is intended to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.* Potential Investors should also read the detailed information set out elsewhere in this Disclosure Document and reach their own views prior to making any investment decision.

If any one of the following stated risks actually occurs, the Company's business, financial conditions and results of operations could suffer and, therefore, the value of the Company's Debentures could decline and/or the Company's ability to meet its obligations in respect of the Debentures could be affected. More than one risk factor may have simultaneous effect with regard to the Debentures such that the effect of a particular risk factor may not be predictable. In addition, more than one risk factor may have a compounding effect which may not be predictable. No prediction can be made as to the effect that any combination of risk factors may have on the value of the Debentures and/or the Company's ability to meet its obligations in respect of the Debentures.

These risks and uncertainties are not the only issues that the Company faces. Additional risks and uncertainties not presently known to the Company or that the Company currently believes to be immaterial may also have a material adverse effect on its financial condition or business. Unless specified or quantified in the relevant risk factors, the Company is not in a position to quantify the financial or other implications of any risk mentioned herein below.

A. INTERNAL RISK FACTORS

Risks relating to our Company and its Business:

1. *The impact of the COVID-19 pandemic on our business and operations is uncertain and cannot be predicted.*

Due to the emergence of the COVID-19 pandemic, the Government of India has introduced stringent measures to prevent the spread of the disease. As on the date hereof, certain restrictions imposed by the GoI, such as on free movement or maintenance of social distancing, have not been completely lifted and there is no viable vaccine or cure for the disease as on date. As the viral pandemic has not yet fully subsided, there is little comprehension on the full impact of the pandemic induced lockdown on the Indian or the global economy. While the GoI has through the Ministry of Finance issued a series of liquidity enhancement measures to counteract the slowdown caused by a reduction in economic activity during the lockdown, the impact of such measures remain unknown at the present moment.

Some of the ascertainable impact of COVID-19 pandemic and the pandemic induced lockdown on our business and operations include:

Restrictions on movement of people during the lockdown has adversely impacted our cash collections due to inability of employees to make on-field visits;

The lockdown has adversely impacted the business of our customers, which in turn has adversely impacted our business, including disbursements;

Adverse liquidity on account of an RBI mandated moratorium, which in turn will also lead to delayed interest payment till the end of the deferred repayment period leading to potential asset-liability mismatches;

Anticipation of increase in Expected Credit Loss ("ECL") due to general slowdown in the Indian economy on account of pandemic and extension of RBI mandated moratorium;

A slowdown on further branch expansion;

Downgrades in our credit ratings; and

Implementation of a no increment policy for our employees and other cost optimization measures.

While our Company continued to be operational during the lockdown in accordance with the guidelines issued by the Ministry of Home Affairs and the concerned State Governments, from time to time, there can be no assurance that upon complete easing of the pandemic containment measures, economic activity in general or the level of business of our Company in the past will continue to exist. Additionally, as we gradually transition towards pre-pandemic levels of office attendance for our employees, sanitisation and precautionary measures undertaken may cause our Company to incur additional expenses to maintain the health of customers visiting our branches and employees, including operating with limited staff or at limited times, which in turn will impact our business and results of operations. Further, if any of our employees contract COVID-19 and/or are unable to continue working, we may be compelled to undertake additional measures including temporary suspension of operations at a particular branch, which in turn will impact our business and results of operations.

As a part of the incentive package to help the Indian economy recover from the stagnation caused by the COVID-19 induced lockdown, the Ministry of Finance has announced various liquidity enhancement measures, including provision of funding to certain specified sectors such as micro, medium and small-scale enterprises. While the operational guidelines for the implementation of such liquidity enhancement schemes are gradually being disclosed, any requirement to provide additional credits to sectors, where we have limited experience, may require us to dedicate substantial manpower and resources towards understanding the nuances of such sectors. Additionally, given our limited experience in these sectors, we may be subjected to increased number of Stage 3 Assets.

The negative impacts of the COVID-19 pandemic will be reflected in the turnover and profitability of the Company for the Fiscal 2021, however, the level of the same cannot be ascertained at present. The Company has made additional expected credit loss provision in the financial statements for the year ended March 31, 2020.

Due to the limited information available currently, we have not been able to quantify the full impact of the containment measures on our financial statements. In the event that the containment measures have a significant adverse impact on the economic health of our customers in particular and the economy in general, our future prospects, profitability and results of operations may in turn be negatively impacted.

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

The credit markets in India have faced significant volatility, dislocation and liquidity constraints in the past two financial years. The instability in the Indian credit markets has in the past resulted from significant write downs of asset value of financial institutions including banks (primarily in the public sector), housing finance companies and non-banking financial companies.

Any protracted instability in the Indian credit markets or other macro-economic factors which may impact the overall liquidity available in the Indian credit markets in general or the amount of credit available to non-banking financial companies in particular, could adversely impact our ability to raise funds in a timebound manner and at commercially acceptable terms.

Non-availability of credit may lead to disruption in our business, including asset-liability mismatches and an inability to grow our business, and may require our Company to seek alternate sources of funding, which may not be available on commercially acceptable terms or at all.

3. *Our financial performance is highly sensitive to interest rate volatility and our lending and treasury operations may be impacted by any volatility in such interest rates, which could cause our net interest income and margins to decline and adversely affect our return on assets and profitability.*

Our results of operations are substantially dependent upon the level of our net interest margins. As of March 31, 2020, our gross loan assets were Rs. 1,085,017.10 million as compared to Rs. 1,023,074.90 million as of March 31, 2019. We provide loans at fixed rates of interest. We borrow funds on both fixed and floating rates. As of March 31, 2020, approximately 87.05% of our borrowings were at fixed rates and 12.95% of our borrowings were at floating interest rates. We are exposed to interest rate risks as a result of lending to customers predominantly at fixed interest rates (and we typically do not have an escalation clause in our agreements), amounts and for periods which may differ from our funding sources. 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 generated a high degree of volatility in interest rates in India. Difficult conditions in the global and Indian economy can affect the availability of credit. Volatility in interest rates in our borrowing operations can materially and adversely affect our financial performance and cash flows. In a rising interest rate environment, if the yield on our interest-earning assets does not increase simultaneously with or to the same extent as our cost of funds, or, in a declining interest rate environment, if our cost of funds does not decline simultaneously or to the same extent as the yield on our interest-earning assets, our net interest income and net interest margin would be adversely impacted. Additional risks arising from increasing interest rates, among others, include:

- increases in the rates of interest charged on various loans in our loan portfolio, which could result in the extension of loan maturities and higher monthly instalments due from borrowers which, in turn, could result in higher rates of default;
- reductions in the volume of commercial vehicle loans as a result of clients' inability to service high interest rate payments; and
- reduction in the value of fixed income securities held in our investment portfolio.

Accordingly, our operations are susceptible to fluctuations in interest rates. Interest rates are highly sensitive and fluctuations thereof are dependent upon many factors which are beyond our control, including the monetary policies of the RBI, de-regulation of the financial services sector in India, domestic and international economic and political conditions, inflation and other factors, which may also adversely affect our treasury operations. Difficult conditions in the global and Indian economy can affect the availability of credit. In a rising interest rate environment, especially if the rise is sudden or sharp, we could be adversely affected by the decline in market value of our securities portfolio and other fixed income securities. We cannot assure that we will enter into any interest rate hedging instruments to adequately hedge against interest rate volatility in the future.

4. *Our business requires raising substantial capital through borrowings and any disruption in funding sources would have a material adverse effect on our liquidity, financial condition and/or cash flows.*

As an asset finance company, our liquidity and on-going profitability are, in large part, dependent upon our timely access to, and the costs associated with, raising capital. As of March 31, 2020, 86.80% of our borrowed funds consisted of funds raised from financial institutions and banks (including public issues of non-convertible debentures), while the remaining 13.20% consisted of funds raised through retail borrowings. Our funding requirements are predominantly met through term loans from banks (including cash credit and external commercial borrowings), the issue of redeemable non-convertible debentures and deposits (including public and corporate deposits), which constituted 43.48 %, 21.67 % and 12.63 % of our total borrowings, respectively, as of March 31, 2020. Our credit providers include nationalised banks, private Indian banks, foreign institutional investors and foreign banks and we also rely on domestic retail investors. Our business, therefore, depends and will continue to depend on our ability to access diversified funding sources. Our ability to raise funds on acceptable terms and at competitive rates continues to depend on various factors including our credit ratings, the economic and regulatory environment and policy initiatives in India, developments in the international markets whether affecting the Indian economy or not, investors' and/or lenders' perception of demand for debt and equity securities of NBFCs and our current and future results of operations and financial condition. Changes in economic and financial conditions or continuing lack of liquidity in the market could make it difficult for us to access funds at competitive rates. Any such disruption in our ability to access primary funding sources at competitive costs would have a material adverse effect on our liquidity, financial condition and/or cash flows.

5. *Shriram Insight Share Broker Limited ("SISBL"), a Group Company, has received a show cause notice for violation of provisions of SEBI circulars issued under the SEBI (Stock Brokers and Sub-Brokers) Regulations, which if adversely determined may subject SISBL to penalties.*

SISBL, has received a show cause notice (SEBI/EAD-4/GR/KG/OW/10733/1/2020) dated June 1, 2020 ("SCN") from the adjudication officer alleging the violation of various SEBI circulars issued under the Stock Broker Regulations in relation for (i) failure to send pledge statements to clients; (ii) failure to settle or retention of huge amounts of securities in excess of obligations of clients (ranging from Rs. 8.37 lakhs to Rs. 6.78 crore); (iii) failure to report fund balances; and (iv) failure to upload KYC data.

SISBL is in the process of responding to the SCN. As on the date SISBL or our Company cannot ascertain the monetary impact of any adverse determination, if made, by the adjudication officer pursuant to the SCN proceedings.

Further, SISBL, by way of orders dated April 30, 2020 and June 26, 2020 has been penalised amounts of Rs. 200,000 and Rs. 1,000,000, respectively, by adjudicating officers, on account of violation of the minimum maintenance margin as specified under the SEBI Circular no. SEBI/MRD/SE/SU/Cir-15/04 dated March 19, 2004, various non-compliances under the Stock Broker Regulations, including the Code of Conduct under the Stock Broker Regulations. SISBL is currently evaluating further options in relation to preferring an appeal against the orders dated April 30, 2020 and June 26, 2020.

Further, in the event that the SCN is determined adversely against SISBL or if any appeal filed by SISBL against the orders dated April 30, 2020 and June 26, 2020 are rejected or determined in a fashion adverse to SISBL's interests, SISBL may be subject to adverse actions, including monetary penalties. Further, any adverse order against SISBL may have an adverse reputational impact on our Company, which in turn may adversely impact our future profitability and results of operations.

6. *If we are unable to manage the level of non-performing assets or stage 3 in our loan portfolio, our financial position, results of operations and cash flows may suffer.*

In the past, we have seen increasing levels of Stage 3 Assets in our loan portfolio. As per our Standalone Financial Statements, our gross Stage 3 Assets were Rs. 91,770.80 million and Rs. 86,162.70 million as on March 31, 2020 and March 31, 2019, respectively, and our net Stage 3 Assets were Rs. 59,911.30 million and Rs. 56,465.30 million as at March 31, 2020 and March 31, 2019, respectively. As per our Standalone Financial Statements, our Stage 3 Assets as a percentage of total loan assets was 8.46% and 8.42% as at March 31, 2020 and March 31, 2019, respectively and our net Stage 3 Assets as a percentage of net loan assets was 5.86% and 5.84% as at March 31, 2020 and March 31, 2019, respectively.

As a part of the incentive package to help the Indian economy recover from the stagnation caused by the COVID-19 induced lockdown, the Ministry of Finance has announced various liquidity enhancement measures, including provision of funding to certain specified sectors such as micro, medium and small-scale enterprises. While the operational guidelines for the implementation of such liquidity enhancement schemes are currently awaited, any requirement to provide additional credits to sectors, where we have limited experience, may require us to dedicate substantial manpower and resources towards understanding the nuances of such sectors. Additionally, given our limited experience in these sectors, we may be subjected to increased number of Stage 3 Assets.

We cannot be sure that we will be able to improve our collections and recoveries in relation to our Stage 3 Assets, or otherwise adequately control our level of Stage 3 Assets in the future. We have also seen an increase in our Gross Stage 3 Assets on account of changes in RBI regulations pertaining to time period for classification of our assets as Stage 3 Assets s in the past. Any further changes in RBI norms may cause further impediments in our ability to maintain our assets as standard.

Our company being a non-banking finance company registered with RBI is mainly into financing of pre-owned commercial vehicles, which sector has been adversely affected pursuant to the COVID-19 and consequently the COVID-19 disruptions may have an adverse impact on the repayment capacity by our customers of the loans taken from us. Amongst various measures announced to mitigate the economic impact from COVID-19 virus pandemic, the RBI has also issued circulars dated March 27, 2020 and April 17, 2020 (the "RBI Moratorium Circulars") allowing lending institutions to offer a moratorium to customers on payment of instalments falling due between March 1, 2020 and August 31, 2020. Further the RBI Moratorium Circulars also state that such a moratorium period can be excluded from the number of days past due for effecting a downgrade in asset classification. However, though the moratorium should help address some near-term pressures, it may not materially change the anticipated long term deterioration in customers repayment capacity. This may lead to deterioration in our asset quality/ delayed recoveries and increased Stage 3 Assets.

In certain cases where a customer has delayed payments but has demonstrated an ability to continue servicing the relevant loan, we generally do not enforce the security and take possession of the financed vehicle but we allow the loan to remain outstanding and continue without restructuring, which can adversely affect the position of our asset quality and Stage 3 Assets/ECL provisioning. There can also be no assurance that in such cases the customer would not continue to delay payments, which could adversely affect our profitability and cash flows.

If we are not able to control or reduce our level of Stage 3 Assets, the overall quality of our loan portfolio may deteriorate, and our results of operations and/or cash flows may be adversely affected. Furthermore, in future our provisions may not be adequate when compared to the loan portfolios of other financial institutions. Moreover, there also can be no assurance that there will be no further deterioration in our provisioning coverage as a percentage of Stage 3 Provision coverage as a percentage of Stage 3 Assets or otherwise, or that the percentage of Stage 3 Assets that we will be able to recover will be similar to our past experience of recoveries of Stage 3 Assets. In the event of any deterioration in our Stage 3 Assets /impaired portfolio, there could be an even greater adverse impact on our results of operations and/or cash flows.

The RBI regulates some aspects of the recovery of non-performing loans, such as the use of recovery agents. Any limitation on our ability to recover, control and reduce non-performing loans as a result of these guidelines or otherwise could affect our collections and ability to foreclose on existing Stage 3 Assets.

As of March 31, 2020, our Stage 3 Provision coverage was 34.72%. In the event the overall credit quality of our loans deteriorates, the current level of our provisioning may be inadequate to cover the increase in our Stage 3 Assets. There can be no assurance that there will be no deterioration in the provisioning coverage as a percentage of gross Stage 3 Assets or otherwise or that the percentage of Stage 3 Assets that we will be able to recover will be similar to our past Stage 3 Assets recovery experience.

7. *Our business is focused on commercial vehicle finance for new and pre-owned commercial vehicles and any adverse developments in this sector and the automobile and transportation industry would adversely affect our results of operations.*

As we focus on providing financing for pre-owned and new commercial vehicles, our asset and Stage 3 Assets portfolios have, and will likely continue in the future to have, a high concentration of pre-owned and new commercial vehicle financing arrangements. As of March 31, 2020, our product portfolio for commercial vehicle financing comprised of 85.60% pre-owned, 8.93% new commercial vehicles and 5.47% other loans.

Our business is, therefore, entirely dependent on various factors that impact this vehicle segment such as the demand for transportation services in India, changes in Indian regulations and policies affecting pre-owned commercial vehicles, natural disasters and calamities, and the macroeconomic environment in India and globally. For example, lockdown due to the COVID-19 pandemic resulted in the RTOs and dealers being closed for operations between March 25, 2020 and June 7, 2020, during which period, no fresh registration of vehicles was possible. Further, the MoRTH is proposing to introduce a vehicle scrappage policy, which may reduce the overall life and road-worthiness of commercial vehicles or lead to a shift in preference for newer vehicles. For example, if substantial credit is provided under the scrappage policy for removal of older vehicles, customers may have greater incentive or resources to acquire new vehicles, which in turn may lead to reduced demand for pre-owned vehicles. Such factors may result in a decline in the sales or value of new and pre-owned commercial vehicles. Therefore, the demand for finance for pre-owned and new commercial vehicles may decline, which in turn may adversely affect our financial condition, the results of our operations and/or cash flows. In addition, the ability of commercial vehicle owners and/or operators to perform their obligations under existing financing agreements may be adversely affected if their businesses suffer.

Our business, to a large extent, depends on the continued growth in the automobile and transportation industry in India, which is influenced by a number of extraneous factors which are beyond our control, inter-alia including (a) the macroeconomic environment in India, (b) the demand for transportation services, (c) natural disasters and calamities, and (d) changes in regulations and policies in connection with motor vehicles. Such factors may result in a decline in the sales or value of new and pre-owned CVs. The proposed vehicle scrappage policy, which if implemented may alter the demand for pre-owned vehicles. Correspondingly, the demand for availing finance for new and pre-owned commercial vehicles may decline, which in turn may adversely affect our financial condition and the results of our operations. Further, the ability of CV owners and/or operators to perform their obligations under existing financing agreements may be adversely affected if their businesses suffer as a result of the aforesaid factors.

Our business is not diversified and any factor which adversely impacts our pre-owned commercial vehicle segment may have a disproportionate impact on our operations, profitability and/or cash flows.

8. *High levels of customer defaults could adversely affect our business, financial condition, results of operations and/or cash flows.*

Our primary business involves lending money to commercial vehicle owners and operators in India, and we are subject to customer default risks including default or delay in repayment of principal or interest on our loans. Moreover, our customer base has, and will likely continue in the future to have, a high concentration of first time buyers ("FTBs") and small road transport operators ("SRTOs"). Customers may default on their obligations to us as a result of various factors including bankruptcy, lack of liquidity, lack of business and operational failure. If borrowers fail to repay loans in a timely manner or at all, our financial condition, results of operations and/or cash flows will be adversely impacted.

In addition, our customer portfolio principally consists of SRTOs and FTBs that lack banking habits and individual borrowers generally are less financially resilient than larger corporate borrowers and, as a result, they can be more adversely affected by declining economic conditions and become unable to make timely payments in respect of the loans availed by them. In addition, a significant majority of our client base belongs to the low-income group. The owners and/or operators of commercial vehicles we finance often do not have any credit history supported by tax returns and other related documents which would enable us to assess their creditworthiness. Further, the outbreak of COVID-19 has adversely impacted the economy and is likely to impact the ability of SRTOs, FTBs and the low-income consumer group to make timely payments. In addition, the ability of commercial vehicle owners and/or operators to perform their obligations under existing financing agreements may be adversely affected if their businesses suffer as a result of the aforesaid factors.

Furthermore, unlike several developed economies, a nationwide credit bureau covering our customers does not exist, so there is less financial information available about the creditworthiness of individuals, particularly our client segment that is mainly from the low-income group and which typically has limited access to other financing sources. It is therefore difficult to carry out precise credit risk analyses on our clients. Although we follow certain procedures to evaluate the credit profile of our customers at the time of sanctioning a loan, we generally rely on the referrals from the local trucking community and value of the commercial vehicle provided as underlying collateral rather than on a stringent analysis of the credit profile of our customers. 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 on the part of our customers. Although we believe that our risk management controls are sufficient, we cannot be certain that they will continue to be sufficient or that additional risk management policies for individual borrowers will not be required.

Failure to continuously monitor the loan contracts, particularly for individual borrowers, could adversely affect our credit portfolio which could have a material and adverse effect on our results of operations, financial condition and/or cash flows.

9. ***We may not be able to recover, on a timely basis or at all, the full value of collateral or amounts which are sufficient to cover the outstanding amounts due under defaulted loans and guarantee given by our Company.***

As a security interest for the financing facilities provided by us to our customers, the vehicles purchased by our customers are hypothecated in our favour. The value of the vehicle, however, is subject to depreciation, deterioration and/or reduction in value on account of other extraneous reasons, over the course of time. Consequently, the realisable value of the collateral for the credit facility provided by us, when liquidated, may be lower than the outstanding loan from such customers, even where we successfully repossess and liquidate the collateral. Any default in repayment of the outstanding credit obligations by our customers may expose us to losses. Furthermore, in the case of a default, we may repossess the commercial vehicles financed and sell such vehicles. The hypothecated vehicles, being movable property, may be difficult to locate or seize in the event of any default by our customers. Accordingly, there can be no assurance that we will be able to successfully repossess the vehicles, and even if we do, there can also be no assurance that we will be able to sell such vehicles provided as collateral at prices sufficient to cover the amounts under default. In addition, there may be delays associated with such processes. A failure or delay to recover the expected value from sale of collateral security could expose us to a potential loss. Any such losses could adversely affect our financial condition, results of operations and/or cash flows. Furthermore, enforcing our legal rights by litigating against defaulting customers, even if governed by an arbitration clause, is generally a slow and potentially expensive process in India. Accordingly, it may be difficult for us to recover amounts owed by defaulting customers in a timely manner or at all. The recovery of monies from defaulting customers may be further compounded by the fact that we do not generally insist on, or receive, post-dated cheques as security towards the timely repayment of dues from customers to whom we have provided loans. Further if we are unable to sell any repossessed vehicles provided as security for such loans at commercially favourable prices, in a timely manner or at all, we may not recover the costs of maintaining such repossessed vehicles and our operations, cash flows and profitability could be adversely affected.

10. ***We operate in an increasingly competitive financial services industry, which creates significant pricing pressures and may adversely affect our net interest margins, income and market share. Further, our growth depends on our ability to compete effectively in this competitive environment.***

The financial services market is being served by a range of financial entities, including traditional banking institutions, public sector banks, NBFCs and small finance banks. Our competitors may have greater financial resources, may be larger in terms of business volume and customer base, have greater brand recognition among customers, better institutional distribution platforms, may have more attractive schemes for customers in the post COVID-19 situation and may have lower cost of funds compared to us. Moreover, as interest rate is a key factor driving a customers' decision in selecting a financier, competitors may offer loans at lower rates, owing to access to lower cost of capital, to retain market share. This competition is likely to further intensify as more and more international and domestic players enter into Indian financial services industry as a result of regulatory changes. Our future success will depend, to a large extent, on our ability to respond in a timely and effective manner to these competitive pressures. There can be no assurance that we will be able to compete successfully with such competitors and gain market share.

11. ***Our Company is involved in certain legal proceedings including in relation to certain legislation relating to "money lending" activities which, if determined against us, could have a material adverse effect on our goodwill, financial condition, results of operations and cash flows.***

Our Company is currently involved in a number of legal proceedings arising in the ordinary course of our business or which are incidental to our business and operations, including certain criminal proceedings, civil proceedings, tax proceedings and cases under the Negotiable Instruments Act, 1881 and certain legislation relating to "money lending" activities which, if determined against us, could have a material adverse effect on our goodwill, financial condition, operation results and cash flows. These proceedings are pending at different levels of adjudication before various courts and tribunals, primarily relating to civil suits and tax disputes.

The Company has filed an appeal before the Supreme Court of India in connection with a writ petition filed by our Company challenging the action of the Commissioner of Commercial Taxes, Kerala, directing our Company to register under the provisions of the Kerala Money Lenders Act, 1958. Further, our Company has filed a writ petition against the State of Karnataka before the High Court of Karnataka, inter alia, seeking a declaration that the provisions of the Karnataka Money Lenders Act, 1961, and the Karnataka Prohibition of Charging Exorbitant Interest Act, 2004 do not apply to our Company.

There can be no assurance that these proceedings will be decided in our favour or that penal or other action will not be taken against our Company and/or any senior management party to such proceedings. In the event of any adverse ruling, our Company may be required to register as a money lending entity and will be required to comply with the provisions of such legislation within the relevant states and similar regulatory authorities in other states in India where we currently carry on business or propose to carry on business in the future, including imposition of caps on the interest rates which can be charged by our Company. If we are required to comply with such interest rate limits or any other conditions specified under such legislation, our interest income and net interest margin may be adversely impacted as well as the conduct of our operations.

12. ***There are outstanding legal proceedings against our Company which may adversely affect our business, financial condition and results of operations.***

There are outstanding legal proceedings against our Company that are in the ordinary course of business or are incidental to our business and operations, including certain criminal proceedings, civil proceedings and tax proceedings and cases under the Negotiable Instruments Act, 1881 and certain legislation relating to "money lending" activities which, if determined against us, could have a material adverse effect on our goodwill, financial condition, results of operations and cash flows. These proceedings are pending at different levels of adjudication before various courts and tribunals, primarily relating to civil suits and tax disputes.

The Company has filed an appeal before the Supreme Court of India in connection with a writ petition filed by our Company challenging the action of the Commissioner of Commercial Taxes, Kerala, directing our Company to register under the provisions of the Kerala Money Lenders Act, 1958. Further, our Company has filed a writ petition against the State of Karnataka before the High Court of Karnataka, inter alia, seeking a declaration that the provisions of the Karnataka Money Lenders Act, 1961, and the Karnataka Prohibition of Charging Exorbitant Interest Act, 2004 do not apply to our Company. In the event of any adverse ruling, our Company may be required to register as a money lending entity and will be required to comply with the provisions of such legislation within the relevant States and similar regulatory authorities in other States in India where we currently carry on business or propose to carry on business in the future, including imposition of caps on the interest rates which can be charged by our Company. If we are required to comply with such interest rate limits or any other conditions specified under such legislation, our interest income and net interest margin may be adversely impacted as well as the conduct of our operations.

Further, there can be no assurance that the pending proceedings will be decided in our favour or that penal or other action will not be taken against our Company and/or any senior management party to such proceedings and/or or that the provisions we make will be adequate to cover all losses we may incur in such proceedings, or that our actual liability will be as reflected in any provision that we have made in connection with any such legal proceedings. We may be required to devote management and financial resources in the defence or prosecution of such legal proceedings. If a number of these disputes are determined against our Company and if our Company is required to pay all or a portion of the disputed amounts or if we are unable to recover amounts for which we have filed recovery proceedings, there could be a material and adverse impact on our reputation, business, financial condition and results of operations.

In addition, should any new developments arise, such as changes in Indian law or rulings against us by the regulators, appellate courts or tribunals, we may need to make provisions in our financial statements, which could increase our expenses and current liabilities. If we fail to successfully defend our claims or if our provisions prove to be inadequate, our business, results of operations and financial condition could be adversely affected.

13. ***Inaccurate appraisal of credit may adversely impact our business.***

We may be affected by the failure of employees to comply with internal procedures and the inaccurate appraisal of credit or financial worth of our clients. Inaccurate appraisal of credit may allow a loan sanction which may eventually result in a bad debt on our books of accounts. In the event that we are unable to check the risks arising out of such lapses, our business and results of operations may be adversely affected.

14. ***A large part of our collections are in cash and consequently we face the risk of misappropriation or fraud by our employees.***

A significant portion of our collections from our customers is in cash. Large cash collections expose us to the risk of fraud, misappropriation or unauthorised transactions by our employees responsible for dealing with such cash collections. While we have taken insurance policies and coverage for cash in safes and in transit and undertake measures to detect and prevent any unauthorised transaction, fraud or misappropriation by our representatives and officers, this may not be sufficient to prevent or deter such activities in all cases, which may adversely affect our operations, profitability and/or cash flows. Further, we may be subject to regulatory or other proceedings in connection with any unauthorised transaction, fraud or misappropriation by our representatives and employees, which could adversely affect our goodwill, business prospects and future financial performance.

Our business is also susceptible to fraud by dealers, distributors and other agents through the forgery of documents, multiple financing of the same vehicle and unauthorized collection of instalments on behalf of our Company. Given the high volume of transactions involving cash processed by us, certain instances of fraud and misconduct by our representatives or employees may go unnoticed for some time before they are discovered, and others successfully rectified. Even when we discover instances of fraud and other misconduct and pursue legal recourse or file claims with our insurance carriers, there can be no assurance that we will recover any amounts lost through such fraud or other misconduct.

15. ***Our significant indebtedness and the conditions and restrictions imposed by our financing arrangements could restrict our ability to conduct our business and operations in the manner we desire. If we are not in compliance with the covenants contained in such financial arrangements, including obtaining the relevant consents from our lenders for the Issue, our lenders could accelerate their respective repayment schedules, and enforce their respective security interests, which would lead to an adverse effect on our business, results of operations and financial condition.***

As per our Consolidated Financial Statements, as of March 31, 2020, we had outstanding secured debt of Rs. 762,874.43 million and unsecured debt of Rs. 180,842.92 million. We will continue to incur additional indebtedness in the future. Most of our borrowings are secured by our immovable, movable and other assets. Our significant indebtedness could have several important consequences, including but not limited to the following:

- a portion of our cash flow may be used towards repayment of our existing debt, which will reduce the availability of our cash flow to fund working capital, capital expenditures, acquisitions and other general corporate requirements;
- our ability to obtain additional financing in the future at reasonable terms may be restricted or our cost of borrowings may increase due to sudden adverse market conditions, including decreased availability of credit or fluctuations in interest rates;

- fluctuations in market interest rates may affect the cost of our borrowings, as some of our indebtedness is at variable interest rates;

- there could be a material adverse effect on our business, financial condition, results of operations and/or cash flows if we are unable to service our indebtedness or otherwise comply with financial and other covenants specified in the financing agreements; and

- we may be more vulnerable to economic downturns, may be limited in our ability to withstand competitive pressures and may have reduced flexibility in responding to changing business, regulatory and economic conditions.

Some of our financing agreements also include various conditions and covenants that require us to obtain lender consents prior to carrying out certain activities and entering into certain transactions. Failure to meet these conditions or obtain these consents could have significant consequences on our business and operations. Specifically, under some of our financing agreements, we require, and may be unable to obtain, consents from the relevant lenders for, among others, the following matters: entering into any scheme of merger; spinning-off of a business division; selling or transferring all or a substantial portion of our assets; making any change in ownership or control or constitution of our Company; making amendments in our Memorandum and Articles of Association; creating any further security interest on the assets upon which the existing lenders have a prior charge; and raising funds by way of any fresh capital issue. Our financing agreements also typically contain certain financial covenants including the requirement to maintain, among others, specified debt-to-equity ratios, debt-to-net worth ratios, or Tier I to Tier II capital ratios that may be higher than statutory or regulatory requirements. These covenants vary depending on the requirements of the financial institution extending the loan and the conditions negotiated under each financing document. Such covenants may restrict or delay certain actions or initiatives that we may propose to take from time to time.

A failure to observe the covenants under our financing arrangements or to obtain necessary consents required thereunder may lead to the termination of our credit facilities, acceleration of all amounts due under such facilities and the enforcement of any security provided. Any acceleration of amounts due under such facilities may also trigger cross default provisions under our other financing agreements. If the obligations under any of our financing documents are accelerated, we may have to dedicate a substantial portion of our cash flow from operations to make payments under such financing documents, thereby reducing the availability of cash for our working capital requirements and other general corporate purposes. Further, during any period in which we are in default, we may be unable to raise, or face difficulties raising, further financing. Any of these circumstances could adversely affect our business, credit rating, financial condition, results of operations and/or cash flows.

16. ***If the performance of our portfolios relating to various credit and financing facilities deteriorates, our business, financial condition, results of operations and/or cash flows may be adversely affected.***

We have in the past acquired, and may in the future continue to acquire, portfolios relating to various credit and financing facilities from various originators including banks and other institutions, in the ordinary course of our business.

There can be no assurance that we will not experience any deterioration in the performance of any loan portfolio acquired by us or that may be acquired by us in the future. Any deterioration in such loan portfolios acquired by us, and an inability to seek recourse against loan portfolio originators, or otherwise recover the investments made in connection with the acquisition of such loan portfolios, would adversely impact our earnings realised from such loan portfolios and may adversely affect our business, financial condition and results of operations.

17. ***We face increasing competition in our business which may result in declining margins if we are unable to compete effectively.***

We primarily provide vehicle finance loans to FTBs and SRTOs. Our primary competition historically has been private unorganised financiers who principally operate in the local market. However, the significant growth in the commercial vehicle finance segment in recent periods has resulted in various banks and non-banking finance companies ("**NBFC**") increasing their focus on this sector, particularly for new commercial vehicle finance. In addition, interest rate deregulation and other liberalisation measures affecting the commercial vehicle finance sector, together with increased demand for capital by FTBs and SRTOs, have resulted in an increase in competition.

All of these factors have resulted in our Company facing increased competition from other lenders in the commercial vehicle finance sector, including commercial banks and other NBFCs. Our ability to compete effectively will depend, to some extent, on our ability to raise low cost funding in the future. Furthermore, as a result of increased competition in the commercial vehicle finance sector, vehicle finance products are becoming increasingly standardised and variable interest rate and payment terms and lower processing fees are becoming increasingly common in the commercial vehicle finance sector in India. There can be no assurance that we will be able to react effectively to these or other market developments or compete effectively with new and existing players in the increasingly competitive commercial vehicle finance industry. Increasing competition may have an adverse effect on our net interest margin and other income, and if we are unable to compete successfully, our market share may decline.

If we are unable to compete effectively with other participants in the commercial vehicle finance or equipment finance sectors, our business, future financial performance and the trading price of the Debentures may be adversely affected.

18. ***We may not be able to successfully sustain our growth strategy.***

In recent years, we have experienced substantial growth. Our growth strategy includes growing our branch network and presence in rural centres. There can be no assurance that we will be able to sustain our growth strategy successfully or that we will be able to expand further or diversify our product portfolio. If we grow our branch network and presence too rapidly or fail to make proper assessments of credit risks associated with new borrowers, a higher percentage of our loans may become non-performing, which would have a negative impact on the quality of our assets and our financial condition.

We also face a number of operational risks in executing our growth strategy. We have experienced rapid growth in our commercial vehicle finance business; our branch network has expanded significantly, and we are entering into new, smaller towns and cities within India as part of our growth strategy. Our rapid growth exposes us to a wide range of increased risks, including business risks, such as the possibility that a number of our impaired loans may grow faster than anticipated, as well as operational risks, fraud risks and regulatory and legal risks. It will also place significant demands on our management, financial and other resources and will require us to continuously develop and improve our operational, financial and internal controls. Moreover, our ability to sustain our rate of growth depends significantly upon our ability to manage key issues such as selecting and retaining key managerial personnel, maintaining effective risk management policies, continuing to offer products which are relevant to our target base of clients, developing managerial experience to address emerging challenges and ensuring a high standard of client service. We will need to recruit new employees, who will have to be trained and integrated into our operations. We will also have to train existing employees to adhere properly to internal controls and risk management procedures. Failure to train our employees properly may result in an increase in employee attrition rates, require additional hiring, erode the quality of customer service, divert management resources, increase our exposure to high-risk credit and impose significant costs on us.

Further, current spread of the COVID-19 virus is adversely affecting, and is expected to continue to adversely affect, our operations, business, liquidity, profitability and cashflows and a sustained economic slowdown may impact our ability to suceesfully sustain our growth strategy.

19. ***We may not be able to successfully consolidate and expand our product portfolio.***

We intend to consolidate and expand our product portfolio as part of our growth strategy. As per our Consolidated Financial Statements, as of March 31, 2020, our assets under our management product portfolio comprised heavy commercial vehicles, light commercial vehicles, passenger vehicles, tractors, business loans and other loans, which constituted 46.13 %, 23.47 %, 22.03 %, 2.90 %, 2.34 % and 3.13 %, respectively, of our total AUM.

We cannot assure that such diversification or expansion of operations will in future yield and/or continue to yield favourable or expected results, including acceptance of any new products/ services and/or business ventures by customers, as our overall profitability and success will be subject to various factors, including, among others, our ability to obtain necessary statutory and/or regulatory approvals and licences, our ability to effectively recruit, retain and motivate appropriate managerial talent and ability to compete with banks and other NBFCs that are already well established in this market segment, as well as our ability to effectively absorb additional infrastructure costs. Failure of diversification or expansion may result in our inability to recover pre-operative expenses and launch costs.

Further, current spread of the COVID-19 is adversely affecting, and is expected to continue to adversely affect, our operations, business, liquidity, profitability and cash flows and a sustained economic slowdown may impact our ability to successfully sustain our growth strategy.

20. *Our Joint Statutory Auditors have provided a matter of emphasis relating to the Financial Statements of our Company. We cannot assure you whether such matter of emphasis will not arise in the future.*

Our Joint Statutory Auditors have included a matter of emphasis in their report to the Financial Statements. The Joint Statutory Auditors have drawn attention to the classification of assets as on March 31, 2020 with respect to the accounts which were overdue but standard as on February 29, 2020 and to whom moratorium benefit had been granted. Investors should consider these matters in evaluating our financial position, cash flows and results of operations. There is no assurance that our auditors' reports for any future Fiscal periods will not contain such matters of emphasis.

21. *Our loan portfolio may no longer continue to be classified as priority sector advances by the RBI.*

The RBI currently mandates commercial banks operating in India, including foreign banks with more than 20 branches in India to maintain an aggregate 40 % of adjusted net bank credit or a credit equivalent amount of off-balance-sheet exposure, whichever is higher as "priority sector advances". These include advances to agriculture, micro and small enterprises (including SRTOs, which constitute the largest proportion of our loan portfolio), micro enterprises within the micro and small enterprises sector, export credit, and advances to weaker sections where the Government seeks to encourage flow of credit for developmental reasons. Banks in India that have traditionally been constrained or unable to meet these requirements organically have relied on specialised institutions such as us that are better positioned to or exclusively focus on originating such assets through on-lending or purchase of assets or securitised and assigned pools to comply with these targets. We believe our securitised and assigned asset pools are particularly attractive to these banks as such transactions provide them with an avenue to increase their asset base through low-cost investments and limited risk.

In the event that any part of our loan portfolio is no longer classified as a priority sector advance by the RBI, or if the commercial banks directly start providing 'priority sector advances', or if the laws relating to priority sector lending as applicable to the banks undergo a change, our ability to securitise our asset pool will be hampered, which may adversely affect our financial condition, results of operations and/or cash flows. While scheduled commercial banks may still choose to lend to NBFCs they may charge higher rates to do so because these loans no longer count towards their priority sector lending requirements. This may lead to an increase in the rates at which such loans have historically been offered to us, thus increasing our borrowing costs and adversely affecting our financial condition and results of operation.

As a result of these developments, our access to funds and the cost of our capital may be adversely affected and to the extent we are unable to secure replacement funding at similar cost or at all, our results of operations could be adversely affected.

22. *We may experience difficulties in expanding our business into new regions and markets in India.*

As part of our growth strategy, we continue to evaluate attractive growth opportunities to expand our business into new regions and markets in India. Factors such as competition, culture, regulatory regimes, business practices and customs and customer requirements in these new markets may differ from those in our current markets, and our experience in our current markets may not be applicable to these new markets. In addition, as we enter new markets and geographical regions, we are likely to compete not only with other banks and financial institutions but also the local unorganised or semi-organised private financiers, who are more familiar with local regulations, business practices and customs, and have stronger relationships with customers. In particular, some of our competitors may have operational advantages in terms of access to broader knowledge sources and client base and implementation of newer technologies and rationalizing related operational costs.

As on March 31, 2020, we had 1,758 branches, including 831 branches in rural centres. If we were to expand our branch network further, any such expansion may be hit by challenges localized to such centres, including any political instability, terrorism or military conflict in these regions, occurrence of natural or man-made disasters, infectious disease outbreaks or other serious public health concerns, dependence on adequate monsoon and lower employment opportunities compared to urban areas. If we grow our branch network and presence too rapidly or fail to make proper assessments of credit risks associated with new borrowers, a higher percentage of our loans may become non-performing, which would have a negative impact on the quality of our assets and our financial condition.

If we plan to expand our geographical footprint, our business may be exposed to various additional challenges, including:

obtaining necessary governmental approvals; identifying and collaborating with local business and partners with whom we may have no previous working relationship; successfully gauging market conditions in local markets with which we have no previous familiarity; attracting potential customers in a market in which we do not have significant experience or visibility; being susceptible to local taxation in additional geographical areas of India; and adapting our marketing strategy and operations to different regions of India in which different languages are spoken. Our inability to expand our current operations may adversely affect our business prospects, financial conditions, results of operations and/or cash flows.

23. ***Any downgrade of our credit ratings would increase borrowing costs and constrain our access to capital and lending markets and, as a result, would negatively affect our net interest margin and our business.***

The cost and availability of capital is also dependent on our short-term and long-term credit ratings. Ratings reflect a rating agency's opinion of our financial strength, operating performance, strategic position and ability to meet our obligations. Our Company's credit rating have been recently downgraded by S&P Global Ratings from BB/Negative/B to BB-/Watch Negative/; India Ratings and Research has placed the long-term issuer rating of our Company from IND AA+/Stable to Rating Watch Negative; and CRISIL has revised its outlook on the long term debt instruments, bank facilities and fixed deposit programme of our Company from Stable to Negative, respectively. In relation to our short and long term debts, we have ratings of CRISIL rating of 'CRISIL AA+/Negative' for subordinated debt, 'CRISIL AA+/Negative' for NCDs, 'CRISIL PP-MLD AA+r/Negative' for long term principal protected market linked debentures, 'FAAA/Negative' for fixed deposit programme and 'CRISIL A1+' for commercial paper. India Ratings and Research of 'IND AA+/RWN' for NCDs, 'IND AA+/RWN/IND A1+' for bank loans, 'IND AA+/RWN' for subordinated debt, 'IND A1+' for Short-term debt/ commercial paper (CP) programme and 'IND tAA+/RWN' for term deposit. S&P Global Ratings gave a rating of 'BB-/Watch Negative/B' as Company's credit rating and 'BB-/Watch Negative' for senior secured notes. CARE Ratings has given a rating of 'CARE AA+; Negative' for our NCDs and subordinated debts, and 'CARE A1+' for our commercial papers. Fitch Ratings gave a rating of 'BB / Negative Outlook' for the local currency long term issuer default rating, 'B' for short term issuer default rating, 'BB Rating' for local currency long term issuer default rating, 'BB Rating' for senior unsecured long term rating and 'BB Rating' for senior secured long term rating.

Any downgrade of our credit ratings would increase borrowing costs and constrain our access to capital and debt markets and, as a result, would negatively affect our net interest margin and our business. In addition, downgrades of our credit ratings could increase the possibility of additional terms and conditions being added to any additional financing or refinancing arrangements in the future. A downgrade of our credit ratings could also result in our lenders accelerating the repayment of certain of our borrowers in accordance with the terms of our borrowing arrangements with lenders. The ratings provided by credit rating agencies may be suspended, withdrawn or revised at any time by the assigning rating agency and should be evaluated independently of any other rating. These ratings are not a recommendation to buy, sell or hold securities and investors should take their own decisions. Any such adverse development could adversely affect our business, financial condition, results of operations and/or cash flows.

24. ***If we are unable to successfully expand, maintain or leverage our partnership arrangements with private financiers involved in commercial vehicle financing, our business prospects, results of operations, financial conditions and/or cash flows may be adversely affected.***

Our revenue sharing arrangements with private financiers involved in commercial vehicle financing across India is an integral part of our growth strategy. As of March 31, 2020, we have entered into strategic agreements with 1,160 private financiers ranging from individual financiers and small local private financiers, including other NBFCs, to capitalise on their local knowledge, infrastructure and personnel base of our partners in order to source new customers. The revenue-sharing arrangements are at pre-determined amounts.

There can be no assurance that the other party will comply with the procedural and other conditions specified by us in connection with our arrangements with them in the context of customer origination, the credit appraisal process, loan administration and monitoring and any loan recovery processes, or that our partners will not act in any manner that could adversely affect our reputation, brand, customer relationships or business interests. For example, we have in the past experienced certain instances of fraud by some parties. There can also be no assurance that we will be able to leverage and benefit from these arrangements to effectively source a sufficient volume of new customers and business commensurate to the revenue-sharing and other incentives provided to our partners under our arrangements with them. Further, our financers or the personnel they employ may be engaged in unethical or unlawful behaviour or they may misrepresent or mis-sell our products and services. Due to this, we may also suffer from reputational and legal risks and these actions may materially and adversely affect our business, financial condition and results of operations.

In addition, we may not be able to identify suitable private financiers in the future with whom we can successfully work through such arrangements, or in joint marketing and customer support activities, and there can be no assurance that we will be able to ensure any level of success with such arrangements for any sustained period of time. Furthermore, there can be no assurance that there will not be any dispute with the other parties the arrangements in the future. If we are unable to successfully expand, maintain or leverage our arrangements and relationship with the parties to the arrangements, our business prospects, results of operations, financial conditions and/or cash flows may be adversely affected

25. ***A decline in our capital adequacy ratio could restrict our future business growth.***

All deposit taking NBFCs are required to maintain a minimum capital adequacy ratio, consisting of Tier I and Tier II capital, of not less than 15 % of its aggregate risk-weighted assets on balance sheet and risk- adjusted value of off-balance sheet items. Our capital adequacy ratio computed on the basis of applicable RBI requirements was 21.99% as of March 31, 2020 with Tier I capital comprising 18.13% If 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 continue to meet applicable capital adequacy ratios with respect to our business. Any difficulty in accessing funds required for Tier I and Tier II capital, including accessing capital markets could result in decline of our capital adequacy ratio. Further any regulatory change to the capital adequacy ratio requirements shall also have an adverse effect on our growth as we may have to raise further capital to maintain the required capital adequacy ratio. There can be no assurance that we will be able to raise adequate additional capital in the future on terms favourable to us or at all, and this may adversely affect the growth of our business.

26. ***As part of our business strategy we assign or securitise a substantial portion of our loan assets to banks and other institutions. Any deterioration in the performance of any pool of receivables assigned or securitised to banks and other institutions may adversely impact our financial performance and/or cash flows.***

As part of our means of raising and/or managing our funds, we assign or securitise a substantial portion of the receivables from our loan portfolio to banks and other institutions. Such assignment or securitisation transactions are conducted on the basis of our internal estimates of our funding requirements, which may vary from time to time. In Fiscals 2019 and 2020, our securitised and assigned assets at book value was Rs. 151,230.58 million and Rs. 165,811.25 million, respectively. Any change in statutory and/or regulatory requirements in relation to assignments or securitisations by financial institutions, including the requirements prescribed by RBI and the Government of India, could have an adverse impact on our assignment or securitisation transactions. The commercial viability of assignment and securitization transactions has been significantly affected by changes and developments relating to regulation governing such transactions. Such changes include:

- prohibition on carrying out securitization/ assignment transactions at rates lower than the prescribed base rate of the bank;
- prohibition on NBFCs such as our Company from offering credit enhancements in any form and liquidity facilities in the case of loan transfers through direct assignment of cash flows;
- minimum holding period or 'seasoning' and minimum retention requirements of assignment and securitization loans; and
- securitization/ assignments shall be eligible for classification under priority sector only if the interest rate charged to the ultimate borrower by the originating entity does not exceed base rate of such bank plus 8% per annum.

Any adverse changes in the policy and/or regulations in connection with securitisation of assets by NBFCs and/or new circulars and/or directions issued by the RBI in this regard, affecting NBFCs or the purchasers of assets, would affect the securitisation market in general and our ability to securitise and/or assign our assets.

The aggregate credit enhancement amounts outstanding as of March 31, 2020 and March 31, 2019 was Rs. 42,994.06 million and Rs. 35,921.23 million, respectively. For such transactions, in the event that a relevant bank or institution does not realise the receivables due under such loan assets, such bank or institution would have recourse to such credit enhancement, which could have a material adverse effect on our results of operations, financial condition and/or cash flows.

27. *System failures or inadequacy and security breaches in computer systems may adversely affect our business.*

Our business is increasingly dependent on our ability to process, on a daily basis, a large number of transactions. Our financial, accounting or other data processing systems may fail to operate adequately or become disabled as a result of events that are wholly or partially beyond our control, including a disruption of electrical or communications services.

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. The information available to and received by our management through our existing systems may not be timely and sufficient to manage risks or to plan for and respond to changes in market conditions and other developments in our operations. We may experience difficulties in upgrading, developing and expanding our systems quickly enough to accommodate our growing customer base and range of products.

Our operations also rely on the secure processing, storage and transmission of confidential and other information in our computer systems and networks. Our computer systems, software and networks may be vulnerable to unauthorised access, computer viruses or other malicious codes and other events that could compromise data integrity and security.

Any failure to effectively maintain or improve or upgrade our management information systems in a timely manner could materially and adversely affect our competitiveness, financial position and results of operations. Moreover, if any of these systems do not operate properly or are disabled or if there are other shortcomings or failures in our internal processes or systems, it could affect our operations or result in financial loss, disruption of our businesses, regulatory intervention or damage to our reputation. In addition, our ability to conduct business may be adversely impacted by a disruption in the infrastructure that supports our businesses and the geographical areas in which we are located.

28. *Some of our Directors may have interests in entities, which are in businesses similar to ours and this may result in conflicts of interest with us.*

As on the date of this disclosure document, some of our Directors also have interests, as directors or shareholders in other entities engaged in the financial services space such as banks or other NBFCs, including certain of our related parties. There can be no assurance that such Directors will not be subject to conflicts of interest or that we will be able to deal with such conflicts of interest in a timely manner.

Further, commercial transactions in the future between us and related parties may result in conflicting interests which could have an adverse effect on our operations. Such factors may have an adverse effect on the results of our operations and financial condition.

29. *We may not be able to maintain our current levels of profitability due to increased costs or reduced spreads.*

Our business strategy involves a relatively high level of on-going interaction with our customers. We believe that this involvement is an important part of developing our relationship with our customers, identifying new cross selling opportunities and monitoring our performance. However, this level of involvement also entails higher levels of costs and also requires a relatively higher gross spread, or margin, on the finance products we offer in order to maintain profitability. There can be no assurance that we will be able to maintain our current levels of profitability if the gross spreads on our finance products were to reduce substantially, which could adversely affect our results of operations and/or cash flows.

30. *We face asset-liability mismatches which could affect our liquidity and consequently may adversely affect our operations, profitability and/or cash flows.*

We may face potential liquidity risks due to varying periods over which our assets and liabilities mature. Based on the structural liquidity position of our Company as on March 31, 2020 as per the RBI norms, our Company has positive asset liability mismatch of Rs. 37,635 million over a period of six months until September 30, 2020 based on our submission dated June 29, 2020 to

RBI. As is typical for NBFCs, a portion of our funding requirements is met through short-term funding sources such as bank loans, working capital demand loans, cash credit, short-term loans and commercial paper. Consequently, our inability to obtain additional credit facilities or renew our existing credit facilities, in a timely and cost-effective manner or at all, may lead to mismatches between our assets and liabilities, which in turn may adversely affect our operations, financial performance and/or cash flows. Further, mismatches between our assets and liabilities are compounded in case of pre-payments of the financing facilities we grant to our customers.

We cannot assure you that our business will continue to generate sufficient cash to enable us to service our existing debt or to fund our other liquidity needs. Further, changes in economic, regulatory and financial conditions or lack of liquidity in the market due to internal as well as external factors could adversely affect our ability to access funds at competitive rates, which could adversely affect our liquidity and financial condition.

31. ***We have certain contingent liabilities which may adversely affect our financial condition.***

As per our Consolidated Financial Statements, as of March 31, 2020, we had certain contingent liabilities not provided for, which included a contingent liability as per Indian Accounting Standard 37 in respect of income tax demands where the Company has filed an appeal before various authorities of Rs. 1,336.35 million, VAT demand where the Company has filed an appeal before various appellate courts aggregating Rs. 1,172.15 million, a service tax demand where the Company has filed appeal before various authorities for Rs. 3,259.94 million and penalty levied for contravention of the provisions of FEMA aggregating Rs. 50.00 million. In the event that any of these contingent liabilities materialise, our financial condition may be adversely affected. Further, in the event there is a change in any statutory/ regulatory requirement with respect to contingent liabilities, our Company may be required to make additional provisions to meet the revised criteria which may have an adverse effect on our financial condition and profitability.

32. ***The trademark/service mark and logo in connection with the "Shriram" brand which we use is licensed to us and consequently, any termination or non-renewal of such license may adversely affect our goodwill, operations and profitability. Our inability to register such logo and/or to adequately protect the same may adversely affect our goodwill, operations and profitability.***

Pursuant to a license agreement dated November 21, 2014 between our Company and Shriram Ownership Trust ("SOT"), as amended in terms of agreement dated March 18, 2016 and novated in terms of the deed of novation cum amendment dated May 17, 2019 entered into between our Company, SOT and Shriram Value Services Limited ("SVS"), we are entitled to use the brand name "Shriram" and the associated mark. In this regard, our Company had to pay royalty to SOT until September 30, 2019 and currently to SVS (since SOT had gifted all its intellectual property in the brand name "Shriram" and its associated marks to SVS, the royalty for the same commencing from September 30, 2019 is payable to SVS) on the gross turnover of our Company. Along with the royalty, our Company also was required to pay to SOT (until September 30, 2019) and now SVS (commencing from September 30, 2019) amounts by way of reimbursement of actual expenses incurred by SOT / SVS in respect of protection and defence of the copyright. The license agreement is valid until September 30, 2024, after which the agreement will be automatically renewed for a further period of five years on the same terms, unless otherwise decided by both parties or upon occurrence of a breach by either party of the material terms of the license arrangement. The agreement is not terminable unless mutually agreed by both parties.

In the event such license agreement is terminated or is not renewed or extended in the future, we may not be entitled to use the brand name "Shriram" and the associated mark in connection with our business operations. Consequently, we will not be able to derive the goodwill that we have been enjoying under the "Shriram" brand. Further, if the commercial terms and conditions including the consideration payable pursuant to the said agreement are revised unfavourably, our Company may be required to allocate larger portions of its profits and/or revenues towards such consideration, which would adversely affect our profitability.

Our inability to register such logo and/or to adequately protect the same may adversely affect our goodwill, operations and profitability.

We operate in a competitive environment, and we believe that our brand recognition is a significant competitive advantage to us. If the license and user agreement is not renewed or terminated, we may need to change our name, trade mark/service mark or the logo. Any such change could require us to incur additional costs and may adversely impact our goodwill, business prospects and results of operations.

33. *We depend on our brand reputation and our failure to maintain our product image could have a material adverse effect on our business, financial condition and results of operations.*

We believe that the reputation of our brand among customers as a reliable company has contributed significantly to the growth and success of our business. Maintaining and enhancing the recognition and reputation of our products are, therefore, critical to our business and competitiveness. Many factors, some of which are beyond our control, are important to maintaining and enhancing our product image. These factors include our ability to maintain the reliability and quality of the services we offer and increase product awareness through brand building initiatives. A public perception that we do not provide satisfactory products, even if factually incorrect or based on isolated incidents, could damage our reputation, undermine the trust and credibility we have established for our stakeholders including investors, lenders, customers and have a negative impact on our ability to attract new consumers or retain our current consumers.

34. *Any adverse impact on the 'Shriram' brand may have an impact on the benefits accruing to us from the use of the brand resulting in an adverse impact on our business and results of operations.*

We benefit from our relationship with 'Shriram' group in many ways, such as reputation and experience. We believe that 'Shriram' brand is perceived to be that of a trusted provider of quality products and services. Our growth and future success are influenced, in part, by our continued relationship with the 'Shriram' group. If we cease to benefit from these relationships for any reason, our business and growth prospects may decline, and our business and results of operations may be adversely affected.

We cannot assure you that the established 'Shriram' brand name will not be adversely affected in the future by events such as actions that are beyond our control, including customer complaints and dissatisfaction or adverse publicity from any other source. Negative public opinion about the financial services industry generally or about the 'Shriram' brand name, if not immediately and sufficiently remedied, can have an adverse effect on our business and results of operations.

35. *Inability to assess, monitor and manage risks inherent in our business and respond to technological and sectoral changes may adversely impact our results of operations and profitability.*

We are exposed to a variety of risks, including liquidity risk, interest rate risk, credit risk, operational risk and regulatory risks. The effectiveness of our risk management is limited by the quality and timeliness of available data.

Our hedging strategies and other risk management techniques may not be fully effective in mitigating our risks in all market environments or against all types of risk, including risks that are unidentified or unanticipated. Some methods of managing risks are based upon observed historical market behaviour. As a result, these methods may not predict future risk exposures, which could be greater than the historical measures indicated. Other risk management methods depend upon an evaluation of information regarding markets, customers or other matters. This information may not in all cases be accurate, complete, current or properly evaluated. Management of operational, legal or regulatory risk requires, among other things, policies and procedures to properly record and verify a number of transactions and events. Although we have established these policies and procedures, they may not be fully effective.

We have devoted significant resources to developing our risk management policies and procedures and expect to continue to do so in the future. Despite this, our policies and procedures to identify, monitor and manage risks may not be fully effective. Some of our methods of managing risk are based upon the use of observed historical market. As a result, these methods may not accurately predict future risk exposures which could be significantly greater than indicated by the historical measures. As we seek to expand the scope of our operations, we also face the risk of inability to develop risk management policies and procedures that are properly designed for those new business areas in a timely manner. Implementation and monitoring may prove particularly challenging with respect to businesses that we have recently initiated. Inability to develop and implement effective risk management policies may adversely affect our business, prospects, financial condition and results of operations.

Our future success will depend, in part, on our ability to respond to new technological advances and evolving NBFC and vehicle finance sector standards and practices on a cost-effective and timely basis. The development and implementation of such technology entails significant technical and business risks. There can be no assurance that we will successfully implement new technologies or adapt our transaction-processing systems to customer requirements or evolving market standards. Failure to adapt to new technologies and sectoral preferences in a timely manner or at all, may adversely impact out profitability and results of operations.

36. ***Our Promoter, Shriram Capital Limited (SCL or the Promoter), beneficially owns 26.25 per cent. Of our equity share capital and accordingly has the ability to exercise significant influence over the outcome of matters submitted to shareholders for approval, and their interests may differ from those of other holders of the debentures.***

Our Promoter beneficially owned 26.25 per cent. of our equity share capital as on June 30, 2020. Accordingly, our Promoter has the ability to significantly influence the outcome of matters submitted to shareholders for approving the timing and distribution of dividends and the election or termination of appointment of directors. This could delay, defer or prevent or impede a merger, consolidation, takeover or other business combination involving our Company, or discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of our Company even if it is in our Company's best interest. In addition, for so long as our Promoter continues to exercise significant influence over our Company, it may influence the material policies of our Company in a manner that could conflict with the interests of the security holders. The Promoter may have interests that are adverse to the interests of our other shareholders and may take positions with which we or our other shareholders do not agree.

37. ***We have entered into certain related party transactions.***

We have entered into transactions with certain related parties. While we believe that all such transactions have been conducted on an arm's length basis, we cannot assure you that we could not have obtained more favourable terms had such transactions been entered into with unrelated parties. Such transactions may give rise to current or potential conflicts of interest with respect to dealings between us and such related parties. Additionally, there can be no assurance that any dispute that may arise between us and related parties will be resolved in our favour.

38. ***Any failure by us to identify, manage, complete and integrate acquisitions, divestitures and other significant transactions successfully could adversely affect our results of operations, business prospects and/or cash flows.***

As part of our business strategy, we may acquire complementary companies or businesses, divest non- core businesses or assets, sale or dispose of any unit(s) or division(s), enter into strategic alliances and joint ventures and make investments/disinvestments to further our business or any other restructuring. In order to pursue this strategy successfully, we must identify suitable candidates for successfully completing such transactions, some of which may be large and complex, and manage the integration of acquired companies or employees. We may not fully realise all of the anticipated benefits of any such transaction within the anticipated timeframe or at all. Any increased or unexpected costs, unanticipated delays or failure to achieve contractual obligations could make such transactions less profitable or unprofitable. Managing business combination and investment transactions requires varying levels of management resources, which may divert our attention from other business operations, and may result in significant costs and expenses and charges to earnings. The challenges involved in integration include:

- combining product offerings and entering into new markets in which we are not experienced;
- consolidating and maintaining relationships with customers;
- consolidating and rationalising transaction processes and corporate and information technology infrastructure;
- integrating employees and managing employee issues;
- coordinating and combining administrative and other operations and relationships with third parties in accordance with applicable laws and other obligations while maintaining adequate standards, controls and procedures;
- achieving savings from infrastructure integration; and
- managing other business, infrastructure and operational integration issues.

39. ***Our success depends in large part upon our management team and key personnel and our ability to attract, train and retain such persons.***

Our ability to sustain our rate of growth depends significantly upon our ability to manage key issues such as selecting and retaining key managerial personnel, developing managerial experience to address emerging challenges and ensuring a high standard of client service. In order to be successful, we must attract, train, motivate and retain highly skilled employees, especially branch managers and relationship executives. If we cannot hire additional qualified personnel or retain them, our ability to expand our business will be impaired and our revenue could decline. We will need to recruit new employees, who will have to be trained and integrated into our operations. We will also have to train existing employees to adhere properly to internal controls and risk management procedures. Failure to train and motivate our employees properly may result in an increase in employee attrition rates, require additional hiring, erode the quality of customer service, divert management resources, increase our exposure to high-risk credit and impose significant costs on us. Hiring and retaining qualified and skilled managers are critical to our future, as our business model depends on our credit appraisal and asset valuation mechanism, which are personnel-driven operations. Moreover, competition for experienced employees in the commercial vehicle finance sector can be intense. While we have an incentive, structure designed to encourage employee retention, our inability to attract and retain talented professionals, or the resignation or loss of key management personnel, may have an adverse impact on our business, future financial performance and/or cash flows.

40. ***Most of the properties used by our Company are occupied by our Company on lease and/or as shared office space. Any termination of the lease(s) or the other relevant agreements in connection with such properties or our failure to renew the same in a timely manner, or at all, could adversely affect our activities.***

Currently, most of the properties used by our Company for the purposes of our business activities, including the premises where the registered office of our Company is located, are not owned by us. Termination of leases or other relevant agreements in connection with such properties which are not owned by us or our failure to renew the same, on favourable conditions, in a timely manner, or at all, could require us to vacate such premises at short notice, and could adversely affect our operations, financial condition and profitability.

41. ***We are exposed to fluctuations in the market values of our investment and other asset portfolio.***

Deterioration of the credit and capital markets could result in volatility of our investment earnings and impairments to our investment and asset portfolio, which could negatively impact our financial condition and reported income.

42. ***Being in the service industry, our operations may be adversely affected if we are unable to attract and retain qualified employees or if relations with employees deteriorate.***

As of March 31, 2020, had 28,045 employees. Currently, none of our employees are members of any labour union. While we believe that we maintain good relationships with our employees, there can be no assurance that we will not experience future disruptions to our operations due to disputes or other problems with our work force, which may adversely affect our business and results of operations.

43. ***Our inability to obtain, renew or maintain our statutory and regulatory permits and approvals required to operate our business may have a material adverse effect on our business.***

We require certain statutory and/or regulatory permits and approvals for our business, including approvals in relation to our branch offices and other offices. In the future, we will be required to renew such permits and approvals and obtain new permits and approvals for any proposed operations. There can be no assurance that the relevant authorities will issue any of such permits or approvals in a timely manner or at all and/or on favourable terms and conditions. Failure by us to comply with the terms and conditions to which such permits or approvals are subject and/or to renew, maintain or obtain the required permits or approvals may result in the interruption of our operations and may have a material adverse effect on our business, financial condition and results of operations

44. ***Any changes in the statutory and/or regulatory requirements in connection with taxation could adversely affect our operations, profitability and cashflows.***

The operations, profitability and cash flows could be adversely affected by any unfavourable changes in central and state-level statutory and/or regulatory requirements in connection with direct and indirect taxes and duties, including income tax, goods and service tax and/or by any unfavourable interpretation taken by the relevant taxation authorities and/or courts and tribunals. For example, the GST implemented with effect from July 1, 2017 has replaced the indirect taxes on goods and services, such as central excise duty, service tax, central sales tax, state value added tax, surcharge and excise, collected by the central and state governments. The GST has increased administrative compliance for the Companies which is a consequence of increased registration and form filing requirements.

45. *Differences exist between Ind AS and other accounting principles, such as IFRS and Indian GAAP, which may be material to investors' assessments of our financial condition.*

Our Company has prepared the annual financial statements under Ind AS for the Fiscal 2020 as required under Section 133 of the Companies Act, 2013. From April 1, 2018, the Company has computed key parameters including capital adequacy ratio, risk weighted assets, net owned fund, gross Stage 3 Assets, provision for non-performing assets derived from the financial statement prepared in accordance with Ind AS. The impact of transition has been recorded in the opening reserves as at April 1, 2017 and the corresponding figures, presented in the standalone financial statements of the Company for the year ended March 31, 2018, have been restated/reclassified. Our historical financial statements relating to any period prior to Fiscal 2019 may not be comparable to the audited consolidated and standalone financial statements prepared under Ind AS. Ind AS and other accounting standards like IFRS differ in certain respects including first time adoption choices available.

46. *We are subject to supervision and regulation by the RBI and other regulatory authorities in India, and changes in regulations governing us could adversely affect our business.*

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

We are subject to the RBI's guidelines on financial regulation of NBFCs, including capital adequacy, exposure and other prudential norms. The RBI also regulates the credit flow by banks to NBFCs and provides guidelines to commercial banks with respect to their investment and credit exposure norms for lending to NBFCs. The RBI's regulations of NBFCs could change in the future which may require us to restructure our activities, incur additional cost, impose restrictions on banks in relation to the exposure to NBFCs or could otherwise adversely affect our business and our financial performance. The RBI, from time to time, amends the regulatory framework governing NBFCs to address, among others, concerns arising from certain divergent regulatory requirements for banks and NBFCs.

The RBI, from time to time, amends the regulatory framework governing NBFCs to address concerns arising from certain divergent regulatory requirements for banks and NBFCs. We are subject to the RBI's Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended from time to time.

The laws and regulations governing the banking and financial services industry in India have become increasingly complex and cover a wide variety of issues, such as interest rates, liquidity, securitisation, investments, ethical issues, money laundering and privacy. In some cases, there are overlapping regulations and enforcement authorities. Moreover, these laws and regulations can be amended, supplemented or changed at any time such that we may be required to restructure our activities and incur additional expenses to comply with such laws and regulations, which could materially and adversely affect our business and our financial performance.

Compliance with many of the regulations applicable to our operations in India, including any restrictions on investments, lending and other activities currently being carried out by our Company, involves a number of risks, particularly in areas where applicable regulations may be subject to varying interpretations. Further, compliance with many of the regulations applicable to our operations may involve significant costs and otherwise may impose restrictions on our operations. If the interpretation of the regulators and authorities varies from our interpretation, we may be subject to penalties and our business could be adversely affected. We are also subject to changes in Indian laws, regulations and accounting principles and practices. There can be no assurance that the laws governing our Company and its operations will not change in the future or that such changes or the interpretation or enforcement of existing and future laws and rules by governmental and regulatory authorities will not adversely affect our business and future financial performance.

Additionally, we are required to make various filings with the RBI, the Registrar of Companies and other relevant authorities pursuant to the provisions of RBI regulations, the Companies Act and other regulations. If we fail to comply with these requirements, or a regulator claims we have not complied with these requirements, we may be subject to penalties and compounding proceedings. For example, in the past there has been an instance where a penalty was imposed on us by Insurance Regulatory and Development Authority of India, which was paid and settled by us. Further, the Enforcement Directorate has imposed a penalty of Rs. 50 million on our Company, which we have filed an appeal against. Imposition of any penalty or adverse findings by the RBI or other authorities may have an adverse effect on our business, operations results, financial condition and reputation.

47. ***As an NBFC, non-compliance with the RBI's observations made during its periodic inspections could expose us to penalties and restrictions.***

As an NBFC, we are subject to periodic inspection by the RBI under section 45N of the RBI Act, pursuant to which the RBI inspects our books of accounts and other records for the purpose of verifying compliance with applicable regulations, the correctness or completeness of any statement, information or particulars furnished to the RBI. RBI in the past issued observations pursuant to such periodic inspection and our Company had given clarifications in this regard. For example, RBI has in the past in its inspection reports, highlighted certain alleged deficiencies such as reduction in the asset quality of our Company, improper monitoring of delegation of powers by the Board, mobilization of resources in excess of limits, breach of prescribed limits for issuance of commercial papers, deficiency in credit portfolio and shortcomings in complying with the corporate governance requirements. While we have responded to such observations and addressed them, we cannot assure you that the RBI will not make similar or other observations in the future. In the event we are unable to resolve the issues to the RBI's satisfaction, we may be restricted in our ability to conduct our business as we currently do. While we seek to comply with all regulatory provisions applicable to us, in the event we are unable to comply with the observations made by the RBI, we could be subject to penalties and restrictions which may be imposed by the RBI. Imposition of any penalty or adverse findings by the RBI during the ongoing or any future inspections may have an adverse effect on our business, results of operations, financial condition and reputation.

48. ***We may not be in compliance with relevant state money lending laws, which could adversely affect our business. In the event that any state government requires us to comply with the provisions of their respective state money lending laws, or imposes any penalty, including for prior non-compliance, our business, results of operations and financial condition may be adversely affected. There is ambiguity on whether or not NBFCs are required to comply with the provisions of state money lending laws that establish ceilings on interest rates.***

There is ambiguity on whether or not NBFCs are required to comply with the provisions of state money lending laws that establish ceilings on interest rates. The Government of Kerala has mandated us to register under the Kerala Moneylending Act, 1946. Further, the Government of Karnataka has also cancelled the exemption granted to NBFCs from Karnataka Money Lenders Act. We also carry out operations in other states where there are money lending laws in operation. In addition, in the event the provisions of any state specific laws or regulations are extended to NBFCs, we could have increased costs of compliance and our business and operations could be adversely affected, particularly if low interest rate ceiling norms are imposed on our operations. In the event that any state government requires us to comply with the provisions of their respective state money lending laws, or imposes any penalty against us, our Directors or our officers, including for prior non-compliance, our business, results of operations and financial condition may be adversely affected.

49. ***Our insurance coverage may not adequately protect us against losses.***

We maintain such insurance coverage as we believe is adequate for our operations. Our insurance policies, however, may not provide adequate coverage in certain circumstances and are subject to certain deductibles, exclusions and limits on coverage. We maintain general liability insurance coverage, including coverage for errors or omissions. We cannot, however, assure you that the terms of our insurance policies will be adequate to cover any damage or loss suffered by us or that such coverage will continue to be available on reasonable terms or will be available in sufficient amounts to cover one or more large claims, or that the insurer will not disclaim coverage as to any future claim.

A successful assertion of one or more large claims against us that exceeds our available insurance coverage or changes in our insurance policies, including premium increases or the imposition of a larger deductible or co - insurance requirement, could adversely affect our business, financial condition and results of operations.

50. ***We have regional concentration in southern India and western India, and therefore are dependent on the general economic conditions and activities in these areas.***

We have a significant presence in south and west India. As per our Consolidated Financial Statements, as of March 31, 2020, our AUM in south and west India comprised 47.00% and 16.41% of our total AUM, respectively. Our concentration in the southern and western states exposes us to any adverse geological, ecological, economic and/or political circumstances in that region. If there is a sustained downturn in the economy of south India or west India, or a sustained change in consumer preferences in those regions for any reason including consequences of the COVID-19 pandemic, our financial position may be adversely affected.

51. ***New product/services offered by us may not be successful.***

We introduce new products/services to explore new business opportunities from time to time. We also give business loans to our existing customers to cater to their additional finance needs for diversifying into allied and related business. We cannot assure you that all our new products and services and business ventures and broadening of our loan products and portfolio will always be profitable and this may result in our inability to recover our costs and expenses incurred on these initiatives. Further, our inability to offer new products/services or diversify and grow in new business areas could adversely affect our business and financial performance.

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

We are required to comply with applicable anti-money laundering and anti-terrorism laws and other regulations in India. In the course of our operations, we run the risk of failing to comply with the prescribed KYC procedures and the consequent risk of fraud and money laundering by dishonest customers, despite putting in place systems and controls to prevent the occurrence of these risks. In certain of our activities and in our pursuit of business, we run the risk of inadvertently offering our financial products and services ignoring customer suitability and appropriateness, despite having a Board-approved customer suitability policy and associated processes in place. Such incidents may adversely affect our business and our reputation. Although our Company believes that it has adequate internal policies, processes and controls in place to prevent and detect any activity that would fall foul of AML provisions and to ensure KYC compliance, there can be no assurance that our Company will be able to fully control instances of any potential or attempted violation by other parties and may accordingly be subject to regulatory actions including imposition of fines and other penalties. We may accordingly be subject to regulatory actions including imposition of fines and other penalties by the RBI and other relevant governmental authorities to whom we report.

53. ***Our ability to pay dividends will depend on our future earnings, cash flows, working, capital requirements, financial condition, and restrictive covenants under our financing arrangement.***

Any future determination as to the declaration and payment of dividends will be decided by our Board and will be subject to the discretion of the Shareholders. The amount of our future dividend payments, if any, will depend on various factors such as our future earnings, cash flows, financial condition, working capital requirements, capital expenditures, restrictive covenants under our financing documents and in accordance with applicable laws. We may decide to retain all of our earnings to finance the development and expansion of our business and, therefore, may not declare dividends on the Equity Shares. The amounts paid as dividends in the past are not necessarily indicative of our Company's dividend policy or the dividend amounts, if any, in the future. There is no guarantee that any dividends will be paid or that the amount thereof will not be decreased in the future.

54. ***Security breaches of customers' confidential information that we store may expose us to liability and harm our reputation.***

As part of our business, we store and have access to customers' bank information, credit information and other sensitive data. Any accidental security breaches or other unauthorized access to confidential information could expose us to liability related to the loss of the information, legal proceedings and negative publicity. While there have been no such incidents in the past, security measures could be breached by third party actions, intrusion into our software due to flaw in the software by hackers, due to employee error and malfeasance. In addition, we may be required under applicable regulations to notify individuals of data security breaches involving their personal data. Any security breach 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, operations, financial condition or cash flows.

55. *Increase in competition from our peer group in the commercial vehicle finance sector may result in reduction of our market share, which in turn may adversely affect our profitability.*

Our Company provides loans to pre-owned and new commercial vehicle owners and/or operators in suburban and rural areas in India. We have been increasingly facing competition from domestic and foreign banks and NBFCs operating in the commercial vehicle finance segment of the industry. Some of our competitors are very aggressive in underwriting credit risk and pricing their products and may have access to funds at a lower cost, wider networks and greater resources than our Company. Our financial condition and results of operations are dependent on our ability to obtain and maintain low cost funds and to provide prompt and quality services to our customers. If our Company is unable to access funds at a cost comparable to or lower than our competitors, we may not be able to offer loans at competitive interest rates to our customers.

56. *Our risk management policies and procedures may not adequately address unidentified or unanticipated risks.*

We have devoted significant resources to developing our risk management policies and procedures and expect to continue to do so in the future. Despite this, our policies and procedures to identify, monitor and manage risks may not be fully effective. Some of our methods of managing risk are based upon the use of observed historical market behaviour. As a result, these methods may not accurately predict future risk exposures which could be significantly greater than indicated by the historical measures. As we seek to expand the scope of our operations, we also face the risk of inability to develop risk management policies and procedures that are properly designed for those new business areas in a timely manner. Implementation and monitoring may prove particularly challenging with respect to businesses that we have recently initiated. Inability to develop and implement effective risk management policies may adversely affect our business, prospects, financial condition and results of operations.

57. *We have not independently verified certain industry data in this Disclosure Document.*

Unless stated otherwise, macroeconomic and industry data used throughout this Disclosure Document has been obtained from publications prepared by providers of industry information, government sources and multilateral institutions. Such publications generally state that the information contained therein has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although the Issuer believes that industry data used in this Disclosure Document is reliable, it has not been independently verified.

Risks Relating to the Utilization of Issue Proceeds

1. Our management will have significant flexibility in applying proceeds of the Issue.

The funds raised through this Issue, will be used for our various activities, including but not restricted to, financing of vehicles such as 'Commercial Vehicles' and other general purposes of the Company. The Main Objects clause of the Memorandum of Association of the Company permits the Company to undertake the activities for which the funds are being raised through the present Issue and also the activities which the Company has been carrying on till date. The management of the Company, in accordance with the policies formulated by it from time to time, will have flexibility in deploying the proceeds received from the issue. The Company shall however ensure compliance with disclosures in relation to the same as required in terms of the SEBI Debt Listing Regulations and other Applicable Laws.

B. Risks Relating to the Debentures

1. All fixed income securities, such as our NCDs, are subject to price risk

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

2. NCDs that are listed or quoted or admitted to trading may not lead to greater liquidity

It is not possible to predict if and to what extent a secondary market may develop in the NCDs or at what price the NCDs will trade in the secondary market or whether such market will be liquid or illiquid. If so specified in this Disclosure Document, application has been made to list or quote or admit to trading the Debentures on the stock exchange or quotation system(s) specified. If the Debentures are so listed or quoted or admitted to trading, no assurance is given that any such listing or quotation or admission to trading will be maintained. The fact that the Debentures may be so listed or quoted or admitted to trading does not necessarily lead to greater liquidity than if they were not so listed or quoted or admitted to trading. The listing of the Debentures is subject to receipt of the final listing and trading approval from the Stock Exchange.

The Company may, but is not obliged to, at any time purchase the Debentures at any price in the open market or by tender or private agreement where permitted by law. Any Debentures so purchased may be resold or surrendered for cancellation. The more limited the secondary market is, the more difficult it may be for holders of the Debentures to realise value for the Debentures prior to redemption of the Debentures.

3. Changes in government policies and laws in India may adversely affect the Debentures

Future government policies and changes in laws and regulations in India and comments, statements or policy changes by any regulator, including but not limited to the SEBI or the RBI, may adversely affect the Debentures. The timing and content of any new law or regulation is not within the Company's control and such new law, regulation, comment, statement or policy change could have an adverse effect on market for and the price of the Debentures.

4. Political instability or changes in the government could delay further liberalization of the Indian economy and adversely affect economic conditions in India generally

Since 1991, successive Indian governments have pursued policies of economic liberalization. The role of the Central and State Governments in the Indian economy as producers, consumers and regulators has remained significant. If there was to be any slowdown in the economic policies, or a reversal of steps already taken, it could have an adverse effect on the debt market which as such is exposed to the risks of the Indian regulatory and policy regime and also have an impact on global economic market.

5. You may not be able to recover, on a timely basis or at all, the full value of the outstanding amounts and/or the interest accrued thereon in connection with the NCDs.

Our ability to pay interest accrued on the NCDs and/or the principal amount outstanding from time to time in connection therewith would be subject to various factors inter-alia including our financial condition, profitability and the general economic conditions in India and in the global financial markets. We cannot assure you that we would be able to repay the principal amount outstanding from time to time on the NCDs and/or the interest accrued thereon in a timely manner or at all.

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

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

7. Any downgrading in credit rating of our NCDs may affect the value of NCDs and thus our ability to raise further debts.

The rating of the NCDs by Rating Agency and/or agencies indicates high degree of safety regarding timely servicing of financial obligations and carrying very low credit risk. The ratings provided by Rating Agency may be suspended, withdrawn or revised at any time by the assigning rating agency and should be evaluated independently of any other rating. These ratings are not a recommendation to buy, sell or hold securities and investors should take their own decisions.

Any adverse revisions of our credit rating may adversely impact our ability to raise additional financing, the interest rates and other commercial terms at which such additional financing is available. This could have a material adverse effect on our business and financial performance and our ability to obtain financing for lending operations.

8. Our Company may raise further borrowings and charge its assets subject to receipt of necessary consents.

Our Company may, subject to receipt of all necessary consents, raise further borrowings and charge its assets. Our Company will decide the nature of security that may be provided for future borrowings. In the event of creation of a pari passu charge with other charge holder(s) may reduce the amounts recoverable by the NCD holders upon our Company's bankruptcy, winding-up or liquidation.

9. There may be no active market for the non-convertible debentures on the WDM segment of the stock exchange. As a result, the liquidity and market prices of the non-convertible debentures may fail to develop and may accordingly be adversely affected.

There can be no assurance that an active market for the NCDs will develop. If an active market for the NCDs fails to develop or be sustained, the liquidity and market prices of the NCDs may be adversely affected. The market price of the NCDs would depend on various factors inter alia including (i) the interest rate on similar securities available in the market and the general interest rate scenario in the country; (ii) the market for listed debt securities; (iii) general economic conditions; and (iv) our financial performance, growth prospects and results of operations. The aforementioned factors may adversely affect the liquidity and market price of the NCDs, which may trade at a discount to the price at which you purchase the NCDs and/or be relatively illiquid.

10. *The Debentures are subject to the credit risk of the Issuer and thre Debenture Holders may or may not recover all or part of their investments in the Debentures on account of any default by the Issuer.*

C. EXTERNAL RISK FACTORS

1. Our business is primarily dependent on the automobile and transportation industry in India.

Our business to a large extent depends on the continued growth in the automobile and transportation industry in India, which is influenced by a number of extraneous factors which are beyond our control, inter-alia including (a) the macroeconomic environment in India, (b) the demand for transportation services, (c) natural disasters and calamities, and (d) changes in regulations and policies in connection with motor vehicles. Such factors may result in a decline in the sales or value of new and pre-owned CVs. Correspondingly, the demand for availing finance for new and pre-owned commercial vehicles may decline, which in turn may adversely affect our financial condition and the results of our operations. Further, the ability of CV owners and/or operators to perform their obligations under existing financing agreements may be adversely affected if their businesses suffer as a result of the aforesaid factors.

2. Changes in environmental or other laws may lead to a decline in the sale of vehicles, which could adversely affect our business, results of operations and prospects.

Our Company is engaged in vehicle financing across various states in India. Any regulation passed by either the central Government or any of the state Governments, or any orders of judiciary to ban the sale of a particular segment of vehicles or impose additional taxes on any particular segment of vehicles, could lead to a decline in the sales of such vehicles. For example, the Supreme Court of India imposed a ban on the sale of vehicles not complying with Bharat Emission Standards IV. Such regulatory amendments or orders of the judiciary may lead to a decline in our disbursements and adversely affect our business, results of operations and prospects.

3. Any slowdown in economic growth in India may adversely affect our business, results of operations and financial condition.

Our financial performance and the quality and growth of our business depend significantly on the health of the overall Indian economy, the gross domestic product growth rate and the economic cycle in India. All our assets and employees are located in India, and we intend to continue to develop and expand reach in all parts of the country depending upon the business opportunities. Further, economic developments outside India also adversely affect the Indian economy. Accordingly, our business is affected by domestic and international economic conditions, including rates of economic growth and the impact that such economic conditions have on consumer spending.

As an NBFC, we are exposed to the risks of the Indian financial system which may be affected by the financial difficulties faced by certain Indian financial institutions because the commercial soundness of many financial institutions. This risk, which is sometimes referred to as “systemic risk”, may adversely affect financial intermediaries, such as banks with whom we interact. Any such difficulties or instability of the Indian financial system in general could create an adverse market perception about Indian financial institutions and banks and adversely affect our business, results of operations and financial condition. As the Indian financial system operates within an emerging market, it faces risks of a nature and extent not typically faced in more developed economies.

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

The current economic downturn has led to an increased level of consumer delinquencies, lack of consumer confidence, decreased market valuations and liquidity, increased market volatility and a widespread reduction of business activity generally, may enhance market volatility. The resulting economic pressure and dampened consumer sentiment may adversely affect our business and our results of operations.

There can be no assurances that government responses to the disruptions in the financial markets will restore consumer confidence, the markets or increase liquidity and the availability of credit. Continuation or worsening of this downturn or general economic conditions may have an adverse effect on our business, liquidity and results of operations.

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

One of the direct adverse impacts of the global financial crisis on India has been the reversal of capital inflows and a decline in exports, leading to pressures on the balance of payments and a sharp depreciation of the Indian Rupee vis-à-vis the U.S. dollar. Any increased intervention by the RBI in the foreign exchange market to control the volatility of the exchange rate may result in a decline in India’s foreign exchange reserves and reduced liquidity and higher interest rates in the Indian economy, which could adversely affect our business and our future financial performance.

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

Any adverse revision to India’s credit rating for domestic and international debt by international rating agencies may adversely impact our ability to raise additional finances at favourable interest rates and other commercial terms. For example, Fitch Ratings has recently revised the outlook on India’s sovereign ratings from stable to negative, while Moody’s Investors Services has downgraded foreign currency and local currency long term issuer ratings to Baa3. This could have an adverse effect on our growth, financial performance and our operations.

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

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

7. Our business may be adversely impacted by natural calamities, unfavourable climatic changes, health epidemics or pandemics.

Natural disasters such as floods, earthquakes, famines and droughts have in the past had a negative impact on the Indian economy. Further, health epidemics and pandemics like the recent COVID-19 pandemic have also affected the Indian economy negatively. If any such natural disaster, unfavourable climatic changes or health epidemics and pandemics were to occur, our business could be affected due to the event itself or due to the inability to effectively manage the effects of the particular event.

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

8. Companies operating in India are subject to a variety of central and state government taxes and surcharges.

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, value added tax, turnover tax, service tax, stamp duty and other special taxes and surcharges which are introduced on a temporary or permanent basis from time to time. Moreover, the central and state tax scheme in India is extensive and subject to change from time to time. The statutory corporate income tax in India, which includes a surcharge on the tax and an education cess on the tax and the surcharge, may range up to 34.944%. The central or state government may in the future further increase the corporate income tax it imposes. Any such future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable. Additional tax exposure could adversely affect our business and results of operations.

9. Investors may have difficulty enforcing foreign judgments in India against our Company or our management.

Our Company is a limited liability public company incorporated under the laws of India. Most of our Company's directors and executive officers named herein are residents of India and all or a substantial portion of the assets of our Company and such persons are located in India. As a result, it may not be possible for investors to effect service of process on our Company or such persons in jurisdictions outside of India, or to enforce against them judgments obtained in courts outside of India. In addition, India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. The manner of recognition and enforcement of foreign judgments in India is dependent on whether the country in which the foreign judgment has been pronounced is a reciprocating territory or not. A party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI under the FEMA to execute such a judgment or to repatriate outside India any amount recovered pursuant to execution. Any judgment in a foreign currency would be converted into Indian Rupees on the date of the judgment and not on the date of the payment. The Issuer cannot predict whether a suit brought in an Indian court will be disposed of in a timely manner or be subject to considerable delays.

10. Use of Market Data

Unless stated otherwise, macroeconomic and industry data used throughout this Dislcosure Document has been obtained from publications prepared by providers of industry information, government sources and multilateral institutions. Such publications generally state that the information contained therein has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although the Issuer believes that industry data used in this Disclosure Document is reliable, it has not been independently verified.

SECTION 3: REGULATORY DISCLOSURES

PART A

This Disclosure Document is prepared in accordance with the provisions of SEBI Debt Listing Regulations, and in this section the Issuer has set out the details required as per Schedule I of the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.

A. ISSUER INFORMATION

a. Name and Address of the Following:

Sr.No.	Particulars	Details
1.	Date of Incorporation	June 30, 1979. Our Company was incorporated as a public limited company under the provisions of the Companies Act, 1956.
2.	Registered Office	14A, South Phase, Industrial Estate, Guindy, Chennai – 600032
3.	Corporate Office	Wockhardt Towers, Level – 3, West Wing, C-2, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051 Tel. No.: +91-22-4095 9595 Fax: +91-22-4095 9597/96 Website: www.stfc.in
4.	Registration	Corporate Identification Number: L65191TN1979PLC007874 issued by the Registrar of Companies, Tamil Nadu. The Company holds a certificate of registration dated September 4, 2000 bearing registration no. A-07-00459 issued by the RBI to carry on the activities of a NBFC under section 45 IA of the RBI Act, 1934, which has been renewed on April 17, 2007, (bearing registration no. 07-00459)
5.	Compliance Officer	**Mr. Vivek M Achwal** Wockhardt Towers, Level – 3, West Wing, C-2, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051 Tel. No.: +91-22-4095 9595, Fax: +91 22 4095 9596/97 Email id: vivekmadhukar.a@stfc.in
6.	Chief Finance Officer (CFO)	**Mr. Parag Sharma** Wockhardt Towers, Level – 3, West Wing, C-2, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051 Tel: +91 22 40959595, Fax: +91 22 40959596/97 Email: parag@stfc.in
7.	Arranger/ Distributor if any	**Standard Chartered Bank** 5F, Crescenzo, C-38/39, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400051 **Contact person:** Mr. Hitesh Girish **Tel:** +91-22-61158934 **Fax:** +91-22-61157700 **Email:** SCBINRDCM@sc.com
8.	Trustee to the Issue	**Catalyst Trusteeship Limited** Office No. 83 – 87, 8th floor, 'Mittal Tower', 'B' Wing, Nariman Point, Mumbai – 400021, India Tel: +91 22 4922 0555 Website:www.catalysttrustee.com
9.	Registrar to the Issue	**Integrated Registry Management Services PVT LTD.** 2nd Floor, "Kences Towers" No. 1 Ramakrishna Street, North Usman Road, T Nagar, Chennai – 600 017 Phone: 044-28140801 to 28140803

		Fax : 044-28142479 Email: anusha@integratedindia.in	
10.	Credit Rating Agency (s) of the Issue	**CRISIL Limited** CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai- 400 076 Tel: +91 22 3342 3000, Fax: +91 22 4040 5800 Website: www.crisil.com	
11.	Auditor(s) of the Issuer	M/s. Haribhakti & Co.LLP Chartered Accountants 701 Leela Business Park, Andheri –Kurla Road, Andheri (East) –Mum -400 059 Email: rakesh.rathi@haribhakti.co.in Tel: +91 22 66729999, Fax: +91 22 66729777	M/s. Pijush Gupta & Co. Chartered Accountants P 199, CIT Road, Scheme IV-M, Kolkata, West Bengal – 700010 Email: pijush@pijushgupta.com Tel: +91 033- 23536859

As per the Resolution passed by the Banking and Finance Committee on December 23, 2020 read with resolution passed by the board of directors on October 29, 2020 and April 20, 2020, the following officials are authorized to sign the Disclosure Document and the Addendums, if any:

Sr. No.	Name	Designation
1	Mr. Umesh Revankar	Managing Director & CEO
2	Mr. Parag Sharma	Executive Director & CFO
3	Mr. S. Sunder	Executive Director

b. Brief Summary of The Business / Activities of The Issuer and its Line of Business:

I. Overview

We believe that we are one of the largest asset financing non-banking finance companies (NBFC) in the organised

Our Company was established in 1979 and we have a track record of over three decades in the commercial vehicle financing industry in India. The Company is registered as a deposit-taking NBFC with the Reserve Bank of India under Section 45IA of the Reserve Bank of India Act, 1934. We are a part of the Shriram group of companies, which has a presence in various aspects of financial services in India, including commercial vehicle financing, consumer finance, life and general insurance and stock broking. Our Company is also registered with Insurance Regulatory and Development Authority of India as a corporate agent to deal in general insurance and life insurance since 2013.

Our focus is catering to first time buyers ("FTB") and small road transport operators ("SRTOs") for financing preowned commercial vehicles. We provide financing for various kinds of commercial vehicles, including passenger commercial vehicles, heavy goods vehicle, light goods vehicle, farm equipments (tractors and harvesters) as well as ancillary equipment and vehicle parts finance, such as loans for tyres and engine replacements, construction equipment vehicles & machinery finance. We also provide working capital facility and a range of personal loans. We also offer financial services (namely life and general insurance policies) to commercial vehicle operators, thereby providing comprehensive financing solutions to the road logistics industry in India.

Our network of branches across India has been a key driver of our growth over the years. As of March 31, 2020, we had 1,758 branches across India. We have also established our presence in 844 rural centres as of March 31, 2020, with a view towards increasing our market share in the pre-owned commercial vehicle market and reaching out to a relatively newer customer segment in rural areas. We have also strategically expanded our marketing network and operations by entering into revenue sharing agreements with 1,160 private financiers in the unorganised sector involved in commercial vehicle financing. As of March 31, 2020, the total number of our employees was 28,045.

Our AUM as of March 31, 2019 was Rs. 1,04,4822.77 million (comprising assets under financing activities of Rs.1,02,3074.90 million and loan assets assigned of Rs. 21,747.87 million) on a standalone basis, which increased to Rs. 1,097,492.42 million as on March 31, 2020 (comprising assets under financing activities of Rs. 1,085,017.10 million and loan assets assigned of Rs. 12,475.32 million) on a standalone basis.

Our capital adequacy ratio as of March 31, 2020 computed on the basis of applicable RBI requirements was 21.99% on standalone basis, compared to RBI stipulated minimum requirement of 15.00%. Our capital adequacy ratio as of March 31, 2019 computed on the basis of applicable RBI requirements was 20.27% on a standalone basis, compared to the RBI stipulated minimum requirement of 15.00%. Our Tier I capital as of March 31, 2020 was Rs. 162,618.50 million on a standalone basis, as compared to Rs. 157,503.00 million on a standalone basis as of March 31, 2019. Our Tier II capital as of March 31, 2020 was Rs. 34,623.92 million on a standalone basis, as compared to Rs. 46,881.67 million on a standalone basis as of March 31, 2019. Our Stage 3 Assets as a percentage of Total Loan Assets was 8.46% and our Stage 3 Assets net of Stage 3 Provision as a percentage of Net Loan Assets was 5.86% as of March 31, 2020, compared to 8.42% and 5.84% as of March 31, 2019 on a standalone basis, respectively.

Our total income (including exceptional items) was Rs. 165,826.26 million in Fiscal 2020 on a standalone basis as compared to Rs. 155,566.60 million in Fiscal 2019. Our profit after tax was Rs. 25,018.38 million in Fiscal 2020 on a standalone basis, as compared to Rs. 25,639.90 million in Fiscal 2019.

A summary of our key operational and financial parameters derived from our Consolidated Financial Statements are as follows:

(Rs. in Millions)

Parameters(1)	**Fiscal 2020**	**Fiscal 2019**
Net worth(2)	1,81,146.73	1,59,351.30
Total Borrowings of which	9,43,717.46	8,79,144.01
Debt Securities	3,42,669.59	3,41,817.60
Borrowings (other than debt securities)	4,24,745.99	3,71,893.00
Deposits	1,19,601.15	1,03,414.60
Subordinated Liabilities	56,700.73	62,018.80
Property, plant and equipment	1,498.75	1,434.60
Other Intangible assets	26.68	19.70
Financial assets	11,33,021.97	10,49,455.20
Non-financial assets	9,635.83	4,734.30
Cash and cash equivalents	30,889.87	10,291.40
Bank balance other than above	42,259.33	29,523.30
Investments	29,356.29	41,255.40
Financial liabilities	9,57,918.52	8,91,504.80
Non-financial liabilities	3,316.30	3,057.20
Total income	1,65,826.26	1,55,566.55
Interest Income	1,62,674.60	1,53,356.90
Finance Costs	82,702.56	75,112.60
Impairment on financial instruments	27,948.76	23,822.60
Profit for the year	25,122.68	25,756.80
Total Comprehensive Income	25,077.75	25,732.61

Notes:
(1) *There are no audited numbers available for AUM and off-balance sheet items on a consolidated basis and therefore these items have not been disclosed.*
(2) *Net worth as defined in Section 2(57) of the Companies Act, 2013 means the aggregate value of the paid-up share capital and all reserves created out of the profits, 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.*

A summary of our key operational and financial parameters derived from our Standalone Financial Statements are as follows:

(*Rs. in millions*)

Parameters	Fiscal 2020	Fiscal 2019
Net worth(1)	1,79,775.23	1,58,086.60
Total Borrowings of which	9,43,717.46	8,79,144.00
Debt Securities	3,42,669.59	3,41,817.60
Borrowings (other than debt securities)	4,24,745.99	3,71,893.00
Deposits	1,19,601.15	1,03,414.60
Subordinated Liabilities	56,700.73	62,018.80
Property, plant and equipment	1,498.75	1,434.60
Other Intangible assets	26.68	19.70
Financial assets	11,31,650.48	10,48,190.50
Non-financial assets	9,635.83	4,734.30
Cash and cash equivalents	30,889.87	10,291.40
Bank balance other than above	42,259.33	29,523.30
Investments	27,984.80	39,990.70
Financial liabilities	9,57,918.52	8,91,504.80
Non-financial liabilities	3,316.30	3,057.20
Asset Under Management as per Ind AS(2)	10,97,492.42	10,44,822.77
Off-balance sheet assets as per Ind AS (3)	12,475.32	21,747.87
Total income	1,65,826.26	1,55,566.60
Interest Income	1,62,674.60	1,53,356.90
Finance Costs	82,702.56	75,112.60
Impairment on financial instruments	27,948.76	23,822.60
Profit for the year	25,018.38	25,639.90
Total Comprehensive Income	24,970.99	25,616.70
Stage 3 Assets as a percentage of Total Loan Assets as per Ind AS (gross of Provisions) (per cent.)(4)	8.46%	8.42%
Stage 3 Asset net of Stage 3 Provision as a percentage of Net Loan Assets as per Ind AS (per cent.)(5)	5.86%	5.84%
Tier I Capital Adequacy Ratio (per cent.)	18.13%	15.62%
Tier II Capital Adequacy Ratio (per cent.)	3.86%	4.65%

Notes:

(1) Net worth as defined in Section 2(57) of the Companies Act, 2013 means the aggregate value of the paid-up share capital and all reserves created out of the profits, 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.
(2) Asset Under Management as per Ind AS: Total loan assets and loan assets assigned, which continue to be serviced by the transferor.
(3) Off-balance sheet assets as per Ind AS: Hypothecation loans assigned till date, which continue to be serviced by the transferor.
(4) Stage 3 Assets as a percentage of Total Loan Assets as per Ind AS (gross of Provisions): Stage 3 Assets includes financial assets that have objective evidence of impairment at the reporting date as defined under Ind AS.
(5) Stage 3 Assets net of Stage 3 Provision.

Corporate Structure

The Company is managed by its board of directors and does not have any holding company or subsidiary company. The Promoter of the Company is Shriram Capital Limited.

OUR STRENGTHS

We believe that the following are our key strengths:

Access to a large customer base through widespread network across India

We believe that we are one of the leading NBFCs in the organised sector in India that cater to FTBs and SRTOs for financing pre-owned commercial vehicles. Our widespread network of 1,758 branches across India and presence in 844 rural centres as of March 31, 2020 enables us to access a large base of customers, including most major and minor commercial vehicle hubs along various road transportation routes in India. As on March 31, 2020, our active customer base was over 2.12 million. We believe that our widespread branch network enables us to service and support our existing customers from proximate locations that provide customers with easy access to our services. We also have strategically expanded our marketing and customer origination network by entering into revenue sharing agreements with 1,160 private financiers involved in commercial vehicle financing, as of March 31, 2020. We believe our relationship with these partners is a critical factor in sourcing new customers and enhancing reach and market share with a low upfront capital cost. We believe that the relationships we have developed with our customers provide us with opportunities for repeat business and to cross sell our other products as well as derive benefit from customer referrals.

Unique business model with a strong brand name and a track record of strong financial performance

We believe that FTBs and SRTOs are not a focus segment for commercial banks in India as this class of customers lack substantial credit histories and other financial documentation on which many banks rely to identify and target new customers. We believe that the fragmented market for commercial vehicle financing coupled with our credit evaluation techniques, relationship-based approach, extensive branch network and strong valuation skills make our business model unique and sustainable as compared to other financiers. We believe that our internally developed valuation techniques, substantial customer knowledge and relationship culture developed over the past three decades, constitute a key strength that is difficult to replicate and acts as a high barrier to entry for other players in the commercial vehicle financing space. This in turn enables us to provide finance to pre-owned commercial vehicle operators at favourable interest rates and repayment terms as compared to private financiers in the unorganised sector

We believe that as a large and organised institution in an otherwise fragmented commercial vehicle financing market, with a widespread branch network, particularly in commercial vehicle hubs across India, as well as our large customer base, has enabled us to build a strong brand. We believe that our credit approval procedures, credit delivery process and relationship based loan administration and monitoring methodology have also aided in increasing customer loyalty and earning repeat business and customer referrals.

As a result of the above, as per our Consolidated Financial Statements, our total income (including exceptional items) was Rs. 165,826.26 million in Fiscal 2020 as compared to Rs. 155,566.60 million in Fiscal 2019. Our profit after tax was Rs. 25,122.68 million in Fiscal 2020 as compared to Rs. 25,756.80 million in Fiscal 2019. Our returns on asset (ROA) was 2.29% for Fiscal 2020 and 2.54% for Fiscal 2019. Further, as per our Consolidated Financial Statements, our return on equity (ROE) was 14.73% for Fiscal 2020 as compared to 17.37% for Fiscal 2019..

Access to a range of cost-effective funding sources

We fund our capital requirements through a variety of sources. As of March 31, 2020, 86.80% of our borrowed funds consisted of funds raised from financial institutions and banks (including public issues of non-convertible debentures), while the remaining 13.20% consisted of funds raised through retail borrowings.

We meet our funding requirements predominantly through term loans from banks (including cash credit and external commercial borrowing), the issue of redeemable non-convertible debentures, as well as deposits (including public and corporate deposits) and bonds in overseas market, which constituted 43.48%, 21.67%, 12.63% and 14.64% of our total borrowings, respectively, as of March 31, 2020. We access funds from a number of credit providers, including 56 banks and institutions comprising nationalised banks, private Indian banks, foreign banks and foreign institutional investors, and we believe our track record of debt servicing has allowed us to establish and maintain strong relationships with these financial institutions. As a deposit-taking NBFC, we are also able to mobilise fixed deposits. We have raised secured and unsecured non-convertible debentures at competitive rates. We have also raised subordinated loans eligible for Tier II capital. We undertake securitisation and assignment transactions as a cost-effective source of funds.

In relation to our short and long term debts, as of June 1, 2020, we have ratings of CRISIL rating of 'CRISIL AA+/Negative' for subordinated debt, 'CRISIL AA+/Negative' for NCDs, 'CRISIL PP-MLD AA+r/Negative' for long term principal protected market linked debentures, 'FAAA/Negative' for fixed deposit programme and 'CRISIL A1+' for commercial paper. India Ratings and Research of 'IND AA+/RWN' for NCDs, 'IND AA+/RWN/IND A1+' for bank loans, 'IND AA+/RWN' for subordinated debt, 'IND A1+' for Short-term debt/ commercial paper (CP) programme and 'IND tAA+/RWN' for term deposit. S&P Global Ratings gave a rating of 'BB-/Watch Negative/B' as Company's credit rating and ‘BB-/Watch Negative’ for senior secured notes. CARE Ratings has given a rating of ‘CARE AA+; Negative’ for our NCDs and subordinated debts, and ‘CARE A1+’ for our commercial papers. Fitch Ratings gave a rating of ‘BB Rating Watch Negative’ for the local currency long term issuer default rating, ‘B’ for short term issuer default rating, ‘BB Rating Watch Negative’ for local currency long term issuer default rating, ‘BB Rating Watch Negative’ for senior unsecured long term rating and ‘BB Rating Watch Negative’ for senior secured long term rating.

We believe that we have been able to achieve a relatively stable cost of funds, primarily due to our credit ratings, treasury management and fund raising programmes. For Fiscal 2020 our cost of borrowing was 9.05 % of our total finance cost, as compared to 8.81 % for Fiscal 2019. We believe that we are able to borrow from a range of sources at competitive rates.

In order to diversify the borrowing portfolio of the Company and to open new market/ avenue for borrowing, we have also issued senior secured notes of varying coupon and maturity under Medium Term Note programmes, aggregating to Rs. 12,049.22 million, as on March 31, 2020. All senior secured notes issued under the above programmes are fully hedged and would not involve any foreign exchange risk to the Company.

The RBI currently mandates commercial banks operating in India to maintain an aggregate of 40.00% of adjusted net bank credit or credit equivalent amount of off-balance sheet exposure, whichever is higher as “priority sector advances”. These include advances to agriculture, micro and small enterprises (including SRTOs, which constitute the largest proportion of our loan portfolio), export credit and advances to weaker sections where the Government seeks to encourage flow of credit for developmental reasons. Banks in India that have traditionally been constrained or unable to meet these requirements organically have relied on specialised institutions such as us that are better positioned to or exclusively focus on originating such assets, through purchase of assets or securitised and assigned pools, to comply with these targets. We believe our securitised and assigned asset pools are particularly attractive to these banks as such transactions provide them with an avenue to increase their asset base through low-cost investments and limited risk. We believe that we can negotiate competitive interest rates with banks, NBFCs and other lenders since the majority of our loan portfolio is classified as priority sector lending. As per our Consolidated Financial Statements, in Fiscals 2019 and 2020, the total book value of loan assets securitised and assigned was Rs. 151,230.58 million and Rs. 165,811.25 million respectively.

Extensive experience and expertise in credit appraisal and collection processes

We believe that we have developed a unique business model that addresses the needs of a specific market segment with increasing demand. We focus on closely monitoring our assets and borrowers through relationship executives who develop long-term relationships with FTBs and SRTOs, which enable us to capitalise on local knowledge. We follow stringent credit policies, including limits on customer exposure, to ensure the asset quality of our loans and the security provided for such loans. Further, we have nurtured a culture of accountability by making our relationship executives responsible for loan administration and monitoring as well as recovery of the loans they originate.

We believe extensive expertise in asset valuation is a pre-requisite for any NBFC providing loans for pre-owned assets. We believe over the years, we have developed expertise in valuing pre-owned vehicles, which enables us to accurately determine a recoverable loan amount for commercial vehicle purchases. We believe a tested valuation technique for these assets is a crucial entry barrier for others seeking to enter the markets in which we operate. We believe that our loan recovery procedure is particularly well suited to our target market in the commercial vehicle financing industry, as reflected by our strong loan recovery ratios, and we believe that this knowledge and relationship- based recovery procedure is difficult to replicate in the short to medium term. Our Stage 3 assets as a percentage of Total Loan Assets, was 8.46% as of March 31, 2020 as compared to 8.42% as of March 31, 2019. Our Stage 3 Assets net of Stage 3 Provision as a percentage of Net Loan Assets, was 5.86% as of March 31, 2020 as compared to 5.84% as of March 31, 2019.

Experienced senior management team

As of the date of this Disclosure document, our board of directors consists of seven directors with experience in the automotive and/or financial services sectors. We have an experienced management team, which is supported by a capable and motivated pool of employees. Our senior and middle management personnel have significant experience and in-depth industry knowledge and expertise. Certain members of our senior management team have more than 20 years of experience with our Company. Further, we attempt to hire personnel with an intent to strengthen our credit appraisal and risk management systems, and to develop and implement our credit policies. We believe that the in-depth industry knowledge and loyalty of our management and professionals provide us with a distinct competitive advantage.

OUR STRATEGIES

Our key strategic priorities are as follows:

Further expand operations by growing our branch network, penetration into rural centres and increasing partnership and co-financing arrangements with private financiers

We intend to continue to strategically expand our operations in target markets that are large commercial vehicle hubs by establishing additional branches. Our marketing and customer origination and servicing efforts strategically focus on building long-term relationships with our customers and address specific issues and local business requirements of potential customers in a particular region. We also intend to increase our operations in certain regions in India where we historically had relatively limited operations, such as in eastern and northern parts of India, and to further consolidate our position and operations in western and southern parts of India. We have also adopted a strategy of establishing our presence in rural centres with a view towards increasing our presence in the pre-owned commercial vehicle market and reaching out to a relatively newer customer segment in rural areas. We have had a presence in 844 rural centres as of March 31, 2020 and propose to continue to increase our presence in such rural centres across India. We also provide loans for new commercial vehicles, in addition to our policy of providing finance for vehicles which are between 5 to 12 years old with a view of expanding our reach and diversifying our portfolio.

As of March 31, 2020, we had agreements with 1,160 private financiers and we intend to continue to strategically expand our marketing and customer origination network by entering into revenue sharing agreements with private financiers across India involved in commercial vehicle financing. However, we endevour to ensure that the hypothecations granted in connection with these revenue sharing arrangements will remain solely in our favour.

Optimise funding costs

We believe that we can increase our profitability by optimising our funding costs. This would include use of new products available to us in the international capital markets, as well as ensuring that we favourably match our short-term and long term sources of funds with their deployment. We have a diversified source for funding which comprises capital market instruments, bank borrowings with a lender base of 56 banks and institutions, securitisation and retail borrowings. Our portfolio qualifies for the priority sector advances for scheduled commercial banks (as investors in our securitised loans), which helps reduce our borrowing costs. We have also focused on gradually increasing the proportion of retail borrowings to diversify our funding source through fixed deposit programme and regular public issue of non-convertible debentures. Our institutional debenture issuance has a varied investor base. We believe that our ability to diversify our resource profile will enable us to further optimise our funding cost.

Cross-sell our product portfolio

By offering additional downstream products, such as ancillary loans and insurance policies, we maintain contact with the customer throughout the product lifecycle and increase our revenues. We believe the relationships we have developed with our customers provide us with opportunities for repeat business and to cross-sell our other products and products of our affiliates. We seek to continue consolidating our product portfolio so as to create greater synergies with our primary business of commercial vehicle financing.

Continue to implement advanced processes and systems

Our information technology strategy is designed to increase our operational and managerial efficiency. We aim to increasingly use technology in streamlining our credit approval, administration and monitoring processes to meet customer requirements on a real-time basis. We aim to continue to implement technology-led processing systems to make our appraisal and collection processes more efficient, to facilitate rapid delivery of credit to our customers and to augment the benefits of our relationship-based approach. We also believe that deploying strong technology systems will enable us to respond to market opportunities and challenges swiftly, improve the quality of services to our customers, and improve our risk management capabilities.

Our Company's Financial Products

Commercial Vehicle Finance

We are principally engaged in the business of providing commercial vehicle financing to FTBs and SRTOs. FTBs are principally former truck drivers who purchase trucks for use in commercial operations and SRTOs are principally small transport operators owning between one and four pre-owned commercial vehicles. Our financing products are principally targeted at the financing of pre-owned trucks and other commercial vehicles, although we also provide financing for new commercial vehicles. The pre-owned commercial vehicles we finance are typically between 5 and 12 years old. We also provide financing for other kinds of pre-owned and new commercial vehicles, including passenger vehicles, heavy goods vehicles, light goods vehicles, and tractors.

We also provide loans for purchase of farm equipment and construction equipment.

Working Capital Loans

As part of our presence in the entire commercial vehicle financing ecosystem, we also provide various types of working capital loans to our customers for the purchase of vehicle parts, insurance, repairs, etc. in connection with the operation of their trucks and other commercial vehicles. We also offer financing for the acquisition of new and pre-owned vehicle equipment and accessories, such as tyres and other vehicle parts. We also offer fuel financing.

Miscellaneous

Our Company is also registered with the IRDAI as a corporate agent. Our Company deals in life insurance and general insurance products. Our Company has entered into agreements with Shriram General Insurance Company Limited (“SGIC”) and Bajaj Allianz General Insurance Company Limited (“BAGICL”) whereby the Company is appointed as their ‘corporate agent’ and is authorized to market and solicit insurance products provided by SGIC and BAGICL to its customers and clients subject to the limits prescribed and on the terms and conditions agreed to between the parties.

OUR COMPANY’S OPERATIONS

Customer Base

Our customer base is predominantly FTBs and SRTOs and other commercial vehicle operators, and smaller construction equipment operators. We also provide trade finance to commercial vehicle operators. These customers typically have limited access to bank loans for commercial vehicle financing and limited credit histories. Our loans are secured by a hypothecation of the asset financed.

Branch Network

As of March 31, 2020, we have a wide network of 1,758 branches across India and 28,045 employees. We have established branches at commercial vehicle hubs along various road transportation routes across India. As of March 31, 2020, all of our branch offices were connected to servers at our Corporate Office to enable real-time information with respect to our loan disbursement and recovery administration. Our customer origination efforts strategically focus on building long-term relationships with our customers and address specific issues and local business requirements of potential customers in a specific region.

Partnership and Co-financing Arrangements with Private Financiers

SRTOs and FTBs generally have limited banking habits and credit history as well as inadequate legal documentation for verification of creditworthiness. In addition, because of the mobile nature of the hypothecated assets, SRTOs and FTBs have limited access to bank financing for pre-owned and new commercial vehicle financing. As a result, the pre-owned truck financing market in India is dominated by private financiers in the 43 unorganised sector. We have strategically expanded our marketing and customer origination network by entering into revenue sharing agreements with private financiers across India involved in commercial vehicle financing.

We enter into strategic revenue sharing agreements with private financiers ranging from individual financiers to small local private financiers, including other NBFCs. We have established a stable relationship with our revenue sharing partners through our extensive branch network. As a result of the personnel-intensive requirements of our business model, we rely on revenue sharing arrangements to effectively leverage the local knowledge, infrastructure and personnel base of our revenue sharing partners.

Our revenue sharing partners source applications for pre-owned and new commercial vehicle financing based on certain assessment criteria we specify, and are generally responsible for ensuring the authenticity of the customer information and documentation. The decision to approve a loan is, however, at our discretion. Our revenue sharing partners may directly arrange financing for such customer or approach another financier in connection with the proposed financing.

Our revenue sharing partners are responsible for obtaining all necessary documentation in connection with the loan proposals they originate. Revenue sharing partners are responsible for collection of instalments and penalties for all customers they originate. Revenue sharing partners are also responsible for any repossession of vehicles in the event of a default of a loan by customers they originate. However, the hypothecation of the vehicles financed are in the favour of our Company and not in the favour of our revenue sharing partners.

A typical revenue sharing arrangement involves the revenue-sharing ratio, amounts payable as quarterly advance payments to the revenue sharing partner, and details related to the retention of earnest money. Specifically, we typically stipulate a certain income-sharing arrangement on the interest on the loan, net of our cost of funding. Since the revenue sharing partner's share of income is only determined upon settlement of the individual loan contracts, we typically release quarterly advance payments to our revenue sharing partner. These payments are net of the earnest money deposit, which represents a pre-agreed percentage of the partner's revenue share. We allocate the earnest money towards a loan loss pool, as well as for business expansion purposes. Loan loss is typically calculated as our loss on principal and reimbursed expenses on loans from customers sourced by the revenue sharing partner, with interest at the rate of our cost of funds. The loss is shared between the parties in the same proportion as income. The parties usually stipulate that the amount available as earnest money deposit is in excess of a certain percentage of future receivables and may be withdrawn by the revenue sharing partner.

Other Marketing Initiatives

We continue to develop innovative marketing and customer origination initiatives specifically targeted at FTBs and SRTOs.

Branding/ advertising

We use the brand name "Shriram" for marketing our products pursuant to a license agreement dated November 21, 2014 between our Company and Shriram Ownership Trust ("SOT"), as amended in terms of agreement dated March 18, 2016 and novated in terms of the deed of novation cum amendment dated May 17, 2019 entered into between our Company, SOT and Shriram Value Services Limited ("SVS"). We believe that our brand is well recognised in India. We have launched various publicity campaigns through print and other media specifically targeted at our target customer profile, FTBs and SRTOs, to create awareness of our product features, including our speedy loan approval process, with the intention of creating and enhancing our product identity. We believe that our emphasis on product promotion will be a significant contributor to our results of operations in the future.

Customer Evaluation, Credit Appraisal and Disbursement

Due to our customer profile, in addition to a credit evaluation of the borrower, we rely on guarantor arrangements, the availability of security, referrals from existing relationships and close client relationships in order to manage our asset quality. All customer origination and evaluation, loan disbursement, loan administration and monitoring as well as loan recovery processes are carried out by our relationship executives. We do not utilise or engage direct selling or other marketing and distribution agents or appraisers to carry out these processes. We follow certain procedures for the evaluation of the creditworthiness of potential borrowers. The typical credit appraisal process is described below:

Initial Evaluation

When a customer is identified and the requisite information for a financing proposal is received, a branch manager or relationship executive meets with the customer to assess the customer's loan requirements and creditworthiness. The proposal form requires the customer to provide information on the customer's age, address, employment details and annual income, as well as information on outstanding loans and the number of commercial vehicles owned. The customer is required to provide proof of identification and residence for verification purposes. In connection with the loan application, the customer is also required to furnish a guarantor, typically another commercial vehicle owner, preferably an existing or former customer. Detailed information relating to the guarantor is also required.

For pre-owned commercial vehicles, our executives prepare a vehicle inspection and evaluation report to ascertain, among other matters, the registration details of the vehicle, as well as its condition and market value. A field investigation report is also prepared relating to the place of residence and of various movable and immovable properties of the customer and the guarantor. Each application also requires two independent references to be provided.

Credit Policies

We follow stringent credit policies to ensure the asset quality of our loans and the security provided for those loans. Any deviation from such credit policies in connection with a loan application requires prior approval. Our credit policies include the following:

Vehicle type. We only finance vehicles that are used for commercial purposes. As these are income-generating assets, we believe that this asset type reduces our credit risk.

Hypothecation. Our loans include hypothecations in our favour.

Guarantor requirement. Loans must be secured by the personal guarantee of the borrower as well as at least one third party guarantor. The guarantor must be a commercial vehicle owner, preferably our existing or former customer, and preferably operating in the same locality as the borrower.

Insurance. Comprehensive insurance is required.

Loan approval guidelines. From time to time, our management lays down loan approval parameters which are typically linked to the value of the vehicle and loan amount.

Age limit for pre-owned vehicles. We typically extend loans to vehicles that are less than 12 years but age limit may vary as per usability in specific geographies.

Period. The maximum period for repayment in case of assets shall not be more than 84 months.

Release of documents on full repayment. Security received from the borrower is released on repayment of all dues or on collection of the entire outstanding loan amount, provided no other existing right or lien for any other claim exists against the borrower.

RTO records. In the case of pre-owned vehicle financing, Regional Transport Office (RTO) records are inspected for non-payment of road tax, pending court cases, and other issues, and the records retained as part of the loan documentation.

Physical inspection and trade reference. In the case of all pre-owned vehicle financing, the branch manager must physically inspect the vehicle and assess its value. The branch manager's determination regarding the condition of the vehicle is recorded in the evaluation report of the vehicle. The branch manager must also conduct contact point verification as well as a trade reference check of the borrower before an actual disbursement is made, and such determination is recorded in the proposal evaluation records.

Approval Process

The branch manager evaluates the loan proposal based on supporting documentation and various other factors. The primary criteria for approval of a loan proposal is based on the guarantee provided by another commercial vehicle operator, preferably an existing or previous customer, as well as the valuation of the asset to be secured by the loan. In addition, our branch managers may also consider other factors in the approval process, such as length of residence, past repayment record and income sources.

The branch manager is authorised to approve a loan if the proposal meets the criteria established for the approval of a loan. We inform the customer of the outcome of the approval process, as well as the amount of loan approved, the terms and conditions of such financing, including the rate of interest (annualised) and the application of such interest during the tenure of the loan. A sanction letter is issued to the borrower incorporating all the financial details such as the loan amount, tenure and rate of interest and the loan disbursement takes place only on getting the sanction letter duly accepted by the borrower.

A chassis print of the vehicle is also obtained and maintained in the loan file. The relevant RTO endorsement forms are also required to be executed by the borrower prior to the disbursement of the loan. Prior to the loan disbursement, the loan officer ensures that a KYC checklist is completed by the Applicant. The loan officer verifies such information provided and includes such records in the relevant loan file. The loan officer is also required to ensure that the contents of the loan documents are explained in detail to the borrower, either in English or in the local language of the borrower, and a statement to such effect is included as part of the loan documentation. The borrower is provided with a copy of the loan documents executed by him.

Disbursement

Margin money and other charges are collected prior to loan disbursements. The disbursing officer retains evidence of the customer's acceptance of the terms and conditions of the loan as part of the loan documentation. Our Company has initiated steps to encourage the customers to make payments of loan instalments through internet banking and card payment. For pre-owned vehicles, an endorsement of the registration certificate as well as the insurance policy must be executed in our favour.

Loan administration and monitoring

The borrower and the relevant guarantor are required to execute a standard form of Loan cum Hypothecation Agreement setting out the terms of the loan. A loan repayment schedule is attached as a schedule to the Loan cum Hypothecation Agreement, which generally sets out monthly repayment terms. The Loan cum Hypothecation Agreement also requires a promissory note to be executed containing an unconditional promise of payment to be signed by both the borrower and the relevant guarantor. A power of attorney 49 authorising, among others, the repossession of the hypothecated vehicle upon loan payment default, is also required to be executed.

We provide payment options: cash, cheque, demand draft, mobile wallets, UPI, NACH and USSD. Repayments are made in monthly instalments. Loans disbursed are recovered from the customer in accordance with the loan terms and conditions agreed with the customer. As a service to our customers, our relationship executives offer to visit the customers on the payment date to collect the instalments due. We track loan repayment schedules of our customers, on a monthly basis, based on the outstanding tenure of the loans, the number of instalments due and defaults committed, if any. This data is analysed based on the vehicles financed and location of the customer.

Our management information system (MIS) department and centralised operating team monitors compliance with the terms and conditions for credit facilities. We monitor the completeness of documentation and creation of security through regular visits to our branches by our regional as well as head office executives and internal auditors. All borrower accounts are reviewed at least once a year, with a higher frequency for larger exposures and delinquent borrowers. Our lending team reviews collections regularly, personally contacts borrowers that have defaulted on their loan payments and conducts day-to-day operations including collection of instalments from 150 to 200 borrowers each, depending on territorial dispersal. Each branch customarily limits its commercial vehicle financing loans to approximately 1,500 customers, which enables closer monitoring of receivables. A new branch is opened to handle additional customers beyond that limit to ensure appropriate risk management. Close monitoring of debt servicing efficiency enables us to maintain high recovery ratios.

Collection and Recovery

We believe that our loan recovery procedure is particularly well suited to our target market in the commercial vehicle financing industry, as reflected by our high loan recovery ratios. The entire collection operation is administered in-house and we do not outsource loan recovery and collection operations. In the case of default, the reasons for the default are identified by the local relationship executive and appropriate action is initiated, such as requiring partial repayment and/or seeking additional guarantees or collateral.

For every 30 days of delay in loan instalment payments, the matter is escalated to our branch managers. In the event of a default on three loan instalments, the branch manager is required to make a personal visit to the borrower to determine the gravity of the loan recovery problem and provide suitable solutions.

We may initiate the process for repossession of the vehicle in the event of a default. Branch managers are trained to repossess vehicles and no external agency is involved in such repossession. Repossessed vehicles are held at designated secured facilities for eventual sale. The notice to the customer specifies the outstanding amount to be paid within a specified period, failing which the vehicle may be disposed of. In the event that there is a shortfall in the recovery of the outstanding amount from the sale of the vehicle, legal proceedings against the customer may be initiated.

The laws governing the registration of motor vehicles in India effectively establish vehicle ownership, as well as the claims of lenders. As a result, vehicle repossession in the event of default is a relatively uncomplicated procedure, such that the possibility of repossession provides an effective deterrent against default.

ASSET QUALITY

We maintain our asset quality through the establishment of prudent credit norms, the application of stringent credit evaluation tools, limiting customer and vehicle exposure, and direct interaction with customers. In addition to our credit evaluation and recovery mechanism, our asset-backed lending model and adequate asset cover has helped maintain low Gross NPA and Net NPA levels. We believe that we provide finance to pre-owned commercial vehicle operators at a reasonable interest rate, making repayment more manageable for FTUs and SRTOs.

Our Company being an NBFC is covered by Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015 and is required to comply with Ind AS for the preparation of their financial statements. Our Company records allowance for expected credit loss ("ECL") for all loans, other debt financial instruments not held at fair value through profit and loss account.

Impairment of Financial Assets

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the "Lifetime ECL"), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on 12 months expected credit loss ("12 month ECL").

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of the financial instrument. The 12 month ECL is the portion of Lifetime ECL that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. Both Lifetime ECL and the 12 month ECL are calculated on collective basis grouped based on its loan portfolio into business loans, secured loans for new vehicles, secured loans for used vehicles and secured loans for equipment finance loans.

The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since its initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. The Company does the assessment at the borrower level. If a borrower has various facilities having different past dues status, then the highest days past due is considered to be applicable for all the facilities of that borrower. Based on the above principal, the company categorizes its loans into Stage 1, Stage 2 and Stage 3 as described below:

The Company classifies all standard advances up to 30 days default period under Stage 1 where there has not been a significant increase in credit risk since its initial recognition or low credit risk at the reporting date and that are not credit impaired upon origination. All the exposures where there has been a significant increase in credit risk since its initial recognition but are not credit impaired are classified under Stage 2. Thirty days past due is considered as a significant increase in credit risk. All exposures assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred are classified as Stage 3. For exposure that have become credit impaired, a lifetime ECL is recognised and interest revenue is calculated by applying effective interest rate to be amortized cost (net of provision) rather than the gross carrying amount.

RBI has by its notification no. RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020, issued instructions and guidelines relate to specific prudential aspects of Ind AS implementation by NBFCs. As per the said notification, NBFCs shall hold impairment allowances as required by Ind AS. In parallel NBFCs shall also maintain the asset classification and compute provisions as per extant prudential norms on Income Recognition, Asset Classification and Provisioning ("IRACP") including borrower/beneficiary wise classification, provisioning for standard as well as restructured assets, NPA ageing, etc. A comparison between provisions required under IRACP and impairment allowances made under Ind AS 109 should be disclosed by NBFCs/ARCs in the notes to their financial statements to provide a benchmark to their Boards, RBI supervisors and other stakeholders, on the adequacy of provisioning for credit losses.

Where impairment allowance under Ind AS 109 is lower than the provisioning required under IRACP (including standard asset provisioning), NBFCs/ARCs shall appropriate the difference from their net profit or loss after tax to a separate 'Impairment Reserve'. The balance in the 'Impairment Reserve' shall not be reckoned for regulatory capital. Further, no withdrawals shall be permitted from this reserve without prior permission from the Department of Supervision, RBI. The

Company maintains Rs. 63,319.90 million towards ECL provisions as per Ind AS 109 as compared to provisioning amount of Rs. 55,231.20 million required under IRACP. Hence there is no requirement of creating "Impairment Reserve" as per the above guidelines.

Our Company has made ECL provision of Rs. 21,560.52 million and Rs. 9,280.84 million outstanding Stage 1 Assets and Stage 2 Assets respectively as of March 31, 2020.

The following table sets forth, data regarding our Stage 3 Assets and capital adequacy ratios as per our Standalone Financial Statements:

(Rs. in Millions)

	As on March 31, 2020	**As on March 31, 2019**
Stage 3 Assets	91,770.80	86,162.70
Stage 3 Asset net of Stage 3 Provision	59,911.30	56,465.30
Total Loan Assets as per Ind AS (gross of Provisions) (1)	1,085,017.10	1,023,074.90
Net Loan Assets as per Ind AS (Net of Provisions) (2)	1,022,316.30	967,514.90
Stage 3 Assets as a percentage of Total Loan Asset As per Ind AS (per cent.) (3)	8.46%	8.42%
Stage 3 Asset net of Stage 3 Provision as a percentage of Net Loan Assets as per Ind AS (per cent.) (4)	5.86%	5.84%
Tier I Capital Adequacy Ratio (per cent.)	18.13%	15.62%
Tier II Capital Adequacy Ratio (per cent.)	3.86%	4.65%

(1) Total Loan Assets as per Ind AS (gross of Provisions): Secured hypothecation loans, other secured loans, retained interest on securitisation, unsecured loans and unsecured advance for hypothecation loans and includes accrued interest on loans given, unamortised loan origination cost and net of unamortised processing fee as determined under Ind AS excluding provisions.

(2) Net Loan Assets as per Ind AS (Net of Provisions): Secured hypothecation loans, other secured loans, retained interest on securitisation, unsecured loans and unsecured advance for hypothecation loans and includes accrued interest on loans given, unamortised loan origination cost and net of unamortised processing fee as determined under Ind AS as adjusted for ECL provisions.

(3) Stage 3 Assets as a percentage of Loan Book As per Ind AS: Stage 3 Assets includes financial assets that have objective evidence of impairment at the reporting date as defined under Ind AS

(4) Stage 3 Assets net of Stage 3 Provision

As per our Standalone Financial Statements, our Stage 3 Assets as a percentage of Total Loan Assets was 8.46% and our Stage 3 Assets net of Stage 3 Provision as a percentage of Net Loan Assets was 5.86% as of March 31, 2020, compared to 8.42% and 5.84% as of March 31, 2019, respectively. We believe that our eventual write offs are relatively low because of our relationship-based customer origination and customer support, prudent loan approval processes (including adequate collateral being obtained), and our ability to repossess and dispose of such collateral in a timely manner.

Asset Classification per Master Directions on Non-Banking Financial Company Systemically Important Non-Deposit Taking Company and Deposit Taking Company (Reserve Bank) Directions, 2016

Standard assets. An asset in respect of which no default in repayment of principal or payment of interest is perceived and which does not disclose any problem nor carry more than normal risk attached to the business.

Non-performing assets — A Non-Performing Asset will be classified as under:

Sub-standard assets — An asset which has been classified as an NPA for a period not exceeding 18 months, provided that the period 'not exceeding 18 months' shall be 'not exceeding 16 months for the financial year ending 31 March 2016 (14 months for the financial year ending 31 March 2017 and 12 months for financial year ending 31 March 2018 and thereafter) or where the terms of the agreement regarding interest and/or principal have been renegotiated or rescheduled or restructured after commencement of operations, until the expiry of one year of satisfactory performance under the renegotiated or rescheduled or restructured terms;

Doubtful assets — An asset which remains a sub-standard asset for a period exceeding 18 months for the financial year ended 31 March 2015, exceeding 16 months for the financial year ending 31 March 2016, 14 months for the financial year ending 31 March 2017 and 12 months for the financial year ending 31 March 2018 and thereafter; and

Loss assets — (a) An asset which has been identified as a loss asset by the NBFC or its internal or external auditor or by the RBI during the inspection of the NBFC, to the extent that it is not written off by the NBFC; and (b) an asset which is adversely affected by a potential threat of non-recoverability due to either erosion in the value of security or non-availability of security or due to any fraudulent act or omission on the part of the borrower.

Other Business Initiatives

Our Company has entered into agreements with three petroleum retailers, wherein our Company has agreed to provide credit facilities to customers to enable them to purchase automotive fuels and lubricants from the retail outlets of these companies. In terms of these agreements, our Company conducts an assessment of the credibility of an applicant and sanctions credit limits, pursuant to which such members are eligible to purchase fuel and lubricants at retail outlets basis the credit limits sanctioned by our Company.

Funding Sources

We have expanded our sources of funds in order to reduce our funding costs, protect interest margins and maintain a diverse funding portfolio that will enable us to achieve funding stability and liquidity. Our sources of funding comprise term loans (including term loans from banks and financial institutions), cash credit from banks, redeemable non-convertible debentures, subordinated bonds, short-term commercial paper and inter-corporate deposits. Our Company also mobilises fixed deposits.

As per our Consolidated Financial Statements, as of March 31, 2020, we had an outstanding secured debt of Rs. 762,874.43 million and unsecured debt of Rs. 180,842.92 million, which were Rs. 674,224.26 million and Rs. 204,919.75 million as of March 31, 2019, respectively.

Borrowings

The following table sets forth the principal components of our secured borrowings, as per our Consolidated Financial Statements:

(Rs. in million except percentage)

Particulars	As on March 31, 2020		As on March 31, 2019	
	Amount	Percentage	Amount	Percentage
Senior secured notes	12,049.22	1.58	25,649.90	3.80
External commercial bond – Secured	1,26,070.12	16.53	27,699.57	4.11
Redeemable non-convertible debentures – Secured				
- Privately placed	1,42,041.42	18.62	1,91,273.30	28.37
- Public issue	57,967.79	7.60	57,708.47	8.56
Term loans Secured		-		
Term loan from banks – INR	1,32,592.66	17.38	1,18,313.80	17.55
Term loan from banks – FCNR	0	-	4,115.25	0.61
Term loan from financial institutions/corporates - INR	14,462.88	1.90	34,130.41	5.06
External commercial borrowing – FCNR	43,006.07	5.64	23,765.32	3.52
Term loan from banks - INR – Securitisation	2,14,520.36	28.12	1,77,385.25	26.31
Loans repayable on demand from Banks (Cash Credit from banks)	20,163.91	2.64	14,182.95	2.10

Particulars	As on March 31, 2020		As on March 31, 2019	
	Amount	Percentage	Amount	Percentage
Total secured borrowings	**7,62,874.43**	**100**	**6,74,224.26**	**100**

Increasingly, we depend on term loans from banks and the issue of redeemable non-convertible debentures as the primary sources of our funding. We believe that we have developed stable long term relationships with our lenders, have established a track record of timely servicing of our debts, and have been able to secure fixed rate long term loans of three to five years tenure to stabilise our cost of borrowings.

As per our Consolidated Financial Statements, as of March 31, 2020, loans from banks, including cash credit, aggregated Rs. 410,283.00 million, as compared to Rs. 337,762.58 million as of March 31, 2019.

As per our Consolidated Financial Statements, as of March 31, 2020, the aggregate outstanding amount of secured redeemable non-convertible debentures was Rs. 200,009.21 million, as compared to Rs. 248,981.76 million as of March 31, 2019.

Our short-term fund requirements are primarily funded by cash credit from banks, including working capital loans. Cash credit from banks outstanding, as of March 31, 2020 was Rs. 20,163.91 million, while as of March 31, 2019, it was Rs. 14,182.95 million.

The following table sets forth the principal components of our unsecured borrowings as per our Consolidated Financial Statements:

(Rs. in million except percentage)

Particulars	As of March 31, 2020		As of March 31, 2019	
	Amount	Percentage	Amount	Percentage
Redeemable non-convertible debentures – Unsecured				
- Privately placed	4,541.14	2.51	4,448.26	2.17
Deposits				
i. Public deposits	117,684.73	65.08	101,697.67	49.63
ii. From corporate	1,522.23	0.84	1,453.18	0.71
iii. From others (Inter-corporate deposits from associate)	394.19	0.22	263.82	0.13
Subordinated debt				
Subordinated debts (unsecured) - Debentures	51,379.97	28.41	52,430.94	25.58
Subordinated debts (unsecured) - Bonds	5,320.66	2.94	9,587.87	4.68
Commercial papers – Unsecured	-	-	35,038.01	17.10
Total unsecured borrowings	**180,842.92**	**100.00**	**204,919.75**	**100.00**

As per our Consolidated Financial Statements, as of March 31, 2020, our outstanding subordinated debt amounted to Rs. 56,700.63 million, which stood at Rs. 62,018.81 million as of March 31, 2019. The debt is subordinated to our present and future senior indebtedness. Based on the balance term to maturity, as of March 31, 2020 and March 31, 2019, Rs. 40,464.60 million and Rs. 46,881.67 million, respectively of the discounted book value of subordinated debt is considered as Tier II under the guidelines issued by the RBI for the purpose of capital adequacy computation.

Securitisation and Assignment of Portfolio against Financing Activities

We also undertake securitisation and assignment transactions to increase our capital adequacy ratio, increase the efficiency of our loan portfolio and as a cost-effective source of funds. We sell part of our assets under financing activities from time to time through securitisation and assignment transactions as well as direct assignment. Our securitisation and assignment transactions involve provision of additional collateral and deposits or bank/corporate guarantee. In Fiscal 2020, total book value of loan assets securitised and assigned was Rs. 165,811.25 million.

We continue to provide administration services for the securitised and assigned portfolio, the expenses for which are provided for at the outset of each transaction. The gains arising out of securitisation and assignment, which vary according to a number of factors such as the tenor of the securitised and assigned portfolio, the yield on the portfolio securitised and assigned and the discounting rate applied, are treated as income over the tenure of agreements as per RBI guidelines on securitisation of standard assets. Loss, if any, is recognised upfront.

The following tables set forth certain information with respect to our securitisation and assignment transactions as per our Consolidated Financial Statements,:

(Rs. in million)

Particulars	As of March 31, 2020	As of March 31, 2019
Total number of loan assets securitised and assigned	5,190,87.00	5,117,87.00
Total book value of loan assets securitised and assigned	165,811.25	151,230.58
Sale consideration received for securitised and assigned Assets	164,702.45	148,505.12
Gain on account of securitisation and assignment	21,245.12	16,937.22

We are required to provide credit enhancement for the securitisation and assignment transactions by way of either fixed deposits or corporate guarantees and the aggregate credit enhancement amount outstanding as of March 31, 2020 was Rs. 42,994.06 million. In the event a relevant bank or institution does not realise the receivables due under such loan assets, such bank or institution would have recourse to such credit enhancement.

Treasury Operations

Our treasury operations are mainly focused on meeting our funding requirements and managing short-term surpluses. Our fund requirements are currently predominantly met through loans and by issue of debentures to banks, financial institutions and mutual funds. We also place commercial paper and mobilise retail fixed deposits (including secured non-convertible debentures) and inter-corporate deposits. We have also raised subordinated loans eligible for Tier II capital. We believe that through our treasury operations, we are able to maintain our ability to repay borrowings as they mature and obtain new loans at competitive rates.

Our treasury department undertakes liquidity management by seeking to maintain an optimum level of liquidity and complying with the RBI requirement of asset liability management. The objective is to ensure the smooth functioning of all our branches and at the same time avoid the holding of excessive cash. Our treasury maintains a balance between interest-earning liquid assets and cash to optimise earnings.

Our treasury department also manages the collection and disbursement activities from our corporate office in Mumbai. We actively manage our cash and funds flow using various cash management services provided by banks. As part of our treasury activities, we also invest our surplus funds in fixed deposits with banks, liquid debt-based mutual funds and government securities. Our investments are made in accordance with the investment policy approved by the Board.

Our investments are predominantly in government securities, mutual funds, bank fixed deposits and certificates of deposit with banks.

Capital Adequacy

We are subject to the capital adequacy ratio ("**CAR**") requirements prescribed by the RBI. We are currently required to maintain a minimum CAR of 15.00%, as prescribed under the Master Directions on Non-Banking Financial Company-Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended from time to time, based on our total capital to risk-weighted assets. All deposit taking NBFCs have to maintain a minimum capital ratio, consisting of Tier I and Tier II capital, which shall not be less than 15.00% of its aggregate risk-weighted assets on balance sheet and risk adjusted value of off-balance sheet items. We ordinarily maintain capital adequacy higher than the statutorily prescribed CAR. As of March 31, 2020, our CAR computed on the basis of applicable RBI requirements was 21.99% compared to the minimum capital adequacy requirement of 15.00% stipulated by the RBI.

The following table sets out our capital adequacy ratios derived from Ind AS on a standalone basis as on March 31, 2020 and March 31, 2019:

	As of March 31, 2020	As of March 31, 2019
Capital adequacy ratio (per cent.)	21.99	20.27
Tier I capital (per cent.)	18.13	15.62
Tier II capital (per cent.)	3.86	4.65

Given the relatively minimal scale of our present operations in our other business lines such as corporate agency for insurance, we do not directly compete with others in these segments. However, as our operations in our other business lines expand, we may face significant competition in these segments in future.

Competition

In our principal business line, the pre-owned commercial vehicle financing sector, we experience competition from private unorganised financiers that principally operate in the local market. These private operators have significant local market expertise, but lack brand image and organizational structure. For new commercial vehicle financing, we compete with more conventional lenders, such as banks and other NBFCs. Given the relatively minimal scale of our present operations in our other business lines, we do not directly compete with others in these segments. However, as our operations in our other business lines expand, we may face significant competition in these segments in future.

Credit Rating

The following table sets forth certain information with respect to our credit ratings:

Credit Rating Agency	Instruments	Ratings
CRISIL	Bank Loan Long Term	CRISIL AA+/Negative
CRISIL	Bank Loan Short Term	CRISIL A1+
CRISIL	Non-Convertible Debentures	CRISIL AA+/Negative
CRISIL	Subordinate Debt	CRISIL AA+/Negative
CRISIL	Long-Term Principal Protected Market Linked Debentures	CRISIL PP-MLD AA+r/Negative
CRISIL	Fixed Deposit Programme	FAAA/Negative
CRISIL	Commercial Paper	CRISIL A1+
India Ratings	Non-Convertible Debentures	IND AA+/RWN
India Ratings	Bank Loans	IND AA+/RWN/IND A1+
India Ratings	Subordinated Debt	IND AA+/RWN
India Ratings	Short-term debt/ commercial paper (CP) programme	IND A1+
India Ratings	Term deposit	IND tAA+/RWN
CARE	Non-Convertible Debentures	CARE AA+/Negative
CARE	Subordinated Debt	CARE AA+/Negative
CARE	Commercial Paper	CARE A1+
ICRA	Fixed Deposit	MAA+ with Stable
S&P Global Ratings	Issuer Credit Rating	BB-/Watch Negative/B
S&P Global Ratings	Senior Secured Notes	BB-/Watch Negative
Fitch Ratings	Long-Term Issuer Default Rating	BB /Negative Outlook
Fitch Ratings	Short-Term Issuer Default Rating	B
Fitch Ratings	Local Currency Long Term Issuer Default Rating	BB /Negative outlook
Fitch Ratings	Senior unsecured Long Term Rating	BB /Negative Outlook
Fitch Ratings	Senior secured Long Term Rating	BB /Negative Outlook

The rating of the long term and short term instruments by Rating Agency and/or Agencies indicates high degree of safety regarding timely servicing of financial obligations and carrying very low credit risk.

RISK MANAGEMENT

We have developed a strong risk-assessment model in order to maintain healthy asset quality. The key risks and risk-mitigation principles we apply to address these risks are summarized below:

Interest Rate Risk

Our results of operations are dependent upon the level of our net interest margins. Net interest income is the difference between our interest income and interest expense. Since our balance sheet consists of rupee assets and predominantly Rupee liabilities, movements in domestic interest rates constitute the primary source of interest rate risk. We assess and manage the interest rate risk on our balance sheet through the process of asset liability management. We borrow funds at fixed and floating rates of interest, while we extend credit at fixed rates. In the absence of proper planning and in a market where liquidity is limited, our net interest margin may decline, which may impact our revenues and ability to exploit business opportunities.

We have developed stable long-term relationships with our lenders, and have established a track record of timely servicing our debts. This has enabled us to become a preferred customer with most of the major banks and financial institutions with whom we do business. Moreover, our valuation capabilities enable us to invest in good quality assets with stable, attractive yields. Significantly, our loans are classified as priority sector assets by the RBI, such that these loans, when securitised, find a ready market with various financial institutions, including our lenders.

Liquidity Risk

Liquidity risk arises due to non-availability of adequate funds or non-availability of adequate funds at an appropriate cost, or of appropriate tenure, to meet our business requirements. This risk is minimised through a mix of strategies, including asset securitisation and assignment and temporary asset liability gap.

We monitor liquidity risk through our asset liability management (ALM) function with the help of liquidity gap reports. This involves the categorisation of all assets and liabilities into different maturity profiles, and evaluating these items for any mismatches in any particular maturities, especially in the short-term. The ALM policy has capped the maximum mismatches in the various maturities in line with RBI guidelines and ALCO guidelines.

To address liquidity risk, we have developed expertise in mobilising long-term and short-term funds at competitive interest rates, according to the requirements of the situation. For instance, we structure our indebtedness to adequately cover the average three-year tenure of loans we extend. As a matter of practice, we generally do not deploy funds raised from short-term borrowing for long-term lending.

Credit risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical concentrations, and by monitoring exposures in relation to such limits.

Credit risk is monitored by the credit department of the Company. It is their responsibility to review and manage credit risk, including environmental and social risk for all types of counterparties. Credit risk consists of line credit managers who are responsible for their business lines and manage specific portfolios and experts who support both the line credit manager, as well as the business with tools like credit risk systems, policies, models and reporting.

We minimise credit risk by requiring that each loan must be guaranteed by another commercial vehicle operator in the same locality as the borrower, preferably by an existing or former borrower. Our loan to value (LTV) is always kept under reasonable limits. Furthermore, we lend on a relationship-based model, and we believe our high loan recovery ratios indicate the effectiveness of this approach for our target customer base. We also employ advanced credit assessment procedures, which include verifying the identity and checking references of the proposed customer thoroughly at the lead generation stage. Our extensive local presence also enables us to maintain regular direct contact with our customers. In this regard, we assign personal responsibility to each member of the lead generation team for the timely recovery of the loans they originate, closely monitoring their performance against our Company's standards, and maintain client and truck-wise exposure limits.

The Company has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties, and allows the Company to assess the potential loss as a result of the risks to which it is exposed, and take corrective actions.

Cash management risk

Our branches collect a substantial amount of our customers' payments in cash. Lack of proper cash management practices could lead to losses. To address cash management risks, we have developed advanced cash management checks that we employ at every level to track and tally accounts. Moreover, we conduct regular audits to ensure the highest levels of compliance with our cash management systems. Customers are gradually migrating towards non- cash payment modes such as NACH and Digital. Customers can use "MyShriram" app on their smartphones or create a login under "Customer online" option on the Company website http://www.stfc.in and make loan repayments. We are educating our customers for EMI payment through payment gateways and payments through debit cards by swiping them in our POS machines at the branches.

Employees

As of 31 March 2020, the total number of our employees was 28,045.

We have built a highly capable workforce primarily by recruiting fresh graduates. As our business model requires an entrepreneurial approach in dealing with truck operators, we prefer to recruit and train fresh graduates in achieving our objectives. Moreover, we prefer to recruit our workforce from the area in which they will be serving our customers, in order to benefit from the workforce's knowledge of the local culture, language, preferences and territory. We emphasise both classroom training and on-the-job skills acquisition. Post recruitment, an employee undergoes induction training to gain an understanding of our Company and our operations. Our relationship executives are responsible for customer origination, loan administration and monitoring as well as loan recovery, which enables them to develop strong relationships with our customers. We believe our transparent organisational structure ensures efficient communication and feedback and drives our performance-driven work culture.

In a business where personal relationships are an important driver of growth, relationship executive attrition may lead to loss of business. We therefore endeavour to build common values and goals throughout our organisation, and strive to ensure a progressive career path for promising employees and retention of quality intellectual capital in our Company. We provide a performance-based progressive career path for our employees. For instance, we introduced an employee stock option plan in 2005 for eligible employees. We believe our attrition rates are among the lowest in the industry at managerial levels.

Intellectual Property

Pursuant to a license agreement dated November 21, 2014 between our Company and Shriram Ownership Trust ("SOT"), as amended in terms of agreement dated March 18, 2016 and novated in terms of the deed of novation cum amendment dated May 17, 2019 entered into between our Company, SOT and Shriram Value Services Limited ("SVS"), we are entitled to use the brand name "Shriram" and the associated mark. In this regard, our Company had to pay royalty to SOT until September 30, 2019 and currently to SVS (since SOT had gifted all its intellectual property in the brand name "Shriram" and its associated marks to SVS, the royalty for the same commencing from September 30, 2019 is payable to SVS) on the gross turnover of our Company. Along with the royalty, our Company also was required to pay to SOT (until September 30, 2019) and now SVS (commencing from September 30, 2019) amounts by way of reimbursement of actual expenses incurred by SOT / SVS in respect of protection and defence of the copyright. The license agreement is valid until September 30, 2024, after which the agreement will be automatically renewed for a further period of five years on the same terms, unless otherwise decided by both parties or upon occurrence of a breach by either party of the material terms of the license arrangement. The agreement is not terminable unless mutually agreed by both parties.

Technology

We use information technology as a strategic tool in our business operations to improve our overall productivity. We believe that our information systems enable us to manage our nationwide operations network well, as well as to effectively monitor and control risks.

Our Company has various security controls in place to mitigate risks and safeguard the Company agains security breaches and technological lapses, including established disaster recovery centres located in different seismic zones, periodic upgrading of servers and data storage, accreditation from the International Organisation for Standardisation for our Company's information security management system and regular audits.

All our branches are online, connected through a virtual private network with our central server located at our data centre.

Property

Our registered office is at 14A, South Phase, Industrial Estate, Guindy, Chennai – 600 032, Tamil Nadu, India. Our corporate office is at Wockhardt Towers, Level 3, West Wing, C-2, G Block, Bandra – Kurla Complex, Bandra (East) Mumbai 400 051, India. As of 31 March 2020, we had 1,758 branches across India. We typically enter into lease agreements for these strategic business units and branch locations.

Collaborations

Our Company has not entered into any collaboration, any performance guarantee or assistance in marketing by any collaborators.

HISTORY, MAIN OBJECTS AND KEY AGREEMENTS

Brief background of our Company

Our Company was incorporated as a public limited company under the provisions of the Companies Act, 1956, by a certificate of incorporation dated June 30, 1979, issued by the RoC. Our Company commenced its operations, pursuant to a certificate of commencement of business dated October 9, 1979. Subsequently, our Company has obtained a certificate of registration dated September 4, 2000 bearing registration no. A-07-00459 issued by the RBI to carry on the activities of a NBFC under section 45 IA of the RBI Act, 1934, which has been renewed on April 17, 2007 (bearing registration no. 07-00459).

Registered Office and Change of Registered Office

The registered office of our Company is 14A, South Phase, Industrial Estate, Guindy Chennai, Tamil Nadu – 600 032. The Board of Directors of the Company at its meeting held on August 19, 2020, had inter alia approved to shift the registered office of our Company from Mookambika Complex, 3rd Floor, No. 4, Lady Desika Road, Mylapore, Chennai, Tamil Nadu – 600 004, to the present address.

Corporate Structure

Shriram Capital Limited is the Promoter of the Company. Our Company has no subsidiary company.

Amalgamation of Shriram Investments Limited and Shriram Overseas Finance Limited with our Company

The Hon'ble High Court of Madras vide its order dated November 25, 2005, approved the scheme of arrangement and amalgamation of the erstwhile SIL, with our Company, ("SIL Scheme of Merger"). The appointed date for the SIL Scheme of Merger was April 1, 2005 and the record date for the purposes of re-organisation and issue of shares pursuant to the SIL Scheme of Merger was December 21, 2005.

The Hon'ble High Court of Madras vide its order dated December 1, 2006, approved the scheme of arrangement and amalgamation of the erstwhile SOFL with our Company, ("SOFL Scheme of Merger"). The appointed date for the SOFL Scheme of Merger was April 1, 2005 and the record date for the purposes of re-organisation and issue of shares pursuant to the SOFL Scheme of Merger was February 9, 2007.

Amalgamation of Shriram Holdings (Madras) Private Limited with our Company

Pursuant to the SHMPL Scheme of Merger sanctioned under Section 391 to 394 read with Section 100 to 104 of the

Companies Act, 1956, between our Company and SHMPL, as approved by the Hon'ble High Court of Madras vide the Merger Order, the business and undertaking of SHMPL, our erstwhile promoter, was merged into our Company with a view of, inter alia, reducing shareholding tiers, optimizing administrative costs and enabling the shareholders of SHMPL to hold equity shares directly in our Company. The appointed date under the SHMPL Scheme of Merger was April 1, 2012, and the SHMPL Scheme of Merger became effective from November 5, 2012 when a certified true copy of the order of the Hon'ble High Court of Madras approving the SHMPL Scheme of Merger was filed with the ROC by SHMPL and our Company, ("SHMPL Effective Date"). On the SHMPL Effective Date, SHMPL was merged into our Company without winding up of SHMPL under Section 394 of the Companies Act, 1956. Pursuant to the SHMPL Scheme of Merger, 9,38,72,380 equity shares of the face value of INR 10 each fully paid up of our Company, were issued and allotted, to the members of SHMPL whose names were recorded in the register of members of SHMPL on November 5, 2012 in connection with the SHMPL Scheme of Merger, in the ratio of 313:124 i.e. 313 equity shares of the face value of INR 10 each fully paid up of our Company issued for every 124 equity shares of the face value of INR 10 each fully paid up of SHMPL, held by the respective members thereof. Accordingly, 9,33,71,512 (Nine crores thirty-three lakhs seventy-one thousand five hundred and twelve only) equity shares of the face value of INR 10 each of our Company, earlier held by SHMPL stood cancelled pursuant to the SHMPL Scheme of Merger coming into effect.

Amalgamation of Shriram Equipment Finance Company Limited with our Company

Pursuant to the SEFCL Scheme of Merger sanctioned under Section 391 to 394 of the Companies Act, 1956, and the other applicable provisions of the Act between our Company and SEFCL, as approved by the Hon'ble High Court of Madras vide the SEFCL Merger Order dated March 31, 2016. Accordingly, the business and undertaking of SEFCL, our erstwhile subsidiary, was merged into our Company to enable greater focus and attain synergy benefits which would inter alia result in simplification of group structures, integration of operations, better administration and cost reduction. The appointed date under the SEFCL Scheme of Merger was April 1, 2015, and the SEFCL Scheme of Merger became effective from April 19, 2016 when a certified true copy of the order of the Hon'ble High Court of Madras approving the SEFCL Scheme of Merger was filed with the ROC by SEFCL and our Company, ("SEFCL Effective Date"). On the SEFCL Effective Date, SEFCL was merged into our Company without winding up of SEFCL under Section 394 of the Companies Act, 1956 and the authorized share capital of our Company was reorganised from INR 5,97,00,00,000 divided into 39,70,00,000 Equity Shares and 2,00,00,000 cumulative redeemable preference shares of INR 100 each to INR 15,97,00,00,000 divided into 64,70,00,000 Equity Shares of INR 10 each and 9,50,00,000 redeemable preference shares of INR 100 each. Pursuant to the SEFCL Effective Date, no equity shares of our Company were allotted in lieu of our Company holding shares in SEFCL and the share capital of SEFCL stood cancelled.

Main objects of our Company

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

- To carry on and undertake business as Financiers and Capitalists, to finance operations of all kinds such as managing, purchasing, selling, hiring, letting on hire and dealing in all kinds of vehicles, motor cars, motor buses, motor lorries, scooters and all other vehicles;

- To undertake and carry on all operations and transactions in regard to business of any kind in the same way as an individual capitalist may lawfully undertake and carry out and in particular the financing Hire Purchase Contracts relating to vehicles of all kinds;

- To carry on and undertake business as Financier and Capitalists to finance operations of all kinds such as managing, purchasing, selling, hiring, letting on hire and dealing in all kinds of property, movable or immovable goods, chattels, lands, bullion;

- To undertake and carry on all operations and transactions in regard to business of any kind in the same manner as an individual capitalist may lawfully undertake and carryout and in particular financing hire purchase contracts relating to property or assets of any description either immovable or movable such as houses, lands, stocks, shares, Government Bonds;

- To carry on and become engaged in financial, monetary and other business transactions that are usually and commonly carried on by Commercial Financing Houses, Shroffs, Credit Corporations, Merchants, Factory, Trade and General Financiers and Capitalists;

- To lend, with or without security, deposit or advance money, securities and property to, or with, such persons and on such terms as may seem expedient;

- To purchase or otherwise acquire all forms of immovable and movable property including Machinery, Equipment, Motor Vehicles, Building, Cinema Houses, Animals and all consumer and Industrial items and to lease or otherwise deal with them in any manner whatsoever including resale thereof, regardless of whether the property purchased, and leased be new and/or used;

- To provide a leasing advisory counselling service to other entities and/or form the leasing arm for other entities;

- The Company shall either singly or in association with other Bodies Corporate act as Asset Management Company/Manager/Fund Manager in respect of any Scheme of Mutual Fund whether Open-End Scheme or Closed-end Scheme, floated/ to be floated by any Trust/Mutual Fund (whether offshore or on shore)/ Company by providing management of Mutual Fund for both offshore and onshore Mutual Funds, Financial Services Consultancy, exchange of research and analysis on commercial basis;

- Constitute any trust and to subscribe and act as, and to undertake and carry on the office or offices and duties of trustees, custodian trustees, executors, administrators, liquidators, receivers, treasurers, attorneys, nominees and agents; and to manage the funds of all kinds of trusts and to render periodic advice on investments, finance, taxation and to invest these funds from time to time in various forms of investments including shares, term loans and debentures etc.;

- Carry on and undertake the business of portfolio investment and Management, for both individuals as well as large Corporate Bodies and/or such other bodies as approved by the Government, in Equity Shares, Preference Shares, Stock, Debentures (both convertible and non-convertible), Company deposits, bonds, units, loans obligations and securities issued or guaranteed by Indian or Foreign Governments, States, Dominions, Sovereigns, Municipalities or Public Authorities and/or any other Financial Instruments, and to provide a package of Investment/Merchant Banking Services by acting as Managers to Public Issue of securities, to act as underwriters, issue house and to carry on the business of Registrar to Public issue/various investment schemes and to act as Brokers to Public Issue;

- Without prejudice to the generality of the foregoing to acquire any share, stocks, debentures, debenture-stock, bonds, units of any Mutual Fund Scheme or any other statutory body including Unit Trust of India, obligations or securities by original subscription, and/or through markets both primary, secondary or otherwise participating in syndicates, tender, purchase, (through any stock exchange, OTC exchange or privately), exchange or otherwise and to subscribe for the same whether or not fully paid up, either conditionally or otherwise, to guarantee the subscription thereof and to exercise and to enforce all rights and powers conferred by or incidental to the ownership thereof and to advance deposit or lend money against securities and properties to or with any company, body corporate, firms, person or association or without security and on such terms as may be determined from time to time;

- To engage in Merchant Banking activities, Venture Capital, acquisitions, amalgamations and all related merchant banking activities including loan syndication;

- To carry on the business as manufacturers, Exporters, Importers, Contractors, Sub-contractors, Sellers, Buyers, Lessors or Lessees and Agents for Wind Electric Generators and turbines, Hydro turbines, Thermal Turbines, Solar modules and components and parts including Rotor blades, Braking systems, Tower, Nacelle, Control unit, Generators, etc. and to set up Wind Farms for the company and/or for others either singly or jointly and also to generate, acquire by purchase in bulk, accumulate, sell, distribute and supply electricity and other power (subject to and in accordance with the laws in force from time to time);

- To carry on business of an investment company or an Investment Trust Company, to undertake and transact trust and agency investment, financial business, financiers and for that purpose to lend or invest money and negotiate loans in any form or manner, to draw, accept, endorse, discount, buy, sell and deal in bills of exchange, hundies, promissory notes and other negotiable instruments and securities and also to issue on commission, to subscribe for, underwrite, take, acquire and hold, sell and exchange and deal in shares, stocks, bonds or debentures or securities of any Government or Public Authority or Company, gold and silver and bullion and to form, promote and subsidise and assist companies, syndicates and partnership to promote and finance industrial enterprises and also to give any guarantees for payment of money or performance of any obligation or undertaking, to give advances, loans and subscribe to the capital of industrial undertakings and to undertake any business transaction or operation commonly carried on or undertaken by capitalists, promoters, financiers and underwriters;

- To act as investors, guarantors, underwriters and financiers with the object of financing Industrial Enterprises, to lend or deal with the money either with or without interest or security including in current or deposit account with any bank or banks, other person or persons upon such terms, conditions and manner as may from time to time be determined and to receive money on deposit or loan upon such terms and conditions as our Company may approve provided that our Company shall not do any banking business as defined under the Banking Regulations Act, 1949;

- To carry on in India or elsewhere the business of consultancy services in various fields, such as, general, administrative, commercial, financial, legal, economic, labour and industrial relations, public relations, statistical, accountancy, taxation and other allied services, promoting, enhancing propagating the activity of investment in securities, tendering necessary services related thereto, advising the potential investors on investment activities, acting as brokers, sub-brokers, Investment Consultant and to act as marketing agents, general agents, sub agents for individuals/ bodies corporate/Institutions for marketing of shares, securities, stocks, bonds, fully convertible debentures, partly convertible debentures, Non-convertible debentures, debenture stocks, warrants, certificates, premium notes, mortgages, obligations, inter corporate deposits, call money deposits, public deposits, commercial papers, general insurance products, life insurance products and other similar instruments whether issued by government, semi government, local authorities, public sector undertakings, companies corporations, co-operative societies, and other similar organizations at national and international levels;

- To carry on the business of buying, selling of trucks and other CVs and reconditioning, repairing, remodelling, redesigning of the vehicles and also acting as dealer for the said vehicles, for all the second hand commercial and other vehicles and to carry on the business of buying, selling, importing, exporting, distributing, assembling, repairing and dealing in all types of vehicles including re-conditioned and re-manufactured automobiles, two and three wheelers, tractors, trucks and other vehicles and automobile spares, replacement parts, accessories, tools, implements, tyres and tubes, auto lamps, bulbs, tail light and head light bulbs, assemblies and all other spare parts and accessories as may be required in the automobile industry.

Subsidiaries and Associate Companies

As on the date of this Disclosure Document, our Company holds 44.56% of the ownership interest in Shriram Automall India Limited, which is the only associate company of our Company.

Key terms of our Material Agreements

License Agreement dated November 21, 2014 between Shriram Ownership Trust, ("SOT") and our Company, ("License Agreement") read together with the Addendum No. 1 to the License Agreement dated March 18, 2016 ("Addendum"):

License agreement dated November 21, 2014 between Shriram Ownership Trust ("SOT") and our Company read with the Addendum no. 1 to the license agreement dated March 18, 2016 between the same parties read with deed of novation cum amendment dated May 17, 2019 between the same parties and Shriram Value Services Limited ("SVS") (the "License Agreement"):

Pursuant to the License Agreement, SOT granted a non-exclusive license on a non-transferable and non-assignable basis to use the brand name "SHRIRAM" and the associated mark (the "Brand Name") to our Company in connection with the business activities of our Company in the territory of India during the term of the Brand Name. Pursuant to SOT gifting its intellectual property in "SHRIRAM" and associated marks to SVS, the Company, SOT and SVS have entered into a deed of novation cum amendment dated May 17, 2019 to record the same.

The main terms of the License Agreement include:

Consideration: A license fee of 1.00 per cent. on the total income of our Company every financial year. The total amount of license fee the Company pays to SOT (upto September 30, 2019) and to SVS (after September 30, 2019) in a Fiscal shall be subject to a ceiling of 5.00 127 per cent. of the profit of the Company before tax and license fee with effect from April 1, 2015. Duration: The License Agreement will remain in force for a period of five years commencing from until September 30, 2024, after which the agreement will be automatically renewed for a further period of five years on the same terms, unless otherwise decided by both parties or upon occurrence of a breach by either party of the material terms of the license arrangement. The agreement is not terminable unless mutually agreed by both parties. Each party is entitled to terminate this Agreement upon a material breach of the terms and conditions of the license set forth in the agreement by the other party, which has not been cured within a period of 90 days following receipt of written notice of such breach.

Arbitration: Any dispute or difference arising between SOT / SVS and our Company shall be referred to an arbitrator decided on a mutual consent and the decision of the arbitrator is final and binding on both the parties. The place of arbitration shall be in Chennai.

Agreement dated August 21, 2010 between SCL and our Company (the "Loan Agreement")

Our Company has executed the Loan Agreement with SCL in connection with the grant of intercorporate loans to SCL or to any of its associates/affiliates and the disbursements of loans thereof. The main terms of the Loan Agreement include:

Limit: The grant of the loans by our Company to SCL or to any of its associates/affiliates can be utilised in one or more tranches, subject to the total amount of net loans outstanding from SCL and/or its associates/affiliates to our Company in aggregate not exceeding Rs. 30,000.00 lacs at any point of time. The aggregate loans utilised by SCL and/or its associates/affiliates shall not exceed the aggregate of the net worth of SCL predetermined by the latest available audited balance sheet.

Rate of interest: Subject to the rate of interest payable on the loans not being lower than the prevailing bank rate, being the standard rate made public under section 49 of the RBI Act, the rate of interest shall be 11.00 per cent. per annum.

Disbursement: The disbursement of loans shall be subject to availability of liquid funds with our Company at the relevant point of time, payable quarterly for the period up to March 2011. The interest rate shall be fixed on a half yearly basis on every April 1 and October 1 for the succeeding six month period, based on average cost of funds to the lender.

The same terms and conditions apply mutatis mutandis to the loan given by SCL to our Company.

Service Agreement dated May 3, 2017 between SCL and our Company, ("Service Agreement")

Our Company has executed Service Agreement with SCL for formalising their arrangement with regard to the role and services to be provided by SCL to our Company. The salient terms of Service Agreement 2 are:

Role of SCL: SCL shall provide specialised advisory and support services to our Company, in connection with group strategy, new ventures, management information systems, synergy, group human resource, brand building, risk management, taxation, regulatory, secretarial, group information technology, external relations, corporate communications, investor relations, policy advocacy and that the Company shall avail of such aforementioned services, in accordance with terms of Service Agreement.

Consideration: Our Company paid Rs. 3,990.00 lacs plus taxes as consideration for the services rendered under this agreement for the year ended March 31, 2019, in quarterly instalments. Subject to annual review by the Board of Directors and/ or the Audit Committee of our Company, the fee may be increased by up to 5.00 per cent. per annum over the fee paid in the previous financial year and shall be payable in quarterly instalments.

Term: The Service Agreement came into force with effect from April 1, 2017 and is valid for a period of 5 years from that date. Upon expiry of the initial term, the agreement will stand automatically renewed with the same annual increases as set out herein unless otherwise agreed in writing by the parties.

Arbitration: All disputes under the Service Agreement shall be settled by arbitration by a sole arbitrator to be mutually agreed by the parties in accordance with the provisions of Arbitration and Conciliation Act, 1996. The place of arbitration is in Chennai and the language of arbitration is English.

c. *Legal Proceedings*

We are, from time to time, involved in a number of legal proceedings in the ordinary course of our business, which involve matters pertaining to, amongst others, tax, regulatory, recovery proceedings and other disputes. Except as disclosed below, there is no outstanding litigation involving our Company that would have a material and adverse effect on the operations or the financial position of the Company.

Further, except as stated below, our Company is not aware of any pending litigation involving the Company which involves issues of moral turpitude or criminal liability, material violations of statutory regulations or proceedings relating to economic offences.

1. Our Company filed an appeal before the Supreme Court of India (Special Leave Petition (Civil) 35142 of 2009) against an order dated November 18, 2009 passed by the High Court of Kerala in connection with a writ petition filed challenging the action of Commissioner of Commercial Taxes, Kerala, directing our Company to register under the provisions of the Kerala Money Lenders Act, 1958. The High Court of Kerala, pursuant to the impugned order, had dismissed an appeal in connection with the aforesaid writ petition, thereby *inter alia* confirming the aforesaid direction of the Commissioner of Commercial Taxes, Kerala. The Supreme Court of India admitted the appeal and, pursuant to an order dated December 16, 2009, stayed the operation of the impugned order. The matter is currently pending.

2. Our Company filed a writ petition (Writ Petition No. 47108/2011) on December 15, 2011, against the State of Karnataka and others before the High Court of Karnataka *inter alia* seeking (a) a declaration that the provisions of the Karnataka Money Lenders Act, 1961 and the Karnataka Prohibition of Charging Exorbitant Interest Act, 2004 (collectively, the "**Impugned Statutes**") do not apply to NBFCs and the Company, in particular, (b) to strike down the Impugned Statutes, (c) a writ in the nature of certiorari or other suitable writ, order or direction quashing an order issued by the Karnataka State Money Lending Department dated September 29, 2011 and proceedings initiated against our Company pursuant to the Impugned Statutes, (d) interim relief by staying the proceedings initiated against our Company pursuant to the Impugned Statutes and (e) restraining the Karnataka state money lending authorities from initiating action against our Company under the aforesaid statutes. The High Court of Karnataka by its order dated December 16, 2011 stayed the proceedings initiated against our Company pursuant to the Impugned Statutes. The matter is currently pending.

3. Our Company filed an appeal before the Supreme Court of India, Special Leave Petition (Civil) (9711-9713) of 2014 against the common final judgment and order dated October 8, 2013 passed by the High Court of Judicature at Calcutta in Writ Petition No. 24 of 2010, Writ Petition No. 4 of 2011 and Writ Petition No. 6 of 2011 challenging the decision to uphold the imposition of value added tax on NBFCs disposing off vehicles for recovery of loans taken by borrowers by treating said NBFCs as dealers as defined under Section 2 (11) of the West Bengal Value Added Tax 2003. The matter is currently pending.

4. Our Company, on April 8, 2019, received a showcause notice dated March 30, 2019 (the "**SCN**") from the Directorate of Enforcement which functions under the aegis of Ministry of Finance, Government of India. The SCN relates to the issue of warrants by SHMPL to a non-resident investor pursuant to a share subscription agreement executed in 2006. It is alleged in the SCN that warrants issued by SHMPL were not permitted instruments which could be issued to non-resident investors in 2006 and accordingly there was a contravention of provisions of the FEMA and the relevant rules made thereunder to the extent of Rs. 24,360.12 lacs. The SCN was issued to our Company in its capacity as a successor in interest of SHMPL to show cause as to why adjudication proceedings should not be initiated against it and certain individuals who were the then directors of SHMPL at the relevant time. During 2006 and 2007, SHMPL, which was classified as an investment holding company under the applicable regulatory regime, issued equity shares and warrants to Newbridge India Investments II Limited (the "**Newbridge**"). The approval granted by the Foreign Investment Promotion Board, also functioning under the aegis

of Ministry of Finance, Government of India ("**FIPB**") (the "**FIPB Approval**"), permitted SHMPL to issue equity shares to the Newbridge and investment by SHMPL in equity shares and warrants to be issued by three non-banking financial companies in which 100% foreign direct investment was permitted under the extant direct foreign investment policy of the government of India, utilising the monies received from the Newbridge. All warrants issued by SHMPL to the Newbridge were converted into equity shares of SHMPL in 2006 and 2007. There was a delay on the part of SHMPL in filing the relevant forms indicating the receipt of monies from the Newbridge and issue of equity shares and warrants against such receipt, and the relevant forms were filed in 2013 (after amalgamation of SHMPL with our Company). Our Company, in the capacity of successor of interest of erstwhile SHMPL had filed a compounding application for the delay and had paid the penalty imposed on us by the RBI. At this time, the RBI had referred to the FIPB Approval (as amended by a subsequent letter from the FIPB dated January 31, 2006) and indicated that since the FIPB Approval only mentioned the issue of equity shares to the Newbridge, a post-facto approval/ clarification be obtained from the FIPB regarding issue of warrants to the Newbridge. Accordingly, our Company had, in a letter dated March 14, 2013 written to the FIPB, in response to which a letter dated March 20, 2013 was received by our Company from the FIPB stating that the policy regarding issue of warrants was not explicit in the year 2006 when the warrants in question were issued by then SHMPL and that since the warrants in question have already been converted into equity shares, there was no requirement of their approval. In the years 2016 and 2017, the Enforcement Directorate raised queries in relation to the aforementioned issue of warrants in the year 2006 by SHMPL, to which our Company has responded and provided all documents requested, including by way of personal appearances and submissions made by our executive director and senior management personnel. Pursuant thereto, the Company received the SCN on April 8, 2019. Our Company has filed its reply to the SCN on June 6, 2019 setting out why the Company believes that the issuance of the SCN was not warranted. The Company received an order dated March 4, 2020 from the Directorate of Enforcement ("**ED**") which imposed a penalty of Rs. 50,000,000 on the Company in connection with the matter citing contravention of provisions of Section 6(3)(b) of FEMA, 1999 read with Regulation 4 of Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000. In this regard, the ED has also levied a penalty of Rs. 5,000,000, each, on three persons, the then directors of the erstwhile SHMPL. Our Company has further filed a writ petition dated June 4, 2020 before the High Court of Madras, requesting, interalia, for a stay of the order dated March 4, 2020. On July 1, 2020, the High Court of Madras has admitted the Company's writ petition challenging the order dated March 04, 2020 of the Directorate of Enforcement (ED) levying penalty of Rs. 50,000,000 on the Company and granted conditional stay order with the direction to the Company to deposit 25% of the penalty amount in the Court and the three persons to deposit 10% of their respective penalty amounts with the court within four weeks. The Company has deposited the amount with the Hon'ble Madras High Court. The matter is sub judice. The Deputy Legal Adviser, Directorate of Enforcement has filed an appeal before the Hon'ble Appellate Tribunal for Foreign Exchange, New Delhi (Appellate Tribunal) against the said order dated March 04, 2020 of the Special Director of Enforcement. The Company will contest the appeal filed in the Hon'ble Appellate Tribunal in the competent forum to seek appropriate legal remedy.

5. Transgulf Frozen Food Containers Private Limited had filed, a first information report against, *interalia*, our Company, our former director Mr. Arun Duggal and our Director Mr. Umesh Govind Revankar, on December 26, 2014 at the Kavi Nagar Police Station, District Ghaziabad under Sections 420, 467, 468, 471 and 120-B of the Indian Penal Code, 1860. Subsequently, a charge sheet was filed and a criminal case no. 10030 of 2016 read with case no. 2784/2017 was initiated against our Company, our former director Mr. Arun Duggal and our Director, Mr. Umesh Govind Revankar before the court of ACJM VI, Ghaziabad. Thereafter, the accused had filed certain applications before the High Court for quashing of chargesheet which was dismissed by the High Court. In the interim the Magistrate, Ghaziabad had issued directions to the accused to appear and subsequently issued bailable and thereafter non-bailable warrants against the accused. The accused have currently received bail and the matter is currently pending before the Magistrate, Ghaziabad for framing of charges.

6. A criminal application (Cri.M.A.No.604/2018) was filed by Mr. Sudhir Satyawan Kamble (the "**Complainant**"), before the court of Judicial Magistrate First Class, Islampur ("**JMFC**") against our Company, Shriram General Insurance Corporation Limited and certain present and past Directors of our Company. This application was prompted by the denial of an insurance claim for a sum of Rs. 20 lacs by Shriram General Insurance Corporation Limited ("**SGICL**") in the Motor Accidents Claim Tribunal in relation to a tempo (vehicle no. MH-10-AQ-2171) purchased by one Mr. Samir Sikandar Mulla, pursuant to a loan availed from the Company. The said tempo was involved in an accident with a motorcycle resulting in the death of one person and injury to one of riders of the motorcycle. Mr. Mulla claimed to have insured his tempo with SGICL. However, the claim made by him in the Motor Accident Claim Tribunal against SGICL was denied on the ground that the insurance policy taken by Mr. Mulla was bogus and SGICL had not issued any policy to him. The criminal application was filed alleging that our

Company and SGICL had, inter alia, committed the offences of criminal breach of trust, cheating and forgery, against Mr. Mulla. On October 8, 2018 the JMFC had passed an ex-parte order against our Company directing that the complaint filed by the Complainant be treated as a first information report ("**FIR**") for investigation by the Islampur police. In response to the order of the JMFC above, on November 19, 2018, our Company and certain directors named in the complaint filed a revision application (Cri.Revi. Application no.32/2018) before the Court of Additional District and Session Judge at Islampur, inter alia, for setting aside and/or correcting the order of the JMFC as being grossly erroneous, where the Company contended that the Complainant is neither a borrower of the Company nor had any dealings with our Company / our directors and had no locus standi to file the complaint in respect of which the order dated October 08, 2018 was passed by the JMFC. It was also contended that the said order was passed without giving the Company and certain directors of the Company a proper and legal opportunity of being heard.

The Additional District and Session Judge at Islampur, vide an order dated November 21, 2018, had stayed the order dated October 8, 2018 passed by JMFC. By subsequent order dated February 6, 2019, the Additional District and Session Judge at Islampur has partially allowed the revision application made by our Company and the matter was remanded to the trial court for fresh inquiry at its original stage. On March 27, 2019, the complainant filed an application for impleading the directors of SGICL including Mr. Umesh Revankar, who is also one of our directors, as part of the criminal proceedings. The last hearing in this case was on August 20, 2020 and the next hearing date is scheduled for January 29, 2021.

7. Mr. Praveen Sharma has filed a first information report dated August 3, 2015 under Sections 406, 420, 465 and 506 of the Indian Penal Code, 1860, against, *interalia*, our Director, Mr. Umesh Govind Revankar in relation to non-payment of his fees. The matter is currently pending before the Chief Judicial Magistrate, Lucknow. Thereafter, Mr. Revankar and certain other defendants had filed a petition before the High Court seeking quashing of the FIR. The petition has been disposed off by the High Court by way of an order dated April 25, 2016 on the ground that the cause of action was purely of a civil nature and with a direction to the State of UP to file the final report. The complainant has subsequently filed a protest petition before the Chief Judicial Magistrate, Lucknow, which is currently pending.

8. Mr. Abhishek Shukla has filed a first information report dated October 18, 2015 under Sections 406 and 420 of the Indian Penal Code, 1860, against, *interalia*, our Director, Mr. Umesh Govind Revankar in relation to non-payment of his fees. The matter is currently pending before the Chief Judicial Magistrate, Lucknow. Thereafter, a petition by the defendants was filed before the High Court seeking quashing of the FIR. The petition has been disposed off by the High Court by way of an order dated April 1, 2016 on the ground that the cause of action was purely of a civil nature and with a direction to the State of UP to file the final report. The matter is currently pending. The complainant has subsequently filed a protest petition before the Chief Judicial Magistrate, Lucknow, which is currently pending.

9. Certain criminal cases and recovery suits have been filed by our Company against various parties in relation to alleged violations arising in the ordinary course of our business and operations under, amongst others, the Indian Penal Code. These matters are currently pending at various stages of adjudication.

Show cause notices and proceedings initiated by SEBI against the Company, Promoter or Promoter Group

1. Shriram Insight Share Broker Limited ("**SISBL**"), has received a show cause notice (SEBI/EAD-4/GR/KG/OW/10733/1/2020) dated June 1, 2020 ("**SCN**") from the adjudication officer alleging the violation of various SEBI circulars issued under the Stock Broker Regulations in relation for (i) failure to send pledge statements to clients; (ii) failure to settle or retention of huge amounts of securities in excess of obligations of clients (ranging from Rs. 8.37 lakhs to Rs. 6.78 crore); (iii) failure to report fund balances; and (iv) failure to upload KYC data. SISBL is in the process of responding to the SCN. As on the date SISBL or our Company cannot ascertain the monetary impact of any adverse determination, if made, by the adjudication officer pursuant to the SCN proceedings.

2. Shriram Insight Share Broker Limited ("**SISBL**"), by way of adjudication order no Order/KS/VC/2020-21/7594 dated April 30, 2020 has been penalised an amount of Rs. 200,000 by the adjudicating officer, on account of violation of the minimum maintenance margin as specified under the SEBI Circular no. SEBI/MRD/SE/SU/Cir-15/04 dated March 19, 2004. SISBL has paid the penalty amount. SISBL is currently evaluating further options in relation to preferring an appeal against the order dated April 30, 2020.

3. Shriram Insight Share Broker Limited ("**SISBL**"), by way of adjudication order Order/AA/AR/2020-21/8024 dated June 26, 2020, has been penalised an amount of Rs. 1,000,000, by adjudicating officers, on account of various non-compliances under the SEBI (Stock Broker and Sub-brokers) Regulation, 1992 ("**Stock Broker Regulations**"), the Code of Conduct under the Stock Broker Regulations and the Securities Contracts (Regulation) Rules, 1957. SISBL is currently evaluating further options in relation to preferring an appeal against the order dated June 26, 2020

Tax proceedings involving our Company

Particulars	No. of outstanding cases	Amount involved (*in Rs. Millions*)
Indirect Tax	38	5136.97
Direct Tax	13	1345.47

1. Our Company filed a writ petition (no. 26590/2017 and no. 27066 to 27076/2017) before the High Court of Karnataka challenging the correctness of various orders of re-assessment passed by the Deputy Commissioner of Commercial Taxes, Bengaluru, under sections 39(1), 72(2) and 36(1) of the Karnataka Value Added Tax Act, 2003 (relating to interest amounts and penalty payable) pertaining to the tax period from 2010-2017. The issue under consideration in these petitions is whether a person (like our Company) is a "Dealer" within the Karnataka Value Added Tax Act, 2003 and whether on the sale by way of auction of the vehicles re-possessed from a defaulting borrower, our Company is liable to pay value added tax on such sale. The Honorable High Court of Karnataka, by its order dated 28 June 2017, has granted interim relief stating that no coercive process shall be taken against our Company for recovery of the demand amount by the Commercial Tax Officer, Bengaluru, subject to our Company depositing 30 per cent. of the disputed tax amount within four weeks from the date of aforesaid order, which our Company has deposited with the High Court. The petition is pending hearing and final disposal. Our Company has also prayed to stay all further proceedings pursuant to order of re-assessment and consequential notice of demand dated February 8, 2019 passed by Deputy Commissioner of Commercial Taxes (Audit) under Section 39(1) of the Act, pertaining to assessment periods commencing from April 1, 2016 to March 31, 2017.

2. Our Company is contesting several disputed income tax, service tax and VAT matters before various appellate authorities. The contingent liabilities as per Indian Accounting Standard 37 as of September 30, 2020 included contingent liabilities in respect of income tax demands where the Company has filed an appeal before various authorities of ₹ 7,869.94 lacs, VAT demand where the Company has filed an appeal before various appellate courts aggregating ₹ 12,430.40 lacs and a service tax demand for ₹ 19,831.14 lacs. The contingent liabilities as per Indian Accounting Standard 37 as of 30 September 2019 and 30 September 2020 in respect of such matters were INR 4,013.10 and INR 21,638.92 million, respectively, on an unconsolidated basis..

3. Our Company has received an order dated 19 December 2018 from the Commissioner of CGST and Central Excise demanding service tax on provision of collection of receivables in respect of Securitisation / Direct assignments, etc., amounting to INR 1,977.54 million for the period from 1 April 2008 to 31 March 2015. In relation to certain securitisation / direct assignment transactions, our Company had charged a nominal fee or a nil fee for services provided in relation to collection and recovery of the assets assigned/ securitised and the Commissioner of CGST and Central Excise in their order has held that the services rendered by us has not been adequately valued and accordingly service tax has to be paid on the taxable value of our services (arrived at in the manner provided under the relevant rules and regulations in this regard), irrespective of actual fee charged, if any. The same is disclosed under contingent liability. Our Company has filed an appeal at the Customs Excise and Service Tax Appellate Tribunal, West Zonal Bench Mumbai, in the month of March 2019. Our Company's main contention in the appeal is that if the parties have commercially agreed that the fee for certain services in nil or nominal, the tax on such service should be limited to a portion of the fee so agreed upon. Matter was listed on 6/11/2020, next date is not yet updated

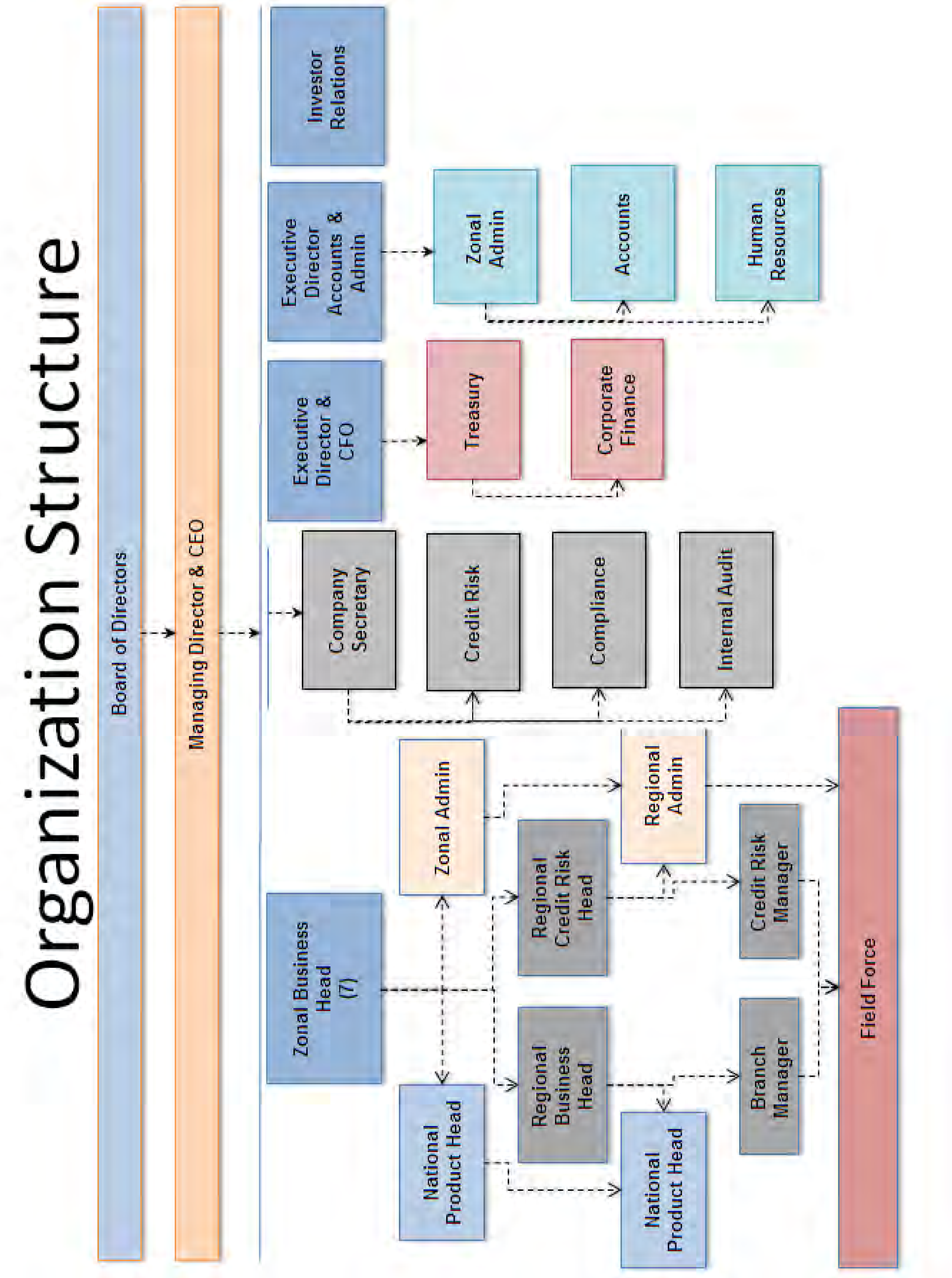
4. Our Company filed a writ petition (no. 45164 /2017) on 28 December 2017 before the High Court of Judicature at Hyderabad for the State of Telangana and State of Andhra Pradesh (the "High Court") against the order passed by the Deputy Commissioner (CT), Secunderabad Division, Hyderabad in suo moto revision proceeding in Rc.No.R1/46/2014 dated 8 November 2017. The issue under consideration in this petition is whether NBFCs are liable to pay tax on the monies generated from sale of repossessed vehicles for realizing the outstanding dues against loans advanced to customers and whether such sale of repossessed vehicles would constitute a "sale" within the meaning of the Andhra Pradesh Value Added Tax Act, 2005. The High Court of Judicature at Hyderabad for the State of Telangana and State of Andhra Pradesh, by its order dated 2 January 2018, has granted stay of recovery of disputed tax, subject to our Company paying one-third of the disputed tax amount within four weeks from the date of the aforesaid order, which our Company has deposited with the High Court. The petition is pending hearing and final disposal.

5. The Company has received an order from the office of the Commissioner (CGST) dated September 30, 2020 which has raised a demand to the tune of INR 1,402.72 Crores for the period from FY2006-07 to 2015-16 including interest and penalty. The order has been made on the basis that the Company, a registered NBFC, was providing hire-purchase and financial leasing services for commercial vehicles and did not pay service tax on the income earned on the said activities. The services being carried out by the Company referred to in the order came to light during the course of an audit of the accounts of Shriram Investments Limited, an entity which has been merged into the Company with effect from April 01, 2005. The Company is in the process of filing a writ petition in the Bombay High Court against the said Order received

Proceedings involving our Promoter:

There are no litigation, economic or securities related offences, civil or criminal prosecutions for any offences, or regulatory proceedings (irrespective of whether they are covered under Part I of Schedule V of the Companies Act, 2013, as amended) tax liabilities, disputes, non-payment of statutory dues nor any defaults or arrears claimed against or otherwise involving the Promoter, whose outcome have a material adverse effect on the financial position, operations or prospects of the Company.

II. Corporate Structure


Organization Structure
Board of Directors
Managing Director & CEO
Investor Relations
Executive Director Accounts & Admin
Zonal Admin
Accounts
Human Resources
Executive Director & CFO
Treasury
Corporate Finance
Company Secretary
Credit Risk
Compliance
Internal Audit
Zonal Business Head (7)
Zonal Admin
Regional Admin
Regional Credit Risk Head
Credit Risk Manager
Regional Business Head
Branch Manager
National Product Head
National Product Head
Field Force

The Company is managed by its board of directors and does not have any holding company or subsidiary company.

The Promoter of the Company is Shriram Capital Limited.

III. Key Operational and Financial Parameters

A summary of our key operational and financial parameters derived from Ind AS financial statements on a consolidated basis for the latest Half year ended September 30, 2020, Fiscal 2020 and Fiscal 2019 are as follows:

(Rs. in lacs)

Parameters (1)	**Latest Half Year ending on September 30, 2020**	**Fiscal 2020**	**Fiscal 2019**
Net worth(2)	20,42,545.00	18,11,467.30	15,93,513.00
Total Borrowings of which	95,90,059.00	94,37,174.60	87,91,440.10
Debt Securities	32,51,708.00	34,26,695.90	34,18,176.00
Borrowings (other than debt securities)	45,77,969.00	42,47,459.90	37,18,930.00
Deposits	12,91,671.00	11,96,011.50	10,34,146.00
Subordinated Liabilities	4,68,711.00	5,67,007.30	6,20,188.00
Property, plant and equipment	13,235.00	14,987.50	14,346.00
Other Intangible assets	230.00	266.80	197.00
Financial assets	1,17,05,032.00	1,13,30,219.70	1,04,94,552.00
Non-financial assets	1,01,324.00	96,358.30	47,343.00
Cash and cash equivalents	2,92,508.00	3,08,898.70	1,02,914.00
Bank balance other than above	6,30,062.00	4,22,593.30	2,95,233.00
Investments	3,11,701.00	2,93,562.90	4,12,554.00
Financial liabilities	97,27,856.00	95,79,185.20	89,15,048.00
Non-financial liabilities	33,191.00	33,163.00	30,572.00
Total income	8,49,543.00	16,58,262.60	15,55,665.50
Interest Income	8,40,229.00	16,26,746.00	15,33,569.00
Finance Costs	4,53,015.00	8,27,025.60	7,51,126.00
Impairment on financial instruments	1,72,005.00	2,79,487.60	2,38,226.00
Profit for the year	1,00,817.00	2,51,226.80	2,57,568.00
Total Comprehensive Income	83,776.00	2,50,777.50	2,57,326.10

A summary of our key operational and financial parameters derived from IGAAP financial statements on a consolidated basis for the Fiscals 2018 as specified below, are as follows:

(Rs. in lacs)

Parameters[(1)]	**Fiscal 2018**
Net worth [(2)]	1,254,671.02
Total borrowings (Net of Unamortised discount**)** of which	6,331,915.83
- Long-term borrowings- Non-Current portion	4,037,592.13
- Short Term Borrowings	767,645.96
- Long term borrowing – current maturities	1,526,677.74
Fixed Assets	11,995.54
(i) Property, plant and equipment	11,821.76
(ii) Intangible assets	173.78
Total Non-Current Assets	6,019,913.97
Cash and bank balances	363,750.92
Current Investments	-
Total Current Assets	2,828,690.74
Total Current Liabilities	2,844,443.22
Interest Income	1,211,226.66
Interest Expense	523,192.69
Provisions and write-offs	312,211.32
Profit after tax from continuing operations	155,446.22

Parameters[1]	Fiscal 2018
Net profit after taxes and share of profit of associate	155,674.74

A summary of our key operational and financial parameters derived from Ind AS financial statements on a standalone basis for the latest Half year ended September 30, 2020, Fiscal 2020 and Fiscal 2019 are as follows:

(Rs. in lacs)

Parameters	Latest Half Year ending on September 30, 2020	Fiscal 2020	Fiscal 2019
Net worth(1)	20,28,471.00	17,97,752.30	15,80,866.00
Total Borrowings of which	95,90,059.00	94,37,174.60	87,91,440.00
Debt Securities	32,51,708.00	34,26,695.90	34,18,176.00
Borrowings (other than debt securities)	45,77,969.00	42,47,459.90	37,18,930.00
Deposits	12,91,671.00	11,96,011.50	10,34,146.00
Subordinated Liabilities	4,68,711.00	5,67,007.30	6,20,188.00
Property, plant and equipment	13,235.00	14,987.50	14,346.00
Other Intangible assets	230.00	266.80	197.00
Financial assets	1,16,90,958.00	1,13,16,504.80	1,04,81,905.00
Non-financial assets	1,01,324.00	96,358.30	47,343.00
Cash and cash equivalents	2,92,508.00	3,08,898.70	1,02,914.00
Bank balance other than above	6,30,062.00	4,22,593.30	2,95,233.00
Investments	2,97,627.00	2,79,848.00	3,99,907.00
Financial liabilities	97,27,856.00	95,79,185.20	89,15,048.00
Non-financial liabilities	33,191.00	33,163.00	30,572.00
Asset Under Management as per Ind AS(2)	1,13,34,593.00	1,09,74,924.20	1,04,48,227.70
Off-balance sheet assets as per Ind AS (3)	1,61,960.00	1,24,753.20	2,17,478.70
Total income	8,49,543.00	16,58,262.60	15,55,666.00
Interest Income	8,40,229.00	16,26,746.00	15,33,569.00
Finance Costs	4,53,015.00	8,27,025.60	7,51,126.00
Impairment on financial instruments	1,72,005.00	2,79,487.60	2,38,226.00
Profit for the year	1,00,462.00	2,50,183.80	2,56,399.00
Total Comprehensive Income	83,417.00	2,49,709.90	2,56,167.00
Stage 3 Assets as a percentage of Total Loan Assets as per Ind AS (gross of Provisions) (per cent.)(4)	7.35%	8.46%	8.42%
Stage 3 Asset net of Stage 3 Provision as a percentage of Net Loan Assets as per Ind AS (per cent.)(5)	4.57%	5.86%	5.84%
Tier I Capital Adequacy Ratio (per cent.)	20.12%	18.13%	15.62%
Tier II Capital Adequacy Ratio (per cent.)	3.32%	3.86%	4.65%

Notes:

(1) Net worth as defined in Section 2(57) of the Companies Act, 2013 means the aggregate value of the paid-up share capital and all reserves created out of the profits, 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.

(2) Asset Under Management as per Ind AS: Total loan assets and loan assets assigned, which continue to be serviced by the transferor.

(3) Off-balance sheet assets as per Ind AS: Hypothecation loans assigned till date, which continue to be serviced by the transferor.

(4) Stage 3 Assets as a percentage of Total Loan Assets as per Ind AS (gross of Provisions): Stage 3 Assets includes financial assets that have objective evidence of impairment at the reporting date as defined under Ind AS.

(5) Stage 3 Assets net of Stage 3 Provision.

A summary of our key operational and financial parameters derived from IGAAP financial statements on a standalone basis for the Fiscals 2018 as specified below, are as follows:

(Rs. in lacs)

Parameters	Fiscal 2018
Net worth [(1)]	1,254,442.51
Total borrowings (Net of Unamortised discount) of which	6,331,915.83
- Long-term borrowings- Non-Current portion	4,037,592.13
- Short Term Borrowings	767,645.96
- Long-term borrowings- Current maturities	1,526,677.74
Fixed Assets	11,995.54
(i) Property, plant and equipment	11,821.76
(ii) Intangible assets	173.78
Total Non-Current Assets	6,018,346.58
Cash and bank balances	363,750.92
Current Investments	-
Total Current Assets	2,828,690.75
Total Current Liabilities	2,844,443.22
Assets Under Management as per IGAAP [(2)]	9,530,602.57
Off Balance Sheet Assets as per IGAAP [(3)]	1,479,187.52
Interest Income	1,211,197.64
Interest Expense	523,426.47
Provisions and write-offs	312,211.32
Profit after tax from continuing operations	156,802.25
Gross NPA per cent. [(4)]	9.16
Net NPA per cent. [(5)] [(6)]	2.83
Tier I Capital Adequacy Ratio per cent.	14.24
Tier II Capital Adequacy Ratio per cent.	2.63

(1) *Net worth as defined in Section 2(57) of the Companies Act, 2013 means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium 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.*

(2) *Assets Under Management as per IGAAP: Total Loan Assets and loan assets securitised and assigned, which continue to be serviced by the transferor*

(3) *Off-balance sheet assets as per IGAAP: Hypothecation loans securitised or assigned till date, which continue to be serviced by the transferor.*

(4) *Gross NPA (per cent.): Gross NPA means loans outstanding including future principal and excluding unrealised interest accrued and due under NPA accounts. Gross NPA per cent. is percentage of Gross NPA to Total Loan Assets as per IGAAP.*

(5) *Net NPA (per cent.): Net NPA means Gross NPA net off provision held for NPA accounts and provision for diminution in fair value of restructured loans. Net NPA per cent. is percentage of Net NPA to Net Loan assets as per IGAAP.*

(6) *Net loan assets as per IGAAP: Total loan assets as per IGAAP as adjusted for provisions for non-performing assets and provision for diminution in fair value of restructured loans.*

A reconciliation of Net worth derived from IGAAP financial statements on a standalone basis for the Fiscals 2018 is given below

(Rs. in lacs)

	Particulars	Fiscal 2018
(i)	Share capital	22,690.67
(ii)	Reserves and surplus	1,234,540.96
(iii)	Less: Capital reserve	2,761.83
(iv)	Less : Miscellaneous expenditure (to the extent not written off or adjusted)	
	Public issue expenses for non-convertible debentures	27.29
	Issue expenses for equity shares	-
	Total (i+ii-iii-iv)	**1,254,442.51**

Gross Debt Equity Ratio of the Company:

Before the issue of debt securities (as per latest audited Balance Sheet as on March 31, 2020)	5.24
After the issue of debt securities (as per latest audited Balance Sheet as on March 31, 2020)	5.30

Project Cost and Means of Financing, in case of funding of new projects: Not Applicable

d.** A **Brief History of The Company Since its Incorporation Giving Details Of Its Following Activities:

i. Details of Share Capital as on last quarter end i.e. September 30, 2020:

Share Capital	In Lacs
AUTHORISED SHARE CAPITAL	
64, 70, 00, 000 Equity Shares of Rs. 10/- each	64,700
9,50,00,000 Preference Shares of Rs. 100/- each	95,000
TOTAL	159,700
ISSUED* ($)	
25,30,67,654 Equity Shares of Rs. 10 /- each	25306.77
SUBSCRIBED ($)	
25,30,61,513 Equity Shares of Rs. 10 /- each	25306.15
PAID-UP SHARE CAPITAL ($)	
25,30,61,513 Equity Shares of Rs. 10/- each	25306.15
Securities premium account **($)**	32,208.21
NOTES:	
The Equity Shares allotted for consideration other than cash are as follows: a) 6,06,33,350 fully paid-up Equity Shares of our Company have been allotted to the shareholders of Shriram Investments Ltd (SIL), pursuant to a scheme of amalgamation sanctioned by the Hon'ble High Court of Madras vide its order dated November 25, 2005, in a ratio of 1 fully paid up Equity Share of our Company, for every 1 fully paid up equity share of the face value of Rs. 10/- each, of SIL; b) 1,86,45,886 fully paid-up Equity Shares of our Company have been allotted to the shareholders of Shriram Overseas Finance Ltd (SOFL), pursuant to a scheme of amalgamation sanctioned by the Hon'ble High Court of Madras vide its order dated December 1, 2006, in a ratio of 3 fully paid up Equity Shares of our Company, for every 5 fully paid up equity shares of the face value of Rs. 10/- each, of SOFL; c) Pursuant to Shiram Holdings (Madras) Pvt. Ltd. (SHMPL) Scheme of Merger sanctioned vide the SHMPL Merger Order passed by the Hon'ble High Court of Madras, our Company issued and allotted 9,38,72,380 fully paid up equity shares of our Company to the shareholders of SHMPL, whose names appeared in the register of members on the specified date in connection with the aforesaid scheme of amalgamation, in a ratio of 313 fully paid up Equity shares of our Company, for every 124 fully paid up equity shares of the face value of Rs. 10 each, of SHMPL. d) Pursuant to the issuance of 64,95,420 Equity Shares on a rights basis on April 21, 1995, 64,84,910 Equity Shares were allotted, and 10,510 Equity Shares were kept in abeyance and not allotted, on account of unavailability of certain information in connection with certain applicants of Equity Shares in the said rights issue. Subsequently, 2,369 Equity Shares and 2,000 Equity Shares of the aforementioned Equity Shares kept in abeyance were allotted on November 11, 1995 and December 28, 1995, respectively. Currently, 6,141 Equity Shares are still kept in abeyance and pending allotment.	

Share Capital	In Lacs

** 48,000 equity shares of Rs. 10 each of SIL, on which Rs. 5 was paid up for each of the said shares, were forfeited on January 17, 1997, ("Forfeited Shares"). Pursuant to the scheme of amalgamation sanctioned by the Hon'ble High Court of Madras vide its order dated November 25, 2005, as detailed in para (a) above, the Forfeited Shares have become a part of the share capital of our Company, by operation of law. The shareholders in their 40th annual general meeting held on June 27, 2019 considered and approved the cancellation of the forfeited shares from the issued and subscribed share capital of the Company. The appropriate accounting entries have been made in the books of accounts of the Company in this regard.*

($) The Company issued and allotted 261,78,777 Equity Shares under rights issue of face value of Rs. 10/- each (Rights Equity Shares) to the eligible equity shareholders at an issue price of Rs. 570/- per Equity Share (including premium of Rs. 560/- per Equity Share). The Issue opened on July 16, 2020 and closed on July 30, 2020. The Rights Equity Shares were allotted on August 06, 2020.

Changes in the authorised capital of our Company as on last quarter end i.e. September 30, 2020, for the last five years from date of this Disclosure Document:

Date of AGM/EGM	Alteration
March 31, 2016	The Authorised share capital of our Company was reorganised from Rs. 5,97,00,00,000 divided into 39,70,00,000 Equity Shares and 2,00,00,000 cumulative redeemable preference shares of Rs. 100 each to Rs. 15,97,00,00,000 divided into 64,70,00,000 Equity Shares and 9,50,00,000 preference shares of Rs. 100 each *
NOTES: *The authorised capital of our Company was increased, pursuant to a scheme of amalgamation for merger of the erstwhile subsidiary Shriram Equipment Finance Company Ltd a wholly owned subsidiary with our Company ("**SEFCL Scheme of Merger**"). The appointed date for the SEFCL Scheme of Merger was April 01, 2015. The SEFCL Scheme of Merger was approved by the Hon'ble High Court of Judicature at Madras, vide its order dated March 31,2016. The SEFCL Scheme of Merger was effective from April 19, 2016.	

ii. Changes in its capital structure as on last quarter end, i.e., September 30, 2020, for the last five years:

The Company issued and allotted 261,78,777 Equity Shares under rights issue of face value of Rs. 10/- each (Rights Equity Shares) to the eligible equity shareholders at an issue price of Rs. 570/- per Equity Share (including premium of Rs. 560/- per Equity Share). The Issue opened on July 16, 2020 and closed on July 30, 2020. The Rights Equity Shares were allotted on August 06, 2020.

iii. Equity Share Capital History of the Company as on last quarter end, i.e., September 30, 2020, for the last five years:

The Company issued and allotted 261,78,777 Equity Shares under rights issue of face value of Rs. 10/- each (Rights Equity Shares) to the eligible equity shareholders at an issue price of Rs. 570/- per Equity Share (including premium of Rs. 560/- per Equity Share). The Issue opened on July 16, 2020 and closed on July 30, 2020. The Rights Equity Shares were allotted on August 06, 2020.

iv. Details of any Acquisition or Amalgamation in the last 1 year: NIL

v. Details of reorganization or reconstruction in last 1 year: NIL

B. DETAILS OF SHAREHOLDING OF THE COMPANY AS ON LATEST QUARTER END AS ON SEPTEMBER 30, 2020

i. Shareholding of the Company as on last quarter end:

Summary Statement holding of specified securities

Sr No	Category of shareholder	Nos. of shareholders	No. of fully paid up equity shares	Shareholding as a % of total no. of shares	Number of equity shares held in dematerialized form
1	Promoter & Promoter Group	2	67021853	26.48	67021853
2	Public	131046	186039660	73.52	183597830
	Total	131048	253061513	100.00	250619683

Notes: - Shares pledged or encumbered by the promoters (if any)- Nil

A.Statement showing shareholding pattern of the Promoter and Promoter Group

Sr No	*Category of shareholder*	*Nos. of shareholders*	*No. of fully paid up equity shares*	*Shareholding as a % of total no. of shares*	*Number of equity shares held in dematerialized form*
1	Indian				
a	Individuals/Hindu undivided Family	-	-	-	-
b	Central Government/ State Government(s)	-	-	-	-
c	Financial Institutions/ Banks	-	-	-	-
d	Any Other (specify)	2	67021853	26.48	67021853
	Bodies Corporate	2	67021853	26.48	67021853
	Sub-Total (A)(1)	2	67021853	26.48	67021853
2	Foreign				
a	Individuals (Non-Resident Individuals/ Foreign Individuals)	-	-	-	-
b	Government	-	-	-	-
c	Institutions	-	-	-	-
d	Foreign Portfolio Investor	-	-	-	-
e	Any Other (specify)	-	-	-	-
	Sub-Total (A)(2)	-	--	-	-
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	2	67021853	26.48	67021853

B.Statement showing shareholding pattern of the Public shareholder

Sr No	*Category of shareholder*	*Nos. of shareholders*	*No. of fully paid up equity shares*	*Shareholding as a % of total no. of shares*	*Number of equity shares held in dematerialized form*
1	Institutions	0	0	0	0
A	Mutual Funds	21	3764181	1.49	3735986
B	Venture Capital Funds	0	0	0	0
C	Alternate Investment Funds	7	940398	0.37	940398
D	Foreign Venture Capital Investors	0	0	0	0
E	Foreign Portfolio Investors	609	153161344	60.52	153161344
F	Financial Institutions/ Banks	4	186736	0.07	186526
G	Insurance Companies	9	6211667	2.45	6211667
H	Provident Funds/ Pension Funds	0	0	0	0
I	Any Other (specify)	0	0	0	0
	Sub-Total (B)(1)	650	164264326	64.91	164235921
2	Central Government/ State Government(s)/ President of India	0	0	0	0
	Sub-Total (B)(2)	0	0	0	0
3	Non-institutions	0	0	0	0
A	Individuals -				

I	Individual shareholders holding nominal share capital up to Rs. 2 lakhs.	127608	16732455	6.61	14346476
Ii	Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.	27	1547452	0.61	1547452
B	NBFCs registered with RBI	4	19015	0.01	19015
C	Employee Trusts	0	0	0	0
D	Overseas Depositories (holding DRs) (balancing figure)	0	0	0	0
E	Any Other (specify)	2757	3476412	1.37	3448966
	Clearing Members	282	802893	0.32	802893
	Bodies Corporate	423	735711	0.29	711265
	LLP	25	83462	0.03	83462
	Non-Resident Indian (NRI)	2020	508784	0.20	505784
	IEPF	1	986145	0.39	986145
	Trusts	4	276307	0.11	276307
	Unclaimed or Suspense or Escrow Account	2	83110	0.03	83110
	Sub-Total (B)(3)	130396	21775334	8.60	19361909
	Total Public Shareholding (B)= (B)(1)+(B)(2)+(B)(3)	131046	186039660	73.52	183597830

Notes to Shareholding Pattern-

I. The Promoter Group as defined under Regulation 2(1)(t) of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers Regulations, 2011, (SAST Regulations 2011): 1. Shriram Ownership Trust 2. Shriram Financial Ventures (Chennai) Pvt Limited 3 Shriram Life Insurance Company Limited 4. Shriram General Insurance Company Limited 5. Shriram Credit Company Limited 6. Shriram Asset Management Company Limited. 7. Shriram Overseas Investments Private Limited 8. Bharat Investments Pte. Limited, Singapore 9. Shriram City Union Finance Limited 10. Shriram Fortune Solutions Limited 11. Shriram Wealth Advisors Limited 12. Shriram Insight Share Brokers Limited 13. Shriram Financial Products Solutions (Chennai) Private Limited 14. Shriram Housing Finance Limited 15. Insight Commodities and Futures Private Limited 16. Shrilekha Business Consultancy Private Limited 17. Shriram Seva Sankalp Foundation 18. SGI Philippines General Insurance Co Inc. 19. Shriram Value Services Limited 20. Novac Technology Solutions Private Limited 21. Novac Digital Services Private Limited 22. Snottor Technology Services Private Limited and 23. Sea Funds Management India Private Limited

II.The Persons Acting in Concert (PAC), as defined in the SAST Regulations 2011 for the purpose of Regulation 10 of SAST Regulations, 2011: (i)Sanlam Emerging Markets (Mauritius) Limited, (ii)Shriram Mutual Fund (SMF), (iii)Mr. S Krishnamurthy (Trustee of SMF), (iv) Mr. V N Shivashankar (Trustee of SMF), (v) Dr. Qudsia Gandhi (Trustee of SMF), (vi) Mr. Mani Sridhar (Trustee of SMF) and (vii) Sanlam Life Insurance Limited.

III. All the entities/persons mentioned in Note No. I and Note No. II are PACs for more than three years, except the entity at Sr. No. (19), (20), (21), (22) & (23) in Note No. I are PACs for less than three years.

IV. None of the above-mentioned entities/persons in Note No. I and II hold any shares in the Company except the entity at Sr. No. (2) in Note No. I and (vii) in Note No. II.

ii. List of top 10 holders of equity shares of the company as on last quarter end (as on September 30, 2020):

Sr. No.	Name of shareholders	Permanent Account Number (PAN)	Address	Total Number of Equity Shares held	Percentage Holding (%)
1.	Shriram Capital Limited	AABCS2726B	Shriram House, No. 4 Burkit Road, T. Nagar, Chennai – 600 017	66964947	26.46
2.	Fidelity Investment Trust Fidelity Series Emerging Markets Opportunities Fund	AAATF2631A	Citibank N.A. Custody Services FIFC- 11th Flr, G Block Plot C-54 and C-55, BKC Bandra (East), Mumbai - 400 098	12956373	5.12
3.	Sanlam Life Insurance Limited	AAJCS8461R	Citibank N.A. Custody Services FIFC- 11th Flr, G Block Plot C-54 and C-55, BKC Bandra (East), Mumbai - 400 098	7536951	2.98
4.	Government Pension Fund Global	AACCN1454E	Citibank N.A. Custody Services FIFC- 11th Flr, G Block Plot C-54 and C-55, BKC Bandra (East), Mumbai - 400 098	4778640	1.89
5.	Wishbone Fund Ltd.	AACCW0287G	Citibank N.A. Custody Services FIFC- 11th Flr, G Block Plot C-54 and C-55, BKC Bandra (East), Mumbai - 400 098	4375230	1.73
6.	T. Rowe Price International Growth and Income Fund	AACCT4606L	J P Morgan Chase Bank N. A. India Sub Custody 6th Floor, Paradigm B, Mind Space, Malad (West), Mumbai -400 064	4358280	1.72
7.	Life Insurance Corporation of India	AAACL0582H	Investment Department 6th Floor, West Wing, Central Office Yogakshema, Jeevan Bima Marg, Mumbai – 400 021	4241661	1.68
8.	T. Rowe Price New Asia Fund	AAACT7499R	J P Morgan Chase Bank N. A. India Sub Custody, 6th Floor, Paradigm B, Mind Space, Malad (W), Mumbai - 400 064	3368090	1.33
9.	Composite Capital Master Fund LP	AAMFC5727A	Edelweiss Custodial Services Ltd., 5th floor, Edelweiss House off CST Road Kalina, Mumbai - 400 098	3157392	1.25
10.	Vanguard Total International Stock Index Fund	AABTV0442N	J P Morgan Chase Bank N. A. India Sub Custody, 6th Floor, Paradigm B, Mind Space, Malad (W), Mumbai – 400 064	3000704	1.19

C. FOLLOWING DETAILS REGARDING THE DIRECTORS OF THE COMPANY:

i. Details of the current Directors of the Company:

Name, Designation, and DIN	Nationality	Director since	Address	List of other Directorships
Mr. Lakshminarayanan Subramanian *Chairman, Non-Executive and Independent Director* Age: 74 years DIN: 02808698 Term: Five years with effect from January 24, 2015	Indian	September 22, 2009	33, Paschimi Marg, First Floor, Vasant Vihar, New Delhi – 110 057	i. Shriram Automall India Limited; ii. Shriram Life Insurance Company Limited; iii. ELCOM Systems Private Limited; iv. Indofil Industries Limited; v. Elcom Innovations Private Limited.
Mr. Umesh Govind Revankar *Managing Director and Chief Executive Officer* Age: 55 years DIN: 00141189 Term: For a period of three years from the date of appointment. At the 40th AGM held on June 27, 2019, the shareholders of our Company have approved re-appointment for a period of five years w.e.f. October 26, 2019.	Indian	October 25, 2016	1001, Simran CHS Ltd., Plot no. 9, 15th Road, Khar (West), Near Gabana HDFC Bank, Mumbai – 400052.	i. Shriram Capital Limited; ii. Shriram Seva Sankalp Foundation; iii. Shriram Credit Company Limited; iv. Shriram General Insurance Company Limited; v. Shriram Automall India Limited; vi. Shriram Life Insurance Company Limited vii. Finance Industry Development Council
Mrs. Kishori Udeshi *Non- Executive and Independent Director* Age: 76 years DIN: 01344073 Term: five years with effect from January 24, 2015. The shareholders of our Company have approved by postal ballot declared on December 5, 2018, extension of her tenure by a period of five years with effect from April 1, 2019.	Indian	October 30, 2012	15, Sumit Apartment, 31, Carmichael Road, Mumbai-400 026	i. ION Exchange (India) Ltd. ii. HALDYN Glass Limited; iii. Thomas Cook (india) Limited; iv. ELANTAS Beck India Limited; v. Shriram Automall India Limited; vi. SOTC Travel Limited vii. Kalyan Jewellers India Limited
Mr. Sridhar Srinivasan *Non-Executive and Independent Director* Age: 69 years DIN: 00004272 Term: Five years with effect from October 20, 2014. At	Indian	October 20, 2014	D-905, Ashok Towers, Dr. S.S Rao Road, Parel, Mumbai- 400 012	i. Strides Pharma Science Limited; ii. DCB Bank Limited; iii. SEWA Grih Rin Limited; iv. Jubilant Life Sciences Limited v. Strategic Research and Information Capital Services Private Limited; vi. IIFL Home Finance Limited; vii. GVFL Trustee Company Private Limited

Name, Designation, and DIN	Nationality	Director since	Address	List of other Directorships
the 40th AGM held on June 27, 2019, the shareholders of our Company have approved extension of his tenure by a period of five years.				viii. Universal Trustees Private Limited ix. Essfore Consultancy Services Private Limited x. Evyavan Capital Limited xi. Evyavan Capital Advisors Limited
Mr. Ravi Devaki Venkataraman *Non-Executive and Non-Independent Director* Age: 56 years DIN: 00171603 Term: Liable to retire by Rotation	Indian	June 18, 2015	B3E, Regal Palm Gardens, CEE DEE YES Apartments, Velachery Tambaram Road, Velachery, Chennai-600 042	i. Shriram Capital Limited; ii. DRP Consultants Pvt. Ltd.; iii. Shriram Properties Holding Pvt. Ltd; iv. Shriram Financial Ventures (Chennai) Pvt. Ltd.; v. Envestor Ventures Limited; vi. Shriram Credit Company Limited; vii. Shriram Seva Sankalp Foundation; viii. Shrilekha Business Consultancy Private Limited ix. Take Sports Management Private Limited x. Eywa Pharma Pte Limited
Mr. Pradeep Kumar Panja *Non-Executive and Independent Director* Age: 64 years DIN: 03614568 Term: Five years with effect from October 25, 2018	Indian	October 25, 2018	'Bhaskara', 21, I Main Road, 4th Cross, Gaurav Nagar, JP Nagar 7th Phase Bangalore 560 078	i. Trigyn Technologies Ltd.; ii. Brigade Enterprises Ltd.; iii. Brigade Properties Pvt. Ltd.; iv. Penna Cement Industries Ltd.; v. Svamaan Financial Services Private Ltd.; vi. Omax Autos Limited; vii. TVS Capital Funds Pvt. Ltd.
Mr. Ignatius Michael Viljoen *Non-Executive and Non-Independent Director* Age: 47 years DIN: 08452443 Term: Liable to retire by Rotation	South African	May 14, 2019	419, Highland Road, Kensington, Johhannesburg, 2094, South Africa	i. Sanlam Credit Fund Advisor (Pty) Limited; ii. Shriram City Union Finance Ltd.; iii. African Life Holdings Limited; iv. African Life Financial Services Zambia Limited; and v. Aflife Properties Limited vi. Letshego Holdings Limited

As per declaration submitted by the Company, none of its Directors are appearing on the RBI/ECGC defaulters list.

Profile of Directors

Mr Umesh Govind Revankar (Managing Director & CEO)

Mr. Umesh Govind Revankar holds a bachelor's degree in business management from Mangalore University and a master of business administration (MBA) in finance. He attended the Advanced Management Program at Harvard Business School. Mr. Revankar started his career with the Shriram group as an executive trainee in 1987. He has been associated with the Shriram group for the last 28 years and has extensive experience in the financial services industry. During his stint with the Shriram Group, he has shouldered various responsibilities and worked in several key roles of business operations.

Mr. Lakshminarayanan Subramanian

Mr. Lakshminarayanan Subramanian is a non-executive Chairman on our Board. He holds Bachelor's degree in Science and post graduate diploma from University of Manchester, (U.K.) in Advanced Social & Economic Studies. He was a member of the Indian Administrative Service (IAS-retired) and as such held several senior positions in the Ministry of Home Affairs, Ministry of Communications and Information Technology, Ministry of Information and Broadcasting of the Government of India and in the Department of Tourism, Culture and Public Relations, Department of Mines, Mineral Resources, Revenue and Relief and Rehabilitation of the Government of Madhya Pradesh.

Mrs. Kishori Udeshi

Mrs. Kishori Udeshi is a non-executive Director on our Board. She holds a M.A. degree in Economics from Bombay University. She retired as a Deputy Governor of the Reserve Bank of India. During her career with RBI she handled important portfolios including regulation and supervision of banking and non-banking sector. As Deputy Governor, she was chairman of BRBNM (P) Ltd. And DICGC and was on the Boards of SEBI, NABARD and Exim Bank. She served as a Member of the Financial Sector Legislative Reforms Commission set up by the Government of India in 2011.

Mr. S. Sridhar

Mr. S. Sridhar is a non-executive Director of the Company. He studied at the Indian Institute of Technology, Delhi and Jamnalal Bajaj Institute of Management Studies, Mumbai. He was awarded the Lord Aldington Banking Research Fellowship for the year 1984 by the Indian Institute of Bankers. He has received many awards / honours, particularly for his innovative business models and intuition building. He was Chairman and Managing Director of Central Bank of India until May 31, 2011 and earlier of National Housing Bank, India's regulator of Housing Finance Companies and the apex Financial Institution for housing. He is a banker with about 40 years experience in commercial and development banking of which 13 years were at the CEO / Board level. He is widely acknowledged to be an innovative, market oriented banker and strategic thinker having provided transformational leadership to the organisations he had worked for. He was a pioneer in championing the concept of affordable housing in India and contributed significantly to public policy formulation. Mr. Sridhar started his career with State Bank of India, India's largest commercial Bank. He also worked as Executive Director and Chief Operating Officer of Export Import Bank of India, India's apex export financing institution between 2001 and 2006. Currently, he serves as an Independent Director on the Boards of various companies, and also as a consultant to financial services companies. Mr. Sridhar has served in various national level committees and task forces for framing financial sector policies. He was on the Managing Committee of the Indian Banks' Association, served on the Emerging Markets Council of the Institute of International Finance, Washington DC. He has been an invited speaker at numerous national and international Conferences including Chatham House Lectures.

Mr. D.V. Ravi

Mr. D V Ravi is a commerce graduate from the University of Bangalore and holds a Post Graduate Diploma in Management from the Institute of Rural Management, Anand (IRMA). He currently serves as the Managing Director of Shriram Capital Ltd. He also serves the Board of various companies under the Group. Over time, his portfolio grew to include key areas of Corporate Strategy and services, Corporate Finance, Information Technology and Process activities of the Group. He is also the Non-Executive Director and Co-founder of TAKE Solutions Ltd., a global technology solutions and service provider. Mr. Ravi has also spearheaded several successful Mergers and Acquisitions for TAKE. He also joined the Commercial Vehicle Finance business of Shriram Group in 1992 as Head of Investment Servicing. He started his career in strategy and finance in 1987 with Karnataka Oil Seeds Federation, Bangalore. His areas of expertise in this role include Corporate Strategy, Synergy Creation, risk Management Efforts, Leadership Development and Corporate Finance.

Mr. Pradeep Kumar Panja

Mr. Pradeep Kumar Panja holds Master's Degree in Science (Statistics) from the University of Madras. He is a Certified Associoate of the Indian Insitute of Bankers.

He is a career banker, retired as Managing Director (Corporate Banking) of State Bank of India (SBI), the largest bank of the country, in October 2015. During his long association of 39 years with SBI (3 years of which at Board level), he gained rich experience in various areas of banking including corporate and international banking, treasury management, information technology, retail, transaction banking, strategic planning, business development, risk management.

He has excellent track record of successfully leading large teams across various business verticals of SBI. He also successfully led the US Operations of SBI as the Country Head-US. He held multiple assignments driving large projects in the Information Technology Wing of SBI. As a Head of IT (Chief Information Officer), he led SBI's IT strategy, set up India's largest data warehouse. He also led the analytics foray of SBI. During his association with SBI he was member of important committees of directors and was chairman of Risk Management Committee.

He is a member of Board of Directors of companies engaged in the business of real estate, asset reconstruction, software business, cements etc.

Mr. Ignatius Michael Viljoen

Mr. Ignatius Michael Viljoen is a Head of Credit-Sanlam Pan Africa Portfolio Management, South Africa and is responsible for a range of credit risk and credit portfolio management aspects across the various entities owned by the Sanlam Group outside of the Republic of South Africa. He has been associated with Sanlam Group since September 2003. Sanlam is a 100 year old company with strong financials, management and culture in South Africa. Sanlam is a diversified financial services group, headquartered in South Africa, operating across number of selected global markets. Mr. Ignatius Michael Viljoen is a nominee of Sanlam.

ii. *Details of change in Directors since last three years:*

Name of the Director, Designation and DIN	Date of Appointment/ Resignation	Director of our Company since	Remarks
Mr. Jasmit Singh Gujral Managing Director and CEO DIN: 00196707	April 30, 2016	April 30,2016	Appointed as additional director and also as managing director and CEO
Mr. Umesh Revankar Non-Executive and Non-Independent Director DIN: 00141189	July 27, 2016	April 1, 2012	Retired as a director
Mr. Ramakrishnan Subramanian Non- Executive and Non-Independent Director DIN: 02192747	July 27, 2016	July 27, 2016	Appointed as additional director
Mr. Jasmit Singh Gujral Managing Director and CEO DIN: 00196707	October 25, 2016	April 30,2016	Resigned as a managing director and CEO
Mr. Umesh Revankar Non-Executive and Non-Independent Director	October 25, 2016	-	Appointed as additional director w.e.f. October 25, 2016 and as Managing Director and

Name of the Director, Designation and DIN	Date of Appointment/ Resignation	Director of our Company since	Remarks
DIN: 00141189			CEO w.e.f. October 26, 2016
Mr. Ramakrishnan Subramanian Non- Executive and Non-Independent Director DIN: 02192747	February 03, 2017	July 27, 2016	Resigned as additional director
Mr. Amitabh Chaudhry Non- Executive and Independent Director DIN: 00531120	October 26. 2018	October 30, 2012	Resigned as an Independent Director
Mr. Pradeep Kumar Panja Non-Executive and Independent Director DIN: 03614568	October 25, 2018	October 25, 2018	Appointed as an additional director in the capacity of Independent Director
Mr. Sumati Prasad Mishrilal Bafna Non-Executive and Independent Director DIN: 00162546	April 01, 2019	September 09, 2005	Retired as an Independent Director
Mr. Gerrit Van Heerde Non-Executive and Non-Independent Director DIN: 06870337	May 09, 2019	May 15, 2014	Resigned as a Director
Mr. Ignatius Michael Viljoen Non- Executive and Non-Independent Director DIN: 08452443	May 14, 2019	May 14, 2019	Appointed as Nominee Director
Mr. Puneet Bhatia *Non-Executive and Non-Independent Director* DIN: 00143973	August 19, 2020	October 26, 2006	Retired in the 41st AGM dated August 19, 2020

D. <u>FOLLOWING DETAILS REGARDING THE AUDITORS OF THE COMPANY:</u>

i. *Details of the Auditor of the Company:*

Name	Address	Auditor since

M/s. Haribhakti & Co. LLP	705, Leela Business Park, Andheri-Kurla Road, Andheri I, Mumbai- 400059 Email: rakesh.rathi@haribhakti.co.in Tel: +91 22 66729999 , Fax: +91 22 66729777	Appointed in the AGM dated June 29, 2017
M/s. Pijush Gupta & Co.	P 199, CIT Road, Scheme IV-M, Kolkata, West Bengal – 700010 Email: sangeeta@pijushgupta.com Tel: +91 033- 23536859	Appointed in the AGM dated June 29, 2017

ii. *Details of change in Auditor since last three years:*

Name	Address	Date of Appointment / Resignation	Auditor of the Company since (in case of resignation)	Remarks
M/s. S. R. Batliboi & Co.	6th floor, Express Towers, Nariman Point Mumbai – 400 021	Retired whose tenor expired at the conclusion of 38th Annual general Meeting which was held on 29th June 2017	Not Applicable	Retired as per the provision of Section 139, 142 and other applicable provisions if any of the companies act 2013 and The companies Audit and Auditors (Rule 2014)
M/s. G. D. Apte & Co.	Plot No 85, Bhusari Colony (Right) Paud Road, Pune – 411 038	Retired whose tenor expired at the conclusion of 38th Annual general Meeting which was held on 29th June 2017	Not Applicable	

E. DETAILS OF BORROWING OF THE COMPANY, AS ON THE LATEST QUARTER ENDED SEPTEMBER 30, 2020:

i. Details of Secured Loan Facilities:

TERM LOAN

(Rs. In Lacs)

Sr. No.	Lender's Name	Date of Disbursement	Maturity Date	Amount Sanctioned	Outstanding amount as on 30.09.2020 (Ind-AS)	Repayment terms	Security
1	BANK OF MAHARASHTRA	28/09/2015	28/12/2020	50,000.00	2,499.11	20 QUARTERLY INSTALLMENTS	SPECIFIC RECEIVABLES
2	Canara Bank (e- Syndicate Bank)	29/09/2015	29/12/2020	30,000.00	1,498.20	20 QUARTERLY INSTALLMENTS	SPECIFIC RECEIVABLES

3	BANK OF INDIA	30/09/2015	30/12/2020	30,000.00	1,538.66	20 QUATERLY INSTALLMENTS	SPECIFIC RECEIVABLES
4	BANK OF BARODA	19/10/2015	19/01/2021	50,000.00	4,946.68	20 QUARTERLY INSTALLMENTS	SPECIFIC RECEIVABLES
5	STATE BANK OF INDIA	23/12/2015	21/03/2021	20,000.00	1,975.78	20 QUARTERLY INSTALLMENTS	SPECIFIC RECEIVABLES
6	Canara Bank (e- Syndicate Bank)	29/12/2015	29/03/2021	20,000.00	1,996.95	20 QUARTERLY INSTALLMENTS	SPECIFIC RECEIVABLES
7	STATE BANK OF INDIA	30/12/2015	27/03/2021	20,000.00	2,027.84	20 QUARTERLY INSTALLMEMENTS	SPECIFIC RECEIVABLES
8	STATE BANK OF INDIA	31/12/2015	31/03/2021	50,000.00	4,969.14	20 QUARTERLY INSTALLMENTS	SPECIFIC RECEIVABLES
9	STATE BANK OF INDIA	31/12/2015	29/03/2021	20,000.00	2,019.35	20 QUARTERLY INSTALLMENTS	SPECIFIC RECEIVABLES
10	PUNJAB AND SIND BANK	31/12/2015	31/12/2020	20,000.00	997.92	20 QUARTERLY INSTALLMENTS	SPECIFIC RECEIVABLES
11	BANK OF BARODA	31/12/2015	31/12/2020	20,000.00	1,001.86	20 QUARTERLY INSTALLMENTS	SPECIFIC RECEIVABLES
12	BANK OF BARODA	18/03/2016	18/03/2021	50,000.00	4,027.27	20 QUARTERLY INSTALLMENTS	SPECIFIC RECEIVABLES
13	PUNJAB AND SIND BANK	28/03/2016	28/03/2021	30,000.00	2,996.12	20 QUARTERLY INSTALLMENTS	SPECIFIC RECEIVABLES
14	STATE BANK OF INDIA	31/03/2016	30/06/2021	15,000.00	2,268.10	20 QUARTERLY INSTALLMENTS	SPECIFIC RECEIVABLES
15	Canara Bank (e- Syndicate Bank)	15/09/2016	15/12/2021	50,000.00	12,646.31	20 QUARTERLY	SPECIFIC RECEIVABLES

						INSTALLMENTS	
16	INDUSTRIAL DEVELOPMENT BANK OF INDIA	30/09/2016	31/12/2021	30,000.00	11,225.18	16 QUARTERLY INSTALLMENTS COMMENCING AFTER 1 YEAR MORATORIUM	SPECIFIC RECEIVABLES
17	BANK OF INDIA	30/09/2016	31/12/2021	50,000.00	12,493.92	20 QUARTERLY INSTALLMENTS	SPECIFIC RECEIVABLES
18	INDIAN BANK	30/11/2016	30/11/2021	50,000.00	12,493.30	20 QUARTERLY INSTALLMENTS STARTING FROM DATE OF DIOSBURSEMENT	SPECIFIC RECEIVABLES
19	SOUTH INDIAN BANK	31/12/2016	31/12/2021	5,000.00	1,250.21	20 QUARTERLY INSTALLMENTS	SPECIFIC RECEIVABLES
20	HDFC BANK	31/01/2017	31/01/2021	10,000.00	1,253.52	16 QUARTERLY INSTALLMENTS	SPECIFIC RECEIVABLES
21	HDFC BANK	28/02/2017	28/02/2021	10,000.00	1,247.40	16 QUARTERLY INSTALMENTS	SPECIFIC RECEIVABLES
22	UNION BANK OF INDIA	27/03/2017	27/03/2022	50,000.00	14,997.75	20 QUARTERLY INSTALLMENTS	SPECIFIC RECEIVABLES
23	BANK OF INDIA	30/03/2017	30/06/2022	50,000.00	17,497.82	20 QUARTERLY INSTALLMENTS	SPECIFIC RECEIVABLES
24	PUNJAB AND SIND BANK	31/03/2017	31/03/2022	25,000.00	7,496.50	20 QUARTERLY INSTALLMENTS	SPECIFIC RECEIVABLES
25	HDFC BANK	31/05/2017	31/05/2021	15,000.00	2,875.96	16 QURTERLY INSTALLMENTS	SPECIFIC RECEIVABLES

26	UNION BANK OF INDIA	29/08/2017	29/08/2022	50,000.00	19,992.28	20 QUARTERLY INSTALMENTS COMMENCING OF RS. 25 CRORE EACH	SPECIFIC RECEIVABLES
27	BANK OF INDIA	22/09/2017	20/12/2022	20,000.00	8,986.75	20 QUARTERLY INSTALLMENTS	SPECIFIC RECEIVABLES
28	HDFC BANK	28/09/2017	28/09/2021	5,000.00	1,250.38	16 QUARTERLY INSTALLMENTS	SPECIFIC RECEIVABLES
29	PUNJAB AND SIND BANK	28/09/2017	28/09/2022	24,000.00	9,592.77	20 QUARTERLY INSTALLMENTS	SPECIFIC RECEIVABLES
30	Canara Bank (e- Syndicate Bank)	13/11/2017	13/02/2023	16,000.00	7,963.88	20 QUARTERLY INSTALLMENTS	SPECIFIC RECEIVABLES
31	SHINHAN BANK	27/11/2017	27/11/2020	5,000.00	500.74	10 QUARTERLY INSTALLMENTS COMMENCING FROM 1 SEPT 2018	SPECIFIC RECEIVABLES
32	INDIAN BANK	14/11/2017	14/11/2022	30,000.00	13,498.30	20 QUARETRLY INSTALLMETS	SPECIFIC RECEIVABLES
33	BANK OF BARODA	29/12/2017	29/12/2022	60,000.00	26,845.50	20 QUARTERLY INSTALLMENTS	SPECIFIC RECEIVABLES
34	BANK OF BARODA	29/12/2017	29/09/2021	20,000.00	5,318.39	15 QUARTERLY INSTALLMENTS	SPECIFIC RECEIVABLES
35	Canara Bank (e- Syndicate Bank)	19/12/2017	13/02/2023	26,000.00	12,938.40	20 QUARTERLY INSTALLMENTS	SPECIFIC RECEIVABLES
36	Canara Bank (e- Syndicate Bank)	29/12/2017	13/02/2023	8,000.00	3,981.43	20 QUARTERLY INSTALLMENTS	SPECIFIC RECEIVABLES

37	KOTAK MAHINDRA BANK	08/12/2017	08/12/2020	8,500.00	706.99	36 MONTHLY INSTALLMENTS	SPECIFIC RECEIVABLES
38	QATAR NATIONAL BANK	02/01/2018	02/01/2021	4,500.00	749.93	6 HALF YEARLY INSTALLMENTS	SPECIFIC RECEIVABLES
39	Punjab National Bank (e-United Bank of India)	17/01/2018	17/04/2023	30,000.00	16,542.19	20 QUARTERLY INSTALLMENTS	SPECIFIC RECEIVABLES
40	UNION BANK OF INDIA	29/01/2018	29/01/2023	50,000.00	24,994.87	20 QUATERLY INSTALLMENTS	SPECIFIC RECEIVABLES
41	THE ZOROASTRIAN COOPERATIVE BANK LIMITED	24/01/2018	24/01/2022	1,000.00	377.53	16 QUARTERLY INSTALLMENTS	SPECIFIC RECEIVABLES
42	PUNJAB AND SIND BANK	22/05/2018	22/05/2023	13,000.00	7,144.41	20 QUARTERLY INSTALLMENTS	SPECIFIC RECEIVABLES
43	BANK OF INDIA	04/06/2018	30/09/2023	40,000.00	24,040.95	20 QUARTERLY INSTALLMENTS COMMENCINING FRM LAST DAY OF NEXT QUARTER	SPECIFIC RECEIVABLES
44	DOHA BANK	14/08/2018	01/08/2021	4,400.00	1,473.60	12 QUARTERLY INSTALLMENTS COMMENCING FROM 01.11.2018	SPECIFIC RECEIVABLES
45	BARCLAYS BANK	30/11/2018	30/11/2020	30,000.00	3,750.00	8 QUARTERLY INSTALLMNENTS	SPECIFIC RECEIVABLES
46	EMIRATES NBD BANK PJSC	10/12/2018	09/03/2022	8,500.00	4,354.50	10 QUARTERLY INSTMTS OF 7.10 CRS & LAST 2 INSTMTS OF RS 7.00CRS	SPECIFIC RECEIVABLES

						COMMENCING FRM END OF EACH QUARTER	
47	INDIAN BANK	29/03/2019	29/03/2024	30,000.00	20,918.67	20 QUARTERLY INSTALLMENTS	SPECIFIC RECEIVABLES
48	KEB HANA BANK	07/05/2019	07/05/2022	5,000.00	2,911.64	12 QUARTERLY INSTALLMENTS	SPECIFIC RECEIVABLES
49	KOTAK MAHINDRA BANK	28/06/2019	28/06/2022	10,500.00	6,094.36	36 MONTHLY INSTALLMENTS	SPECIFIC RECEIVABLES
50	BARCLAYS BANK	20/08/2019	20/08/2021	11,500.00	5,794.90	8 QUARTERLY INSTALLMENTS	SPECIFIC RECEIVABLES
51	BANK OF INDIA	21/09/2019	21/12/2024	65,000.00	54,095.74	20 QUARTERLY INSTALLMENTS	SPECIFIC RECEIVABLES
52	JP MORGAN CHASE BANK	27/09/2019	27/09/2021	35,000.00	35,901.85	BULLET - 27/09/2021	SPECIFIC RECEIVABLES
53	HONGKONG AND SHANGHAI BANKING CORP LTD	27/09/2019	26/09/2021	30,000.00	23,993.68	5 QUARTERLY INSTALLMENTS STARTING FROM A MORATORIUM OF 12 MONTHS	SPECIFIC RECEIVABLES
54	HONGKONG AND SHANGHAI BANKING CORP LTD	30/09/2019	30/09/2021	20,000.00	16,007.97	BULLET- 30/09/2021	SPECIFIC RECEIVABLES
55	DEUTSCHE BANK	24/09/2019	30/03/2022	30,000.00	30,030.17	BULLET- 30/03/2022	SPECIFIC RECEIVABLES
56	UNION BANK OF INDIA	10/10/2019	10/10/2024	50,000.00	41,583.99	20 QUARTERLY INSTALLMENTS	SPECIFIC RECEIVABLES
57	WOORI BANK	11/12/2019	11/12/2022	7,100.00	5,269.11	12 QUARTERLY INSTALLMENTS (11 QUARTERLY	SPECIFIC RECEIVABLES

						EQUAL INSTALMENTS OF RS. 5,91,66,667 EACH); LAST QUARTER INSTALMENT OF RS. 5,91,66,663	
58	CITI BANK	23/12/2019	21/12/2020	35,000.00	35,000.00	BULLET - 21/12/2020	SPECIFIC RECEIVABLES
59	HONGKONG AND SHANGHAI BANKING CORP LTD	20/12/2019	20/12/2021	7,500.00	7,503.16	5 QUARTERLY INSTALLMENTS WITH MORATORIUM OF 9 MONTHS	SPECIFIC RECEIVABLES
60	HONGKONG AND SHANGHAI BANKING CORP LTD	20/12/2019	20/12/2021	7,500.00	7,503.32	5 QUARTERLY INSTALLMENTS WITH MORATORIUM OF 9 MONTHS	SPECIFIC RECEIVABLES
61	HONGKONG AND SHANGHAI BANKING CORP LTD	20/12/2019	20/12/2021	5,000.00	5,002.21	5 QUARTERLY INSTALLMENTS WITH MORATORIUM OF 9 MONTHS	SPECIFIC RECEIVABLES
62	HONGKONG AND SHANGHAI BANKING CORP LTD	20/12/2019	20/12/2021	5,000.00	5,002.37	5 QUARTERLY INSTALLMENTS WITH MORATORIUM OF 9 MONTHS	SPECIFIC RECEIVABLES
63	Canara Bank (e- Syndicate Bank)	27/12/2019	27/03/2025	25,000.00	22,320.53	20 QUARTERLY INSTALMENTS	SPECIFIC RECEIVABLES
64	FIRSTRAND BANK LTD	30/12/2019	30/04/2021	1,000.00	650.16	BULLET - 30/04/2021	SPECIFIC RECEIVABLES
65	STANDARD CHARTERD BANK	31/12/2019	30/06/2022	17,500.00	17,504.46	BULLET- 30/06/2022	SPECIFIC RECEIVABLES
66	INDUSIND BANK	31/12/2019	31/12/2022	16,750.00	12,317.34	12 QUARTERLY	SPECIFIC RECEIVABLES

						INSTALLMENTS	
67	CENTRAL BANK OF INDIA	18/03/2020	18/03/2025	50,000.00	44,602.20	20 EQUAL QUARTERLY INSTALLMENTS FROM THE DATE OF DISBURSEMENT.	SPECIFIC RECEIVABLES
68	INDIAN BANK	31/03/2020	31/03/2025	50,000.00	44,742.48	20 EQUAL QUARTERLY INSTALLMENTS	SPECIFIC RECEIVABLES
69	INDUSIND BANK	31/03/2020	26/03/2021	4,500.00	4,472.84	BULLET - 26/03/2021	SPECIFIC RECEIVABLES
70	HONGKONG AND SHANGHAI BANKING CORP LTD	31/03/2020	30/03/2022	25,000.00	25,076.32	5 QUARTERLY INSTALLMENTS WITH A MORATORIUM OF 9 MONTHS, INTEREST RESET QUARTEYLY	SPECIFIC RECEIVABLES
71	AXIS BANK	31/03/2020	31/03/2023	25,000.00	20,606.59	12 EQUAL QUARTERLY INSTALLMENTS	SPECIFIC RECEIVABLES
72	STATE BANK OF INDIA	08/05/2020	30/06/2025	5,000.00	4,743.84	20 QUARTERLY INSTALLMENTS STARTING FROM 30 TH JUNE 2020	SPECIFIC RECEIVABLES
73	STATE BANK OF INDIA	30/05/2020	30/06/2025	20,000.00	18,491.04	20 QUARTERLY INSATLLMENTS STARTING FROM 30 TH JUN20	SPECIFIC RECEIVABLES
74	INDUSIND BANK	30/06/2020	24/12/2020	7,500.00	7,474.90	BULLET - 24/12/2020	SPECIFIC RECEIVABLES
75	INDUSIND BANK	30/06/2020	30/06/2023	16,650.00	14,796.63	12 QUARTERLY INSTALLMENTS	SPECIFIC RECEIVABLES
76	STATE BANK OF INDIA	16/07/2020	30/06/2025	25,000.00	23,544.98	20 QUARTERLY	SPECIFIC RECEIVABLES

						INSATLLMENTS	
77	MIZUHO BANK LTD	30/07/2020	30/01/2021	30,000.00	30,000.00	BULLET. 30/01/21	SPECIFIC RECEIVABLES
78	BANK OF BARODA	06/08/2020	06/08/2023	27,500.00	26,691.63	36 QUARTERLY INSTALMENTS	SPECIFIC RECEIVABLES
79	AXIS BANK	31/08/2020	31/08/2023	25,000.00	24,734.74	12 QUARTERLY INSTALMENTS	SPECIFIC RECEIVABLES
80	CITI BANK	25/09/2020	24/09/2021	15,000.00	15,000.00	BULLET - 24/09/2021	SPECIFIC RECEIVABLES

ii. Details of Unsecured Term Loan Facilities : Nil

iii. Details of Secured Loans Facilities from Working Capital Demand Loan:

(Rs. in lacs)

Sr. No.	Lender's Name	Date of Disbursement	Maturity Date	Amount Sanctioned	Outstanding amount as on 30.09.2020 (Ind-AS)	Repayment terms	Security
1	Canara Bank (e-Syndicate Bank)	19/03/2020	12/03/2021	15,000.00	15,005.31	BULLET - 12/03/2021	SPECIFIC RECEIVABLES
2	STATE BANK OF INDIA	14/05/2020	10/11/2020	33,000.00	33,000.00	BULLET - 10/11/2020	SPECIFIC RECEIVABLES
3	INDIAN OVERSEAS BANK	22/05/2020	22/11/2020	27,500.00	27,493.84	BULLET - 22/08/2020	SPECIFIC RECEIVABLES
4	BANK OF MAHARASHTRA	22/06/2020	16/12/2020	2,400.00	2,399.95	BULLET - 16/12/2020	SPECIFIC RECEIVABLES
5	CENTRAL BANK OF INDIA	17/07/2020	13/01/2021	12,000.00	11,967.45	BULLET- 13/01/2021	SPECIFIC RECEIVABLES
6	UNION BANK OF INDIA	29/07/2020	27/10/2020	24,000.00	24,000.09	BULLET. 27/10/2020	SPECIFIC RECEIVABLES
7	INDIAN BANK	24/07/2020	22/10/2020	9,000.00	9,000.00	BULLET - 22/10/2020	SPECIFIC RECEIVABLES
8	HDFC BANK	27/08/2020	24/11/2020	7,200.00	7,248.23	BULLET- 24/11/2020	SPECIFIC RECEIVABLES
9	INDIAN BANK	27/08/2020	23/02/2021	19,000.00	19,000.00	BULLET - 23/02/2021	SPECIFIC RECEIVABLES
10	HONGKONG AND SHANGHAI BANKING CORP LTD	27/08/2020	25/11/2020	2,400.00	2,400.63	BULLET- 25/11/2020	SPECIFIC RECEIVABLES

11	BANK OF INDIA	18/09/2020	18/03/2021	42,000.00	42,008.80	BULLET-18/03/2020	SPECIFIC RECEIVABLES
12	RATNAKAR BANK	28/09/2020	28/10/2020	25,000.00	25,005.68	BULLET-28/10/2020	SPECIFIC RECEIVABLES
13	PUNJAB NATIONAL BANK	25/09/2020	15/10/2020	20,000.00	20,000.00	BULLET-15/10/2020	SPECIFIC RECEIVABLES
14	UCO BANK	16/09/2020	16/10/2020	9,000.00	9,000.00	BULLET-16/10/2020	SPECIFIC RECEIVABLES
15	PUNJAB NATIONAL BANK	25/09/2020	09/10/2020	20,000.00	20,000.00	BULLET-09/10/2020	SPECIFIC RECEIVABLES
16	ICICI BANK LIMITED	24/09/2020	07/10/2020	0.90	0.90	BULLET-28/12/2020	SPECIFIC RECEIVABLES
17	ICICI BANK LIMITED	24/09/2020	07/10/2020	29.19	29.23	BULLET - 28/12/2020	SPECIFIC RECEIVABLES
18	ICICI BANK LIMITED	30/09/2020	07/10/2020	5,457.19	5,457.19	BULLET - 02/01/2021	SPECIFIC RECEIVABLES

iv. Details of Secured Loans Facilities from Financial Institutions:

(Rs. In Lacs)

Sr. No.	Lender's Name	Date of Disbursement	Maturity Date	Amount Sanctioned	Outstanding amount as on 30.09.2020 (Ind-AS)	Repayment terms	Security
1	SIDBI	18/01/2016	10/01/2021	30,000.00	3,014.39	20 QUARTERLY INSTALLMENTS	SPECIFIC RECEIVABLES
2	NABARD	17/03/2017	31/07/2022	30,000.00	2,435.50	11 HALF-YEARLY INSTALLMNTS -6 INSTALL OF RS 45 CRS EACH, THEN 5 INSTALLMENTS OF RS 6 CRS EACH, 1ST INSTALLMENT STARTING FROM 31.07.2017	SPECIFIC RECEIVABLES
3	SIDBI	31/03/2017	10/04/2022	30,000.00	10,553.90	20 QUARTERLY INSTALLMENTS	SPECIFIC RECEIVABLES
4	NABARD	09/08/2017	31/01/2023	70,000.00	7,099.44	11 HALF-YEARLY INSTALLMENTS (6 INSTALLMENTS OF RS 105 CRS THEN 5 INSTALLMENTS OF RS 14CRS)	SPECIFIC RECEIVABLES
5	MICRO UNITS DEVELOPM ENTREFINANCE AGENCY LTD	17/10/2017	10/10/2022	25,000.00	11,234.32	20 QUARTERLY INSTALLMENTS	SPECIFIC RECEIVABLES
6	SIDBI	10/10/2017	10/10/2022	30,000.00	13,572.57	20 QUARTERLY INSTALLMENTS	SPECIFIC RECEIVABLES

7	NABARD	01/11 /2018	31/01 /2024	50,000.00	20,350.96	11 INSTALLMENTS (6 INSTALMENTS OF RS 75 CRS STARTING FROM 31.01.2019 &5 INSTALMENTS OF RS 10 CRS LAST INSTALMENT ON 31.01.2024)	SPECIFIC RECEIVABLES
8	NABARD	13/11 /2018	31/01 /2024	32,400.00	13,187.42	11 INSTALLMENTS (6 INSTALMENTS OF RS 48.06CRS STARTING FROM 31.01.2019 & 5 INSTALMENTS OF RS 6.48 CRS LAST INSTALMENTS ON 31.01.2024)	SPECIFIC RECEIVABLES
9	NABARD	28/03 /2019	31/07 /2024	32,000.00	17,900.02	11 HALF YEARLY INSTALLMENTS - 6 INSTALLMENTS Of RS 48 CRS & 5 INSTALLMENTS OF 6.40 CRS COMMENCING FROM 31.07.19	SPECIFIC RECEIVABLES
10	SIDBI	20/07 /2020	10/04 /2021	35,000.00	27,092.23	9 MONTHLY INSTALLMENTS (8 INSTALLMENTS OF RS 40CRS & LAST INSATLLMENT OF RS 30CRS)	SPECIFIC RECEIVABLES

v. Details of External Commercial Borrowings

(Rs. In Lacs)

SR. NO	PARTY NAME	SANCTIONED AMT	PRINCIPAL AMOUNT O/S AS ON 30.09.2020 (AS per IND-AS)	REPAYMENT DATES/ SCHEDULE	SECURITY	Date of Disbursement	Maturity Date
1	HONGKONG AND SHANGHAI BANKING CORP LTD	48104.00	51,145.99	BULLET - 10/08/2023	SPECIFIC RECEIVABLES	10-Aug-2018	10-Aug-2023
2	ICICI BANK LIMITED	48069.00	51,145.52	BULLET - 10/08/2023	SPECIFIC RECEIVABLES	10-Aug-2018	10-Aug-2023
3	KOTAK MAHINDRA BANK	47985.00	51,144.74	BULLET - 10/08/2023	SPECIFIC RECEIVABLES	10-Aug-2018	10-Aug-2023
4	DEUTSCHE BANK	48020.00	51,142.66	BULLET - 10/08/2023	SPECIFIC RECEIVABLES	10-Aug-2018	10-Aug-2023
5	STANDARD CHARTERD BANK	48055.00	51,142.46	BULLET - 10/08/2023	SPECIFIC RECEIVABLES	10-Aug-2018	10-Aug-2023
6	BNP PARIBAS & ING BANK	94723.20	94,857.09	13 HALF YEARLY INSTALLMENTS	SPECIFIC RECEIVABLES	25-Oct-2019	18-Apr-2026

7	ING BANK & BNP PARIBAS	4276.80	4,099.55	13 HALF YEARLY INSTALLMENTS	SPECIFIC RECEIVABLES	05-Nov-2019	18-Apr-2026
8	PROPORCO	49910.00	51,435.06	11 EQUAL HALF YEARLY INSTALLMENTS AFTER A MORATORIUM OF 2 YEARS FROM 15.06.2020	SPECIFIC RECEIVABLES	24-Jan-2020	15-Jun-2027
9	OESTERREICHISCHE ENTWICKLUNGSBANK AG	14,700.00	14,891.54	11 HALF YEARLY INSTALLMENTS STARTING FROM 13.12.2021	SPECIFIC RECEIVABLES	05-Mar-20	11-Dec-26

vi. Details of NCDs :

Details of Secured NCDs:

Debenture Series	**Tenor /Period of Maturity (days)**	**Coupon**	**Amount**	**Outstanding Amount as on 30.09.20 (IND-AS)**	**Date of Allotment**	**Redemption Date / Schedule**	**Credit Rating**	**Secured / Unsecured**	**Security***
T SCR 043	3652	9.60%	5,000.00	5,090.75	05-Jul-13	05-Jul-23	CRISIL AA+/Negative	Secured	Specific Receivables
T SCACR 044	3652	9.60%	960.00	974.88	15-Jul-13	15-Jul-23	CRISIL AA+/Negative, CARE AA+; Negative	Secured	Specific Receivables
AUG S001	3652	10.50%	1,500.00	1,514.96	14-Aug-13	14-Aug-23	CARE AA+; Negative	Secured	Specific Receivables
C12 NEW OPT II	3652	10.60%	12,500.00	12,833.97	14-Sep-11	13-Sep-21	CARE AA+; Negative	Secured	Specific Receivables
P SCACR001	3652	10.50%	2,970.00	2,998.35	14-Aug-13	14-Aug-23	CRISIL AA+/Negative, CARE	Secured	Specific Receivables

							AA+; Negative		
AUG S002 OPTION II	3652	10.75%	3,600.00	3,891.64	13-Dec-13	13-Dec-23	CARE AA+; Negative	Secured	Specific Receivables
AUG D 001	3652	10.50%	1,850.00	1,860.87	27-Aug-13	27-Aug-23	CRISIL AA+/Negative, CARE AA+; Negative	Secured	Specific Receivables
AUG D 003	3652	10.75%	1,000.00	997.31	30-Sep-13	30-Sep-23	CRISIL AA+/Negative, CARE AA+; Negative	Secured	Specific Receivables
AUG D 004	3652	10.75%	1,500.00	1,495.97	30-Sep-13	30-Sep-23	CARE AA+; Negative	Secured	Specific Receivables
AUG D 005	3652	10.75%	1,000.00	1,100.66	09-Oct-13	09-Oct-23	CARE AA+; Negative	Secured	Specific Receivables
AUG S003	3652	10.75%	1,000.00	1,076.30	30-Dec-13	30-Dec-23	CARE AA+; Negative	Secured	Specific Receivables
P SCA 011	2557	10.50%	2,000.00	2,105.54	28-Mar-14	28-Mar-21	CARE AA+; Negative	Secured	Specific Receivables
P SCA 012	3653	10.60%	2,000.00	2,098.54	28-Mar-14	28-Mar-24	CARE AA+; Negative	Secured	Specific Receivables
AUG D 006	3653	10.60%	120.00	125.66	28-Mar-14	28-Mar-24	CRISIL AA+/Negative, CARE AA+; Negative	Secured	Specific Receivables
PPD 14-15 A6	3653	10.25%	30,000.00	29,851.08	18-Sep-14	18-Sep-24	IND AA+/RWN, CARE AA+; Negative	Secured	Specific Receivables
PPD 14-15 A8	2557	9.85%	5,000.00	5,006.46	19-Sep-14	19-Sep-21	IND AA+/R	Secured	Specific Receivables

							WN, CARE AA+; Negative		
PPD 14-15 A9	2557	9.85%	2,200.00	2,202.72	19-Sep-14	19-Sep-21	IND AA+/RWN	Secured	Specific Receivables
PPD 14-15 A10	3653	10.00%	2,200.00	2,194.50	19-Sep-14	19-Sep-24	IND AA+/RWN	Secured	Specific Receivables
PPD 14-15 B1	3653	10.25%	46,800.00	51,297.07	10-Oct-14	10-Oct-24	IND AA+/RWN, CARE AA+; Negative	Secured	Specific Receivables
PPD 14-15 B3	3653	10.10%	2,500.00	2,731.80	31-Oct-14	31-Oct-24	IND AA+/RWN	Secured	Specific Receivables
PPD 14-15 B6	3653	10.00%	33,250.00	36,135.55	13-Nov-14	13-Nov-24	IND AA+/RWN, CARE AA+; Negative	Secured	Specific Receivables
PPD 14-15 C2	3653	9.90%	10,000.00	10,786.49	28-Nov-14	28-Nov-24	IND AA+/RWN, CARE AA+; Negative	Secured	Specific Receivables
PPD 14-15 C4	3653	9.80%	4,250.00	4,600.50	28-Nov-14	28-Nov-24	CARE AA+; Negative	Secured	Specific Receivables
PPD 14-15 C 27	1827	8.80%	1,500.00	1,608.85	04-Dec-15	04-Dec-20	CRISIL AA+/Negative, IND AA+/RWN	Secured	Specific Receivables
PPD 14-15 C 31	1826	9.25%	10,000.00	10,491.86	18-Mar-16	18-Mar-21	CRISIL AA+/Negative, IND AA+/RWN	Secured	Specific Receivables
PPD 14-15 C 31 OPT 2	3652	9.30%	10,000.00	10,464.02	18-Mar-16	18-Mar-26	CRISIL AA+/Negative, IND AA+/RWN	Secured	Specific Receivables

PPD 14-15 C 34	1826	9.25%	7,500.00	7,845.73	29-Mar-16	29-Mar-21	CRISIL AA+/Negative, IND AA+/RWN	Secured	Specific Receivables
PPD 14-15 C 34 OPTION 2	3650	9.30%	14,000.00	14,649.59	29-Mar-16	27-Mar-26	CRISIL AA+/Negative, IND AA+/RWN	Secured	Specific Receivables
PPD15-16 C35	1826	9.15%	51,600.00	53,786.45	13-Apr-16	13-Apr-21	CRISIL AA+/Negative, IND AA+/RWN	Secured	Specific Receivables
PPD 15-16 C35 2	3652	9.22%	17,900.00	18,618.38	13-Apr-16	13-Apr-26	CRISIL AA+/Negative, IND AA+/RWN	Secured	Specific Receivables
PPD 15-16 C36	3652	9.20%	2,600.00	2,703.05	22-Apr-16	22-Apr-26	CRISIL AA+/Negative, IND AA+/RWN	Secured	Specific Receivables
PPD 15-16 C 37	1826	9.05%	1,500.00	1,557.53	29-Apr-16	29-Apr-21	CRISIL AA+/Negative, IND AA+/RWN	Secured	Specific Receivables
PPD15-16 C38	2556	9.05%	5,000.00	5,159.41	25-May-16	25-May-23	CRISIL AA+/Negative, IND AA+/RWN	Secured	Specific Receivables
PPD15-16 C40	2556	9.05%	1,250.00	1,284.90	09-Jun-16	09-Jun-23	CRISIL AA+/Negative, IND AA+/RWN	Secured	Specific Receivables
PPD 15-16 C41	1826	10.66%	500	729.83	10-Jun-16	10-Jun-21	CRISIL AA+/Negative, IND AA+/RWN	Secured	Specific Receivables
PPD 15-16 C42	1826	9.05%	8,480.00	8,675.54	30-Jun-16	30-Jun-21	CRISIL AA+/Negative,	Secured	Specific Receivables

							IND AA+/RWN		
PPD 16-17 SCR 01	1796	8.30%	66,000.00	67,662.96	05-Jul-16	05-Jun-21	CRISIL AA+/Negative	Secured	Specific Receivables
PPD 16-17 D-04	2556	9.05%	7,500.00	7,627.23	19-Jul-16	19-Jul-23	CRISIL AA+/Negative, IND AA+/RWN	Secured	Specific Receivables
PPD 16-17 D11	1826	8.85%	45,000.00	45,629.20	03-Aug-16	03-Aug-21	CRISIL AA+/Negative, IND AA+/RWN	Secured	Specific Receivables
PPD 16-17 D13	3652	8.87%	11,000.00	11,103.51	08-Aug-16	08-Aug-26	CRISIL AA+/Negative, IND AA+/RWN	Secured	Specific Receivables
PPD 16-17 D14	1826	8.50%	2,500.00	2,526.45	16-Aug-16	16-Aug-21	CRISIL AA+/Negative, IND AA+/RWN	Secured	Specific Receivables
PPD 16-17 D17	1826	8.45%	2,000.00	2,014.82	30-Aug-16	30-Aug-21	CRISIL AA+/Negative, IND AA+/RWN	Secured	Specific Receivables
SEFC 110 CRS	3653	9.90%	11,000.00	11,633.34	27-Feb-15	27-Feb-25	CARE AA+; Negative	Secured	Specific Receivables
SEREIS M 14 25 CRS	3653	9.90%	2,500.00	2,613.92	16-Apr-15	16-Apr-25	CARE AA+; Negative	Secured	Specific Receivables
PPD 16-17 E-03-03	1826	8.15%	500	520.56	30-Mar-17	30-Mar-22	CRISIL AA+/Negative, IND AA+/RWN	Secured	Specific Receivables
PPD 16-17 E-04-02	1826	8.15%	4,500.00	4,683.88	31-Mar-17	31-Mar-22	CRISIL AA+/Negative, IND AA+/RWN	Secured	Specific Receivables

PPD-17-18-F-01	1462	8.84%	55,000.00	70,524.94	25-Jul-17	26-Jul-21	CRISIL AA+/Negative	Secured	Specific Receivables
SCB 17-18 FP1 01	1188	7.64%	36,000.00	36,391.77	10-Aug-17	10-Nov-20	CRISIL AA+/Negative	Secured	Specific Receivables
PPD-17-18-F-02	1826	7.73%	2,500.00	2,520.60	22-Aug-17	22-Aug-22	CRISIL AA+/Negative, IND AA+/RWN	Secured	Specific Receivables
PPD-17-18 F-02	1826	7.73%	5,000.00	5,051.69	22-Aug-17	22-Aug-22	CRISIL AA+/Negative, IND AA+/RWN	Secured	Specific Receivables
PPD-17-18 F-02	1826	7.73%	20,000.00	20,202.67	22-Aug-17	22-Aug-22	CRISIL AA+/Negative, IND AA+/RWN	Secured	Specific Receivables
PPD-17-18 F-03	1459	7.60%	5,000.00	5,009.81	19-Sep-17	17-Sep-21	CRISIL AA+/Negative	Secured	Specific Receivables
PPD-17-18-F-04	1096	7.73%	8,000.00	8,545.23	13-Nov-17	13-Nov-20	CRISIL AA+/Negative	Secured	Specific Receivables
PPD-17-18-F-05	1826	8.00%	7,000.00	7,467.41	30-Nov-17	30-Nov-22	CRISIL AA+/Negative, IND AA+/RWN	Secured	Specific Receivables
PPD-17-18-F-07	1196	8.93%	23,000.00	28,666.83	29-Dec-17	08-Apr-21	CRISIL AA+/Negative	Secured	Specific Receivables
PPD-17-18-F-07-02	1096	7.73%	17,000.00	18,153.48	13-Nov-17	13-Nov-20	CRISIL AA+/Negative	Secured	Specific Receivables
PPD 17-18-F-11	1141	9.34%	8,700.00	10,773.05	16-Mar-18	30-Apr-21	CRISIL AA+/Negative	Secured	Specific Receivables
PPD-17-18-F-13	1157	8.55%	14,000.00	14,435.00	21-Mar-18	21-May-21	CRISIL AA+/Negative	Secured	Specific Receivables
PPD 17-18-F-15-03	2618	8.72%	1,000.00	1,043.87	26-Mar-18	26-May-25	IND AA+/RWN	Secured	Specific Receivables
PPD 17-18-F-14-03	1826	8.72%	23,000.00	24,049.49	22-Mar-18	22-Mar-23	CRISIL AA+/Negative, IND AA+/RWN	Secured	Specific Receivables

PPD 17-18-F-14-04	1111	9.31%	10,000.00	12,358.63	22-Mar-18	06-Apr-21	CRISIL AA+/Negative	Secured	Specific Receivables
PPD-17-18-F-16-01	1161	9.37%	52,500.00	64,872.58	27-Mar-18	31-May-21	CRISIL AA+/Negative	Secured	Specific Receivables
PPD 17-18-F-16-03	1826	8.72%	82,500.00	86,177.14	27-Mar-18	27-Mar-23	CRISIL AA+/Negative, IND AA+/RWN	Secured	Specific Receivables
PPD-17-18-F-13-01	1157	8.55%	24,990.00	25,766.67	21-Mar-18	21-May-21	CRISIL AA+/Negative	Secured	Specific Receivables
PPD-17-18-F-14-03-01	1826	8.72%	1,150.00	1,202.68	22-Mar-18	22-Mar-23	CRISIL AA+/Negative, IND AA+/RWN	Secured	Specific Receivables
PPD-17-18-F-15-01	2618	8.72%	2,500.00	2,610.43	26-Mar-18	26-May-25	IND AA+/RWN	Secured	Specific Receivables
PPD 17-18-F-11 REISSUE 1	1141	9.34%	5,000.00	6,191.42	16-Mar-18	30-Apr-21	CRISIL AA+/Negative	Secured	Specific Receivables
NCD-18-19-PPG-G-03	1226	9.85%	15,000.00	15,718.44	06-Dec-18	15-Apr-22	CRISIL AA+/Negative, IND AA+/RWN	Secured	Specific Receivables
PPML-19-20-01	548	9.05%	800	899.57	29-May-19	27-Nov-20	CRISIL PP-MLD AA+r/Negative	Secured	Specific Receivables
PPML-19-20-1-02	729	9.15%	1,730.00	1,952.65	29-May-19	27-May-21	CRISIL PP-MLD AA+r/Negative	Secured	Specific Receivables
PPML-19-20-1-03	729	9.55%	1,000.00	1,128.70	29-May-19	27-May-21	CRISIL AA+/Negative	Secured	Specific Receivables
PPD-19-20-J-01	394	9.47%	50,000.00	52,554.60	10-Feb-20	10-Mar-21	CRISIL AA+/Negative	Secured	Specific Receivables
PPD-19-20-J-02-01	396	8.97%	1,00,000.00	1,04,731.20	13-Feb-20	15-Mar-21	CRISIL AA+/Negative	Secured	Specific Receivables
PPD-19-20—J-02-02	1096	10.00%	20,000.00	21,244.55	13-Feb-20	13-Feb-23	CRISIL AA+/Negative	Secured	Specific Receivables

PPD-19-20-J-03	1097	9.50%	30,000.00	31,660.48	26-Feb-20	27-Feb-23	CRISIL AA+/Negative	Secured	Specific Receivables
PPD-19-20-J-04	733	9.25%	20,000.00	21,022.42	26-Feb-20	28-Feb-22	CRISIL AA+/Negative	Secured	Specific Receivables
SCB 19-20	728	9.15%	60,000.00	61,800.11	27-Mar-20	25-Mar-22	CRISIL AA+/Negative, IND AA+/RWN	Secured	Specific Receivables
NCD-2020-21 PJ 05	1095	9.00%	25,000.00	25,667.60	22-May-20	22-May-23	CRISIL AA+/Negative	Secured	Specific Receivables
PPD-20-21	546	9.75%	4,200.00	4,102.82	25-Sep-20	25-Mar-22	CRISIL PP-MLD AA+r/Negative	Secured	Specific Receivables
PPD NCD-20-21-2	546	9.75%	1,000.00	976.86	25-Sep-20	25-Mar-22	CRISIL PP-MLD AA+r/Negative	Secured	Specific Receivables

Details of Unsecured NCDs:

Debenture Series	**Tenor /Period of Maturity (days)**	**Coupon**	**Amount (in lacs)**	**Outstanding Amount as on 30.09.2020 (IND-AS) (in lacs)**	**Date of Allotment**	**Redemption Date/ Schedule**	**Credit Rating**	**Secured /unsecured**
PPH-18-19-01	1977	9.90%	50,000.00	48,392.05	22-Jan-2019	21-Jun-2024	CRISIL AA+/Negative & IND AA+/RWN	Unsecured

Details of Subordinated Debt:

Debenture Series	**Tenor /Period of Maturity (days)**	**Coupon**	**Amount (in lacs)**	**Outstanding Amount as on 30.09.2020 (IND-AS) (in lacs)**	**Date of Allotment**	**Redemption Date/ Schedule**	**Credit Rating**	**Secured /unsecured**
L02	3652	10.85%	6,500.00	6,624.35	20-Jul-2012	20-Jul-2022	CARE AA+; Negative	Unsecured

L07	3652	10.65%	2,500.00	2,670.46	30-Jan-2013	30-Jan-2023	CARE AA+; Negative	Unsecured
J1	5479	11.00%	2,920.00	2,899.62	30-Aug-2010	30-Aug-2025	CRISIL AA+/Negative , CARE AA+; Negative	Unsecured
K1A	6575	11.05%	2,500.00	2,531.99	15-Oct-2010	15-Oct-2028	CRISIL AA+/Negative , CARE AA+; Negative	Unsecured
J4	3653	11.50%	2,500.00	2,715.23	31-Mar-2011	31-Mar-2021	CRISIL AA+/Negative , CARE AA+; Negative	Unsecured
L03	3652	10.65%	7,000.00	7,535.89	31-Dec-2012	31-Dec-2022	CARE AA+; Negative	Unsecured
L08	3652	10.65%	270.00	288.40	30-Jan-2013	30-Jan-2023	CRISIL AA+/Negative , CARE AA+; Negative	Unsecured
R03	3652	10.65%	3,300.00	3,500.28	07-Mar-2013	07-Mar-2023	CRISIL AA+/Negative , CARE AA+; Negative	Unsecured
R04	3652	10.65%	250.00	265.10	08-Mar-2013	08-Mar-2023	CRISIL AA+/Negative	Unsecured
R05	3652	10.65%	150.00	158.84	13-Mar-2013	13-Mar-2023	CRISIL AA+/Negative	Unsecured
R02	3652	10.65%	1,200.00	1,272.83	07-Mar-2013	07-Mar-2023	CARE AA+; Negative	Unsecured
J2	5479	11.00%	2,500.00	2,474.84	09-Sep-2010	09-Sep-2025	CRISIL AA+/Negative , CARE AA+; Negative	Unsecured

SD STFC-03	3650	10.25%	2,000.00	2,074.70	21-May-2013	19-May-2023	CRISIL AA+/Negative	Unsecured
SD STFC-04	5479	10.00%	1,500.00	1,541.02	29-May-2013	29-May-2028	CRISIL AA+/Negative, CARE AA+; Negative	Unsecured
Series V 07-03	3652	11.00%	2,500.00	2,755.83	04-Oct-2013	04-Oct-2023	CARE AA+; Negative	Unsecured
Series V 07-01	3652	10.25%	2,500.00	2,561.78	05-Jul-2013	05-Jul-2023	CRISIL AA+/Negative	Unsecured
SD STFC-06	3652	10.15%	5,000.00	5,117.43	24-Jun-2013	24-Jun-2023	CRISIL AA+/Negative, CARE AA+; Negative	Unsecured
SD STFC-07	3652	10.10%	2,500.00	2,555.59	28-Jun-2013	28-Jun-2023	CARE AA+; Negative	Unsecured
R06	3652	10.65%	70.00	73.65	28-Mar-2013	28-Mar-2023	CRISIL AA+/Negative, CARE AA+; Negative	Unsecured
U03	3652	10.65%	3,500.00	3,679.85	28-Mar-2013	28-Mar-2023	CRISIL AA+/Negative, CARE AA+; Negative	Unsecured
R07	3652	10.65%	2,000.00	2,080.88	02-May-2013	02-May-2023	CARE AA+; Negative	Unsecured
R08	3652	10.65%	2,350.00	2,445.03	02-May-2013	02-May-2023	CRISIL AA+/Negative, CARE AA+; Negative	Unsecured
SD STFC-02	3652	10.25%	1,000.00	1,033.70	20-May-2013	20-May-2023	CRISIL AA+/Negative, CARE AA+; Negative	Unsecured

L01	3651	10.75%	5,000.00	5,179.66	11-Jun-2012	10-Jun-2022	CARE AA+; Negative	Unsecured
PPD_2015 16	2922	10.10%	6,700.00	6,701.85	30-Sep-2015	30-Sep-2023	CRISIL AA+/Negative , CARE AA+; Negative	Unsecured
PPD_2016 17 1 OPT I	2737	8.50%	4,000.00	4,269.07	01-Dec-2016	30-May-2024	CRISIL AA+/Negative , IND AA+/RWN	Unsecured
PPD_2016 17 1 OPT II	3652	8.50%	6,000.00	6,389.49	01-Dec-2016	01-Dec-2026	CRISIL AA+/Negative , IND AA+/RWN	Unsecured
PPD_2016 17 2	3652	8.50%	7,500.00	7,934.48	29-Dec-2016	29-Dec-2026	CRISIL AA+/Negative , IND AA+/RWN	Unsecured
INE468M08029	3652	12.20%	2,500.00	2,750.27	23-Dec-2011	22-Dec-2021	CRISIL AA+/Negative	Unsecured
INE468M08078	3651	10.20%	2,500.00	2,558.93	25-Jun-2013	24-Jun-2023	CRISIL AA+/Negative , CARE AA+; Negative	Unsecured
INE468M08086	3651	10.15%	2,000.00	2,043.17	28-Jun-2013	27-Jun-2023	CARE AA+; Negative	Unsecured
INE468M08045	3652	12.20%	2,500.00	2,745.26	13-Jan-2012	12-Jan-2022	CRISIL AA+/Negative , CARE AA+; Negative	Unsecured
INE468M08102	3652	10.60%	1,000.00	1,014.52	12-Aug-2014	11-Aug-2024	CRISIL AA+/Negative	Unsecured
SUB-17-18-01	3650	8.20%	10,000.00	10,668.55	17-Oct-2017	15-Oct-2027	CRISIL AA+/Negative , IND AA+/RWN	Unsecured
SUB-17-18-02	3650	8.20%	10,000.00	10,649.66	17-Oct-2017	15-Oct-2027	CRISIL AA+/Negative , IND AA+/RWN	Unsecured

SUB-17-18-03	3650	8.20%	3,500.00	3,774.45	17-Oct-2017	15-Oct-2027	CRISIL AA+/Negative , IND AA+/RWN	Unsecured
SUB-17-18-04	3650	8.20%	1,000.00	1,078.42	17-Oct-2017	15-Oct-2027	CRISIL AA+/Negative , IND AA+/RWN	Unsecured
SUB-17-18-05	3650	8.20%	1,500.00	1,613.14	17-Oct-2017	15-Oct-2027	CRISIL AA+/Negative , IND AA+/RWN	Unsecured
SUB-17-18-06	3650	8.20%	1,400.00	1,504.40	17-Oct-2017	15-Oct-2027	CRISIL AA+/Negative , IND AA+/RWN	Unsecured
SUB-17-18-06-01	3650	8.20%	500.00	537.50	17-Oct-2017	15-Oct-2027	CRISIL AA+/Negative , IND AA+/RWN	Unsecured
SUB-17-18-06-02	3650	8.20%	1,000.00	1,078.42	17-Oct-2017	15-Oct-2027	CRISIL AA+/Negative , IND AA+/RWN	Unsecured
SUB-17-18-07	3650	8.20%	500.00	537.28	17-Oct-2017	15-Oct-2027	CRISIL AA+/Negative , IND AA+/RWN	Unsecured
SUB-17-18-02	3653	9.00%	10,000.00	10,428.81	23-Mar-2018	23-Mar-2028	CRISIL AA+/Negative , IND AA+/RWN	Unsecured
SUB-17-08-02-02	2588	8.95%	4,000.00	4,159.21	28-Mar-2018	28-Apr-2025	CRISIL AA+/Negative , IND AA+/RWN	Unsecured
SUB-17-08-02-01	3653	9.00%	99,500.00	1,03,678.30	28-Mar-2018	28-Mar-2028	CRISIL AA+/Negative , IND AA+/RWN	Unsecured
SUB-18-09-01	1976	10.25%	65,000.00	59,481.78	28-Nov-2018	26-Apr-2024	CRISIL AA+/Negative , IND AA+/RWN	Unsecured

SUB-18-19-02	3653	10.51%	1,000.00	1,074.66	12-Dec-2018	12-Dec-2028	CRISIL AA+/Negative , IND AA+/RWN	Unsecured
SUB-18-19-01-02	1976	10.25%	65,000.00	59,545.12	28-Nov-2018	26-Apr-2024	CRISIL AA+/Negative , IND AA+/RWN	Unsecured
SUB-18-19-01-03	1976	10.25%	47,500.00	43,462.77	28-Nov-2018	26-Apr-2024	CRISIL AA+/Negative , IND AA+/RWN	Unsecured
SUB-18-19-02-02	3653	10.51%	2,500.00	2,711.06	12-Dec-2018	12-Dec-2028	CRISIL AA+/Negative , IND AA+/RWN	Unsecured
SUB--18-19-03	2188	10.25%	55,000.00	52,283.58	31-Dec-2018	27-Dec-2024	CRISIL AA+/Negative , IND AA+/RWN	Unsecured

Details of Public issue NCDs:

(Rs. In lacs)

S.No.	**Debenture Series**	**Tenor /Period of Maturity (days)**	**Coupon**	**Amount (in lacs)**	**Outstanding Amount as on 30.09.2020 (IND-AS) (in lacs)**	**Date of Allotment**	**Redemption Date/ Schedule**	**Credit Rating**	**Secured /unsecured**	**Security**
1	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each- (OCT 2013) Option - III	84 months	10.75 %	7,757.55	8,194.61	24-Oct-13	23-Oct-20	CRISIL AA+/Negative, CARE AA+; Negative	Secured	Secured by specific assets covered under hypothecation loan and by way of exclusive charge and equitable mortgage of immovable property.

2	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(OCT 2013) Option - VI	84 months	10.75 %	1,372.52	2,953.51	24-Oct-13	23-Oct-20	CRISIL AA+/Negative, CARE AA+; Negative	Secured	Secured by specific assets covered under hypothecation loan and by way of exclusive charge and equitable mortgage of immovable property.
3	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2014) Option - III	84 months	10.15 %	13,606.87	13,893.93	15-Jul-14	14-Jul-21	CRISIL AA+/Negative, CARE AA+; Negative, IND AA+/RWN	Secured	Secured by specific assets covered under hypothecation loan and by way of exclusive charge and equitable mortgage of immovable property.
4	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2014) Option - V	84 months	9.71%	3,518.66	3,509.85	15-Jul-14	14-Jul-21	CRISIL AA+/Negative, CARE AA+; Negative, IND AA+/RWN	Secured	Secured by specific assets covered under hypothecation loan and by way of exclusive charge and equitable mortgage of immovable property.

5	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2014) Option - VIII	84 months	10.15 %	2,811.65	5,526.62	15-Jul-14	14-Jul-21	CRISIL AA+/Negative, CARE AA+; Negative, IND AA+/RWN	Secured	Secured by specific assets covered under hypothecation loan and by way of exclusive charge and equitable mortgage of immovable property.
6	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2018) Option - 1	60 months	8.93%	15,038.44	14,974.36	12-Jul-18	12-Jul-23	CRISIL AA+/Negative, IND AA+/RWN	Secured	Secured by specific assets covered under hypothecation loan and by way of exclusive charge and equitable mortgage of immovable property.
7	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2018) Option - 2	120 months	9.03%	4,992.67	4,953.04	12-Jul-18	12-Jul-28	CRISIL AA+/Negative, IND AA+/RWN	Secured	Secured by specific assets covered under hypothecation loan and by way of exclusive charge and equitable mortgage of immovable property.

8	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2018) Option - 3	36 months	9.10%	2,21,299.80	2,24,871.94	12-Jul-18	12-Jul-21	CRISIL AA+/Negative, IND AA+/RWN	Secured	Secured by specific assets covered under hypothecation loan and by way of exclusive charge and equitable mortgage of immovable property.
9	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2018) Option - 4	60 months	9.30%	54,020.60	54,658.19	12-Jul-18	12-Jul-23	CRISIL AA+/Negative, IND AA+/RWN	Secured	Secured by specific assets covered under hypothecation loan and by way of exclusive charge and equitable mortgage of immovable property.
10	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2018) Option - 5	120 months	9.40%	42,489.00	42,702.30	12-Jul-18	12-Jul-28	CRISIL AA+/Negative, IND AA+/RWN	Secured	Secured by specific assets covered under hypothecation loan and by way of exclusive charge and equitable mortgage of immovable property.

11	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2018) Option - 6	36 months	9.11%	7,245.48	8,800.16	12-Jul-18	12-Jul-21	CRISIL AA+/Negative, IND AA+/RWN	Secured	Secured by specific assets covered under hypothecation loan and by way of exclusive charge and equitable mortgage of immovable property.
12	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2018) Option - 7	60 months	9.31%	9,025.87	10,953.59	12-Jul-18	12-Jul-23	CRISIL AA+/Negative, IND AA+/RWN	Secured	Secured by specific assets covered under hypothecation loan and by way of exclusive charge and equitable mortgage of immovable property.
13	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2018) TRANCH 2 - Option - 1	60 months	9.12%	9,463.20	9,330.99	02-Nov-18	02-Nov-23	CRISIL AA+/Negative, IND AA+/RWN	Secured	Secured by specific assets covered under hypothecation loan and by way of exclusive charge and equitable mortgage of immovable property.

14	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2018) TRANCH 2 - Option - 2	120 months	9.30%	3,233.99	3,174.77	02-Nov-18	02-Nov-28	CRISIL AA+/Negative, IND AA+/RWN	Secured	Secured by specific assets covered under hypothecation loan and by way of exclusive charge and equitable mortgage of immovable property.
15	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2018) TRANCH 2 - Option - 3	36 months	9.40%	20,776.90	22,410.26	02-Nov-18	02-Nov-21	CRISIL AA+/Negative, IND AA+/RWN	Secured	Secured by specific assets covered under hypothecation loan and by way of exclusive charge and equitable mortgage of immovable property.
16	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2018) TRANCH 2 - Option - 4	60 months	9.50%	11,431.55	12,273.90	02-Nov-18	02-Nov-23	CRISIL AA+/Negative, IND AA+/RWN	Secured	Secured by specific assets covered under hypothecation loan and by way of exclusive charge and equitable mortgage of immovable property.

17	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2018) TRANCH 2 - Option - 5	120 months	9.70%	3,898.33	4,175.35	02-Nov-18	02-Nov-28	CRISIL AA+/Negative, IND AA+/RWN	Secured	Secured by specific assets covered under hypothecation loan and by way of exclusive charge and equitable mortgage of immovable property.
18	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2018) TRANCH 2 - Option - 6	36 months	9.50%	4,212.97	4,963.00	02-Nov-18	02-Nov-23	CRISIL AA+/Negative, IND AA+/RWN	Secured	Secured by specific assets covered under hypothecation loan and by way of exclusive charge and equitable mortgage of immovable property.
19	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2018) TRANCH 2 - Option - 7	60 months	9.40%	7,662.25	9,055.75	02-Nov-18	02-Nov-21	CRISIL AA+/Negative, IND AA+/RWN	Secured	Secured by specific assets covered under hypothecation loan and by way of exclusive charge and equitable mortgage of immovable property.

20	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2018) TRANCH 3 - Option - 1	60 months	9.12%	8,770.18	8,643.15	06-Feb-19	06-Feb-24	CRISIL AA+/Negative, IND AA+/RWN	Secured	Secured by specific assets covered under hypothecation loan and by way of exclusive charge and equitable mortgage of immovable property.
21	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2018) TRANCH 3 - Option - 2	120 months	9.30%	2,638.03	2,590.27	06-Feb-19	06-Feb-29	CRISIL AA+/Negative, IND AA+/RWN	Secured	Secured by specific assets covered under hypothecation loan and by way of exclusive charge and equitable mortgage of immovable property.
22	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2018) TRANCH 3 - Option - 3	36 months	9.40%	17,999.83	18,937.34	06-Feb-19	06-Feb-22	CRISIL AA+/Negative, IND AA+/RWN	Secured	Secured by specific assets covered under hypothecation loan and by way of exclusive charge and equitable mortgage of immovable property.

23	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2018) TRANCH 3 - Option - 4	60 months	9.50%	10,011.16	10,490.79	06-Feb-19	06-Feb-24	CRISIL AA+/Negative, IND AA+/RWN	Secured	Secured by specific assets covered under hypothecation loan and by way of exclusive charge and equitable mortgage of immovable property.
24	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2018) TRANCH 3 - Option - 5	120 months	9.70%	3,414.92	3,570.50	06-Feb-19	06-Feb-29	CRISIL AA+/Negative, IND AA+/RWN	Secured	Secured by specific assets covered under hypothecation loan and by way of exclusive charge and equitable mortgage of immovable property.
25	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2018) TRANCH 3 - Option - 6	36 months	9.41%	6,703.85	7,730.15	06-Feb-19	06-Feb-22	CRISIL AA+/Negative, IND AA+/RWN	Secured	Secured by specific assets covered under hypothecation loan and by way of exclusive charge and equitable mortgage of immovable property.

26	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2018) TRANCH 3 - Option - 7	60 months	9.51%	4,193.92	4,822.11	06-Feb-19	06-Feb-24	CRISIL AA+/Negative, IND AA+/RWN	Secured	Secured by specific assets covered under hypothecation loan and by way of exclusive charge and equitable mortgage of immovable property.
27	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2019) TRANCH 1 - Option - 1	42 months	9.12%	4,222.80	4,138.59	22-Aug-19	22-Feb-23	CRISIL AA+/Negative, CARE AA+; Negative, IND AA+/RWN	Secured	Secured by specific assets covered under hypothecation loan and by way of exclusive charge and equitable mortgage of immovable property.
28	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2019) TRANCH 1 - Option - 3	84 months	9.31%	2,103.60	2,052.25	22-Aug-19	22-Aug-26	CRISIL AA+/Negative, CARE AA+; Negative, IND AA+/RWN	Secured	Secured by specific assets covered under hypothecation loan and by way of exclusive charge and equitable mortgage of immovable property.

29	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2019) TRANCH 1 - Option - 2	60 months	9.22%	3,434.55	3,356.85	22-Aug-19	22-Aug-24	CRISIL AA+/Negative, CARE AA+; Negative, IND AA+/RWN	Secured	Secured by specific assets covered under hypothecation loan and by way of exclusive charge and equitable mortgage of immovable property.
30	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2019) TRANCH 1 - Option - 4	30 months	9.30%	5,311.40	5,279.20	22-Aug-19	22-Feb-22	CRISIL AA+/Negative, CARE AA+; Negative, IND AA+/RWN	Secured	Secured by specific assets covered under hypothecation loan and by way of exclusive charge and equitable mortgage of immovable property.
31	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2019) TRANCH 1 - Option - 5	42 months	9.50%	5,580.73	5,528.26	22-Aug-19	22-Feb-23	CRISIL AA+/Negative, CARE AA+; Negative, IND AA+/RWN	Secured	Secured by specific assets covered under hypothecation loan and by way of exclusive charge and equitable mortgage of immovable property.

32	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2019) TRANCH 1 - Option - 6	60 months	9.60%	4,720.39	4,663.84	22-Aug-19	22-Aug-24	CRISIL AA+/Negative, CARE AA+; Negative, IND AA+/RWN	Secured	Secured by specific assets covered under hypothecation loan and by way of exclusive charge and equitable mortgage of immovable property.
33	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2019) TRANCH 1 - Option - 7	84 months	9.70%	2,619.03	2,583.23	22-Aug-19	22-Aug-26	CRISIL AA+/Negative, CARE AA+; Negative, IND AA+/RWN	Secured	Secured by specific assets covered under hypothecation loan and by way of exclusive charge and equitable mortgage of immovable property.
34	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2019) TRANCH 1 - Option - 8	42 months	9.50%	2,821.38	3,066.73	22-Aug-19	22-Feb-23	CRISIL AA+/Negative, CARE AA+; Negative, IND AA+/RWN	Secured	Secured by specific assets covered under hypothecation loan and by way of exclusive charge and equitable mortgage of immovable property.

35	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2019) TRANCH 1 - Option - 9	60 months	9.60%	1,757.41	1,907.58	22-Aug-19	22-Aug-24	CRISIL AA+/Negative, CARE AA+; Negative, IND AA+/RWN	Secured	Secured by specific assets covered under hypothecation loan and by way of exclusive charge and equitable mortgage of immovable property.
36	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2019) TRANCH 1 - Option - 10	84 months	9.70%	1,422.70	1,542.72	22-Aug-19	22-Aug-26	CRISIL AA+/Negative, CARE AA+; Negative, IND AA+/RWN	Secured	Secured by specific assets covered under hypothecation loan and by way of exclusive charge and equitable mortgage of immovable property.
37	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2019) TRANCH 2 - Option - 1	36 months	8.52%	2,932.09	2,855.55	28-Jan-20	28-Jan-23	CRISIL AA+/Negative, CARE AA+; Negative, IND AA+/RWN	Secured	Secured by specific assets covered under hypothecation loan and by way of exclusive charge and equitable mortgage of immovable property.

38	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2019) TRANCH 2 - Option - 2	60 months	8.66%	1,629.97	1,582.56	28-Jan-20	28-Jan-25	CRISIL AA+/Negative, CARE AA+; Negative, IND AA+/RWN	Secured	Secured by specific assets covered under hypothecation loan and by way of exclusive charge and equitable mortgage of immovable property.
39	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2019) TRANCH 2 - Option - 3	84 months	8.75%	1,383.06	1,341.06	28-Jan-20	28-Jan-27	CRISIL AA+/Negative, CARE AA+; Negative, IND AA+/RWN	Secured	Secured by specific assets covered under hypothecation loan and by way of exclusive charge and equitable mortgage of immovable property.
40	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2019) TRANCH 2 - Option - 4	36 months	8.85%	5,050.97	5,224.28	28-Jan-20	28-Jan-23	CRISIL AA+/Negative, CARE AA+; Negative, IND AA+/RWN	Secured	Secured by specific assets covered under hypothecation loan and by way of exclusive charge and equitable mortgage of immovable property.

41	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2019) TRANCH 2 - Option - 5	60 months	9.00%	3,470.35	3,582.32	28-Jan-20	28-Jan-25	CRISIL AA+/Negative, CARE AA+; Negative, IND AA+/RWN	Secured	Secured by specific assets covered under hypothecation loan and by way of exclusive charge and equitable mortgage of immovable property.
42	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2019) TRANCH 2 - Option - 6	84 months	9.10%	1,302.31	1,343.45	28-Jan-20	28-Jan-27	CRISIL AA+/Negative, CARE AA+; Negative, IND AA+/RWN	Secured	Secured by specific assets covered under hypothecation loan and by way of exclusive charge and equitable mortgage of immovable property.
43	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2019) TRANCH 2 - Option - 7	36 months	9.11%	2,082.16	2,152.83	28-Jan-20	28-Jan-23	CRISIL AA+/Negative, CARE AA+; Negative, IND AA+/RWN	Secured	Secured by specific assets covered under hypothecation loan and by way of exclusive charge and equitable mortgage of immovable property.

44	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2019) TRANCH 2 - Option - 8	60 months	9.21%	1,515.80	1,564.26	28-Jan-20	28-Jan-25	CRISIL AA+/Negative, CARE AA+; Negative, IND AA+/RWN	Secured	Secured by specific assets covered under hypothecation loan and by way of exclusive charge and equitable mortgage of immovable property.

Details of Masala Bonds:

(Rs. In lacs)

Series Name	Tenor /Period of Maturity (days)	Coupon	Amount (in lacs)	Outstanding Amount as on 30.09.2020 (IND-AS) (in lacs)	Date of Allotment	Redemption Date/ Schedule	Credit Rating	Secured /unsecured	Security
MB-650 CRS	1918	8.10%	65,000.00	65,997.87	08-Mar-2018	08-Jun-2023	BB- /Watch Neg BY S&P RATINGS & BB/Negative by FITCH RATINGS	Secured	Specific Receivables
MB-320 CRS	1096	7.90%	32,000.00	33,303.15	12-Mar-2018	12-Mar-2021	BB- /Watch Neg BY S&P RATINGS & BB/Negative by FITCH RATINGS	Secured	Specific Receivables

MB-190 CRS	1918	8.10%	19,000.00	19,291.68	08-Mar-2018	08-Jun-2023	BB-/Watch Neg BY S&P RATINGS & BB/Negative by FITCH RATINGS	Secured	Specific Receivables

Details of Dollar Bonds:

(Rs. In lacs)

Sr. No.	Series Name	Tenor/ Period of Maturity	Coupon	Amount	Outstanding Amount as on 30.09.2020 (IND-AS)	Date of Allotment	Redemption Date/ Schedule	Credit Rating as on date hereof	Secured/ Unsecured	Security
1	ED-2018-19-01	1097	5.70%	35,625.00	35,625.00	27-Feb-2019	28-Feb-2022	BB-/Watch Neg BY S&P RATINGS & BB/Negative FITCH RATINGS	Secured	1.00 TIMES
2	ED-2018-19-02	1097	5.70%	35,610.00	35,610.00	27-Feb-2019	28-Feb-2022	BB-/Watch Neg BY S&P RATINGS & BB/Negative FITCH RATINGS	Secured	1.00 TIMES
3	ED-2018-19-03	1097	5.70%	35,630.00	35,630.00	27-Feb-2019	28-Feb-2022	BB-/Watch Neg BY S&P RATINGS & BB/Negative FITCH RATINGS	Secured	1.00 TIMES
4	ED-2018-19-04	1097	5.70%	71,250.00	71,250.00	27-Feb-2019	28-Feb-2022	BB-/Watch Neg BY S&P RATINGS & BB/Negative FITCH RATINGS	Secured	1.00 TIMES
5	ED-2018-19-05	1097	5.70%	35,625.00	35,625.00	27-Feb-2019	28-Feb-2022	BB-/Watch Neg BY S&P RATINGS & BB/Negative	Secured	1.00 TIMES

								FITCH RATINGS		
6	ED-2018-09-06	1097	5.70%	71,250.00	71,250.00	27-Feb-2019	28-Feb-2022	BB-/Watch Neg BY S&P RATINGS & BB/Negative FITCH RATINGS	Secured	1.00 TIMES
7	ED-2019-20-1-01	1279	5.95%	1,74,100.00	1,74,100.00	24-Apr-2019	24-Oct-2022	BB-/Watch Neg BY S&P RATINGS & BB/Negative FITCH RATINGS	Secured	1.00 TIMES
8	ED-2019-20-1-02	1279	5.95%	1,74,675.00	1,74,675.00	24-Apr-2019	24-Oct-2022	BB-/Watch Neg BY S&P RATINGS & BB/Negative FITCH RATINGS	Secured	1.00 TIMES
9	ED-2019-20-1-03	1279	5.95%	1,71,437.50	1,71,437.50	24-Apr-2019	24-Oct-2022	BB-/Watch Neg BY S&P RATINGS & BB/Negative FITCH RATINGS	Secured	1.00 TIMES
10	HSBC ED-1	1277	5.10%	3,54,250.00	3,54,250.00	16-Jan-2020	16-Jul-2023	BB-/Watch Neg BY S&P RATINGS & BB/Negative FITCH RATINGS	Secured	1.00 TIMES

vii. List of Top 10 Debenture Holders as on September 30, 2020:

Sr. No	**Name of Debenture Holder**	**PAN**	**Aggregate Amount (Rs. In Lakhs)**
1	FRANKLIN INDIA LOW DURATION FUND	AAATT4931H	210450.00
2	POSTAL LIFE INSURANCE FUND A/C SBIFMPL	AAAGP0156M	150000.00
3	ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED A/C ADITYA BIRLA SUN LIFE SAVINGS FUND	AAATB0102C	113250.00
4	HDFC TRUSTEE COMPANY LTD - A/C HDFC HYBRID EQUITY FUND	AAATH1809A	74718.50
5	SBI LIFE INSURANCE CO.LTD	AAFCS2530P	66530.00
6	INTERNATIONAL FINANCE CORPORATION	EXEMPTCATG	66000.00
7	HINDUSTAN ZINC LIMITED	AAACH7354K	63300.00
8	SBI DUAL ADVANTAGE FUND SERIES XXV	AABTS6407Q	62500.00
9	STANDARD CHARTERED BANK	AABCS4681D	60000.00

10	NPS TRUST- A/C UTI RETIREMENT SOLUTIONS PENSION FUND SCHEME - CENTRAL GOVT	AABTN0648L	59981.90

viii. *The amount of corporate guarantee issued by the Issuer along with the name of the Counterparty (like name of the subsidiary, JV entity, group company, etc) on behalf of whom it has been issued.* ***- NIL***

ix. *Details of Commercial Paper: - The total Face Value of Commercial Papers Outstanding as on the latest quarter ended September 30, 2020: Nil*

x. *Details of rest of the borrowing (if any including hybrid debt like FCCB,Optionally Convertible Debentures / Preference Shares) as on September 30, 2020:- -* ***NIL***

xi. *Details of all default/s and/or delay in payments of interest and principal of any kind of term loans, debt securities and other financial indebtedness including corporate guarantee issued by the Company, in the past 5 years. – NIL*

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

The Company till date has not issued any debt securities for consideration other than cash in whole or part/ pursuance of an option.

The Company has issued debt securities at a Discount. Details of debt securities issued at a Discount as on September 30, 2020 are as follows:

ISIN NO.	Particulars	Rating	Amount (In Lacs)	Issued value (in lacs)
INE721A07 MZ2	SYNDICATE BANK	CRISIL AA+/Negative	17000	16865
INE721A08 CY4	SHRIRAM GENERAL INSURANCE CO	CRISIL AA+/Negative, IND AA+/RWN	3500	3486
INE721A08 CY4	SHRIRAM LIFE INSURANCE CO LTD	CRISIL AA+/Negative, IND AA+/RWN	1000	986
INE721A08 CY4	VISAKSHAPATNAM STEEL PROJECT	CRISIL AA+/Negative, IND AA+/RWN	1500	1479
INE721A08 CY4	VISAKSHAPATNAM STEEL PROJECT	CRISIL AA+/Negative, IND AA+/RWN	1200	1157
INE721A08 CY4	RINL EMPLOYEES SUPERANNUATION	CRISIL AA+/Negative, IND AA+/RWN	200	193
INE721A08 CY4	VISAKSHAPATNAM STEEL PROJECT	CRISIL AA+/Negative, IND AA+/RWN	500	496
INE721A08 CY4	SHRIRAM GENERAL INSURANCE CO	CRISIL AA+/Negative, IND AA+/RWN	1000	995
INE721A08 CY4	SPMCIL PROVIDENT FUND	CRISIL AA+/Negative, IND AA+/RWN	500	498

Except as mentioned above there are no outstanding borrowings taken/ debt securities issued where taken / issued (i) for consideration other than cash, whether in whole or part, (ii) at a premium or discount, or (iii) in pursuance of an option.

F. DETAILS OF PROMOTERS OF THE COMPANY:

Details of promoter holding in the company as on the latest quarter end: September 30, 2020

Promoter and promoter group shareholding:

Sr. No.	Name of shareholders	Total Number of Equity Shares held	Total Number of Equity Shares held in Demat Form	Percentage Holding (%)	No of Shares Pledged	% of Shares pledged with respect to shares owned
1.	SHRIRAM CAPITAL LIMITED – Promoter	66964947	66964947	26.46	-	-
2.	SHRIRAM FINANCIAL VENTURES (CHENNAI) PRIVATE LIMITED - Promoter Group	56906	56906	0.02	-	-

Notes to Shareholding Pattern-

I. The Promoter Group as defined under Regulation 2(1)(t) of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers Regulations, 2011, (SAST Regulations 2011): 1. Shriram Ownership Trust 2. Shriram Financial Ventures (Chennai) Pvt Limited 3 Shriram Life Insurance Company Limited 4. Shriram General Insurance Company Limited 5. Shriram Credit Company Limited 6. Shriram Asset Management Company Limited. 7. Shriram Overseas Investments Private Limited 8. Bharat Investments Pte. Limited, Singapore 9. Shriram City Union Finance Limited 10. Shriram Fortune Solutions Limited 11. Shriram Wealth Advisors Limited 12. Shriram Insight Share Brokers Limited 13. Shriram Financial Products Solutions (Chennai) Private Limited 14. Shriram Housing Finance Limited 15. Insight Commodities and Futures Private Limited 16. Shrilekha Business Consultancy Private Limited 17. Shriram Seva Sankalp Foundation 18. SGI Philippines General Insurance Co Inc. 19. Shriram Value Services Limited 20. Novae Technology Solutions Private Limited 21. Novac Digital Services Private Limited 22. Snottor Technology Services Private Limited and 23. Sea Funds Management India Private Limited.

II. The Persons Acting in Concert (PAC), as defined in the SAST Regulations 2011 for the purpose of Regulation 10 of SAST Regulations, 2011: (i)Sanlam Emerging Markets (Mauritius) Limited, (ii)Shriram Mutual Fund (SMF), (iii)Mr. S Krishnamurthy (Trustee of SMF), (iv) Mr. V N Shivashankar (Trustee of SMF), (v) Dr. Qudsia Gandhi (Trustee of SMF), (vi) Mr. Mani Sridhar (Trustee of SMF) and (vii) Sanlam Life Insurance Limited.

III. All the entities/persons mentioned in Note No. I and Note No. II are PACs for more than three years, except the entity at Sr. No. (19), (20), (21) & (22) in Note No. I are PACs for less than three years.

IV. None of the above-mentioned entities/persons in Note No. I and II hold any shares in the Company except the entity at Sr. No. (2) in Note No. I and (vii) in Note No. II.

G. ABRIDGED VERSION OF AUDITED CONSOLIDATED (WHEREVER AVAILABLE) AND STANDALONE FINANCIAL INFORMATION (LIKE PROFIT & LOSS STATEMENT, BALANCE SHEET AND CASH FLOW STATEMENT) FOR AT LEAST LAST THREE YEARS AND AUDITOR QUALIFICATIONS, IF ANY.

A) SUMMARY INFORMATION OF OUR CONSOLIDATED ASSETS AND LIABILITIES

(As per IND AS) **(Rs. In Crores)**

		Particulars	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018
I		**ASSETS**			
	1	**Financial assets**			
		Cash and cash equivalents	3,088.99	1,029.14	1,090.71
		Bank balance other than above	4,225.93	2,952.33	2,583.84
		Derivative financial instruments	758.73	21.72	10.54
		Receivables	-	-	-
		(I) Trade receivables	10.50	8.48	13.98
		(II) Other receivables	5.64	19.94	3.48
		Loans	1,02,231.63	96,751.49	90,745.62

		Investments	2,935.63	4,125.54	2,456.24
		Other financial assets	45.15	36.88	37.48
	2	**Non-financial Assets**			
		Current tax assets (net)	249.10	106.58	104.26
		Deferred tax assets (net)	62.50	75.70	52.19
		Investment property	2.03	2.06	2.10
		Property, plant and equipment	149.88	143.46	118.22
		Right-of-use assets	327.84	-	
		Other intangible assets	2.67	1.97	1.74
		Other non-financial assets	169.57	143.66	139.52
		Total assets	1,14,265.79	1,05,418.95	97,359.93
II		**LIABILITIES AND EQUITY**			
		LIABILITIES			
	1	**Financial liabilities**			
		Derivative financial instruments	-	83.42	4.68
		Payables			
		(I) Trade payables			
		(i) total outstanding dues of micro enterprises and small enterprises	0.40	-	
		(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	143.44	133.46	219.77
		(II) Other payables			-
		(i) total outstanding dues of micro enterprises and small enterprises	-	-	-
		(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	1.13	2.72	-
		Debt securities	34,266.96	34,181.76	32,432.61
		Borrowings (other than debt securities)	42,474.60	37,189.30	36,108.54
		Deposits	11,960.12	10,341.46	8,597.75
		Subordinated liabilities	5,670.07	6,201.88	4,991.94
		Other financial liabilities	912.32	1,016.48	650.68
		Lease Liabilities	362.81	-	
	2	**Non-financial liabilities**			
		Current tax liabilities (net)	102.02	102.97	216.51
		Provisions	146.33	133.26	127.33
		Other non-financial liabilities	83.28	69.49	319.75
		Total liabilities	96,123.48	89,456.20	83,669.56
	3	**Equity**			
		Equity share capital	226.88	226.90	226.91
		Other equity	17,915.43	15,735.85	13,463.46
		Total equity	18,142.31	15,962.75	13,690.36
		Total liabilities and equity	1,14,265.79	1,05,418.95	97,359.93

B) <u>SUMMARY INFORMATION OF OUR CONSOLIDATED PROFIT AND LOSS ACCOUNT</u>

(As per IND AS) **(Rs. In Crores)**

		Particulars	Year ended March 31, 2020	Year ended March 31, 2019	Year ended March 31, 2018
		Revenue from operations			
	(i)	Interest income	16,267.46	15,335.69	13,193.82
	(ii)	Dividend income	0.19	4.99	-
	(iii)	Rental income	0.22	0.22	0.21
	(iv)	Fee and commission income	194.97	126.60	152.11
	(v)	Net gain on fair value changes	-	-	81.77
	(vi)	Other operating income	99.52	61.65	16.04
(I)		**Total Revenue from operations**	**16,562.36**	**15,529.15**	**13,443.95**
(II)		Other Income	20.27	27.51	62.25
(III)		**Total Income (I + II)**	**16,582.63**	**15,556.66**	**13,506.20**
		Expenses			
	(i)	Finance cost	8,270.26	7,511.26	6,366.48
	(ii)	Fee and commission expense	56.88	62.19	64.45
	(iii)	Net loss on fair value changes	6.75	2.58	-
	(iv)	Impairment of financial instruments	2,794.88	2,382.26	1,722.32
	(v)	Employee benefits expenses	1,010.82	883.06	744.70
	(vi)	Depreciation, amortisation and impairment	141.05	42.97	36.83
	(vii)	Other expenses	863.32	894.07	799.17
(IV)		**Total Expenses**	**13,143.96**	**11,778.39**	**9,733.96**
(V)		**Profit before exceptional items and tax (III - IV)**	**3,438.67**	**3,778.27**	**3,772.24**
(VI)		**Exceptional items**	-	-	123.48
(VII)		**Profit before tax (V+ VI)**	**3,438.67**	**3,778.27**	**3,895.72**
(VIII)		**Tax Expense:**			
		(1) Current tax	921.20	1,346.37	896.25
		(2) Deferred tax	14.79	(22.27)	444.35
		(3) Tax adjustment for earlier years	0.84	(109.82)	8.72
(IX)		**Profit for the year from continuing operations (VII-VIII)**	**2,501.84**	**2,563.99**	**2,546.39**
(X)		**Share of profit of associate**	10.43	11.69	2.54
(XI)		**Profit for the year (IX + X)**	**2,512.27**	**2,575.68**	**2,548.93**
(XII)		**Other Comprehensive Income**			
	A	(i) Items that will not be reclassified to profit or loss			
		Remeasurement gain/(loss) on defined benefit plan	(6.33)	(3.56)	(1.99)
		Share of other comprehensive income from associates	0.34	(0.14)	-
		(ii) Income tax relating to items that will not be reclassified to profit or loss	1.59	1.24	0.69
		Tax on share of other comprehensive income from associates	(0.09)	0.04	-
		Subtotal (A)	**(4.49)**	**(2.42)**	**(1.30)**
	B	(i) Items that will be reclassified to profit or loss	-	-	

		(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	
		Subtotal (B)	-	-	
		Other Comprehensive Income (A + B)	(4.49)	**(2.42)**	**(1.30)**
(XIII)		**Total Comprehensive Income for the year (XI + XII)**	**2,507.78**	**2,573.26**	**2,547.63**
(XIV)		**Earnings per equity share**			
		Basic (Rs.)	110.73	113.52	112.35
		Diluted (Rs.)	110.73	113.52	112.35

C) SUMMARY INFORMATION OF OUR CONSOLIDATED CASH FLOW STATEMENT

(As per IGAAP)
(Rs. In crores)

	Particulars	**Year ended March 31, 2020**	**Year ended March 31, 2019**	**Year ended March 31, 2018**
A.	**Cash flow from Operating activities**			
	Profit before tax	3,438.67	3,778.27	3,895.72
	Depreciation, amortisation and impairment	141.05	42.97	36.83
	Profit arising on the sale of shares in subsidiary			(123.48)
	Interest on income tax refund	(5.80)	(6.66)	(57.97)
	Loss on sale of investments	0.12	-	-
	Loss/(profit) on sale of fixed assets (net)	(1.17)	0.51	0.31
	Employees stock option compensation cost			(0.31)
	Impairment on loans	2,748.87	2,450.51	1,716.28
	Impairment on investments	42.22	(0.06)	(0.01)
	Impairment on undrawn loan commitment	4.39	6.71	4.85
	Impairment on other assets	(0.60)	(74.90)	1.19
	Net (gain)/loss on fair value changes on investment	0.87	(0.52)	7.46
	Net (gain)/loss on fair value changes on derivatives	5.88	3.10	10.03
	Fair value change of investment in associate			(99.27)
	Operating profit before working capital changes	**6,374.50**	**6,199.93**	**5,391.66**
	Movements in Working capital:			
	Decrease/(increase) in loans	(8,229.03)	(8,456.35)	(18,449.25)
	(Increase)/decrease in investments	1,157.38	(1,657.13)	(108.04)
	Decrease/(increase) in receivables	12.28	(10.98)	(13.95)
	Decrease/(increase) in bank deposits	(1,273.60)	(368.49)	826.51

	Decrease/(increase) in other financial assets	(7.67)	75.49	5.51
	Decrease/(increase) in other non-financial assets	(28.09)	(3.43)	(10.70)
	Increase/(decrease) in interest accrued on borrowings			17.36
	Increase/(decrease) in payables	10.38	(86.31)	93.50
	Increase/(decrease) in other financial liabilities	(104.04)	126.22	(65.78)
	Increase/(decrease) in non-financial liabilities	13.79	(3.83)	(15.38)
	Increase/(decrease) other provision	7.69	2.31	58.92
	Cash generated from operations	**(2,066.41)**	**(4,182.57)**	**(12,269.64)**
	Direct taxes paid (net of refunds)	(1,065.03)	(1,352.41)	(872.37)
	Net cash flows from/(used in) operating activities (A)	**(3,131.44)**	**(5,534.98)**	**(13,142.01)**
B.	**Cash flow from Investing activities**			
	Proceeds from sale of subsidiary			156.38
	Purchase of property, plant and equipment and intangible assets	(57.80)	(77.97)	(66.43)
	Proceeds from sale of property, plant and equipment and intangible assets	2.60	1.83	0.73
	Net cash flows from/(used in) investing activities (B)	**(55.20)**	**(76.14)**	**90.68**
C.	**Cash flow from Financing activities**			
	Derivatives	(826.31)	64.46	(0.47)
	Amounts received from deposits (including ICDs)	4,433.61	5,006.10	3,382.06
	Repayments of deposit	(2,940.82)	(3,315.19)	(3,756.82)
	Amounts received from debt securities	13,085.18	9,057.53	10,893.40
	Repayments of debt securities	(9,557.89)	(6,562.70)	(4,445.44)
	Amounts received from subordinated debts	-	2,360.00	1,429.00
	Repayments of subordinated debts	(449.01)	(864.56)	(364.48)
	Amounts received from borrowings other than debt securities	42,569.54	56,824.89	51,016.16
	Repayments of borrowings other than debt securities	(40,683.27)	(56,722.52)	(44,838.61)
	Payment of Lease Liabilities	(56.20)	-	-
	Dividend paid	(272.38)	(247.16)	(249.57)
	Tax on dividend	(55.96)	(51.30)	(50.81)
	Net cash flows from financing activities (C)	**5,246.49**	**5,549.55**	**13,014.42**
	Net increase in cash and cash equivalents (A+B+C)	2,059.85	(61.57)	(36.91)
	Add: Adjustment on disposal of subsidiary			(4.78)
	Cash and cash equivalents at the beginning of the year	1,029.14	1,090.71	1,132.40

	Cash and cash equivalents at the end of the year	**3,088.99**	**1,029.14**	**1,090.71**
	Net cash provided by (used in) operating activities includes			
	Interest received on loans	14,487.74	14,842.91	12,564.52
	Interest paid	(5,923.07)	(5,813.03)	5,200.11
	Dividend received	0.19	4.99	-

Components of cash and cash equivalents **(Rs. in crores)**

	Cash and cash equivalents at the end of the year	**As at March 31, 2020**	**As at March 31, 2019**	**As at March 31, 2018**
	i) Cash on hand	41.24	123.47	79.96
	ii) Cheques on hand	2.38	18.18	25.43
	iii) Balances with banks (of the nature of cash and cash equivalents)	1,810.59	761.67	929.47
	iv) Bank deposit with original maturity less than three months	1,234.78	125.82	55.86
	Total	**3,088.99**	**1,029.14**	**1,090.71**

D) SUMMARY INFORMATION OF OUR UNCONSOLIDATED ASSETS AND LIABILITIES

(Rs. in crores)

Particulars			**As at March 31, 2020**	**As at March 31, 2019**	**As at March 31, 2018**
I		**ASSETS**			
	1	**Financial assets**			
		Cash and cash equivalents	3,088.99	1,029.14	1,090.71
		Bank balance other than above	4,225.93	2,952.33	2,583.84
		Derivative financial instruments	758.73	21.72	10.54
		Receivables			
		(I) Trade receivables	10.50	8.48	13.98
		(II) Other receivables	5.64	19.94	3.48
		Loans	1,02,231.63	96,751.49	90,745.62
		Investments	2,798.48	3,999.07	2,341.36
		Other financial assets	45.15	36.88	37.48
	2	**Non-financial assets**			
		Current tax assets (net)	249.10	106.58	104.26
		Deferred tax assets (net)	62.50	75.70	52.19
		Investment property	2.03	2.06	2.10
		Property, plant and equipment	149.88	143.46	118.22
		Right-of-use assets	327.84	-	
		Other intangible assets	2.67	1.97	1.74
		Other non-financial assets	169.57	143.66	139.52
		Total assets	**1,14,128.64**	**1,05,292.48**	**97,245.05**

II		**LIABILITIES AND EQUITY**			
		LIABILITIES			
	1	**Financial liabilities**			
		Derivative financial instruments	-	83.42	4.68
		Payables			
		(I) Trade payables			
		(i) total outstanding dues of micro enterprises and small enterprises	0.40	-	
		(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	143.44	133.46	219.77
		(II) Other payables			
		(i) total outstanding dues of micro enterprises and small enterprises	-	-	
		(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	1.13	2.72	
		Debt securities	34,266.96	34,181.76	32,432.61
		Borrowings (other than debt securities)	42,474.60	37,189.30	36,108.54
		Deposits	11,960.12	10,341.46	8,597.75
		Subordinated liabilities	5,670.07	6,201.88	4,991.94
		Other financial liabilities	912.32	1,016.48	650.68
		Lease liabilities	362.81	-	
	2	**Non-financial liabilities**			
		Current tax liabilities (net)	102.02	102.97	216.51
		Provisions	146.33	133.26	127.33
		Other non-financial liabilities	83.28	69.49	319.75
		Total liabilities	**96,123.48**	**89,456.20**	**83,669.56**
	3	**Equity**			
		Equity share capital	226.88	226.90	226.91
		Other equity	17,778.28	15,609.38	13,348.58
		Total equity	**18,005.16**	**15,836.28**	**13,575.48**
		Total liabilities and equity	**1,14,128.64**	**1,05,292.48**	**97,245.05**

Particulars			**As at March 31, 2020**	**As at March 31, 2019**	**As at March 31, 2018**
I		**ASSETS**			
	1	**Financial assets**			
		Cash and cash equivalents	3,088.99	1,029.14	1,090.71
		Bank balance other than above	4,225.93	2,952.33	2,583.84
		Derivative financial instruments	758.73	21.72	10.54
		Receivables			
		(I) Trade receivables	10.50	8.48	13.98
		(II) Other receivables	5.64	19.94	3.48
		Loans	1,02,231.63	96,751.49	90,745.62
		Investments	2,798.48	3,999.07	2,341.36
		Other financial assets	45.15	36.88	37.48
	2	**Non-financial assets**			
		Current tax assets (net)	249.10	106.58	104.26
		Deferred tax assets (net)	62.50	75.70	52.19
		Investment property	2.03	2.06	2.10

		Property, plant and equipment	149.88	143.46	118.22
		Right-of-use assets	327.84	-	
		Other intangible assets	2.67	1.97	1.74
		Other non-financial assets	169.57	143.66	139.52
		Total assets	**1,14,128.64**	**1,05,292.48**	**97,245.05**
II		**LIABILITIES AND EQUITY**			
		LIABILITIES			
	1	**Financial liabilities**			
		Derivative financial instruments	-	83.42	4.68
		Payables			
		(I) Trade payables			
		(i) total outstanding dues of micro enterprises and small enterprises	0.40	-	
		(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	143.44	133.46	219.77
		(II) Other payables			
		(i) total outstanding dues of micro enterprises and small enterprises	-	-	
		(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	1.13	2.72	
		Debt securities	34,266.96	34,181.76	32,432.61
		Borrowings (other than debt securities)	42,474.60	37,189.30	36,108.54
		Deposits	11,960.12	10,341.46	8,597.75
		Subordinated liabilities	5,670.07	6,201.88	4,991.94
		Other financial liabilities	912.32	1,016.48	650.68
		Lease liabilities	362.81	-	
	2	**Non-financial liabilities**			
		Current tax liabilities (net)	102.02	102.97	216.51
		Provisions	146.33	133.26	127.33
		Other non-financial liabilities	83.28	69.49	319.75
		Total liabilities	**96,123.48**	**89,456.20**	**83,669.56**
	3	**Equity**			
		Equity share capital	226.88	226.90	226.91
		Other equity	17,778.28	15,609.38	13,348.58
		Total equity	**18,005.16**	**15,836.28**	**13,575.48**
		Total liabilities and equity	**1,14,128.64**	**1,05,292.48**	**97,245.05**

E) <u>SUMMARY INFORMATION OF OUR UNCONSOLIDATED PROFIT AND LOSS ACCOUNT</u>

(As per IND AS) **(Rs. In crores)**

Particulars			**Year ended March 31, 2020**	**Year ended March 31, 2019**	**Year ended March 31, 2018**
		Revenue from operations			
	(i)	Interest income	16,267.46	15,335.69	13,193.53
	(ii)	Dividend income	0.19	4.99	12.00
	(iii)	Rental income	0.22	0.22	0.21
	(iv)	Fee and commission income	194.97	126.60	76.91

	(v)	Net gain on fair value changes	-	-	
	(vi)	Other operating income	99.52	61.65	16.02
(I)		**Total Revenue from operations**	**16,562.36**	**15,529.15**	**13,298.67**
(II)		**Other income**	20.27	27.51	62.98
(III)		**Total Income (I + II)**	**16,582.63**	**15,556.66**	**13,361.64**
		Expenses			
	(i)	Finance cost	8,270.26	7,511.26	6,368.75
	(ii)	Fee and commission expense	56.88	62.19	64.45
	(iii)	Net loss on fair value changes	6.75	2.58	17.49
	(iv)	Impairment of financial instruments	2,794.88	2,382.26	1,722.32
	(v)	Employee benefits expenses	1,010.82	883.06	713.17
	(vi)	Depreciation, amortisation and impairment	141.05	42.97	36.13
	(vii)	Other expenses	863.32	894.07	777.26
(IV)		**Total Expenses**	**13,143.96**	**11,778.39**	**9,699.59**
(V)		**Profit before exceptional items and tax (III - IV)**	**3,438.67**	**3,778.27**	**3,662.06**
(VI)		**Exceptional items**	**-**	-	139.75
(VII)		**Profit before tax (V+ VI)**	**3,438.67**	**3,778.27**	**3,801.80**
(VIII)		**Tax Expense:**			
		(1) Current tax	921.20	1,346.37	888.26
		(2) Deferred tax	14.79	(22.27)	444.27
		(3) Tax adjustment for earlier years	0.84	(109.82)	8.72
(IX)		**Profit for the year from continuing operations (VII - VIII)**	**2,501.84**	**2,563.99**	**2,460.54**
(X)		**Profit for the year**	**2,501.84**	**2,563.99**	**2,460.54**
(XI)		**Other comprehensive income**			
	A	(i) Items that will not be reclassified to profit or loss			
		Remeasurement gain/(loss) on defined benefit plan	(6.33)	(3.56)	(1.98)
		(ii) Income tax relating to items that will not be reclassified to profit or loss	1.59	1.24	0.69
		Subtotal (A)	**(4.74)**	**(2.32)**	**(1.29)**
	B	(i) Items that will be reclassified to profit or loss	-	-	
		(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	
		Subtotal (B)	-	-	
		Other comprehensive income (A + B)	**(4.74)**	**(2.32)**	**(1.29)**
(XII)		**Total Comprehensive income for the year (X + XI)**	**2,497.10**	**2,561.67**	**2,459.25**
(XIII)		**Earnings per equity share**			
		Basic (Rs.)	110.27	113.01	108.45
		Diluted (Rs.)	110.27	113.01	108.45

F) <u>SUMMARY INFORMATION OF OUR UNCONSOLIDATED CASH FLOW STATEMENT</u>

(As per IND AS) **(Rs. In crores)**

	Particulars	Year ended March 31, 2020	Year ended March 31, 2019	Year ended March 31, 2018
A.	**Cash flow from operating activities**			
	Profit before tax	3,438.67	3,778.27	3,801.80
	Depreciation, amortisation and impairment	141.05	42.97	36.13
				(139.75)
	Interest on income tax refund	(5.80)	(6.66)	(57.97)
	Loss on sale of investments	0.12	-	-
	Loss/(profit) on sale of fixed assets (net)	(1.17)	0.51	0.18
	Impairment on loans	2,748.87	2,450.51	1,716.28
	Impairment on investments	42.22	(0.06)	(0.01)
	Impairment on undrawn loan commitment	4.39	6.71	4.85
	Impairment on other assets	(0.60)	(74.90)	1.19
	Net (gain)/loss on fair value changes on investment	0.87	(0.52)	7.46
	Net (gain)/loss on fair value changes on derivatives	5.88	3.10	10.03
	Dividend income from subsidiary			(12.00)
	Operating profit before working capital changes	**6,374.50**	**6,199.93**	**5,368.22**
	Movements in working capital:			
	Decrease/(increase) in loans	(8,229.03)	(8,456.35)	(18,446.22)
	(Increase)/decrease in investments	1,157.38	(1,657.13)	(106.79)
	Decrease/(increase) in receivables	12.28	(10.98)	(8.85)
	Decrease/(increase) in bank deposits	(1,273.60)	(368.49)	826.52
	Decrease/(increase) in other financial assets	(7.67)	75.49	2.56
	Decrease/(increase) in other non-financial assets	(28.09)	(3.43)	(9.57)
	Increase/(decrease) in interest accrued on borrowings			17.36
	Increase/(decrease) in payables	10.38	(86.31)	85.33
	Increase/(decrease) in other financial liabilities	(104.04)	126.22	(66.23)
	Increase/(decrease) in non-financial liabilities	13.79	(3.83)	(16.25)
	Increase/(decrease) in other provision	7.69	2.31	59.04
	Cash generated from operations	**(2,066.41)**	**(4,182.57)**	**(12,294.88)**
	Direct taxes paid (net of refunds)	(1,065.03)	(1,352.41)	(865.22)
	Net cash flows from/(used in) operating activities (A)	**(3,131.44)**	**(5,534.98)**	**(13,160.10)**
B.	**Cash flow from investing activities**			
	Proceeds from sale of subsidiary			156.38
	Purchase of property, plant and equipment and intangible assets	(57.80)	(77.97)	(65.95)
	Proceeds from sale of property, plant and equipment and intangible assets	2.60	1.83	0.72
	Dividend received from subsidiary			12.00
	Net cash flows from/(used in) investing activities (B)	**(55.20)**	**(76.14)**	**103.15**
C.	**Cash flow from financing activities**			
	Derivatives	(826.31)	64.46	(0.47)

	Amount received from deposits received (including ICDs)	4,433.61	5,006.10	3,382.06
	Repayment of deposits	(2,940.82)	(3,315.19)	(3,756.82)
	Amount received from debt securities	13,085.18	9,057.53	10,893.40
	Repayment of debt securities	(9,557.89)	(6,562.70)	(4,445.44)
	Amount received from subordinated debts	-	2,360.00	1,429.00
	Repayment of subordinated debts	(449.01)	(864.56)	(364.48)
	Amount received from borrowings other than debt securities	42,569.54	56,824.89	51,016.16
	Repayment of borrowings other than debt securities	(40,683.27)	(56,722.52)	(44,838.61)
	Payment of lease liabilities	(56.20)	-	-
	Dividend paid	(272.38)	(247.16)	(249.57)
	Tax on dividend	(55.96)	(51.30)	(48.36)
	Net cash flows from financing activities (C)	**5,246.49**	**5,549.55**	**13,016.86**
	Net increase in cash and cash equivalents (A+B+C)	2,059.85	(61.57)	(40.09)
	Cash and cash equivalents at the beginning of the year	1,029.14	1,090.71	1,130.80
	Cash and cash equivalents at the end of the year	**3,088.99**	**1,029.14**	**1,090.71**

Net cash provided by (used in) operating activities includes

	Interest received on loans	14,487.74	14,842.91	12,564.52
	Interest paid	(5,923.07)	(5,813.03)	(5,199.96)
	Dividend received	0.19	4.99	-

Components of cash and cash equivalents **(Rs. in crores)**

	Cash and cash equivalents at the end of the year	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018
	i) Cash on hand	41.24	123.47	79.96
	ii) Cheques on hand	2.38	18.18	25.43
	iii) Balances with banks (of the nature of cash and cash equivalents)	1,810.59	761.67	929.47
	iv) Bank deposit with original maturity less than three months	1,234.78	125.82	55.86
	Total	**3,088.99**	**1,029.14**	**1,090.71**

Net cash provided by (used in) operating activities includes

	Interest received on loans	14,487.74	14,842.91	12,564.52
	Interest paid	(5,923.07)	(5,813.03)	(5,199.96)
	Dividend received	0.19	4.99	-

Components of cash and cash equivalents **(Rs. in crores)**

Cash and cash equivalents at the end of the year	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018
i) Cash on hand	41.24	123.47	79.96
ii) Cheques on hand	2.38	18.18	25.43
iii) Balances with banks (of the nature of cash and cash equivalents)	1,810.59	761.67	929.47
iv) Bank deposit with original maturity less than three months	1,234.78	125.82	55.86
Total	**3,088.99**	**1,029.14**	**1,090.71**

H. ABRIDGED VERSION OF LATEST AUDITED / LIMITED REVIEW HALF YEARLY CONSOLIDATED (WHEREVER AVAILABLE) AND STANDALONE FINANCIAL INFORMATION (LIKE PROFIT & LOSS STATEMENT, AND BALANCE SHEET) AND AUDITORS' QUALIFICATIONS, IF ANY.

As set out in Annexure V.

I. ANY MATERIAL EVENT/ DEVELOPMENT OR CHANGE HAVING IMPLICATIONS ON THE FINANCIALS/CREDIT QUALITY (E.G. ANY MATERIAL REGULATORY PROCEEDINGS AGAINST THE ISSUER/PROMOTERS, TAX LITIGATIONS RESULTING IN MATERIAL LIABILITIES, CORPORATE RESTRUCTURING EVENT ETC) AT THE TIME OF ISSUE WHICH MAY AFFECT THE ISSUE OR THE INVESTOR'S DECISION TO INVEST / CONTINUE TO INVEST IN THE DEBT SECURITIES.

Except as disclosed below and stated elsewhere in this Letter of Offer, to our knowledge, no circumstances have arisen since March 31, 2020 which materially and adversely affect or are likely to affect our operations, performance, prospects or profitability, or the value of our assets or our ability to pay material liabilities:

1. In accordance with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020, our Company has made the following disclosure to the Stock Exchanges on the impact COVID-19 on the operation of our Company:

   "1. Impact of the COVID-19 pandemic on the Business:

   The COVID–19 pandemic and the consequent lockdown and restrictions imposed by national and the state governments during March 24,2020 to May 31,2020 have impacted businesses and social life in the country. As a result, our employees were not been able to make on-field visits at the customer's place thereby causing adverse impact on cash collections from customers due to restrictions on the movement of people. Further, our customers are facing temporary business slow down due to the lockdown and this has also impacted our business. Disbursements are badly affected as the RTO offices and dealers were non-functional up to 7th June,2020 in most part of the country. The buying-selling and new vehicle sales transactions needing personal interactions has just started from June, 2020.

   In view of nationwide lock down due to pandemic and the consequential disruptions and liquidity stress, the Reserve Bank of India had issued certain regulatory measures to mitigate the burden of debt servicing brought about by disruptions on account of COVID 19 pandemic to ensure the continuity of viable business and had advised Banks and NBFCs to offer to its borrowers a Moratorium of three months from March 01, 2020 to May 31, 2020 for repayment of loans. Subsequently, the Moratorium period was extended up to August 31, 2020 after extension of the lock down. Accordingly, the repayment schedule of the Term loans as also the residual tenor of the Term Loans have been shifted across the board by another three months after the moratorium period. The interest rate charged during the Moratorium period will be the contracted rate at which loan agreements were entered into with the borrowers. The Interest charged during the moratorium period will be collected after the revised last instalment due date based on the moratorium granted *by the company. Such Interest amounts would be collected in instalments and the instalment amount will be equivalent to the current instalment amount and the last instalment will be adjusted to arrive at the present contracted rate of such loan agreements. In case of revolving working capital credit facilities in the form of Floating Business Loans, Vehicle trade advance loans to dealers and working capital loans to borrowers (fuel, toll loans etc.), the borrowers will be allowed deferment of another three months on payment of interest in respect of such facilities during the period June 1, 2020 and August 31, 2020. The accumulated interest for the period March 1, 2020 to August 31, 2020 will be converted into a funded interest term loan and the said funded term loan on account of accumulated interest will be repayable by March 31,2021.*

2. Functioning of Corporate/ Administrative /Branch offices:

All employees had been advised to Work from Home for employees staying in COVID red zones, employees working from home have been provided with Laptop/Desktop and internet connection.

As NBFC activities were declared as essential activities in April 2020, most of our offices have been working with minimal staff. Further, we have restricted the staff attendance to alternate days at each office in a manner so as to commensurate with the mandatory guidelines and rules laid by the Statutory Authority(s). Almost all the branches offices are operational now.

Those who are required to work from the respective office locations, are doing so upon obtaining approval from the local authorities subject to following of the mandatory guidelines prescribed by the Regulatory Bodies. The remaining employees have been advised to Work from Home till further notice by the Management.

Further, permission of on-field visits at customer's place is being provided after taking into account the magnitude of the COVID-19 disease spread in the respective area of the customer, subject to adherence to mandatory guidelines laid by the Statutory Authorities.
All staff attending the Corporate office/Administrative office/ Branch Offices or making field visit, have been strictly advised to maintain social distancing, wear masks and carry sanitizers.

Sanitizers in adequate quantity are available in the Office for usage by the employees and we have strongly recommended to use the same frequently. Moreover, our Offices and Branches are being sanitized regularly to ensure the safety of the employees and all other required extensive arrangements as has been mandated by the Statutory Authority, have also been made at the Corporate Office / Administrative office / Branch Offices. In furtherance thereto, the Company has laid a Standard Operating Procedure ("SOP") Guideline for all staffs and they have been instructed to follow the same without exception, as, it is for their safety and well-being.

As and when the lockdown is lifted gradually by the Statutory Authority(s), the Company shall also accordingly raise the maximum permissible employee attendance at the workplace.

3. Steps taken to ensure smooth functioning of operations:

As explained in detail in point no. 2 above, the Company is following a gradual transition from Work-from-Home (WFH) to Work-from-Workplace (WFW), so that, stakeholders are served to the best of the ability of the Company and the same time, the health and safety of the employees is also not compromised with.
The Company has also taken various cost optimization measures including pay cut in the range of 10% to 20% for senior employees while for other employees it has been decided to manage with "No Increment policy and has decided to go slow or further branch expansion. All the discretionary expenses like travel and business promotion are curtailed.

4. Estimation of the future impact of COVID-19 on our operations:

In the ambit of the prevailing Force Majeure conditions, the impact of the COVID-19 pandemic is presently not *completely ascertainable and the same will depend on how quickly, the country's economy recovers.*

5. Details of impact of COVID-19 on:

a. Capital and financial resources

As per the current assessment, there is no significant impact on the Company's capital and financial resources of the Company. The Company would be exploring the various options to strengthen the capital base, balance sheet, growth opportunities and to face COVID-19 led contingencies and events.

b. Profitability

The negative impacts of the COVID-19 pandemic will be reflected in the turnover and profitability of the Company for the financial year 2020-21 – the level of the same cannot be ascertained at present. The Company has made additional expected credit loss provision of Rs.909.64 crore in the financial statements for the year ended March31, 2020.

c. Liquidity position.

Our liquidity position has been adversely impacted, as, we have extended moratorium to our borrowers based on Notification issued by RBI for COVID-19 regulatory package on March 27,2020 and May 23,2020. We hope that this is a temporary phase and that, the Indian Economy should bounce back quickly.

d. Ability to service debt and other financing arrangements.

In spite of tight liquidity position, our ability to service debts and other financial debt commitment has not been affected as, our financial leveraging is low. Thus, at present, the Company has sufficient liquidity to meet the same. The company has also applied for moratorium for the loans taken from banks and some of the banks have granted moratorium and hopeful of receiving consent for moratorium from other banks.

Expected Credit Losses (ECL)

The Company has adopted Indian Accounting Standard from the financial year 31st March 2019. As per the said standards, the company is required to provide for the Expected credit losses on its lending business. The Company expects increase in ECL due to extension of moratorium granted to its borrowers based on the regulatory requirements and impact of COVID 19 on the overall economy. The company has taken into account impact of COVID-19 situation on the macro economic conditions in the estimates and assumptions while assessing the ECL. The present ECL for on account of COVID-19 pandemic are based on the assessment of current situation and the actual impairment loss could be different due to uncertainty over actual end of pandemic and restoration of normalcy.

e. Internal financial reporting and control.

Internal financial reporting and control are functional as, checks and controls are being exercised through remote access to systems by working from home during the shutdown period.

f. Disbursement of Loans

Disbursement of loan has been made to such borrowers who were identified and approved by the business team for granting term loan, prior to lockdown. The funds have been/are being transferred to such borrowers by availing the electronic money transfer facility of the Banks and accordingly, there has been no difficulty in transferring funds to them. There are many proposals are in pipelines which could not be completed due to RTO office not functioning.
The Company has slowed down identifying new borrowers as, the same requires: (i) to make on-field visits at borrowers' place; (ii) to collect various documents; and various other measures - in order to establish the creditworthiness and genuinity of the prospective borrower. (iii) The vehicles buying selling requires RTOs to work full fledge to effect transfer

of ownership and noting of hypothification.

g. Demand for new loans

The demand for availing loan products would start with the beginning of monsoon mostly from rural area to start with and should pick up the demand in urban area as well when the economic activity starts fully.

6. Existing contracts/agreements where non-fulfilment of the obligations by any party will have significant impact on the Company's business:

The Company endeavors to perform its duties as agreed to in various executed operational contracts / agreements. There has been no failure in performance by the Company of its obligations envisaged in contract / agreement entered into by it.

Presently, there are no such existing contracts / agreements where non-fulfilment of the obligations by any party will have significant impact on the Company's business.

7. Other relevant material updates about the Company's business:

The HR department turned the 'Lockdown' into a new opportunity promoting culture for using new methods of efficient working, striking work-life balance, switching to Work From Home (WFM), Employee Training through company's e-learning platform "Mycoach" and video based learnings were given prime importance and total of 24738 employees were trained and assessed on their learnings. During the lockdown HR Department with the help of the regional teams had engaged with the employees telephonically on various safety measures to be followed, learning options available with the company and on customer engagement. Total of 16402 employees were covered during the lockdown. The employees, in particular working in metro cities, who spend average 3 hours on commuting, spent same time on discharging their official duties. The 'Lockdown' gave many new learnings, ideas and experience with respect to effective communication techniques, efficient time management, thereby improving overall efficiency, cost optimization. The importance of focusing on digital payment and use of advanced techniques for customer services, effective use of Video conferencing meetings with employees, directors was also highlighted and understood during 'Lockdown' period. The Company's field employees used Mobile Application 'MNOVA' and educated the customers to use 'My Shriram' Mobile application for availing of various services in respect of the Company's financial products. The Company is ensuring the health and well-being of employees during the pandemic and creating awareness amongst employees to strictly follow the 'Social Distancing'. Due to many of its advantages, the HR department is exploring the possibilities to progressively switching in a phased manner using the combinations WFW and WFH by back-office staff for cost optimization and increase overall efficiency and mitigating the associated risks of data safety and protection.

The Company's opinion on various matters as envisaged above, are forward-looking statements which are based on certain assumptions, risks, uncertainties and expectations of future events. The actual results, performance or achievements can thus differ from those projected, depending on various factors over which, the Company does not have any direct control."

J. THE NAMES OF THE DEBENTURE TRUSTEE SHALL BE MENTIONED WITH THE STATEMENT TO THE EFFECT THAT THE DEBENTURE TRUSTEE HAS GIVEN HIS CONSENT TO THE ISSUER FOR HIS APPOINTMENT UNDER REGULATION 4 (4) AND IN ALL THE SUBSEQUENT PERIODICAL COMMUNICATIONS SENT OT TE HOLDERS OF THE DEBENTURES.

The Company has appointed **Catalyst Trusteeship Limited** a SEBI approved Trust Management Company as the agent and trustees for and on behalf of the Debenture Holders. The address and contact details of the Debenture trustee are as under:

Catalyst Trusteeship Limited
Windsor, 6th Floor, Offce No. 604, C.S.T. Road, Kalina,
Santacruz (East), Mumbai - 400098
Tel: +91 22 4922 0555
Website: www.catalysttrustee.com

The **Catalyst Trusteeship Limited** has given its consent to the Company under regulation 4 (4) of Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 to be appointed as the Debenture Trustee to this Issue.

The Company will enter into a Debenture Trustee Appointment Agreement/Debenture Trust Deed, inter-alia, specifying the powers, authorities and obligations of the Company and the Trustees in respect of the Debentures.

K. **THE DETAILED RATING RATIONALE ADOPTED (NOT OLDER THAN ONE YEAR ON THE DATE OF OPENING OF THE ISSUE)/ CREDIT RATING LETTER ISSUED (NOT OLDER THAN ONE MONTH ON THE DATE OF OPENING OF THE ISSUE) ADOPTED BY RATING AGENCIES.**

CRISIL Ltd. has assigned a CRISIL AA+ (pronounced "CRISIL Double A plus") rating to the present Secured Redeemable Non-Convertible Debentures issued by the Company. Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk.

CRISIL has issued the rating rationale dated December 21, 2020 and bearing reference number STFCL/NCD/259212/211220201, which has been attached hereinbelow as **Annexure IV**.

The above ratings are not a recommendation to buy, sell or hold securities and investors should take their own decision. The ratings may be subject to revision or withdrawal at any time by the assigning rating agencies and each rating should be evaluated independently of any other rating. The ratings obtained are subject to revision at any point of time in future. The rating agencies have the right to suspend, withdraw the rating at any time on the basis of new information etc.

L. DETAILS/COPY OF GUARANTEE LETTER OR LETTER OF COMFORT OR ANY OTHER DOCUMENT / LETTER WITH SIMILAR INTENT, IF ANY

Not Applicable

M. CONSENT LETTER FROM THE DEBENTURE TRUSTEE

The consent letter is enclosed as Annexure II of this Disclosure Document.

N. NAMES OF ALL THE RECOGNIZED STOCK EXCHANGES WHERE THE DEBT SECURITIES ARE PROPOSED TO BE LISTED.

The Debentures are proposed to be listed on the Wholesale Debt Market (WDM) segment of the BSE Ltd. And/or National Stock Exchange of India Ltd.

O. OTHER DETAILS.

Debenture Redemption Reserve (DRR)

As per Rule 18 (7)(b)(ii) of the Companies (Share Capital and Debentures) Rules, 2014, Debenture Redemption Reserve is not required to be created for issue of privately placed debentures by Non-Banking Finance Companies registered with Reserve Bank of India under Section 45 IA of the RBI (Amendment) Act 1997.

The Company also undertakes that, if there are any further guidelines are formulated (or modified or revised) by the Central Government or any other authority in respect of creation of Debenture Redemption Reserve the Company shall abide by such guidelines.

A statement containing particulars of the dates of and parties to all material contracts, agreements involving financial obligations of the issuer:

By the very nature of its business, the Company is involved in a large number of transactions involving financial obligations and therefore it may not be possible to furnish details of all material contracts/ agreements/ documents involving financial obligations of the Company. However, the contracts/ agreements/ documents listed below which are or may be deemed to be material (not being contracts entered into in the ordinary course of the business carried on by the Issuer) in connection with the Issue:

1. Memorandum and Articles of Association of the Company as amended from time to time.
2. Resolution of the Board of Directors passed at its meeting held on April 20, 2020 approving, inter-alia, the issue of Non-Convertible Debentures aggregating upto INR 35,000 Crores read with the resolution passed by Banking and Finance Committee of the Board of Directors on December 23, 2020.
3. Certified true copy of resolution passed by the shareholders of the Company on June 13, 2019 (through postal ballot),, authorising the Board of Directors to borrow, for the purpose of the Company, upon such terms and conditions as the Board may think fit for amounts up to Rs. 1,50,000 Crores under Section 180(1) of the Companies Act, 2013.
4. Resolution passed by the shareholders of the Company on May 26, 2020 authorising the Board of Directors to offer, issue and allot secured, Senior, Rated, Listed, Redeemable, Taxable Non-Convertible Debentures, in one or more series/tranches, aggregating up to INR 35,000 crores on private placement basis, on such terms and conditions as the Board of Directors of the Company may, from time to time, determine in the best interests of the Company.
5. Credit Rating Rationale dated December 21, 2020 from CRISIL respectively, assigning the credit rating to the Issue.
6. Debenture Trust Deed dated on or about the date of this Disclosure Document, executed between the debenture Trustee and the company for Non-convertible Debentures aggregating to INR 240,00,00,000/- (Indian Rupees Two Hundred Forty Crores only).
7. Tripartite agreement dated March 29, 2000 between the Company, Integrated Registry Management Services PVT LTD (Registrar & Transfer Agent) and CDSL.
8. Certified true copy of the Tripartite agreement dated April 30, 1999 between the Company, Integrated Registry Management Services PVT LTD (Registrar & Transfer Agent) and NSDL.
9. Consent letter issued by Catalyst Trusteeship Limited dated December 21, 2020 to act as the Debenture Trustee to the Issue inclusion of its name in the form and context in which it appears in this Disclosure Document.

Certified true copy of the above documents are available for inspection at the Registered / Corporate Office of the Company until the date of closure of of the Issue.

DOCUMENTS SUBMITTED TO THE EXCHANGE(S)

The following documents have been/ shall be submitted to the NSE/BSE:

(a) Memorandum and Articles of Association of the Company and the necessary resolution(s) for the allotment of the NCDs;
(b) Copy of last 3 (Three) years audited annual reports and half yearly financial statements of the Company for the half year ended September 30, 2020;
(c) Statement containing particulars of, dates of, and parties to all material contracts and agreements;
(d) Copy of the Board / Committee Resolution authorising the issue of NCDs and list of authorised signatories;
(e) An undertaking from the Company stating that the necessary documents for the creation of the charge, where applicable, including the Debenture Trust Deed, would be executed within the time frame specified in the relevant regulations/act/rules etc. and the same would be uploaded on the website of the Designated Stock Exchange, where the NCDs will be listed, within a period of 5 (Five) working days of the execution of the same;
(f) Any other particulars or documents that the Stock Exchange may call for as it deems fit;
(g) An undertaking that permission/consent from the prior creditor for a second or pari-passu charge being created, where applicable, in favour of the Debenture Trustee to the proposed issue has been obtained.

DOCUMENTS SUBMITTED TO THE DEBENTURE TRUSTEE

The following documents have been / shall be submitted to the Debenture Trustee in electronic form (soft copy) on or before the Deemed Date of Allotment:

(a) Memorandum and Articles of Association and necessary resolution(s) for the allotment of the Debentures;
(b) Copy of last three years' audited Annual Reports;
(c) Statement containing particulars of, dates of, and parties to all material contracts and agreements;
(d) Latest Audited / Limited Review Half Yearly Consolidated (wherever available) and Standalone Financial Information (Profit & Loss statement, Balance Sheet and Cash Flow statement) and auditor qualifications, if any.
(e) An undertaking to the effect that the Issuer would, till the redemption of the debt securities, submit the details mentioned in point (d) above to the Debenture Trustee within the timelines as mentioned in Uniform Listing Agreement issued by SEBI vide circular No. CIR/CFD/CMD/6/2015 dated October 13, 2015, as amended from time to time, for furnishing / publishing its half yearly/ annual result. Further, the Issuer shall within 180 (One Hundred Eighty) days from the end of the financial

year, submit a copy of the latest annual report to the Debenture Trustee and the Debenture Trustee shall be obliged to share the details submitted under this clause with all 'Qualified Institutional Buyers' (QIBs) and other existing Debenture Holders within 2 (two) working days of their specific request.

Additional Covenants/ Undertaking by the Company-

The Issuer Company undertakes that:

a) Undertaking regarding RBI/ECGC Defaulters List
b) As per declaration submitted to the Company this is to confirm that none of its Directors are appearing on the RBI/ECGC defaulters list.
c) In case of default in payment of Interest and/or principal redemption on the due dates, additional interest of 2% p.a. over the coupon rate will be payable by the Company for the defaulting period;
d) The Company shall forward the listing application to the BSE within the 4 days from the Deemed date of allotment(s). In case of delay in listing of the Debentures beyond 4 days from the Deemed Date of Allotment, the Company will pay penal interest of 1% p.a. over the coupon rate from the Deemed Date of Allotment till the listing of Debentures to the investor.
e) The Company undertakes that it shall not extend loans against the security of its own Debentures issued by way of this Private Placement.
f) The Company shall deploy funds raised through issue of Debentures on its own balance sheet and not to Facilitate resource requests of group entities/ parent company / associates.
g) The complaints received in respect of the Issue shall be attended to by the Company expeditiously and satisfactorily.
h) It shall take all steps for completion of formalities for listing and commencement of trading at the Concerned stock exchange where securities are to be listed within specified time frame;
i) Necessary co-operation to the credit rating agencies shall be extended in providing true and adequate information till the debt obligations in respect of the instrument are outstanding.
j) That there is no wilful default by the company.
k) The funds required for making refunds, if any, shall be made available on time;
l) It shall use a common form of transfer for the instrument.

ISSUE/ INSTRUMENT SPECIFIC REGULATIONS:

Transaction Documents

The detailed terms of the Debentures, including the events of default, covenants and undertakings, terms of the security created by the Isuser in relation to the Debentures shall be as per the Debenture Trust Deed executed by and between the Issuer and the Debenture Trustee in relation to issuance of rated, listed, senior, secured, redeemable, non convertible debentures aggregating to INR 240,00,00,000/- (Indian Rupees Two Hundred Forty Crores only).

Minimum Subscription

10 debentures and in multiples of 1 thereafter.

Deemed Date of Allotment

Coupon in respect of Debentures shall accrue to the Debenture Holder(s) from and including the Deemed Date of Allotment that will be notified in the term sheet. All benefits relating to the Debentures will be available to the investors from the Deemed Date of Allotment. The actual allotment of Debentures may take place on a date other than the Deemed Date of Allotment. In case if the issue closing date is changed (pre-poned/ postponed), the Deemed Date of Allotment may also be changed (pre-poned/ postponed) by the Company at its sole and absolute discretion.

Underwriting

The present Issue of Debentures is on private placement basis and has not been underwritten.

Status of Debentures

The Debentures shall rank pari-passu inter se and without any preference or priority among themselves. Subject to any obligations preferred by mandatory provisions of the law prevailing from time to time, the Debentures shall also, as regards the principal amount of the Debentures, interest and all other monies secured in respect of the Debentures, rank pari passu with all other present and future holders of debentures issued by the Company in the same category.

Market Lot

The market lot shall be one Debenture of face value of INR Ten Lakhs each ("Market Lot"). Since the Debentures are being issued only in dematerialised form, the odd lots will not arise either at the time of issuance or at the time of transfer of debentures.

Coupon on Application Money

Coupon on application money (if any) at the coupon rate as notified in the term sheet (subject to deduction of income tax under the provisions of the Income Tax Act, 1961, or any other statutory modification or re-enactments thereof, as applicable) will be paid to all the applicants on the application money for the Debentures. Such interest shall be paid at Coupon Rate from the date of realization of cheque (s)/ demand draft(s)/RTGS upto one day prior to the date of allotment of Debentures. Such Coupon on application money is payable within 7 (seven) Business Days from the Deemed Date of Allotment..

The interest cheque(s)/ demand draft(s)/ instruction to credit allottee's bank account for the interest payable on application money (along with Refund Orders, in case of refund of application money, if any) shall be dispatched by the Company within 15 days from the Deemed Date of Allotment by registered post/ Courier/ Hand delievery to the applicant.

Tax exemption certificates, if applicable, in respect of non-deduction of tax on interest on application money must be submitted along with the Debenture Application Form. It is clarified that interest shall not be paid on invalid and incomplete applications.

Redemption Premium/ Interest on NCDs

The Debentures shall carry Coupon at the rate as per term sheet (subject to deduction of tax at source at the rates prevailing from time to time under the provisions of the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof for which a certificate will be issued by the Company) payable to the holders of Debentures (the "Holders" and each, a "Holder") as of the relevant Record Date. The interest payable on any Interest Payment Date will be paid to the Debentureholder(s) whose names appear in the List of Beneficial Owners given by the Depository to the Company as on the Record Date.

Debentures in Dematerialized Form

The Company has finalized Depository Arrangements with National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) for dematerialization of the Debentures. The investor has to necessarily hold the Debentures in dematerialized form and deal with the same as per the provisions of Depositories Act, 1996 (as amended from time to time). The normal procedures followed for transfer of securities held in dematerialized form shall be followed for transfer of these Debentures held in electronic form. The seller should give delivery instructions containing details of the buyer's DP account to his depository participant.

Applicants to mention their Depository Participant's name, DP-ID and Beneficiary Account Number/Client ID in the appropriate place in the Application Form. In case the depository arrangement is finalised before the completion of all legal formalities for issue of Debenture Certificates, Debentures to successful allottee(s) having Depository Account shall be credited to their Depository Account against surrender of Letter of Allotment.

Interest or other benefits with respect to the Debentures would be paid to those Debenture holders whose names appear on the list of beneficial owners given by the Depositories to the Issuer as on a record date/book closure date. The Issuer would keep in abeyance the payment of interest or other benefits, till such time that the beneficial owner is identified by the Depository and informed to the Issuer where upon the interest/benefits will be paid to the beneficiaries within a period of 30 days.

In case of incorrect details provided by the investors the Registrar will not credit the debentures to the Depository Account until the details are corrected by the investors.

Transfer of Debentures

Debentures shall be transferred subject to and in accordance with the rules/ procedures as prescribed by the NSDL /CDSL Depository Participant of the transferor/ transferee and any other applicable laws and rules notified in respect thereof. The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these Debentures held in electronic form. The seller should give delivery instructions containing details of the buyer's DP account to his depository participant.

Transfer of Debentures to and from NRIs/ OCBs, in case they seek to hold the Debentures and are eligible to do so, will be governed by the then prevailing guidelines of RBI. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, interest will be paid/ redemption will be made to the person, whose name appears in the records of the Depository. In such cases, claims, if any, by the transferee(s) would need to be settled with the transferor(s) and not with the company.

Future Borrowings

The Company shall be entitled to make further issue of debentures and/or raise further loans and/or avail of further deferred payment/guarantee facilities from time to time for such amounts and from such persons/public financial institutions/banks or any other financial corporations or body corporate as it may deem fit. However, until the Debentures are fully redeemed, the Company shall not create any mortgage or charge on the Hypothecated Property without obtaining prior written approval of the Debenture Trustee acting on behalf of Majority Debenture Holders. Provided that at the time of raising such further issue of debentures and/or further term loans and/or availing deferred payment credit/guarantee facilities, the Company shall maintain the Security Cover stipulated in the Transaction Documents.

Disputes and Governing Law

The Debentures shall be construed to be governed in accordance with Indian Law. The competent courts alone shall have jurisdiction in connection with any matter arising out of or under these precincts.

Over and above, the said Debentures shall be subject to the terms and conditions to be incorporated in the the Debenture Trust Deed /Debenture Trustee Appointment Agreement and other Transaction Documents.

Trading of Debentures

The trading of privately placed Debentures would be permitted in the anonymous, order driven system of the Stock Exchange in a separate trading segment. The marketable lot would be one Debentures of face value of INR 10 lakhs. All class of investors would be permitted to trade subject to the standard denomination/marketable lot. The trades executed on spot basis shall be required to be reported to the Stock Exchange.

List of Beneficial Owners

The Company shall request the Depository to provide a list of Beneficial Owners as at the end of the Record Date. This shall be the list, which shall be considered for payment of interest or repayment of principal amount, as the case may be.

Succession

In the event of demise of the sole/first holder/registered holder of the Debenture(s) or the last survivor, in case of joint holders for the time being, the Company will recognize the executor or administrator of the deceased Debenture holder, or the holder of succession certificate or other legal representative as having title to the Debenture(s). The Company shall not be bound to recognize such executor or administrator, unless such executor or administrator obtains probate, letter of administration wherever it is necessary, or such holder is the holder of succession certificate or other legal representation, as the case may be, from a Court in India having jurisdiction over the matter. The Company may, in its absolute discretion, where it thinks fit, dispense with production of probate or letter of administration or succession certificate or other legal representation, in order to recognize such holder as being entitled to the Debenture(s) standing in the name of the deceased Debenture holder on production of sufficient documentary proof or indemnity.

1) Where a non-resident Indian becomes entitled to the Debenture by way of succession, the following steps have to be complied:
2) Documentary evidence to be submitted to the Legacy Cell of the RBI to the effect that the Debenture was acquired by the NRI as part of the legacy left by the deceased holder.

Proof that the NRI is an Indian National or is of Indian origin.

Such holding by the NRI will be governed by the then prevailing guidelines of RBI.

Disclosure Clause

In the event of default in the repayment of the principal and/or interest thereon on the due dates, the investors and/or the Reserve Bank of India/SEBI will have an unqualified right to disclose or publish the name of the Issuer and its directors as defaulter in such manner and through such medium as the Investors and/or the Reserve Bank of India in their absolute discretion may think fit. Over and above, the said Debentures shall be subject to the terms and conditions to be incorporated in the Debentures to be issued to the allottees and in the Debenture Trust Deed /Debenture Trustee Appointment Agreement.

Registrars

Integrated Registry Management Services Pvt Ltd. is acting as Registrar and Transfer agents for the Company for debt instruments. Requests for registration of transfer, along with Debenture Certificates/Letters of Allotment and appropriate transfer documents should be sent to the Registrars. The transferee shall also furnish name, address and specimen signatures and wherever necessary, authority for purchase of Debentures. The Registrars after examining the adequacy and correctness of the documentation shall register the transfer in its books. However, as the Debentures are compulsory issued in demat mode, this may not be applicable.

Debenture holder not a Shareholder

The Debenture Holders will not be entitled to any of the rights and privileges available to the shareholders. The Debenture shall not confer upon the holders the right to receive notice(s) or to attend and to vote out any general meeting(s) of the Company.

Modification of Rights

The rights, privileges, terms and conditions attached to all Debentures may be varied, modified or abrogated with the consent, in writing, of those holders of the Debentures who hold at least three fourth of the outstanding amount of the Debentures or with the sanction accorded pursuant to a resolution passed at a meeting of the Debenture holders, provided that nothing in such consent or resolution shall be operative against the Company where such consent or resolution modifies or varies the terms and conditions of the Debentures, if the same are not acceptable to the Company.

SECTION 4: DISCLOSURES PERTAINING TO WILFUL DEFAULT

(a) Name of the bank declaring the entity as a wilful defaulter: **None**
(b) The year in which the entity is declared as a wilful defaulter: **None**
(c) Outstanding amount when the entity is declared as a wilful defaulter: **None**
(d) Name of the entity declared as a wilful defaulter: **None**
(e) Steps taken, if any, for the removal from the list of wilful defaulters: **None**
(f) Other disclosures, as deemed fit by the issuer in order to enable Investors to take informed decisions: **None**
(g) Any other disclosure as specified by the Board: **None**

SECTION 5: ISSUE DETAILS

1. Issue Structure and Process

This is a confidential Information Memorandum setting out the terms and conditions pertaining to issue of senior, secured, rated, listed, redeemable, rupee denominated non-convertible privately placed debentures of face value of INR 10,00,000/- (Rupees 10 Lakhs only), each for cash (through Banking Channels) at par. Your participation is subject to the completion and submission of Application Form along with cheque(s) / draft(s)/ cash (through Banking Channels) and acceptance of the offer by the Company.

Issue Size Company proposes to issue NCDs of the face value INR 10,00,000/- (Rupees 10 Lakhs only), aggregating to INR 240,00,00,000 (Rupees Two Hundred Forty Crores Only).

2. Authority for the Placement

This private placement of Debentures is being made pursuant to the resolution of the Banking and Finance Committee passed at its meeting held on December 23, 2020 read with resolution of the board of directors of the company dated April 20, 2020 which has approved the placement of Debentures aggregating to INR 35,000 crores and resolution of the board of directors of the company dated October 29, 2020. The issue of private placement of Debentures is within the overall limit in terms of special resolution passed under Section 42 of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of securities) Rules, 2014, passed by the shareholders of the Company May 26, 2020. The present issue of Debentures is within the general borrowing limits in terms of the resolution passed under Section 180(1)(c) of the Companies Act, 2013, passed by the shareholders of the Company on June 13, 2019 giving their consent to the borrowing by the Directors of the Company from time to time not exceeding over and above the aggregate of Rs. 1,50,000 Crores, the then paid up capital subject to any restrictions imposed by the terms of the agreement entered into from time to time for grant of loans to the Company of all monies deemed by them to be requisite or proper for the purpose of carrying on the business of the Company. The borrowings under these Debentures will be within the prescribed limits as aforesaid.

The Company can carry on its existing activities and future activities planned by it in view of the existing approvals, and no further approvals from any Governmental Authority are required by the Company to carry on its said activities.

The Company, the Debentures and Company’s obligations under the Debentures shall, at all times, be subject to the provisions of the Act, rules framed thereunder, regulations/guidelines/directions of RBI (including the Master Direction-Non-Banking Financial Company – Non Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 issued on September 01, 2016 and bearing reference Master Direction DNBR. PD. 008/03.10.119/2016-17 (as amended from time to time) and RBI circular no. DNBR (PD) CC No. 021/03.10.001/2014-15 dated February 20, 2015 (Raising Money through Private Placement of Non-Convertible Debentures (NCDs) by NBFCs), SEBI (including the SEBI Debt Listing Regulations) and Stock Exchanges and other Applicable Laws and regulations from time to time. The Debenture holders, by purchasing the Debentures, agree that the courts and tribunals in the city of Chennai shall have non - exclusive jurisdiction with respect to any matters relating to the Debentures.

Further, the said Debentures shall be subject to the terms and conditions as contained in the Application Form, Disclosure Document, Debenture Trust Deed, Debenture Trustee Appointment Agreement and other Definitve Documents.

3. Objects & Utilization of the Issue Proceeds

The company proposes to raise INR 240,00,00,000/- (Indian Rupees Two Hundred Forty Crores only) through the issue of secured, listed, rated, redeemable, non-convertible debentures of face value of INR 10 lakh each, by way of private placement as per the terms and conditions.

The Proceeds of the issue will be utilized for onlending to grow the asset book, financing of commercial vehicles. .

No part of the proceeds of the NCDs would be utilized by the Issuer directly/indirectly towards capital markets and real estate purposes.

The Main Object Clause of the Memorandum of Association of the Company enables it to undertake the activities for which the funds are being raised through the present issue and also the activities, which the Company has been carrying on till date.

4. **Payment Terms**

The full face value of the NCDs applied for is to be paid along with the Application Form.

Investor(s) need to send in the Application Form and the RTGS / cheque(s)/ demand draft(s)/ cash (through Banking Channels) for the full face value of the NCDs applied for.

5. **Redemption Schedule**

Each Debenture shall be redeemed as per the cash flows stated in Annexure VI

6. **Payment on Redemption**

Each Debenture of face value of INR Ten lacs each will be redeemed on the Redemption Date.

The Debentures will not carry any obligation, for interest or otherwise, after the Redemption Date. The Debentures held in the dematerialized form shall be taken as discharged on payment of the redemption amount by the Issuer on maturity to the registered Debenture holders whose name appear in the Register of Debenture holders on the Record Date. Such payment will be a legal discharge of the liability of the Issuer towards the Debenture holders. On such payment being made, the Issuer will inform NSDL/CDSL and accordingly the account of the Debenture holders with NSDL/CDSL will be adjusted.

If the redemption date falls on a day which is not a Business Day then payment of interest will be made on the preceding Business Day.

7. **Debenture Trustee**

The Company has appointed **Catalyst Trusteeship Limited** as Debenture Trustee in respect of the NCDs. The Company will enter into a DTD, inter-alia, specifying the powers, authorities and obligations of the Company and the Debenture Trustee in respect of the NCDs.

Subject to the terms of the other Transaction Documents, the NCD Holders shall, without any further act or deed, be deemed to have irrevocably given their consent to and authorised the Debenture Trustee or any of their agents or authorised officials to do, inter alia, all such acts, deeds and things necessary in respect of or relating to the Security to be created for securing the NCDs. Subject to Applicable Law, all rights and remedies under the Debenture Trust Deed and/or other security documents shall rest in and be exercised by the Debenture Trustee in terms of the Transaction Documents. Any payment made by the Company to the Debenture Trustee on behalf of the NCD Holder(s) shall discharge the Company pro tanto to the NCD Holder(s).

8. **Deemed Date of Allotment**

Coupon on Debentures shall accrue to the Debenture Holder(s) from and including the Deemed Date of Allotment All benefits relating to the Debentures will be available to the investors from the Deemed Date of Allotment. The actual allotment of Debentures may take place on a date other than the Deemed Date of Allotment. In case if the issue closing date is changed (pre-poned/ postponed), the Deemed Date of Allotment may also be changed (pre-poned/ postponed) by the Company at its sole and absolute discretion.

The final subscription to the Debentures shall be made by the Eligible Investors through the Electronic Book Mechanism as prescribed by SEBI under the SEBI Electronic Book Mechanism Guidelines by placing bids on the Electronic Book Platform during the Issue period.

9. In the event Issuer fails to execute the Debenture Trust Deed within a period of 3 months from the date of closure of the issue of Debentures, without prejudice to any liability arising on account of violation of the provisions of the Act and the SEBI Debt Listing Regulations, the Isuser shall also pay an interest of at least 2% p.a to the Debenture Holders over and above the agreed coupon rate until execution of the Debenture Trust Deed.

10. **Market Lot**

The market lot shall be one Debenture of face value of INR 10,00,000 each ("Market Lot"). Since the Debentures are being issued only in dematerialized form, the odd lots will not arise either at the time of issuance or at the time of transfer of debentures.

11. Tax Deduction at Source

Tax as applicable under the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof will be deducted at source. Tax exemption certificate/ document, under Section 193 of the Income Tax Act, 1961, if any, must be lodged at the registered office of the Company or at such other place as may be notified by the company in writing, at least 30 calendar days before the Coupon Payment Dates.

Tax exemption certificate/ document in respect of non-deduction of tax at source on interest on application money, must be submitted along with the Application Form.

12. Debentures in Dematerialized Form

The Company has finalized Depository Arrangements with National Securities Depository Limited (NSDL)/ Central Depository Services (India) Limited (CDSL) for dematerialization of the Debentures. The investor has to necessarily hold the Debentures in dematerialized form and deal with the same as per the provisions of Depositories Act, 1996 (as amended from time to time). The normal procedures followed for transfer of securities held in dematerialized form shall be followed for transfer of these Debentures held in electronic form. The seller should give delivery instructions containing details of the buyer's DP account to his depository participant.

Applicants to mention their Depository Participant's name, DP-ID and Beneficiary Account Number/Client ID in the appropriate place in the Application Form. In case the depository arrangement dematerialised before the completion of all legal formalities for issue of Debenture Certificates, Debentures to successful allottee(s) having Depository Account shall be credited to their Depository Account against surrender of Letter of Allotment.

Interest or other benefits with respect to the Debentures would be paid to those Debenture holders whose names appear on the list of beneficial owners given by the Depositories to the Issuer as on a Record Date/book closure date. The Issuer would keep in abeyance the payment of interest or other benefits, till such time that the beneficial owner is identified by the Depository and informed to the Issuer where upon the interest/benefits will be paid to the beneficiaries within a period of 30 days.

13. Disputes and Governing Law

The Debentures shall be construed to be governed in accordance with Indian Law. The competent courts alone shall have jurisdiction in connection with any matter arising out of or under these precincts.

Over and above the aforesaid terms and conditions, the said Debentures shall be subject to the terms and conditions to be incorporated in the Debentures to be issued to the allottees and the Debenture Trust Deed /Debenture Trustee Appointment Agreement.

14. Trading of Debentures

The trading of privately placed Debt securities would be permitted in the anonymous, order driven system of the Stock Exchange in a separate trading segment. The marketable lot would be one Debentures of face value of INR 10,00,000/- All class of investors would be permitted to trade subject to the standard denomination/marketable lot. The trades executed on spot basis shall be required to be reported to the Stock Exchange.

15. Transaction Documents

The detailed terms of the Debentures, including the events of default, covenants and undertakings, terms of the security created by the Issuer in relation to the Debentures shall be as per the Debenture Trust Deed executed by and between the Issuer and the Debenture Trustee in relation to issuance of rated listed senior secured redeemable non convertible debentures aggregating to INR 240,00,00,000/- (Indian Rupees Two Hundred Forty Crores only).

16. List of Beneficial Owners

The Company shall request the Depository to provide a list of Beneficial Owners as at the end of the Record Date. This shall be the list, which shall be considered for payment of interest or repayment of principal amount, as the case may be.

17. Creation of Security

All the securities as set out under the definition of 'Security' above shall be created in the manner as provided in the Term Sheet provided in this Information Memorandum.

Security shall be created and perfected within 60 (sixty) days from the Deemed Date of Allotment. Perfection of Security to include registration of mortgage, filing of relevant forms with ROC and CERSAI any other regulatory authorities as required.

For the purpose of creation of Security Interest over the Secured Assets of the Company in favour of the Debenture Trustee (acting on trust and on behalf of the NCD Holders) in accordance with the Transaction Documents, the Company has obtained the necessary consent or letters ceding pari-passu charge from other existing charge holders in whose favour Security Interest has been created over the Secured Assets.

18. Term Sheet

The following is a summary of the terms of the Issue to the extent that they are applicable to Debentures:

S. NO.	ITEM	PARTICULARS
1.	Company/Issuer	Shriram Transport Finance Company Limited
2.	Security Name	PPD 8.00% STFC 2020
3.	Type of Instrument	Senior, secured, rated, listed, redeemable, non – convertible debentures
4.	Nature of Instrument	Secured
5.	Seniority	Senior
6.	Mode of Placement	Private placement basis
7.	Eligible Investors	Please refer Clause "Who can apply" of this Disclosure Document.
8.	Listing	The Debentures are proposed to be listed on the Wholesale Debt Market (WDM) segment of the BSE Limited ("**BSE**"). Please refer to **Annexure III** of this Disclosure Document for a copy of the in-principle approval letter dated December 23, 2020 issued by BSE. In case of delay in listing of the Debentures beyond 4 (four) days from the closure of the Issue, the Company will pay penal interest, of 1% (One percent) p.a. over the interest/coupon rate/implicit yield from the Deemed Date of Allotment till the listing of such Debentures, to the investor.
9.	Rating of the Instrument	"AA+" by CRISIL
10	Issue Size	INR 240,00,00,000/- (Indian Rupees Two Hundred Forty Crores only).
11	Option to retain oversubscription (Amount)	No
12	Cash/ Consideration other than cash	Cash (banking channels)

13	Whether issued at Premium	No
14	Whether issued at Discount	No
15	Objects of the Issue	Proceeds of the issue will be utilized for onlending to grow the asset book, financing of commercial vehicles. Please refer clause "Objects & Utilization of the Issue Proceeds" of this Disclosure Document for more details.
16	Details of the utilization of the Proceeds	Please refer clause "Objects & Utilization of the Issue Proceeds" of this Disclosure Document
17	Coupon Rate/ Redemption Premium/ Interest	8.00% payable annually
18	Step Up/Step Down Coupon Rate	N.A.
19	Coupon Payment Frequency	Annually and on maturity
20	Coupon Payment Dates	December 30, 2021 and Redemption Date or any other date on which the Debentures are redeemed in accordance with Transaction Documents.
21	Coupon Type	Fixed
22	Coupon Reset Dates	N.A.
23	Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc).	N.A.
24	Day Count Basis	Actual / Actual i.e. The interest shall be computed on the basis of actual number of days elapsed in a year, for this purpose a year to comprise of a period of 365 days. In case leap year, if February 29 fall during the tenor of a security, then the number of days shall be reckoned as 366 days for the whole one year period. (SEBI Circular – CIR/IMD/DF-1/122/2016 dated November 11,2016)
25	Interest on Application Money	At Coupon Rate (subject to deduction of tax at source, as applicable.) from the date of realization of cheque (s)/ demand draft(s)/RTGS upto one day prior to the date of allotment of Debentures. Such Coupon Rate is payable within 7 (seven) Business Days from the Deemed Date of Allotment.
26	Default Coupon Rate	In the event of non-compliance of the terms of the Deed including occurrence of any Event of Default, an additional interest at the rate of 2% per annum over the Coupon Rate will be charged for the defaulting period. In the event Issuer fails to execute the Debenture Trust Deed within a period of 3 months from the date of closure of issue of Debentures, without prejudice to any liability arising on account of violation of the provisions of the Act and the SEBI, the Issuer shall also pay an interest of at least 2% p.a to the Debenture Holders over and above the agreed Coupon Rate until execution of the Debenture Trust Deed.
27	Tenor	2 years from the Deemed Date of Allotment
28	Redemption Date	2 years from the Deemed Date of Allotment / Redemption Dates as set out in the Redemption Schedule
29	Redemption Amount	At par

30	Redemption Premium /Discount	N.A.
31	Issue Price	At Face Value of INR 10,00,000/- (Indian Rupees Ten Lacs only) per Debenture
32	Discount at which security is issued and the effective yield as a result of such discount	N.A.
33	Put option Date	N.A.
34	Put option Price	N.A.
35	Call Option Date	N.A.
36	Call Option Price	N.A.
37	Put Notification Time	N.A.
38	Call Notification Time	N.A.
41	Face Value	Rs.10,00,000/- (Indian Rupees Ten Lacs) per Debenture
42	Minimum Application and in multiples of Debt securities thereafter	Minimum of 10 Debentures of INR 1,00,00,000 each and in multiples of 1 Debenture thereafter
43	Record Date	15 days prior to each Coupon Payment Date and Redemption date.
44	All covenants to the Issue	Please refer to Annexure VII of this Information Memorandum
45	Issue Timing 1. Issue Opening Date 2. Issue Closing Date 3. Pay-in Date 4. Deemed Date of Allotment	 December 29, 2020 December 29, 2020 December 30, 2020 December 30, 2020
46	Issuance mode of the Instrument	Demat only
47	Trading mode of the Instrument	Demat only
	Manner of bidding in the Issue	Close Bidding
	Manner of allotment in the Issue	Uniform Yield
	Manner of settlement in the Issue	Pay-in of funds through ICCL and BSE
48	Settlement mode of the Instrument	Payment of coupon and principal will be made by way of Cheque/s DD’s / Electronic mode.
49	Depository	National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL)
50	Business Day Convention	If any Coupon Payment Date falls on a day which is not a Business Day then payment of Coupon will be made on the succeeding Business Day. If Redemption Date falls on a day which is not a Business Day then payment of Redemption Amount along with Coupon will be made on the preceding Business Day.

51	Description regarding Security (where applicable) including type of security (movable/immovable/tangible etc.), type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security, minimum security cover, revaluation, replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Trust Deed and disclosed in the Offer Document/ Information Memorandum	The redemption of the principal amount, together with interest, default interest, liquidated damages, premium, costs, charges, expenses in creation, preservation and realisation of security, remuneration of the Debenture Trustee and other monies whatsoever due and payable by the Company in respect of the Debentures shall be secured inter alia by first and exclusive charge by way of hypothecation in favor of the Debenture Trustee over the specific identified loan assets/book debts loan assets of the Company more particularly described in the schedule of Unattested Memorandum of Hypothecation ("**Hypothecated Assets**"). The Issuer hereby agrees that it shall until the Final Settlement Date and at all times ensure that the value of the Hypothecated Assets covers at least 1.0x of the outstanding principal amount, outstanding interest amount, other charges, or any other amounts payable in relation to the Debentures ("Security Cover"), to the satisfaction of the Debenture Trustee. If at any point of time, till the Final Settlement Date, the Security Cover depletes below the agreed quantum, on account of any Material Adverse Effect on the Hypothecated Assets or otherwise, the Issuer shall substitute the Security provided herein with an alternate security of equal or greater value than the affected Hypothecated Assets or provide such Additional Security, which shall (along with the existing Security) be sufficient to meet the Security Cover, as acceptable to the Debenture Trustee, within a period of 15 (fifteen) Business Days, from the date of notice regarding depletion of Security Cover having been issued by the Debenture Trustee to the Issuer. For sake of clarity, the depletion in Security Cover shall be determined on the basis of valuation of applicable Hypothecated Assets as and when requested by the Debenture Trustee.
52	Conditions Precedent to Disbursement	The Issuer shall fulfill each of the following conditions precedent (subject to any waiver by the Debenture Trustee), including providing the documents referred to herein below, in the form and substance satisfactory to the Debenture Holders/ Debentures Trustee: (a) Receipt by the Debenture Trustee of certified copy of latest MoA and the Articles of the Company and the Disclosure Document; (b) Receipt by the Debenture Trustee of certified copy of the annual report and audited financial statements of the Company for the financial year ending on March 31, 2020 and provisional financial statements for the quarter ending on September 20, 2020; (c) Receipt by the Debenture Trustee of certified copy of board resolution dated April 20, 2020 read with the resolution passed by the banking and finance committee dated November 23, 2020 under the provisions of Section 179 (3)(c) of the Companies Act, 2013, read with Section 71 of the Companies Act, 2013, and other applicable provisions, for the issue of Debentures; (d) Receipt by the Debenture Trustee of certified copy of special resolutions dated June 13, 2019 passed by the

		shareholders of the Company under the provisions of Section 42 of the Companies Act, 2013 (read with Section 71 of the Companies Act, 2013 and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014) , Section 180(1)(a) and 180(1)(c) of the Companies Act, 2013, and other applicable provisions, for issue of Debentures, on a private placement basis in the manner envisaged under the Transaction Documents; (e) Receipt by the Debenture Trustee of a certificate Company's authorized signatorycertifying that the limits stated in special resolution under Section 180(1)(c) and 180 (1) (a) of the Companies Act, 2013 passed by the shareholders on June 13, 2019, limits specified by the shareholders in their resolution passed in terms of the section 42 of the Companies Act, 2013 in their meeting held on June 13, 2019 and the limits specified under the resolution passed by the board of directors in their meeting held on April 20, 2020 is not exceeded by the issue of Debentures; (f) Letter of consent for appointment as the Debenture Trustee dated December 21, 2020 and duly executed the Debenture Trustee Appointment Agreement dated December 24, 2020; (g) Execution of each of the Transaction Documents, as may be required by the Debenture Trustee, in a form and substance satisfactory to the Debenture Trustee; (h) Receipt by the Debenture Trustee of certified copy of Credit Rating Certificate obtained before issuing the Debentures from CRISIL rating the Debentures as "AA+"; (i) Evidence satisfactory to the Debenture Trustee that the relevant special resolution or the resolution of the board of directors approving the issuance of the Debentures has been filed with the Registrar of Companies; (j) Receipt by the Debenture Trustee of copy of in-principle approval obtained by the Company from the BSE, for listing the Debentures on the WDM segment of the BSE; and (k) Receipt by the Debenture Trustee of a certificate from duly qualified and practicing chartered accountants certifying that the limits stated in special resolutions under Section 180(1)(c) and 180 (1) (a) of the Companies Act, 2013 passed by the shareholders on June 13, 2019, limits specified by the shareholders in their resolution passed in terms of the section 42 of the Companies Act, 2013 in their meeting held on May 26, 2020, the limit specified under the resolution passed by the board of directors in their meeting held on April 20, 2020, the limit specified under the resolution passed by the board of directors in their meeting held on October 29, 2020, and the limit specified under the resolution passed by the Banking and Finance committee of

		the board of directors in their meeting held on December 23, 2020 is not exceeded by the issue of Debentures; and (l) Receipt by the Debenture Trustee of a certificate issued by an independent practising chartered accountant certifying that: (i)the Hypothecated Assets proposed to be charged forms a part of the 'stock-in-trade' of the business of the Company; (ii) any taxes or other sums due and payable by the Company to the Government of India, have been paid and; (iii) there are no proceedings pending and/or initiated and/or threatened against the Company for or on account any Taxes or any other sums, which may be due and payable by the Company to the Government of India, under the provisions of Section 281 of the IT Act or under any other act or provision for the time being in force.
53	Condition Subsequent to Disbursement	The Issuer shall provide the following documents and/ or satisfy the conditions mentioned below as conditions subsequent to subscription of Debentures ("**Conditions Subsequent**"), within the timelines stipulated thereunder: (a) filing of Form CHG-9 by the Issuer inrelation to the security created over Hypothecated Assets and evidence of payment of fee in relation to such form, within 14 (fourteen) days of the Deemed Date of Allotment. (b) filing of Form CHG-9 by the Company in relation to the Security created over Secured Assets with the relevant Registrar of Companies and provide evidence of the same, along with the document evidencing the payment of fees, within 14 (fourteen) days from the Deemed Date of Allotment; (c) certificate from the Registrar of Companies relating to Form CHG-9 filed by the Company for the Security created over the Secured Assets along with a copy of acknowledgement of the charge and evidence of payment of fee in relation to such Form within 30 (thirty) days from the Deemed Date of Allotment; (d) certified true copy of the updated Register of Debenture Holders and the updated Register of Beneficial Holders of the Company, within 5 (five) Business Days of the Deemed Date of Allotment; (e) copy of the Form PAS-3 filed with the Registrar of Companies, along with evidence of payment of fees in relation to the same, within 10 (ten) days from the Deemed Date of Allotment; (f) the Debentures shall be listed within 4 (four) days from the closure of the Issue; (g) CERSAI filings to be completed by Debenture Trustee;

		(h) the Company shall file such forms and make such disclosures as required in terms of the Applicable Laws including the SEBI regulations and the RBI guidelines.
54	Events of Default	Following are the specific Events of Default: a) Default is committed in payment of the principal amount of the Debentures on the Due Date(s); b) Default is committed in payment of any Coupon on the Debentures on the Due Date(s); c) Default/ breach is committed with respect to any security (as defined under Securities Contract Regulation Act, 1956) issued by the Company of whatsoever nature and by whatever name called; d) Default is committed in the performance or observance of any covenant, condition or provision contained in the Transaction Documents (other than the obligation to pay principal and interest and other specific Events of Default specified under paragraphs a and b above. No Event of Default (except covenant with respect to Sanctions Clause), will occur under this Sub-Clause (d) if the failure to perform or observe is: (a) capable of remedy; and (b) remedied, within 30 (thirty) days of the date of occurrence of such event, to the satisfaction of the Debenture Trustee; e) If the Company fails to create a charge or perfect a charge on the Secured Assets as contemplated in the Transaction Documents or within such time as stipulated in the Transaction Documents; f) The Company commits any act of bankruptcy, insolvency, suspends payment to any of its creditors, or if any petition of insolvency, bankruptcy or winding up is filed by or against the Company and which petition is not withdrawn within 7(seven) days of being admitted; g) Any Financial Indebtedness of the Company becomes due prior to its stated maturity by reason of default of the terms thereof or any such Financial Indebtedness is not paid at its stated maturity or there is a default in making payments due under any guarantee or indemnity given by the Company in respect of the Financial Indebtedness of any person and/or (i) any commitment for any Debt of the Company, as the case may be, is cancelled or suspended by a creditor as a result of an event of default (however described); (ii) any creditor of the Company, as the case may be, becomes entitled to declare any Debt due and payable prior to its specified maturity as a result of an event of default (however described; h) The Security ceases to enure to the benefit of the Debenture Trustee; i) If any circumstances have occurred which make it improbable for the Company to fulfil their obligations under the Transaction Documents;

		j) Any information given by the Company in the reports and other information furnished by the Company and the representation and warranties given/deemed to have been given in this Information Memorandum or any other related documents by it to the Debenture Trustee is misleading or incorrect in any material respect; k) In the event the Company is unable to maintain the stipulated Security Cover; l) If the Company creates any Encumbrance on the Secured Assets without the consent of the Trustee or if in the opinion of the Debenture Trustee, the Security provided for the benefit of Debenture Holders is in jeopardy; m) If in the opinion of the Debenture Trustee, the Security or the interest of the Debenture Holders may be adversely affected and constitutes a Material Adverse Effect. No Event of Default will occur under this Sub-Clause (m) if the Material Adverse Effect is in the opinion of Debenture Trustee (a) capable of remedy; and (b) is remedied, within 7 (seven) days of the date of occurrence of such event which results in Material Adverse Effect, to the satisfaction of the Debenture Trustee; n) Occurrence of force majeure events like fire, flood, earthquake, strike, lock out, civil unrest, terror attacks etc. due to which there is any material damage to the Security in the sole opinion of the Debenture Trustee; o) If the Company fails to comply with any licence requirements and becomes subject to a Material Adverse Effect; p) One or more of the events, conditions or circumstances shall exist or shall have occurred which has had, or in the reasonable judgment of the Debenture Trustee, could be reasonably expected to have a Material Adverse Effect; q) If there is any misrepresentation, fraudulent act or wilful default or unlawfulness by the Company; r) If Company is unable to pay its Debts or has admitted in writing its inability to pay its Debts as they mature or is unable to pay any sum due from it under any final judgment or any final order made or given by a court of competent jurisdiction or proceedings for taking it into liquidation, winding up or dissolution either voluntarily or compulsorily, may be or have been commenced and/or Company merges into or amalgamates with any other entity and/or consolidates, reorganizes (including reorganization of its capital) in the manner prejudicial to the interest of the Debenture Holders except as otherwise allowed under this Deed or moratorium is declared in respect of any Financial Indebtedness of any of the Company or in relation to the Company; s) A Receiver or a liquidator has been appointed or allowed to be appointed of all or any part of the undertaking of the Company; t) If, an attachment or distraint has been levied on the Secured Assets or any part thereofor certificate proceedings have been

		taken or commenced for recovery of any dues from the Company; u) The Company without the consent of the Debenture Holders ceases or threatens to cease to carry on its business or gives notice of its intention to do so; v) If the Company is carrying on business at a loss and it appears to the Debenture Trustee that continuation of its business will endanger the security hereby created or by any other related document or stops, suspends or threatens to stop payment of all or any of its Debts or proposes or makes an agreement for the deferral, rescheduling or other readjustment of all or any of its Debts or proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any of such Debts; w) If the Debentures are not listed on the BSE Limited ("BSE") and/ or National Stock Exchange of India Limited ("NSE") within 4 (four) days from the closure of the Issue; x) If the Debentures are delisted from BSE or NSE before their date of redemption, as stipulated in this Deed; y) It is unlawful for the Company to perform or comply with any one or more of its obligations under this Deed or any other Transaction Documents; z) Any step is taken by Governmental Authority or agency or any other competent authority, with a view to the seizure, compulsory acquisition, expropriation or nationalization of all or (in the opinion of the Debenture Trustee) a material part of the assets of the Company; aa) Repudiation of any Transaction Documents; bb) The Transaction Documents or any material provision hereof or thereof except as otherwise expressly permitted hereunder, ceases to be in full force and effect except at the stated termination date thereof, or shall be assigned or otherwise transferred or is revoked, declared void, or prematurely terminated by any party thereto (other than with the prior written consent of the Debenture Trustee acting on the instructions of Debenture Holders); cc) Any litigation, arbitration, investigative, regulatory, governmental or administrative proceeding which could reasonably be expected to have Material Adverse Effect on the Company. No Event of Default shall occur under Sub-Clause (cc) in respect of any litigation, arbitration, investigative, regulatory, governmental or administrative proceeding that is withdrawn or dismissed or stayed within 30 (thirty) days from the date of institution of such litigation, arbitration, investigative, regulatory, governmental or administrative proceeding; dd) Downgrade in the local credit rating of the Company to AA- or lower or withdrawal of rating of the Company from any rating agency during the entire tenor of the Debentures;

		ee) Any claim by tax authorities which in the opinion of Debenture Trustee could result in Material Adverse Effect; ff) A special resolution has been passed by the members of the Company for winding up of the Company; gg) The Company is unable to pay its debts within the meaning of Section 271 of the Act or if the Company is carrying on business at a loss and it appears to the Debenture Trustee that continuation of its business will endanger the security hereby created; hh) If it is certified by an accountant or a firm of accountants appointed by the Debenture Trustee that the liabilities of the Company exceed its assets; ii) If the properties and assets offered as security to the Debenture Trustee/Debenture Holder(s)/Beneficial Owner(s) for the Debentures are not insured or kept under-insured by the Company or depreciate in value to such an extent that in the opinion of the Debenture Holder(s)/ Beneficial Owner(s)/Debenture Trustee further security to the satisfaction of the Debenture Holder(s)/ Beneficial Owner(s)/Debenture Trustee should be given and such security is not given. jj) If the Company, shall without the previous consent in writing of the Debenture Trustee, make or attempt to make any alteration in the provisions of its Memorandum and/or Articles of Association which might in the opinion of the Debenture Trustee detrimentally affect the interests of the Debenture Holder(s)/Beneficial Owner(s) and shall upon demand by the Debenture Trustee refuse or neglect or be unable to rescind such alteration. kk) Any event occurs which under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in any of the foregoing paragraphs.
55	Consequences of an Event of Default / Conditions for breach of covenants	If one or more of the Events of Default shall have occurred or continuing, then if so required by the Debenture Holder(s)/ Beneficial Owner(s) of not less than 75% (Seventy Five Per Cent) in principal amount of the Debentures then outstanding or if so directed by a Special Resolution, the Debenture Trustee (subject to being indemnified and/or secured by the Debenture Holders to its satisfaction) shall by a notice in writing to the Company declare all the Debentures outstanding together with redemption premium, if any, and all accrued interest thereon to be due and upon such declaration the same shall thereupon become due and payable forthwith and the security created in terms of the Transaction Documents, shall become enforceable and the Debenture Trustee shall have right to enforce security and shall have the following rights (notwithstanding anything in these presents to the contrary):- (a) to enter upon and take possession of the Hypothecated Assets; (b) call back all outstanding Redemption Amounts and the Amounts Due, whereby the outstanding Redemption

		Amount together with all other Amounts Due shall, forthwith, become due and payable to the Debenture Holders, along with default interest, as may be applicable, without any further notice(s) of any kind and for this purpose the Debenture Trustee will be entitled to call upon the Company to redeem the Debentures, and the Debenture Trustee shall thereupon have the right to exercise any and all rights specified in the Transaction Documents including without limitation enforce the Security created on the Secured Assets under the Transaction Documents; (c) to appoint a sales agent for sale of the whole or part of the Secured Assets at a discounted rate or alternatively the Debenture Trustee shall have a right to swap these Secured Assets against the repayment of Redemption Amount and the Amounts Due payable to it at a value determined by the Debenture Trustee; (d) to execute documents for sale, assignment or transfer of the Secured Assets in exercise of the power of sale herein contained or transfer of mortgage or other assurance, required to be executed by the Debenture Trusteef) appoint any independent agency to inspect and examine the working of the Company and give a report thereof to the Debenture Trustee. The Company shall extend full cooperation and provide necessary assistance to such agency and bear all costs and expenses of the examination including the professional fees and travelling and other expensesg) to review the business and management set-up of the Company and suggest changes which the Company shall implementh) to disclose particulars of defaults to CIBIL or any other agency at their discretioni)require the Company to appoint monitoring accountant and a reputable auditor acceptable to the Debenture Trustee as an internal/concurrent auditor as per the terms of the Debenture Trust Deedj)cause the Company to issue debentures to third parties of the Debenture Trustee's choice for repayment of the Debenturesk)seize and solely operate all bank accounts of the Company and appropriate all monies lying therein; (e) determine utilisation of the surplus cash of the Company;m) prevent the Company from expansion, diversification, merger or acquisition; (f) freely assign all rights under this the Transaction Documents. (g) to appoint a nominee director of the Board of the Company; (h) exercise such other rights as the Debenture Trustee may

		deem fit under Applicable Law.
56	Recovery Expense Fund	The Company shall maintain a recovery expense fund in relation to the NCDs until the Final Settlement Date in accordance with the applicable regulations and guidelines issued by SEBI for the maintenance of the said fund from time to time.
57	Provision relate to Cross Default	Please refer to Events of Default as identified above.
58	Risk Factors	Please refer to Section II of this Information Memorandum.
59	Role and Responsibilities of Debenture Trustee	To oversee and monitor the overall transaction for and on behalf of the Debenture Holders as customary for transaction of a similar nature and size and as executed under the appropriate Transaction Documents.
60	Transaction Documents	shall mean and refer to the Debenture Trust Deed, the DTA, the Unattested Memorandum of Hypothecation, this Information Memorandum executed/issued or to be executed/ to be issued in relation to the Debentures, each Security Document; the letters issued by the Debenture Trustee and the Credit Rating Agency; the letters appointing the Registrar and Transfer Agent with respect to the issuance of the NCDs; the agreement entered into between the Registrar and Transfer Agent and the Company with respect to the issuance of the NCDs; the agreement between the Company, its Registrar and Transfer Agent and the Depository; and/or any other agreement or document that the Debenture Trustee may designate as a Transaction Document
61	Inspection	As per the Debenture Holders' instructions and requirements. Costs to be borne by the Company.
62	Governing Law and Jurisdiction	The NCDs are governed by and will be construed in accordance with Indian law and the courts and tribunals at Chennai shall have non - exclusive jurisdiction with respect to matters relating to the NCDs.
63	Taxation	All taxes as per Applicable Law, excluding income tax, as and when applicable on the Issue from time to time shall be borne by the Company.
64	Inconsistency Provision	In case of any inconsistency between the provisions of the Debenture Trust Deed and this Disclosure Document, the provisions of the Debenture Trust Deed shall prevail over the Information Memorandum.
65	Illustration of cashflows of Debentures	As per Annexure VI to this Information Memorandum.

Please note that while the Debentures are secured to the tune of 100% of the principal and interest amount or as per the terms of offer Transaction Documents, in favour of Debenture Trustee, it is the duty of the Debenture Trustee to monitor that the security is maintained, however, the recovery of 100% of the amount shall depend on the market scenario prevalent at the time of enforcement of the security."

Payment Instructions

The Private Placement Offer Letter Cum Application Form should be submitted along with cheque(s)/draft(s) favouring "Shriram Transport Finance Company Limited", crossed "Account Payee Only". The entire amount of Rs. 10,00,000/- (Rupees Ten Lakh only) per Debenture is payable along with the making of an application. Applicants can alternatively remit the application amount through RTGS on Pay-in Date upto 10:30 A.M. on T+1 day. The Electronic Book Platform is BSE. The RTGS details are as under:

Name of Bank	ICICI Bank Limited

IFSC Code	ICIC0000106
Account number	ICCLEB
Name of beneficiary	Indian Clearing Corporation Limited

Name of Bank	Yes Bank Limited
IFSC Code	YESB0CMSNOC
Account number	ICCLEB
Name of beneficiary	Indian Clearing Corporation Limited

Name of Bank	HDFC Bank Limited
IFSC Code	HDFC0000060
Account number	ICCLEB
Name of beneficiary	Indian Clearing Corporation Limited

Please refer to Section 6 of the Disclosure Document for detailed terms of the Application Process.

SECTION 6: APPLICATION PROCESS

1. How to Apply

The Issue will open on the 'Issue Opening Date' and close on the 'Issue Closing Date' (both days inclusive) as stated in the Information Memorandum. Potential investors who wish to invest in the Issue are requested to submit an application for the Debentures with all the accompanying documents and the application money at any time starting from the Issue Opening Date and upto the Issue Closing Date.

Applications for the Debentures must be made in the prescribed Application Form contained in the Private Placement Offer Cum Application Letter as provided by the Company and must be completed in block letters in English by the investors. Application Form must be accompanied by payment details. All Application Forms, duly completed, together with cheque/ demand draft or Electronic transfer drawn or made payable in favour of "Shriram Transport Finance Company Limited" of the amount payable on application. Applications for the Debentures must be in the prescribed form (enclosed) and completed in BLOCK CAPITAL LETTERS in English and as per the instructions contained therein. Applications complete in all respects (along with all necessary documents as detailed in this Disclosure Document) must be submitted before the last date indicated in the issue time table or such extended time as decided by the issuer. No separate receipt will be issued for the application money.

In case the payment is made through any electronic mode of payment such as RTGS/ NEFT, the funds have to be credited to account, the details of which shall be provided in the Private Placement cum Application Letter.

The subscription to the Debentures shall be made by the Eligible Investors through the electronic book mechanism as prescribed by SEBI under the EBP Guidelines by placing bids on the EBP platform during the Issue period. In case the Eligible Investors are not registered on the EBP platform, they will have to register themselves as investor on the said platform (as a one-time exercise) and also complete the mandatory KYC verification process. The Eligible Investors should also refer to the operational guidelines of the EBP in this respect. The disclosures required pursuant to the EBP Guidelines are set out hereinbelow:

Minimum bid lot: 10 Debentures and in multiples of 1 thereafter

Electronic Book Platform: BSE
Mode of bidding: Open bidding

Manner of Allotment: Uniform yield allotment

Manner of Settlement: Pay-in of funds through the clearing corporation

Settlement Cycle: T+1; where T refers to the date of bidding

Process flow of settlement:

Eligible Investors whose bids have been accepted by the Issuer and to whom a signed copy of this Disclosure Document have been issued by the Issuer and who have submitted/shall submit the Application Form ("**Successful Bidders**"), shall make pay-in of subscription monies in respect of the Debentures towards the allocation made to them, into the bank account of Indian Clearing Corporation Limited (ICCL) (the details of which have been set out in this Disclosure Documnnent) , on the Deemed Date of Allotment:

The pay-in by the Successful Bidders will be made only from the bank account(s), which have been provided / updated by them in the EBP system. Any amount received from third party accounts or from accounts not specified in the EBP system will be refunded and no allotment will be made against such payments. Upon the transfer of funds into the aforesaid account of ICCL and the Issuer confirming its decision to proceed with the allotment of the Debentures in favour of the Successful Bidders to the ICCL, the R&T Agent and the EBP and initiating the requisite corporate action for allotment of Debentures and credit of the demat letter of allotment into the relevant demat account of the Successful Bidders through the Registrar to the Issue, the Registrar to the Issue shall provide corporate action file along with all requisite documents to the Depositories by 12:00 hours and also intimate the EBP of the aforesaid actions. Upon the Depositories confirming the allotment of the Debentures and the credit of the Debentures into the demat account of the Successful Bidders to EBP, the subscription monies in respect of the Debentures from the aforesaid account of ICCL shall be released into the Issuer's bank account, the details whereof will be intimated to the EBP by the Issuer.

All payments must be made through NEFT, RTGS, electronic fund transfer to the bank account of ICCL. It may be noted that payment by any other means shall not be accepted. The Company assumes no responsibility for any applications lost in mail or in transit or any failure of electronic fund transfer. The Company will not be responsible in any manner for any delayed receipts / non-receipt of RTGS payments or applications lost in mail.

As a matter of precaution against possible fraudulent encashment of interest warrants/ cheques due to loss/ misplacement, the applicant should furnish the full particulars of his or her bank account (i.e. Account Number, name of the bank and branch) at the appropriate place in the Application Form. Interest warrants will then be made out in favour of the bank for credit to his/ her account so specified and dispatched to the investors, who may deposit the same in the said bank.

The Issuer assumes no responsibility for any applications / cheques / demand drafts lost in mail or in transit

2. Who can apply

Nothing in this Disclosure Document shall constitute and/or deem to constitute an offer or an invitation to offer, to be made to the public or any section thereof through this Disclosure Documentand this Disclosure Document and its contents should not be construed to be a prospectus under the Act. The Issue is a domestic issue and is being made in India only. This Disclosure Document and the contents hereof are restricted for only the intended recipient(s) who have been addressed directly through a communication by the Company and only such recipients are eligible to apply for the Debentures. Subject to applicable law, the categories of investors eligible to subscribe to the Debentures in this Issue, when addressed directly, are:

1. Scheduled Commercial Banks;
2. Financial Institutions;
3. Qualified Institutional Buyer;
4. Primary/ State/ District/ Central Co-operative Banks (subject to permission from RBI);
5. Regional Rural Banks;
6. Mutual Funds;
7. Companies, Bodies Corporate authorized to invest in Debentures;
8. Provident Funds, Gratuity, Superannuation, subject to their Investment guidelines.
9. High Net Worth Individuals
10. Foreign Portfolio Investors

Shortlisted investors as may be identified by the Board prior to issuance of the offer(s)/invitation to subscribe to the Debentures, shall be considered as the "identified person(s)" to whom the Issuer can make private placement of the Debentures and only such "identified persons" shall receive a direct communication from the Issuer with offer to subscribe to the Debentures and only such "identified persons" shall be entitled to subscribe to the Debentures.

All investors are required to check and comply with Applicable Laws including the relevant rules / regulations / guidelines applicable to them for investing in this Issue of Debentures and the Issuer, is not in any way, directly or indirectly, responsible for any statutory or regulatory breaches by any investor, neither is the Issuer required to check or confirm the same.

No other person may apply. Hosting of Disclosure Document on the website of the BSE should not be construed as an offer or an invitation to offer to subscribe to the Debentures and the same has been hosted only as it is stipulated by the SEBI Debt Listing Regulations read with the EBP Circular. Investors should check their eligibility before making any investment.

Without prejudice to the aforesaid, where the selection of the eligible investors is required to be done pursuant to bidding mechanism on the electronic platform called the "**EBP Platform**" under the EBP Guidelines or any other successive arrangement/platform mandated by SEBI, only those Persons out of the aforesaid categories of investors, who are registered on the EBP Platform and are eligible to make bids for Debentures of the Issuer and to whom allocation is to be made by the Issuer pursuant to selection under the electronic book mechanism for issuance of securities on private placement basis in terms of the EBP Guidelines and the Electronic Book Providers shall be considered as "identified persons" for the purposes of Section 42(2) of the Companies Act, 2013 (as amended from time to time), to whom the Issuer shall make private placement of the Debentures and only such "identified persons" shall receive a direct communication from the Issuer with offer to subscribe to the Debentures and only such "identified persons" shall be entitled to subscribe to the Debentures.

Additionally, those arrangers/brokers/intermediaries etc. (as per the defined limits under the EBP Guidelines) specifically mapped by the Issuer on the EBP Platform are also eligible to bid/apply/invest for this Issue.

Although above investors are eligible to apply however only those investors, who are individually addressed through direct communication by the Company/ Sole Arranger, are eligible to apply for the Debentures. No other person may apply. Hosting of Disclosure Document on the website of the BSE/ NSE should not be construed as an offer or an invitation to offer to subscribe to the NCDs and the same has been hosted only as it is stipulated by the SEBI Debt Listing Regulations read with the EBP Guidelines. Investors should check their eligibility before making any investment.

The applications must be accompanied by certified true copies of (1) Memorandum and Articles of Association/ Constitution/ Bye-laws (2) Resolution authorizing investment and containing operating instructions (3) Specimen signatures of authorised signatories and (4) Xerox copy of PAN Card. (5) Registration Certificate (6) Necessary forms for claiming exemption from deduction of tax at source on the interest income/ interest on application money, wherever applicable.

3. Submission of Documents

For the sake of simplicity, we hereby provide the details of documents required to be submitted by various categories of applicants (who have applied for Allotment of the Debentures) while submitting the Application Form:

Applications by Banks / eligible Foreign Institutional Investors (subject to applicable law)

The application must be accompanied by copies of (i) Board Resolution authorizing investments and containing operating instructions or letter of authorization, if applicable or Power of Attorney, if applicable and (ii) specimen signatures of authorized signatories. (iii) Registration Certificate as may be applicable, as may be required to be deposited under applicable law.

Applications by Corporate Bodies / Eligible Financial Institutions /Companies / Statutory Corporations / Trusts

The applications must be accompanied by copies of (i) Memorandum and Articles of Association / Debenture Trust Deed / proof of Constitution, as may be applicable (ii) Resolution authorizing investment and containing operating instructions; (iii) Specimen signatures of authorized signatories; (iv) Necessary certificate for claiming exemption from deduction of tax at source on interest on application money, as may be required to be deposited under applicable law.

Application made by Mutual Funds / Insurance Companies

The application must be accompanied by copies of (i) SEBI Registration Certificate / IRDA Registration Certificate, as may be applicable. (ii) Authorised Signatories list containing operating instructions along with the specimen signatures and Power of Attorney forwarded by the custodian of the Mutual Fund/Insurance Company. (iii) Application Form shall clearly indicate the name of the concerned scheme for which application is being made, as may be required to be deposited under applicable law.. In case of applications by Mutual Funds registered with SEBI, a separate application must be made in respect of each scheme of the Mutual Fund and such applications will not be treated as multiple applications, provided that the application made by the Asset Management Company/ Trustee/ Custodian clearly indicate their intention as to the scheme for which the application has been made.

The list of documents required to be provided by an investor as mentioned above is only indicative and an investor will be required to provide all additional documents / authorizations / information, which may be required by the Issuer. Notwithstanding anything contained hereinabove, the Issuer may, but is not bound to revert to any investor for any additional documents / information and can accept or reject an application as it deems fit, without assigning any reasons.

Submission of completed Application Form

All applications duly completed accompanied by fund transfer instrument / fund transfer instructions from the respective investor's account to the account of the ICCL/relevant clearing corporation, shall be submitted at the Corporate Office of the Issuer.

4. Applications under Power of Attorney / Relevant Authority

In case of applications made under a power of attorney or by a limited company or a body corporate or registered society or Mutual Fund, trusts etc., the relevant power of attorney or the relevant resolution or authority to make the application, as the case may be, together with the certified true copy thereof along with the certified copy of the Memorandum and Articles of Association and/or bye-laws as the case may be must be attached to the Application Form or lodged for scrutiny separately with the photocopy of the Application Form, quoting the serial number of the Application Form at the Issuer's office where the application has been submitted failing which the applications are liable to be rejected.

5. PAN/GIR No:

All applicants should mention their Permanent Account number (PAN) allotted under Income Tax Act, 1961 or where the same has not been allotted, the GIR Number and the IT Circle/Ward/District should be mentioned. In case where neither the PAN nor the GIR number has been allotted, or the applicant is not assessed to Income Tax, the fact of such non-allotment should be mentioned in the Application Form. Applications without this will be considered incomplete and are liable to be rejected.

6. Right to Accept or Reject Applications

The Issuer is entitled at its sole and absolute discretion to accept or reject any application, in part or in full, without assigning any reason thereof. Application Forms that are not complete in all respects or not in the prescribed form, may be rejected at the sole and absolute discretion of the Issuer. Any application, which has been rejected, would be intimated by the Issuer along with the refund warrant. Subject to the aforesaid, in case of over subscription, priority will be given to investors on a first come first serve basis. The investors will be required to remit the funds as well as submit the duly completed Application Form along with other necessary documents to Issuer by the Deemed Date of Allotment.

7. Fictitious Applications

Any person who (i) makes in a fictitious name, an application to the Issuer for acquiring, or subscribing for any Debentures therein, or (ii) otherwise induces the Issuer to allot or register any transferor of Debentures therein to him or any other person in a fictitious name, shall be punishable under the extant laws. Fictitious Applications will be rejected. Attention of applicants is specially drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013

8. Depository Arrangement

The Issuer has appointed Integrated Registry Management Services PVT LTD as Registrar and Transfer Agents for the Debenture issuance. The Issuer has entered into depository arrangements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

9. Debentures in Dematerialised mode

The Issuer will make allotment of Debentures to investors in due course after verification of the application form, the accompanying documents and on realization of the application money. The letter of allotment of Debentures will be credited in dematerialized form within 2 (Two) Business Days from the Deemed Date of Allotment. Investors will have to hold the Debentures in dematerialized form as per the provisions of Depositories Act. The Depository Participant's name, DP-ID and beneficiary account number must be mentioned at the appropriate place in the Application Form. Notwithstanding the foregoing, investors have the option to seek rematerialisation of Debentures (i.e. investors shall have the right to hold the NCDs in physical form) at any time in the future.

10. Loss of Letters of Allotment / Certificates / Interest cheques / Refund cheques

Loss of Letter of Allotment / Certificates / Interest cheques / Refund cheques should be intimated to the Issuer along with request for duplicate issue. Relevant statute and any other conditions as may be prescribed by the Issuer would govern the duplicate issue.

11. Letter/s of allotment/refund order(s) and interest in case of delay in dispatch

The beneficiary account of the investor(s) with National Securities Depository Ltd. (NSDL)/ Central Depository Services Ltd (CDSL) Depository Participant will be given initial credit within 2 (Two) Business Days from the Deemed Date of Allotment.

The initial credit in the account will be akin to the Letter of Allotment. On completion of the all statutory formalities, such credit in the account will be akin to a Debenture Certificate.

The Issuer further agrees to pay interest as per the applicable provisions of the Companies Act, 2013, if the allotment letters/refund orders have not been dispatched to the applicants within 30 days from the date of the closure of the issue.

12. Applications under Power of Attorney

A certified true copy of the power of attorney or the relevant authority as the case may be along with the names and specimen signatures of all the authorized signatories and the tax exemption certificate/document, if any, must be lodged along with the submission of the completed Application Form. Further modifications/additions in the power of attorney or authority should be notified to the Issuer at its registered office and/or Corporate Office.

In case of applications made under a Power of Attorney or by a Limited Company or a Body Corporate or Registered Society or Mutual Fund, and scientific and/or industrial research organizations or Trusts etc, the relevant Power of Attorney or the relevant resolution or authority to make the application, as the case may be, together with the certified true copy thereof along with the certified copy of the Memorandum and Articles of Association and/or Bye-Laws as the case may be must be attached to the Application Form or lodged for scrutiny separately with the photocopy of the Application Form, quoting the serial number of the Application Form at the Company's branch where the application has been submitted, or at the office of the Registrars to the Issue after submission of the Application Form to the bankers to the issue or any of the designated branches as mentioned on the reverse of the Application Form, failing which the applications are liable to be rejected. Such authority received by the Registrars to the Issue more than 10 days after closure of the subscription list may not be considered

13. Signatures

Signatures should be made in English or in any of the Indian Languages. Thumb impressions must be attested by an authorized official of a Bank or by a Magistrate/Notary Public under his/her official seal.

14. Nomination Facility

As per the Companies Act, 2013, only individuals applying as sole applicant/Joint Applicant can nominate, in the prescribed manner, a person to whom his Debentures shall vest in the event of his death. Non-individuals including holders of Power of Attorney cannot nominate.

15. Allotment Intimation

The Issuer has made depository arrangements with NSDL and CDSL for the issue of these Debentures in Dematerialized Form. The investors shall hold these Debentures in the dematerialized form and will be governed as per the provisions of the Depository Act, 1996, Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, rules notified by NSDL and CDSL (as applicable) from time to time and other Applicable Laws and rules notified in respect thereof.

Investors should mention their NSDL/ CDSL Depository Participant's name, DP-ID and Beneficiary Account Number at the appropriate place in the Application Form. The Issuer shall take reasonable steps to credit the Beneficiary Account of the Allottee(s), with the NSDL/ CDSL Depository Participant as mentioned in the Application Form, with the number of Debentures allotted. The applicant is responsible for the correctness of its details given in the Application Form vis-à-vis those with its DP. In case the information is incorrect or insufficient, the Issuer would not be liable for losses, if any.

The Issuer shall credit the NCDs in the demat account of the investors as per the details furnished in the Application Form.

16. Refund

The Issuer will execute and dispatch / credit to the DP account of the allottee the letters of Allotment / Allotment advice in favour of the allottee or Refund Letter along with refund amount, not later than 7 (seven) working days after receipt of completed Application Form or the Date of Allotment, whichever is later. After completion of all legal formalities, the Issuer will issue the Debentures Certificate(s) / credit the DP account of the allottee's against surrender of the letter(s) of allotment within three month(s) of the Deemed Date of Allotment or such extended period subject to obtaining the approvals, if any. The Issuer shall ensure dispatch of Refund Orders by Registered Post / Courier / Hand Delivery and adequate funds for the purpose shall be made available.

The Issuer agrees that it shall pay interest in accordance with provisions of the Companies Act, SEBI Regulations (as applicable), if there is a delay in dispatch of Allotment Letters / Refund Orders. The payment will be subject to deduction of tax at source at the rates prescribed under the provisions of the Income Tax Act, 1961 or any other statutory modification or re-enactment thereof.

SECTION 7: OTHER INFORMATION AND ISSUE PROCEDURE

The Debentures being offered as part of the Issue are subject to the provisions of the Act, the Memorandum and Articles of Association of the Issuer, the terms of this Disclosure Document, the Private Placement Offer cum Application Letter and other terms and conditions as may be incorporated in the Transaction Documents.

Mode of Transfer/Transmission of Debentures

The Debentures shall be transferable freely; however, it is clarified that no Investor shall be entitled to transfer the Debentures to a person who is not entitled to subscribe to the Debentures. The Debenture(s) shall be transferred and/or transmitted in accordance with the applicable provisions of the Act and the Applicable Law. The Debentures held in dematerialized form shall be transferred subject to and in accordance with the rules/procedures as prescribed by NSDL/CDSL and the relevant DPs of the transferor or transferee and the Applicable Laws and rules notified in respect thereof. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, amounts due will be paid/redemption will be made to the person, whose name appears in the register of debenture holders maintained by the R&T Agent as on the Record Date, under all circumstances. In cases where the transfer formalities have not been completed by the transferor, claims, if any, by the transferees would need to be settled with the transferor(s) and not with the Issuer. The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these Debentures held in dematerialised form. The seller should give delivery instructions containing details of the buyer's DP account to his DP.

Transfer of the Debentures to and from FIIs/ NRIs/ OCBs, in case they seek to hold the Debentures and are eligible to do so, will be governed by the then prevailing guidelines issued by RBI.

Debentures held in Dematerialised Form

The Debentures shall be held in dematerialised form and no action is required on the part of the Debenture Holder(s) for redemption purposes and the redemption proceeds will be paid by cheque/fund transfer/RTGS to those Debenture Holder(s) whose names appear on the list of beneficiaries maintained by the R&T Agent. The names would be as per the R&T Agent's records on the relevant Record Date fixed for the purpose of redemption. All such Debentures will be simultaneously redeemed through appropriate debit corporate action. The list of beneficiaries as of the relevant Record Date setting out the relevant beneficiaries' name and account number, address, bank details and DP's identification number will be given by the R&T Agent to the Issuer. If permitted, the Issuer may transfer payments required to be made in any relation by NEFT/RTGS to the bank account of the Debenture Holder(s) for redemption payments.

Debenture Trustee for the Debenture Holder(s)

The Issuer has appointed Catalyst Trusteeship Limited to act as trustee for the Debenture Holder(s). The Issuer and the Debenture Trustee have entered into a Debenture Trustee Appointment Agreement and the Issuer and the Debenture Trustee intend to enter into a Debenture Trust Deed *inter alia*, specifying the powers, authorities and obligations of the Debenture Trustee and the Issuer. The Debenture Holder(s) shall, without further act or deed, be deemed to have irrevocably given their consent to the Debenture Trustee or any of its agents or authorized officials to do all such acts, deeds, matters and things in respect of or relating to the Debentures as the Debenture Trustee may in its absolute discretion deem necessary or require to be done in the interest of the Debenture Holder(s). Any payment made by the Issuer to the Debenture Trustee on behalf of the Debenture Holder(s) shall discharge the Issuer *pro tanto* to the Debenture Holder(s). The Debenture Trustee will protect the interest of the Debenture Holder(s) in regard to the repayment of principal and yield thereon and the Debenture Trustee will take necessary action, subject to and in accordance with the Debenture Trustee Appointment Agreement and the Debenture Trust Deed, at the cost of the Issuer. No Debenture Holder shall be entitled to proceed directly against the Issuer unless the Debenture Trustee, having become so bound to proceed, consistently fails to do so. The Debenture Trustee Appointment Agreement and the Debenture Trust Deed shall more specifically set out the rights and remedies of the Debenture Holder(s) and the manner of enforcement thereof.

Sharing of Information

The Issuer may, at its option, but subject to applicable law, use on its own, as well as exchange, share or part with any financial or other information about the Debenture Holder(s) available with the Issuer, with its subsidiaries and affiliates and other banks, financial institutions, credit bureaus, credit information companies, agencies, statutory bodies, as may be required and neither the Issuer nor its subsidiaries and affiliates nor their agents shall be liable for use of the aforesaid information.

Tax Deduction at Source (TDS):

(a) Tax as applicable under the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof will be deducted at source for which a certificate will be issued by the Company. As per the provisions of the Income Tax Act, 1961, with effect from June 1, 2008, no tax is deductible at source from the amount of interest payable on any listed dematerialised security, held by a person resident in India. Since the Debentures shall be issued in dematerialised mode and shall be listed on the WDM segment of BSE / debt segment of NSE, no tax will be deductible at source on the payment/credit of interest/169ematcit yield on Debentures held by any person resident in India. In the event of rematerialisation of the Debentures, or Debentures held by person resident outside India or a change in Applicable Law governing the taxation of the NCDs, the following provisions shall apply:

(b) In the event the Debentures are rematerialized and the Issuer is required to make a tax deduction, the Company shall make the payment required in connection with that tax deduction within the time allowed and in the minimum amount required by Applicable Law;

(c) The Company shall within 30 (thirty) days after the due date of payment of any tax or other amount which it is required to pay, deliver to the Debenture Trustee evidence of such deduction, withholding or payment and of the remittance thereof to the relevant taxing or other authority.

Interest on application money shall be subject to TDS at the rates prevailing from time to time under the provisions of the Income Tax Act, 1961 or any other statutory modification or re-enactment thereof for which a certificate will be issued by the Company.

For seeking TDS exemption / lower rate of TDS, relevant certificate / document must be lodged by the Debenture Holder(s) at the Corporate Office of the Company at least 15 (Fifteen) days before the interest payment becoming due. Tax exemption certificate / declaration of non-deduction of tax at source on interest on application money should be submitted along with the Application Form. For detailed tax implications of the investment in Debentures, investors should get in touch with their tax consultant.

Consolidation of ISINs

So long as the terms and conditions of the existing securities of the Company (under the respective issues) in the International Securities Identification Number (ISIN) are not revised (i) otherwise than as may be required/permitted by regulations; or (ii) which results in breach of or violation of the regulations from time to time, which specifically precludes such revision, subject to Applicable Laws, the Company reserves the right/is entitled to add additional securities (for such additional amounts as may be issued by the Company from time to time) to the existing ISIN from time to time under such terms and conditions, which may / may not be different from the existing securities under the respective issues under the same ISIN. Such additional securities and their terms may be such as are permitted by regulations or not specifically precluded by regulations from time to time. Further, such additional securities may be issued from time to time at such issue price, either at par or at premium or at discount to arrive at the contracted effective yield from time to time.

The securities listed by the Company under the terms of the respective transaction documents (including any Debentures issued by the Company hereunder) be redeemed before maturity date by the Company, as per the financial or other terms as may have been mutually agreed upon between the Company and the security holder (or in accordance with Paragraph 3 of this Schedule I in respect of an early redemption of any Debentures issued hereunder). The said redemption maybe done either on a pro rata basis or by lot or by any other manner whatsoever, as the Company may deem fit.

In this regard, the Company shall be entitled to:

(i) add such additional securities (for such additional amounts as may be issued by the Company from time to time) to the existing ISIN from time to time under such terms and conditions, which may / may not be different from the terms of securities under the respective issues existing under the said ISIN; and

(ii) select any of the listed securities in the ISIN for redemption as the Company may solely deem fit either by pro rata basis or by lot or by any other manner whatsoever, as the Company may deem fit, before maturity, from time to time.

Variation of Debenture Holder(s) rights

The rights, privileges and conditions attached to the Debenture(s) and this Disclosure Document may be varied, modified or abrogated in accordance with the Articles of Association of the Company, Debenture Trust Deed and the Act and with the consent of the Majority Debenture Holder(s). Provided that nothing in such resolution shall be operative against the Issuer where such resolution modifies or varies the terms and conditions governing the Debenture(s) if the same are not acceptable to the Issuer.

Provided that the Debenture Trustee and the Issuer may agree to make any modifications in this Information Memorandum which in the opinion of the Debenture Trustee is of a formal, minor or technical nature or is to correct a manifest error.

Notices:

The Issuer agrees to send notice of all meetings of the Debenture Holders specifically stating that the provisions for appointment of proxy as mentioned in Section 105 of the Companies Act, 2013 shall be applicable for such meeting. The notices, communications and writings to the Debenture Holder(s) required to be given by the Issuer shall be deemed to have been given if sent by registered post or through recognized overnight courier service or by hand delivery to the sole / first allottee or sole/first registered Debenture Holder as the case may be at its address registered with the Issuer. All notices, communications and writings to be given by the Debenture Holder(s) shall be sent by registered post or through recognized courier service or by hand delivery to the Issuer at its Registered Office or to such persons at such address as may be notified by the Issuer from time to time and shall be deemed to have been received on actual receipt of the same.

Splitting:

Splitting of the Debentures is not applicable in the dematerialised mode form since the saleable lot is 1 (one) Debenture.

Transfers:

The Debentures may be transferred to any person duly qualified to acquire such Debentures under the Applicable Laws.

Letters of Allotment

The letter of allotment, indicating allotment of the Debentures, will be credited in dematerialised form within 2 (Two) Business Days from the Deemed Date of Allotment.

Succession:

In the event of demise of a Debenture Holder, the Company will recognize the executor or administrator of the demised Debenture Holder or the holder of succession certificate or other legal representative of the demised Debenture Holder as the registered holder of such Debentures, if such a person obtains probate or letter of administration or is the holder of succession certificate or other legal representation, as the case may be, from a court in India having jurisdiction over the matter and delivers a copy of the same to the Issuer. The Issuer may, in its absolute discretion, where it thinks fit, dispense with the production of the probate or letter of administration or succession certificate or other legal representation, in order to recognize such holder as being entitled to the Debentures standing in the name of the demised Debenture Holder on production of sufficient documentary proof or indemnity. In case a person other than individual holds the Debentures, the rights in the Debentures shall vest with the successor acquiring interest therein, including liquidator or any such person appointed as per the Applicable Law.

SECTION 8: DECLARATION

It is hereby declared that this Disclosure Document contains full disclosures in accordance with Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (as amended from time to time) and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015, as amended from time to time, Section 42 and rule 14(1) of Companies (Prospectus and Allotment of Securities) Rules. 2014 and other Applicable Laws have been complied with and no statement made in this Disclosure Document is contrary to the provisions of the regulations / guidelines issued by SEBI and other Applicable Laws, as the case may be..

The information contained in this Disclosure Document is as applicable to privately placed debt securities and subject to the information available with the Issuer. The extent of disclosures made in the Disclosure Document is consistent with disclosures permitted by regulatory authorities to the issue of securities made by companies in the past.

The Issuer also confirms that this Disclosure Document does not omit disclosure of any material fact which may make the statements made therein, in light of the circumstances under which they are made, misleading. The Disclosure Document also does not contain any false or misleading statement.

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

Signed by **Mr. Parag Sharma** pursuant to the authority granted by the Banking and Finance Committee of the Company in their meeting held on December 23, 2020 read with resolution of the board of directors dated April 20, 2020 and October 29, 2020.

For SHRIRAM TRANSPORT FINANCE COMPANY LTD

Authorised Signatory
Date: December 24, 2020
Place: Mumbai

ANNEXURE I – APPLICATION FORM

Private Placement of Debentures Application Form		**Application No**	:	[▪]
		Addressee	:	
	Date	:	____, 2020	

To,
The Board of Directors
SHRIRAM TRANSPORT FINANCE COMPANY LIMITED (CIN: L65191TN1979PLC007874*)*

Registered Office: 14A, South Phase, Industrial Estate, Guindy, Chennai – 600032.

Corporate Office: Wockhardt Towers, Level - 3, West Wing, C-2, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051.

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

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

APPLICANT'S DETAILS (IN BLOCK LETTERS):

First/Sole Applicant: ____

Second Applicant: ____

Third Applicant: ____

Address: ____

____

Pin Code: _____________ **Tel / Mobile No:** _________________________ **Email:** ____

PAN No: ___________________________ **Applicant Category Code (please refer overleaf):** ________

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

Investment Details:

Face Value (Rs. / Debenture)		Rs. 10,00,000 (Indian Rupees Rupees Ten Lacs Only)
Issue Price (Rs. / Debenture)		Rs. 10,00,000 (Indian Rupees Ten Lacs Only)
Minimum Application of and in multiples of Debentures thereafter		10 Debentures and in multiples of 1 Debenture thereafter
No of Debentures Applied		
Amount Payable (Rs.)		
Grand Total	**Total No of Debentures Applied**	
	Total Amount Payable (Rs.)	

Payment Details [1]:

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

Note: (1) The Application Form must be accompanied with the UTR confirmation. The details of the bank account to which payment needs to be made are provided overleaf.

Applicant's depository details [2]:

DP Name												**Depository**		□ NSDL □ CDSL	
DP ID / Client ID															

Note: (2) Please note that allotment of Debentures shall be compulsorily made in dematerialized form.

Signature

	Name of the Authorised Signatories	Designation	Signature
1			
2			
3			

Date: ________________________, 2019

--- **Tear Here** ---

Application No: ______________________

SHRIRAM TRANSPORT FINANCE COMPANY LIMITED (CIN: L65191TN1979PLC007874*))*

Registered Office: 14A, South Phase, Industrial Estate, Guindy, Chennai – 600032.

Corporate Office: Wockhardt Towers, Level - 3, West Wing, C-2, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051.

ACKNOWLEDGEMENT SLIP

Received from: ____ **Date:** ______________, 2020

Issue Price (Rs. / Debenture)	Rs. 10,00,000/-	**Mode of Payment**	□ RTGS □ FUND TRANSFER		**Date stamp & signature of the Registrar**
		Date of Remittance			
No of Debentures applied for		**Name of the Bank**			
Amount Paid (Rs.)		**UTR No.**			

INSTRUCTIONS

1. The application would be accepted as per the terms of the issue of listed Non – Convertible Debentures ("**Debentures**") on private placement basis offered by way of the private placement offer letter dated [●] ("**Private Placement Offer Letter**"). Applicants are requested to refer to the application procedure set forth in the Disclosure Document.

2. Application forms must be completed in full in BLOCK LETTERS IN ENGLISH. A blank space must be left between two or more parts of the name.

3. The sole/first applicant should mention his/her/its PAN Number allotted under Income Tax Act, 1961. Income Tax as applicable will be deducted at Source at the time of payment of Interest on Application / Refund Money.

4. Signatures should be made in English or in any of the Indian languages. Thumb impressions must be attested by an authorised official of a Bank or by a Magistrate/Notary Public under his/her official seal.

5. The various categories of applicants eligible to apply along with their category codes are as given below:

1	Financial Institution	2	Company, Bodies Corporate, including public sector undertakings
3	Insurance Company	4	Mutual Funds
5	Provident funds / gratuity funds / pension funds	6	Scheduled Commercial Banks
7	Any other person authorized to invest in this Issue		

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

6. Applicants shall be bound by the terms and conditions as contained in the Disclosure Document, including the basis of allotment as specified therein.

7. Applicants are requested to read the Disclosure Document carefully prior to making an investment decision in the Debentures.

8. Allotment of Debentures shall be compulsorily made in dematerialized form.

9. The payment of interest / dividend / redemption shall be made to the bank account linked with the demat account of the applicant, wherein the allotment of the Debentures is made / held.

10. Application forms duly completed in all respects must be sent via email and in original to Registrar to the Issuer as specified below.

11. Application Money can be remitted only through electronic transfer of funds during the Issue Period, i.e. during banking hours commencing from 0800 hours and ending on 1615 hours:

12. Cash, money orders, postal orders and stock invest **WILL NOT** be accepted.

13. The Application Form must be accompanied with the UTR confirmation.

14. Payment needs to be made to the following account:

Bank Name	
Branch	
Account Name	
Account Number	
IFSC Code	
Address	

15. Receipt of applications will be acknowledged by Registrar to the Issuer in the "Acknowledgement Slip", appearing below the Application Form. No separate receipt will be issued.

16. **APPLICATIONS NOT ACCOMPANIED BY THE REQUIRED DOCUMENTS ARE LIABLE TO BE REJECTED.**

Address for submission of Application Forms along with the Relevant Documents

ANNEXURE II – DEBENTURE TRUSTEE CONSENT LETTER

CATALYST
Believe in yourself... Trust us!

CL/MUM/20-21/DEB/854

December 21, 2020

Shriram Transport Finance Company Limited
Wockhardt Towers, Level-3,
West Wing, C-2, G-Block,
Bandra-Kurla Complex, Bandra (East),
Mumbai - 400051

Dear Sir,

Consent to act as Trustee for Secured, Redeemable, Listed, Rated, Non-Convertible Debentures aggregating upto INR 250 Crores to be issued by your Company.

This is with reference to the discussions in respect of appointment of Catalyst Trusteeship Limited (CTL) (Formerly GDA Trusteeship Limited) to act as Debenture Trustee for the Secured, Redeemable, Listed, Rated, Non-Convertible Debentures aggregating upto INR 250 Crores to be issued.

In this connection, we are agreeable to act as Trustee on the following trusteeship remuneration:

The Company and the Trustee shall enter into relevant trustee agreements and other necessary documents for the aforesaid issue of NCDs and also agrees & undertakes to comply with the provisions of the SEBI (Debenture Trustees) Regulations, 1993, SEBI (Issue and Listing of Debt Securities) Regulations, 2008, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as may be amended from time to time, SEBI Circular No. CIR/CFD/CMD/6/2015 dated October 13, 2015 and the Listing Agreement pursuant thereto to be executed with Bombay Stock Exchange(BSE)/ National Stock Exchange(NSE), the RBI Circular No. RBI/2012-13/560 dated June 27, 2013, the Companies Act, 2013 and any other applicable statutes, regulations and provisions as amended from time to time.

The Company shall enter into Agreement with Trustee as required by Regulation 13 of SEBI (Debenture Trustee) Regulations, 1993 thereby agreeing to create the security within three months from the date of closure of issue or in accordance with the Companies Act, 2013 or as per the provisions as prescribed by any regulatory authority as applicable and comply with the provisions of applicable laws.

We are also agreeable for inclusion of our name as trustees in the Company's offer document/disclosure document/ listing application/any other document to be filed with the Stock Exchange(s) or any other authority as required.

	We accept the above terms.
For Catalyst Trusteeship Limited	**For Shriram Transport Finance Company Limited**
For CATALYST TRUSTEESHIP LIMITED	
Authorized Signatory	**Authorized Signatory**

An ISO:9001 Company
CATALYST TRUSTEESHIP LIMITED (FORMERLY GDA TRUSTEESHIP LIMITED)
Mumbai Office Windsor, 6th Floor, Office No. 604, C.S.T. Road, Kalina, Santacruz (East), Mumbai 400 098 **Tel** +91 (022) 4922 0555 **Fax** +91 (022) 4922 0505
Regd. Office GDA House, Plot No. 85, Bhusari Colony (Right), Paud Road, Pune 411 038 **Tel** +91 (020) 25280081 **Fax** +91 (020) 25280275
Delhi Office Office No. 810, 8th Floor, Kailash Building, 26, Kasturba Gandhi Marg, New Delhi - 110001 **Tel** 11 430 29101/02
CIN No. U74999PN1997PLC110262 **Email** dt@ctltrustee.com **Website** www.catalysttrustee.com
Pune | Mumbai | Bengaluru | Delhi | Chennai

ANNEXURE III – IN- PRINCIPLE APPROVAL FROM BSE

BSE Limited Registered Office: Floor 25, P J Towers, Dalal Street, Mumbai – 400 001, India
T : +91 22 2272 8045 / 8055 F : +91 22 2272 3457 www.bseindia.com
Corporate Identity Number: L67120MH2005PLC155188

DCS/COMP/CS/IP-PPDI/569/20-21

December 23, 2020

The Company Secretary
Shriram Transport Finance Company Limited
Wockhardt Towers, Level - 3, West Wing, C-2, G Block,
Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051

Dear Sir/Madam,

Re: Private Placement of 2,400 (Two Thousand Four Hundred) senior, listed, secured, rated, redeemable non-convertible debentures of the face value of INR 10,00,000/- (Indian Rupees Ten Lakhs Only) each for cash at par aggregating to INR 240,00,00,000/- (Indian Rupees Two Hundred Forty Crores only) (the "Issue")

We acknowledge receipt of your application on the online portal on December 23, 2020 seeking In-principle approval for issue of captioned security. In this regard, the Exchange is pleased to grant in-principle approval for listing subject to fulfilling the following conditions:

1. Filing of listing application.

2. Payment of fees as may be prescribed from time to time.

3. Compliance with Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 as amended 2012, and submission of Disclosures and Documents as per Regulations 21, in the format specified in Schedule I of the said Regulations and also Compliance with provisions of Companies Act 2013.

4. Receipt of Statutory & other approvals & compliance of guidelines issued by the statutory authorities including SEBI, RBI, DCA etc. as may be applicable.

5. Compliance with change in the guidelines, regulations directions of the Exchange or any statutory authorities, documentary requirements from time to time.

6. Compliance with below mentioned circular dated June 10, 2020 issued by BSE before opening of the issue to the investors.:
https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20200610-31

This In-Principle Approval is valid for a period of 1 year from the date of issue of this letter. The Exchange reserves its right to withdraw its in-principle approval at any later stage if the information submitted to the Exchange is found to be incomplete/ incorrect/misleading/false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Guidelines/Regulations issued by the statutory authorities etc. Further, it is subject to payment of all applicable charges levied by the Exchange for usage of any system, software or similar such facilities provided by BSE which the Company shall avail to process the application of securities for which approval is given vide this letter.

Yours faithfully,

For BSE Limited

Sd/-
Rupal Khandelwal
Senior Manager

Sd/-
Chaitali Shah
Assistant Manager

ANNEXURE IV – RATING LETTER

Ratings

CRISIL
An S&P Global Company

CONFIDENTIAL

STFCL/NCD/259212/211220201
December 21, 2020

Mr. Parag Sharma
Chief Financial Officer
Shriram Transport Finance Company Limited
Wockhardt Tower, 3rd Floor, West Wing
C-2, G Block, Bandra- Kurla Complex
Bandra (E),
Mumbai 400051

Dear Mr. Parag Sharma,

Re: CRISIL Rating on the Rs.3000 Crore Non-Convertible Debentures of Shriram Transport Finance Company Limited

All ratings assigned by CRISIL are kept under continuous surveillance and review.

Please find in the table below the ratings outstanding for your company.

S.No.	Instrument	Rated Amount (Rs. in Crore)	Rating Outstanding
1	Non-Convertible Debentures	3000	CRISIL AA+/Negative

In the event of your company not making the issue within a period of 180 days from the above date, or in the event of any change in the size or structure of your proposed issue, a fresh letter of revalidation from CRISIL will be necessary.

As per our Rating Agreement, CRISIL would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. CRISIL reserves the right to withdraw or revise the ratings assigned to the captioned instrument at any time, on the basis of new information, or unavailability of information or other circumstances, which CRISIL believes, may have an impact on the rating.

As per the latest SEBI circular (reference number: CIR/IMD/DF/17/2013; dated October 22, 2013) on centralized database for corporate bonds/debentures, you are required to provide international securities identification number (ISIN; along with the reference number and the date of the rating letter) of all bond/debenture issuances made against this rating letter to us. The circular also requires you to share this information with us within 2 days after the allotment of the ISIN. We request you to mail us all the necessary and relevant information at debtissue@crisil.com. This will enable CRISIL to verify and confirm to the depositories, including NSDL and CDSL, the ISIN details of debt rated by us, as required by SEBI. Feel free to contact us for any clarifications you may have at debtissue@crisil.com

Should you require any clarifications, please feel free to get in touch with us.

With warm regards,
Yours sincerely,

Ajit Velonie
Director - CRISIL Ratings

Nivedita Shibu
Associate Director - CRISIL Ratings

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

CRISIL Limited
Corporate Identity Number: L67120MH1987PLC042363

Registered Office: CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai- 400 076. Phone: +91 22 3342 3000 | Fax: +91 22 4040 5800
www.crisil.com

ANNEXURE V: STATEMENT OF UNAUDITED STANDALONE AND CONSLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2020

SHRIRAM TRANSPORT FINANCE COMPANY LIMITED
CIN: L65191TN1979PLC007874
Regd. Office: 14A, South Phase, Industrial Estate, Guindy, Chennai – 600 032, Tamil Nadu
Tel. No: +91 44 4852 4666, Fax: +91 44 4852 5666 Website-www.stfc.in, email-secretarial@stfc.in

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2020

(Rs. in crores)

Sr. No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30.09.2020 (Unaudited)	30.06.2020 (Unaudited)	30.09.2019 (Unaudited)	30.09.2020 (Unaudited)	30.09.2019 (Unaudited)	31.03.2020 (Audited)
	Revenue from operations						
(i)	Interest Income	4,299.71	4,102.58	4,087.85	8,402.29	8,059.91	16,267.46
(ii)	Dividend Income	-	-	0.19	-	0.19	0.19
(iii)	Rental Income	0.06	0.05	0.06	0.11	0.11	0.22
(iv)	Fees and commission Income	23.76	17.20	42.51	40.96	69.26	194.97
(v)	Net gain on fair value changes	3.36	-	-	2.83	-	-
(vi)	Others	20.86	21.08	22.87	41.94	45.75	99.52
(I)	**Total Revenue from operations**	**4,347.75**	**4,140.91**	**4,153.48**	**8,488.13**	**8,175.22**	**16,562.36**
(II)	**Other Income**	**3.51**	**3.79**	**3.44**	**7.30**	**12.32**	**20.27**
(III)	**Total Income (I+II)**	**4,351.26**	**4,144.70**	**4,156.92**	**8,495.43**	**8,187.54**	**16,582.63**
	Expenses						
(i)	Finance Costs	2,262.93	2,267.22	2,048.97	4,530.15	4,060.17	8,270.26
(ii)	Fees and commission expense	30.06	10.96	17.72	41.02	34.69	56.88
(iii)	Net loss on fair value changes	-	0.53	0.90	-	0.34	6.75
(iv)	Impairment on financial instruments (Refer note 7)	655.46	1,064.59	660.65	1,720.05	1,221.83	2,794.88
(v)	Employee Benefits Expenses	239.06	189.24	250.51	428.30	483.60	1,010.82
(vi)	Depreciation, amortization and impairment	32.04	36.00	35.60	68.04	69.04	141.05
(vii)	Others expenses	211.29	145.58	215.70	356.87	409.42	863.32
(IV)	**Total Expenses**	**3,430.84**	**3,714.12**	**3,230.05**	**7,144.43**	**6,279.09**	**13,143.96**
(V)	**Profit before exceptional items and tax (III - IV)**	**920.42**	**430.58**	**926.87**	**1,351.00**	**1,908.45**	**3,438.67**
(VI)	**Exceptional items**	-	-	-	-	-	-
(VII)	**Profit before tax (V +VI)**	**920.42**	**430.58**	**926.87**	**1,351.00**	**1,908.45**	**3,438.67**
(VIII)	**Tax Expense:**						
(1)	Current Tax	226.77	128.89	122.68	355.66	463.09	921.20
(2)	Deferred Tax	9.09	(18.37)	39.14	(9.28)	46.06	14.79
(3)	Tax adjustment for earlier years	-	-	-	-	-	0.84
(IX)	**Profit for the period (VII -VIII)**	**684.56**	**320.06**	**765.05**	**1,004.62**	**1,399.30**	**2,501.84**
(X)	**Other Comprehensive Income**						
(A) (i)	Items that will not be reclassified to profit or loss Remeasurement gain/(loss) on defined benefit plan	0.46	(1.10)	(1.29)	(0.64)	(5.92)	(6.33)
(ii)	Income tax relating to items that will not be reclassified to profit or loss	(0.12)	0.28	(0.13)	0.16	1.49	1.59
	Subtotal (A)	**0.34**	**(0.82)**	**(1.42)**	**(0.48)**	**(4.43)**	**(4.74)**
(B) (i)	Items that will be reclassified to profit or loss Cash flow hedge reserve (Refer note 10)	27.62	(254.75)	-	(227.13)	-	-
(ii)	Income tax relating to items that will be reclassified to profit or loss	(6.96)	64.12	-	57.16	-	
	Subtotal (B)	**20.66**	**(190.63)**	-	**(169.97)**	-	-
	Other Comprehensive Income (A+B)	**21.00**	**(191.45)**	(1.42)	**(170.45)**	(4.43)	(4.74)
(XI)	**Total Comprehensive Income for the period (IX+X)**	705.56	128.61	763.63	834.17	1,394.87	2,497.10
(XII)	**Paid-up equity share capital (face value Rs. 10/- per share)**	253.06	226.88	226.88	253.06	226.88	226.88
(XIII)	**Other equity**						17,778.28
(XIV)	**Earnings per equity share (Not annualised for the interim periods)**						
	Basic (Rs.) (Refer note 6)	27.79	12.99	32.86	40.78	60.09	107.44
	Diluted (Rs.) (Refer note 6)	27.79	12.99	32.86	40.78	60.09	107.44

MUMBAI CHARTERED ACCOUNTANTS

PIJUSH GUPTA & CO. CHARTERED ACCOUNTANTS

Notes:

1 STATEMENT OF ASSETS AND LIABILITIES

(Rs. in crores)

Sr. No.	Particulars	As at 30.09.2020 (Unaudited)	As at 31.03.2020 (Audited)
	ASSETS		
(1)	**Financial Assets**		
(a)	Cash and cash equivalents	2,925.08	3,088.99
(b)	Bank balance other than (a) above	6,300.62	4,225.93
(c)	Derivative financial instruments	243.19	758.73
(d)	Receivables		
	(I) Trade Receivables	6.11	10.50
	(II) Other Receivables	81.02	5.64
(e)	Loans	1,04,339.45	1,02,231.63
(f)	Investments	2,976.27	2,798.48
(g)	Other Financial assets	37.84	38.70
(2)	**Non-financial Assets**		
(a)	Current tax assets (Net)	249.10	249.10
(b)	Deferred tax assets (Net)	129.11	62.50
(c)	Investment Property	2.01	2.03
(d)	Property, Plant and Equipment	132.35	149.88
(e)	Right of use assets	302.83	334.29
(f)	Other Intangible assets	2.30	2.67
(g)	Other non-financial assets	195.54	169.57
	Total Assets	**1,17,922.82**	**1,14,128.64**
	LIABILITIES AND EQUITY		
	LIABILITIES		
(1)	**Financial Liabilities**		
(a)	Derivative financial instruments	-	-
(b)	Payables		
	(I) Trade Payables		
	(i) total outstanding dues of micro enterprises and small enterprises	-	0.40
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	123.59	143.44
	(II) Other Payables		
	(i) total outstanding dues of micro enterprises and small enterprises	0.28	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	0.57	1.13
(c)	Debt Securities	32,517.08	34,266.96
(d)	Borrowings (Other than Debt Securities)	45,779.69	42,474.60
(e)	Deposits	12,916.71	11,960.12
(f)	Subordinated Liabilities	4,687.11	5,670.07
(g)	Other financial liabilities	913.02	912.32
(h)	Lease liabilities	340.51	362.81
(2)	**Non-Financial Liabilities**		
(a)	Current tax liabilities (Net)	152.54	102.02
(b)	Provisions	149.03	146.33
(c)	Other non-financial liabilities	30.34	83.28
(3)	**EQUITY**		
(a)	Equity Share capital	253.06	226.88
(b)	Other Equity	20,059.29	17,778.28
	Total Liabilities and Equity	**1,17,922.82**	**1,14,128.64**

PIJUSH GUPTA & CO.
CHARTERED ACCOUNTANTS

2 **Cash Flow Statement for the period ended September 30, 2020**

(Rs. in crores)

	Particulars	Half Year Ended 30.09.2020 (Unaudited)	Half Year Ended 30.09.2019 (Unaudited)
A.	**Cash flow from Operating activities**		
	Profit before tax	1,351.00	1,908.45
	Depreciation, amortisation and impairment	68.04	69.04
	Interest on income tax refund	-	(5.67)
	Loss on sale of investments	0.01	0.12
	Loss/(profit) on sale of fixed assets (net)	0.40	0.16
	Impairment on loans	1,727.29	1,225.38
	Impairment on investments	(4.36)	3.06
	Impairment on undrawn loan commitment	(2.52)	(3.13)
	Impairment on other assets	(0.36)	(0.48)
	Net (gain)/loss on fair value changes on investment	(2.83)	0.34
	Operating profit before working capital changes	**3,136.67**	**3,194.27**
	Movements in Working capital:		
	Decrease/(increase) in loans	(3,835.11)	(5,165.26)
	(Increase)/decrease in investments	(170.61)	1,241.17
	Decrease/(increase) in receivables	(71.01)	13.81
	Decrease/(increase) in bank deposits	(2,074.69)	(851.49)
	Decrease/(increase) in other financial assets	1.22	2.49
	Decrease/(increase) in other non-financial assets	(26.17)	(11.81)
	Increase/(decrease) in payables	(20.25)	49.07
	Increase/(decrease) in other financial liabilities	1.44	(204.50)
	Increase/(decrease) in non-financial liabilities	(52.94)	(36.63)
	Increase/(decrease) in other provision	4.58	10.31
	Cash generated from operations	**(3,106.87)**	**(1,758.57)**
	Direct taxes paid (net of refunds)	(305.14)	(738.07)
	Net cash flows from/(used in) operating activities (A)	**(3,412.01)**	**(2,496.64)**
B.	**Cash flow from Investing activities**		
	Purchase of property, plant and equipment and intangible assets	(8.49)	(25.43)
	Proceeds from sale of property, plant and equipment and intangible assets	0.41	0.34
	Net cash flows from/(used in) investing activities (B)	**(8.08)**	**(25.09)**
C.	**Cash flow from Financing activities**		
	Proceeds from issue of share capital (including share premium and net of share issue expenses)	1,473.02	-
	Proceeds /(repayment) on settlement of derivative contracts	315.54	(211.04)
	Amount received from deposits received (including ICDs)	2,353.16	2,444.70
	Repayment of deposits	(1,386.26)	(1,315.37)
	Amount received from debt securities	502.00	8,182.36
	Repayment of debt securities	(2,415.16)	(11,287.01)
	Repayment of subordinated debts	(1,003.26)	(104.74)
	Amount received from borrowings other than debt securities	16,887.11	22,114.94
	Repayment of borrowings other than debt securities	(13,645.87)	(17,355.92)
	Payment of lease liabilities	(33.36)	(27.30)
	Dividend paid	(0.74)	(158.91)
	Tax on dividend	-	(32.65)
	Net cash flows from financing activities (C)	**3,256.18**	**2,249.06**
	Net increase in cash and cash equivalents (A+B+C)	(163.91)	(272.67)
	Cash and cash equivalents at the beginning of the period	3,088.99	1,029.14
	Cash and cash equivalents at the end of the period	**2,925.08**	**756.47**
	Net cash provided by (used in) operating activities includes		
	Interest received on loans	8,315.62	7,672.52
	Interest paid	(3,997.03)	(3,857.05)
	Dividend received	-	0.19

Components of cash and cash equivalents (Rs. in crores)

Cash and cash equivalents at the end of the period	As at 30.09.2020 (Unaudited)	As at 30.09.2019 (Unaudited)
i) Cash on hand	56.09	69.27
ii) Cheques on hand	2.52	10.30
iii) Balances with banks (of the nature of cash and cash equivalents)	1,274.07	676.45
iv) Bank deposit with original maturity less than three months	1,592.40	0.45
Total	**2,925.08**	**756.47**

PIJUSH GUPTA & CO.
CHARTERED ACCOUNTANTS

3 The above results have been reviewed by the Audit Committee and subsequently approved by the Board of Directors at their respective meetings held on October 29, 2020.

4 The standalone financial results for the quarter ended September 30, 2020 have been subjected to limited review by the Joint Statutory Auditors.

5 On August 06, 2020, the Company allotted fully paid-up 261,78,777 Equity Shares of face value of Rs. 10/- each to the eligible equity shareholders at an issue price of Rs. 570/- per Equity Share (including premium of Rs. 560/- per Equity Share) in the Rights Issue, which opened on July 16, 2020 and closed on July 30, 2020. The entire proceeds of the Rights Issue have been utilised as per the objects stated in the offer document for the Rights issue. The fresh allotment of equity shares through Rights Issue as stated above has resulted in an increase of equity share capital by Rs. 26.18 crores and securities premium reserve by Rs. 1,446.84 crores (net of share issue expenses of Rs. 19.17 crores).

6 Pursuant to Ind AS 33, basic and diluted earnings per share for the previous periods have been restated for the bonus element in respect of Rights Issue made during the quarter ended September 30, 2020.

7 The Company has granted moratorium upto six months on the payment of installments falling due between March 01, 2020 and August 31, 2020 to all eligible borrowers based on the Board approved moratorium policy read with the Reserve Bank of India (RBI) guidelines dated March 27, 2020 and May 23, 2020 relating to 'COVID-19 - Regulatory Package' and RBI guidelines on EMI moratorium dated April 17, 2020. Further, period for which moratorium is granted has not been considered for computing days past due (DPD) as on September 30, 2020. Extension of such moratorium benefit to borrowers as per the COVID-19 Regulatory package of the RBI and DPD freeze for such period by itself is not considered to result in significant increase in credit risk as per Ind AS 109 for staging of accounts. The Company continues to recognise interest income during the moratorium period and in the absence of other credit risk indicators, the granting of a moratorium period does not result in accounts becoming past due and automatically triggering Stage 2 or Stage 3 classification criteria.
The COVID -19 pandemic has significantly affected various sectors of Indian economy. The prolonged lockdown imposed by the government due to Covid-19 pandemic has affected the Company's business operations. The Company has considered an additional Expected Credit Loss (ECL) provision on Loans of Rs. 416.65 crores and Rs. 1,372.80 crores on account of COVID – 19 during the quarter and half year ended September 30, 2020 respectively. As at September 30, 2020, additional ECL provision on Loan Assets as management overlay on account of COVID - 19 stood at Rs 2,282.44 crores. The additional ECL provision on account of COVID – 19 is based on the Company's historical experience, collection efficiencies post completion of Moratorium period, scheme by Government of India, internal assessment and other emerging forward looking factors on account of the pandemic. However, the actual impact may vary due to prevailing uncertainty caused by the pandemic. The Company's management is continuously monitoring the situation and the economic factors affecting the operations of the Company.

8 Disclosures as required by RBI circular dated April 17, 2020 'COVID-19 Regulatory Package- Asset Classification and Provisioning' are given below:

(Rs. in crores)

Particulars	**As of September 30, 2020**
i. Amounts in SMA/overdue categories where moratorium/deferment was extended *	38,600.73
ii. Respective amount where asset classification benefit is extended **	5,125.08
iii. Provisions made during quarter in terms of paragraph 5 of the above circular ***	Nil
iv. Provisions adjusted against the respective accounting periods for slippages and residual provisions in terms of paragraph 6 of the above circular	Not applicable

* Outstanding as on September 30, 2020 on account of all cases where moratorium benefit is extended by the Company up to August 31, 2020.

** Outstanding on account of cases where the asset classification benefit is extended as on September 30, 2020 for cases which were entitled to a moratorium until August 31, 2020.

*** The provision made by the Company as per the ECL model is more than the provision required as per IRAC norms which is inclusive of additional 10% provision of Rs. 3,869.07 crores as per the above circular.

9 The Company is in the process of ascertaining the ex-gratia amount for the payment of difference between the compound interest and simple interest to the borrowers in specified loan accounts between March 1, 2020 and August 31, 2020 as per the eligibility criteria and other features as mentioned in the notification dated October 23, 2020 issued by Government of India, Ministry of Finance, Department of Financial Services. The Company expects the said scheme will not have any impact on the statement of profit and loss of the Company as the ex-gratia amount will be reimbursed by the Government as per the notification.

10 The Company manages its foreign currency risks through foreign exchange forward contracts and interest rate swaps. Till March 31, 2020, the Company was following derivative accounting where changes in fair value were recognised in the statement of profit and loss. Effective April 01, 2020, the Company has adopted hedge accounting. Had the Company not followed hedge accounting, profit before tax for the quarter and half year ended September 30, 2020 would have been higher by Rs. 27.62 crores and lower by Rs. 227.13 crores respectively.

11 The Company's secured non-convertible debentures are secured by specific assets covered under hypothecation loan agreements and by way of exclusive charge and mortgage of immovable property and with a cover of 100% and above as per the terms of issue.

12 The Code on Social Security, 2020 (the Code) has been enacted, which would impact contribution by the Company towards Provident Fund and Gratuity. The effective date from which changes are applicable is yet to be notified and the rules thereunder are yet to be announced. The actual impact on account of this change will be evaluated and accounted for when notification becomes effective.

13 The Board of Directors have declared an interim dividend of 60 % (Rs. 6/- per equity share of face value of Rs 10/- each fully paid up) for the financial year 2020-21.

14 Hon'ble Supreme Court, in a public interest litigation (Gajendra Sharma vs. Union of India & Anr) vide an interim order dated September 3, 2020, has directed that accounts which were not declared NPA till August 31, 2020 shall not be declared as NPA till further orders. However, such accounts have been classified as stage 3 in accordance with Note No. 7 and provisioned accordingly.

PIJUSH GUPTA & CO.
CHARTERED ACCOUNTANTS

15 The Company is primarily engaged in the business of financing and there are no separate reportable segments identified as per the Ind AS 108 - Segment Reporting

16 The figures for the previous quarter/year have been regrouped / rearranged wherever necessary to conform to the current period presentation

By order of the Board
For Shriram Transport Finance Company Limited

Umesh Revankar
Managing Director & CEO
DIN 00141189

Place Mumbai
Date October 29, 2020

PIJUSH GUPTA & CO.
CHARTERED ACCOUNTANTS

HARIBHAKTI & CO. LLP
MUMBAI
CHARTERED ACCOUNTANTS

Haribhakti & Co. LLP
Chartered Accountants
701, Leela Business Park,
Andheri Kurla Road,
Andheri (East),
Mumbai - 400 059

Pijush Gupta & Co.
Chartered Accountants
GF - 17 Augusta Point,
Golf Course Road,
Sector - 53
Gurugram - 122002

Independent Auditor's Review Report on quarterly and half yearly Unaudited Standalone Financial Results of Shriram Transport Finance Company Limited pursuant to the Regulation 33, 52 and 63(2) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015

To the Board of Directors
Shriram Transport Finance Company Limited

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of **Shriram Transport Finance Company Limited** ("the Company") for the quarter ended September 30, 2020 and for the half year ended September 30, 2020 ("the Statement"), being submitted by the Company pursuant to the requirements of Regulation 33, 52 and 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of the company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33, 52 and 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

5. We draw attention to Note 7 to the accompanying Statement, which describes the staging of accounts to whom moratorium benefit was extended and uncertainty caused by COVID-19 pandemic with respect to the Company's estimates of impairment of loans to customers. Further, the extent to which the COVID-19 pandemic will impact the Company's financial performance is dependent on future developments, which are highly uncertain. Our report is not modified in respect of this matter.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 103523W/W100048

Sumant Sakhardande
Partner
Membership Number: 034828
UDIN: 20034828AAAAHQ9226

Place: Mumbai
Date: October 29, 2020

MUMBAI

For Pijush Gupta & Co.
Chartered Accountants
ICAI Firm Registration Number: 309015E

Pijush Kumar Gupta
Partner
Membership Number: 015139
UDIN: 20015139AAAAAJ4458

Place: Gurugram
Date: October 29, 2020

PIJUSH GUPTA & CO. CHARTERED ACCOUNTANTS

SHRIRAM TRANSPORT FINANCE COMPANY LIMITED
CIN L65191TN1979PLC007874
Regd. Office 14A, South Phase, Industrial Estate, Guindy, Chennai – 600 032, Tamil Nadu
Tel. No. +91 44 4852 4666, Fax. +91 44 4852 5666 Website-www.stfc.in email-secretarial@stfc.in

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2020

(Rs. in crores)

Sr. No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30.09.2020 (Unaudited)	30.06.2020 (Unaudited)	30.09.2019 (Unaudited)	30.09.2020 (Unaudited)	30.09.2019 (Unaudited)	31.03.2020 (Audited)
	Revenue from operations						
(i)	Interest Income	4,299.71	4,102.58	4,087.85	8,402.29	8,059.91	16,267.46
(ii)	Dividend Income	-	-	0.19	-	0.19	0.19
(iii)	Rental Income	0.06	0.05	0.06	0.11	0.11	0.22
(iv)	Fees and commission Income	23.76	17.20	42.51	40.96	69.26	194.97
(v)	Net gain on fair value changes	3.36	-	-	2.83	-	-
(vi)	Others	20.86	21.08	22.87	41.94	45.75	99.52
(I)	**Total Revenue from operations**	**4,347.75**	**4,140.91**	**4,153.48**	**8,488.13**	**8,175.22**	**16,562.36**
(II)	**Other Income**	**3.51**	**3.79**	**3.44**	**7.30**	**12.32**	**20.27**
(III)	**Total Income (I+II)**	**4,351.26**	**4,144.70**	**4,156.92**	**8,495.43**	**8,187.54**	**16,582.63**
	Expenses						
(i)	Finance Costs	2,262.93	2,267.22	2,048.97	4,530.15	4,060.17	8,270.26
(ii)	Fees and commission expense	30.06	10.96	17.72	41.02	34.69	56.88
(iii)	Net loss on fair value changes	-	0.53	0.90	-	0.34	6.75
(iv)	Impairment on financial instruments (Refer note 7)	655.46	1,064.59	660.65	1,720.05	1,221.83	2,794.88
(v)	Employee Benefits Expenses	239.06	189.24	250.51	428.30	483.60	1,010.82
(vi)	Depreciation, amortization and impairment	32.04	36.00	35.00	68.04	69.04	141.05
(vii)	Others expenses	211.29	145.58	215.70	356.87	409.42	863.32
(IV)	**Total Expenses**	**3,430.84**	**3,714.12**	**3,230.05**	**7,144.43**	**6,279.09**	**13,143.96**
(V)	**Profit before exceptional items and tax (III - IV)**	**920.42**	**430.58**	**926.87**	**1,351.00**	**1,908.45**	**3,438.67**
(VI)	**Exceptional items**	-	-	-	-	-	-
(VII)	**Profit before tax (V +VI)**	**920.42**	**430.58**	**926.87**	**1,351.00**	**1,908.45**	**3,438.67**
(VIII)	**Tax Expense:**						
(1)	Current Tax	226.77	128.89	122.68	355.66	463.09	921.20
(2)	Deferred Tax	9.09	(18.37)	39.14	(9.28)	46.06	14.79
(3)	Tax adjustment for earlier years	-	-	-	-	-	0.84
(IX)	**Profit for the period (VII -VIII)**	**684.56**	**320.06**	**765.05**	**1,004.62**	**1,399.30**	**2,501.84**
(X)	Share of Profit/(loss) of associate	4.36	(0.81)	3.24	3.55	6.43	10.43
(XI)	**Minority interest**	-	-	-	-	-	-
(XII)	**Net Profit after taxes, minority interest and share of profit/(loss) of associate (IX+X+XI)**	**688.92**	**319.25**	**768.29**	**1,008.17**	**1,405.73**	**2,512.27**
(XIII)	**Other Comprehensive Income**						
(A) (i)	Items that will not be reclassified to profit or loss Remeasurement gain/(loss) on defined benefit plan	0.46	(1.10)	(1.30)	(0.64)	(5.92)	(6.33)
(ii)	Income tax relating to items that will not be reclassified to profit or loss	(0.12)	0.28	(0.12)	0.16	1.49	1.59
(iii)	Share in Other Comprehensive Income of Associate (net of tax)	0.08	(0.04)	(0.07)	0.04	(0.04)	0.25
	Subtotal (A)	0.42	**(0.86)**	(1.49)	**(0.44)**	**(4.47)**	**(4.49)**
(B) (i)	Items that will be reclassified to profit or loss Cash flow hedge reserve (Refer note 10)	27.62	(254.75)		(227.13)		-
(ii)	Income tax relating to items that will be reclassified to profit or loss	(6.96)	64.12		57.16		-
	Subtotal (B)	**20.66**	**(190.63)**	-	**(169.97)**	-	-
	Other Comprehensive Income (A+B)	**21.08**	**(191.49)**	**(1.49)**	**(170.41)**	**(4.47)**	**(4.49)**
(XIV)	**Total Comprehensive Income for the period (XII+XIII)**	**710.00**	**127.76**	**766.80**	**837.76**	**1,401.26**	**2,507.78**
(XV)	**Paid-up equity share capital (face value Rs. 10/- per share)**	**253.06**	**226.88**	**226.88**	**253.06**	**226.88**	**226.88**
(XVI)	**Other Equity**						17,915.43
(XVII)	**Earnings per equity share (Not annualised for the interim periods)**						
	Basic (Rs.) (Refer note 6)	27.97	12.96	32.99	40.93	60.37	107.89
	Diluted (Rs.) (Refer note 6)	27.97	12.96	32.99	40.93	60.37	107.89

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Notes:

1 **STATEMENT OF ASSETS AND LIABILITIES**

(Rs. in crores)

Sr. No.	Particulars	As at 30.09.2020 (Unaudited)	As at 31.03.2020 (Audited)
	ASSETS		
(1)	**Financial Assets**		
(a)	Cash and cash equivalents	2,925.08	3,688.99
(b)	Bank Balance other than (a) above	6,300.62	4,225.93
(c)	Derivative financial instruments	243.19	758.73
(d)	Receivables		
	(I) Trade Receivables	6.11	10.50
	(II) Other Receivables	81.02	5.64
(e)	Loans	1,04,339.45	1,02,231.63
(f)	Investments	3,117.01	2,935.63
(g)	Other Financial assets	37.84	38.70
(2)	**Non-financial Assets**		
(a)	Current tax assets (Net)	249.10	249.10
(b)	Deferred tax assets (Net)	129.11	62.50
(c)	Investment property	2.01	2.03
(d)	Property, Plant and Equipment	132.35	149.88
(e)	Right of use assets	302.83	334.29
(f)	Other Intangible assets	2.30	2.67
(g)	Other non-financial assets	195.54	169.57
	Total Assets	**1,18,063.56**	**1,14,265.79**
	LIABILITIES AND EQUITY		
	LIABILITIES		
(1)	**Financial Liabilities**		
(a)	Derivative financial instruments	-	-
(b)	Payables		
	(I) Trade Payables		
	(i) total outstanding dues of micro enterprises and small enterprises	-	0.40
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	123.59	143.44
	(II) Other Payables		
	(i) total outstanding dues of micro enterprises and small enterprises	0.28	-
	(ii) total outstanding dues of creditors other than microenterprises and small enterprises	0.57	1.13
(c)	Debt Securities	32,517.08	34,266.96
(d)	Borrowings (Other than Debt Securities)	45,779.69	42,474.60
(e)	Deposits	12,916.71	11,960.12
(f)	Subordinated Liabilities	4,687.11	5,670.07
(g)	Other financial liabilities	913.02	912.32
(h)	Lease Liabilities	340.51	362.81
(2)	**Non-Financial Liabilities**		
(a)	Current tax liabilities (Net)	152.54	102.02
(b)	Provisions	149.03	146.33
(c)	Other non-financial liabilities	30.34	83.28
(3)	**EQUITY**		
(a)	Equity Share capital	253.06	226.88
(b)	Other Equity	20,200.03	17,913.43
	Total Liabilities and Equity	**1,18,063.56**	**1,14,265.79**

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2 **Consolidated Cash Flow Statement for the period ended September 30, 2020** (Rs. in crores)

	Particulars	Half Year Ended 30.09.2020 (Unaudited)	Half Year Ended 30.09.2019 (Unaudited)
A.	**Cash flow from Operating activities**		
	Profit before tax	1,351.00	1,908.45
	Depreciation, amortisation and impairment	68.04	69.04
	Interest on income tax refund	-	(5.67)
	Loss on sale of investments	0.01	0.12
	Loss/(profit) on sale of fixed assets (net)	0.40	0.16
	Impairment on loans	1,727.29	1,225.38
	Impairment on investments	(4.36)	0.06
	Impairment on undrawn loan commitment	(2.52)	(3.13)
	Impairment on other assets	(0.36)	(0.48)
	Net (gain)/loss on fair value changes on investment	(2.83)	0.34
	Operating profit before working capital changes	**3,136.67**	**3,194.27**
	Movements in Working capital:		
	Decrease/(increase) in loans	(3,835.11)	(5,165.26)
	(Increase)/decrease in investments	(170.61)	1,241.17
	Decrease/(increase) in receivables	(71.01)	13.81
	Decrease/(increase) in bank deposits	(2,074.69)	(851.49)
	Decrease/(increase) in other financial assets	1.22	2.49
	Decrease/(increase) in other non-financial assets	(26.17)	(11.81)
	Increase/(decrease) in payables	(20.25)	49.07
	Increase/(decrease) in other financial liabilities	1.44	(204.50)
	Increase/(decrease) in non-financial liabilities	(52.94)	(36.63)
	Increase/(decrease) in other provision	4.58	10.31
	Cash generated from operations	**(3,106.87)**	**(1,758.57)**
	Direct taxes paid (net of refunds)	(305.14)	(738.07)
	Net cash flows from/(used in) operating activities (A)	**(3,412.01)**	**(2,496.64)**
B.	**Cash flow from Investing activities**		
	Purchase of property, plant and equipment and intangible assets	(8.49)	(25.43)
	Proceeds from sale of property, plant and equipment and intangible assets	0.41	0.34
	Net cash flows from/(used in) investing activities (B)	**(8.08)**	**(25.09)**
C.	**Cash flow from Financing activities**		
	Proceeds from issue of share capital (including share premium and net of share issue expenses)	1,473.02	-
	Proceeds /(repayment) on settlement of derivative contracts	515.54	(211.04)
	Amount received from deposits received (including ICDs)	2,363.16	2,444.70
	Repayment of deposits	(1,386.26)	(1,315.37)
	Amount received from debt securities	502.00	8,182.36
	Repayment of debt securities	(2,415.16)	(11,287.01)
	Repayment of subordinated debts	(1,003.26)	(104.74)
	Amount received from borrowings other than debt securities	16,887.11	22,114.94
	Repayment of borrowings other than debt securities	(13,645.87)	(17,355.92)
	Payment of lease liabilities	(33.36)	(27.30)
	Dividend paid	(0.74)	(158.91)
	Tax on dividend	-	(32.65)
	Net cash flows from financing activities (C)	**3,256.18**	**2,249.06**
	Net increase in cash and cash equivalents (A+B+C)	(163.91)	(272.67)
	Cash and cash equivalents at the beginning of the period	3,088.99	1,029.14
	Cash and cash equivalents at the end of the period	**2,925.08**	**756.47**

Net cash provided by (used in) operating activities includes		
Interest received on loans	8,315.62	7,672.52
Interest paid	(3,997.03)	(3,857.05)
Dividend received		0.19

Components of cash and cash equivalents (Rs. in crores)

Cash and cash equivalents at the end of the period	As at 30.09.2020 (Unaudited)	As at 30.09.2019 (Unaudited)
i) Cash on hand	56.09	69.27
ii) Cheques on hand	2.52	10.30
iii) Balances with banks (of the nature of cash and cash equivalents)	1,274.07	676.45
iv) Bank deposit with original maturity less than three months	1,592.40	0.45
Total	**2,925.08**	**756.47**

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3 The above results have been reviewed by the Audit Committee and subsequently approved by the Board of Directors at their respective meetings held on October 29, 2020.

4 The consolidated financial results for the quarter ended September 30, 2020 have been subjected to limited review by the Joint Statutory Auditors.

5 On August 06, 2020, the Company allotted fully paid-up 261,78,777 Equity Shares of face value of Rs. 10/- each to the eligible equity shareholders at an issue price of Rs. 570/- per Equity Share (including premium of Rs. 560/- per Equity Share) in the Rights Issue, which opened on July 16, 2020 and closed on July 30, 2020. The entire proceeds of the Rights Issue have been utilised as per the objects stated in the offer document for the Rights issue. The fresh allotment of equity shares through Rights Issue as stated above has resulted in an increase of equity share capital by Rs. 26.18 crores and securities premium reserve by Rs. 1,446.84 crores (net of share issue expenses of Rs. 19.17 crores).

6 Pursuant to Ind AS 33, basic and diluted earnings per share for the previous periods have been restated for the bonus element in respect of Rights Issue made during the quarter ended September 30, 2020.

7 The Company has granted moratorium upto six months on the payment of installments falling due between March 01, 2020 and August 31, 2020 to all eligible borrowers based on the Board approved moratorium policy read with the Reserve Bank of India (RBI) guidelines dated March 27, 2020 and May 23, 2020 relating to 'COVID-19 - Regulatory Package' and RBI guidelines on EMI moratorium dated April 17, 2020. Further, period for which moratorium is granted has not been considered for computing days past due (DPD) as on September 30, 2020. Extension of such moratorium benefit to borrowers as per the COVID-19 Regulatory package of the RBI and DPD freeze for such period by itself is not considered to result in significant increase in credit risk as per Ind AS 109 for staging of accounts. The Company continues to recognise interest income during the moratorium period and in the absence of other credit risk indicators, the granting of a moratorium period does not result in accounts becoming past due and automatically triggering Stage 2 or Stage 3 classification criteria.

The COVID -19 pandemic has significantly affected various sectors of Indian economy. The prolonged lockdown imposed by the government due to Covid-19 pandemic has affected the Company's business operations. The Company has considered an additional Expected Credit Loss (ECL) provision on Loans of Rs. 416.65 crores and Rs. 1,372.80 crores on account of COVID – 19 during the quarter and half year ended September 30, 2020 respectively. As at September 30, 2020, additional ECL provision on Loan Assets as management overlay on account of COVID - 19 stood at Rs 2,282.44 crores. The additional ECL provision on account of COVID – 19 is based on the Company's historical experience, collection efficiencies post completion of Moratorium period, scheme by Government of India, internal assessment and other emerging forward looking factors on account of the pandemic. However, the actual impact may vary due to prevailing uncertainty caused by the pandemic. The Company's management is continuously monitoring the situation and the economic factors affecting the operations of the Company.

8 Disclosures as required by RBI circular dated April 17, 2020 'COVID-19 Regulatory Package- Asset Classification and Provisioning' are given below

(Rs. in crores)

Particulars	**As of September 30, 2020**
i. Amounts in SMA/overdue categories where moratorium/deferment was extended *	38,690.73
ii. Respective amount where asset classification benefit is extended **	5,325.08
iii. Provisions made during quarter in terms of paragraph 5 of the above circular ***	Nil
iv. Provisions adjusted against the respective accounting periods for slippages and residual provisions in terms of paragraph 6 of the above circular	Not applicable

* Outstanding as on September 30, 2020 on account of all cases where moratorium benefit is extended by the Company up to August 31, 2020.

** Outstanding on account of cases where the asset classification benefit is extended as on September 30, 2020 for cases which were entitled to a moratorium until August 31, 2020.

*** The provision made by the Company as per the ECL model is more than the provision required as per IRAC norms which is inclusive of additional 10% provision of Rs 3,869.07 crores as per the above circular.

9 The Company is in the process of ascertaining the ex-gratia amount for the payment of difference between the compound interest and simple interest to the borrowers in specified loan accounts between March 1, 2020 and August 31, 2020 as per the eligibility criteria and other features as mentioned in the notification dated October 23, 2020 issued by Government of India, Ministry of Finance, Department of Financial Services. The Company expects the said scheme will not have any impact on the statement of profit and loss of the Company as the ex-gratia amount will be reimbursed by the Government as per the notification.

10 The Company manages its foreign currency risks through foreign exchange forward contracts and interest rate swaps. Till March 31, 2020, the Company was following derivative accounting where changes in fair value were recognised in the statement of profit and loss. Effective April 01, 2020, the Company has adopted hedge accounting. Had the Company not followed hedge accounting, profit before tax for the quarter and half year ended September 30, 2020 would have been lower by Rs. 27.62 crores and Rs. 227.13 crores respectively.

11 The Company's secured non-convertible debentures are secured by specific assets covered under hypothecation loan agreements and by way of exclusive charge and mortgage of immovable property and with a cover of 100% and above as per the terms of issue.

12 The Code on Social Security, 2020 (the Code) has been enacted, which would impact contribution by the Company towards Provident Fund and Gratuity. The effective date from which changes are applicable is yet to be notified and the rules thereunder are yet to be announced. The actual impact on account of this change will be evaluated and accounted for when notification becomes effective.

13 The Board of Directors have declared an interim dividend of 60 % (Rs. 6 /- per equity share of face value of Rs.10/- each fully paid up) for the financial year 2020-21.

14 Hon'ble Supreme Court, in a public interest litigation (Gajendra Sharma vs. Union of India & Anr), vide an interim order dated September 3, 2020, has directed that accounts which were not declared NPA till August 31, 2020 shall not be declared as NPA till further orders. However, such accounts have been classified as stage 3 in accordance with Note No. 7 and provisioned accordingly.

15 The Company operates in a single reporting segment i.e. financing. Its associate is primarily engaged in the business of facilitation service. Since, it does not meet the quantitative thresholds laid down under the Ind AS 108 – "Segment Reporting" for reportable segments, it has not been considered for segment reporting.

16 The figures for the previous quarter/year have been regrouped / rearranged wherever necessary to conform to the current period presentation.

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Place: Mumbai
Date: October 29, 2020

By order of the Board
For Shriram Transport Finance Company Limited

Umesh Revankar
Managing Director & CEO
DIN: 00141189

Haribhakti & Co. LLP
Chartered Accountants
701, Leela Business Park,
Andheri Kurla Road,
Andheri (East),
Mumbai - 400 059

Pijush Gupta & Co.
Chartered Accountants
GF - 17 Augusta Point,
Golf Course Road,
Sector - 53
Gurugram - 122002

Independent Auditor's Review Report on quarterly and half yearly Unaudited Consolidated Financial Results of Shriram Transport Finance Company Limited pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015

To The Board of Directors
Shriram Transport Finance Company Limited

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of Shriram Transport Finance Company Limited ("the Parent") and its share of the net profit after tax and total comprehensive income of its associate for the quarter ended September 30, 2020 and for the half year ended September 30, 2020 ("the Statement"), being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of the personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

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We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the following entities:

Sr. no.	Name of the Entity	Relationship
1.	Shriram Transport Finance Company Limited	Holding Company
2.	Shriram Automall India Limited	Associate

5. Based on our review conducted and procedures performed as stated in paragraph 3 above, and based on the consideration of the review reports of the other auditors referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. We draw attention to Note 7 to the accompanying Statement, which describes the staging of accounts to whom moratorium benefit was extended and the uncertainty caused by COVID-19 pandemic with respect to the Company's estimates of impairment of loans to customers. Further, the extent to which the COVID-19 pandemic will impact the Company's financial performance is dependent on future developments, which are highly uncertain. Our report is not modified in respect of this matter.

7. The Statement includes the Holding Company's share of net profit (including other comprehensive income) of Rs. 4.44 Crores and Rs. 3.59 Crore for the quarter ended September 30, 2020 and for the half year ended September 30, 2020, respectively, as considered in the Statement, in respect of an associate, whose interim financial results have not been reviewed by us. These interim financial results have been reviewed by other auditor whose report have been furnished to us by the Management and our report on the Statement, in so far as it relates to the amounts and disclosures included in respect of the associate, is based solely on the report of the other auditor and the procedures performed by us as stated in paragraph 3 above.

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ANNEXURE VI: ILLUSTRATION OF CASHFLOWS

As per the SEBI Circular No. CIR/IMD/DF/18/2013 dated October 29, 2013, the cash flows per Debenture emanating from the Debentures are mentioned below by way of an illustration.

Cash Flow / Payment Date	Principal Amount per Debenture	Principal Repayment (%)	Principal Repayment (INR)	Coupon	Coupon (INR)	Redemption Premium	Total Payment / Cash Flow
30 December 2020	10,00,000	0.0000%	-	8.00%	-	-	-
30 December 2021	10,00,000	0.0000%	-	8.00%	80,000	-	80,000
30 December 2022	-	100.0000%	10,00,000	8.00%	80,000	-	10,80,000

If any Coupon Payment Date falls on a day which is not a Business Day then payment of Coupon will be made on the succeeding Business Day.

If Redemption Date falls on a day which is not a Business Day then payment of Redemption Amount along with Coupon will be made on the preceding Business Day.

Futher, cashflows/ payment shall remain the same and payment shall be made as per the schedule assuming no impact of Business Day.

ANNEXURE VII: COVENANTS

(a) **Company Covenants**

The Company undertakes and covenants that:

(i) That the Company shall execute all such deeds, documents and assurances and do all such acts and things as the Debenture Trustee may reasonably require for exercising the rights under the Transaction Documents and the Debentures or for effectuating and completing the security intended to be hereby created and shall from time to time and at all times after the security hereby constituted shall become enforceable, execute and do all such deeds, documents, assurance, acts, and things as the Debenture Trustee may require for facilitating realisation of the Secured Assets and for exercising all the powers, authorities and discretions hereby conferred on the debenture trustee or any receiver and in particular the Company shall execute all transfers, conveyances, assignments and assurance of the Secured Assets whether to the Debenture Trustee or to their nominees and the Debenture Trustee be and is hereby authorized to give notices or directions to any person including Government authorities or file any application with the Government authorities in the name of Company to sell or realized the Secured Assets in the Event of Default which is not rectified as mentioned in the Debenture Trust Deed.

(ii) The Company shall ensure that the Security Cover as stipulated in the Transaction Documents in relation to the Debentures has been maintained at all times;

(iii) That the Company hereby undertakes to irrevocably and unconditionally indemnify the Debenture Holders and keep the Debenture Holders indemnified for any expenses, costs, losses, claims, actions, damages arising out or in connection with any breach of our representations and/or warranties and/or covenants hereof or any misrepresentation hereof.

(iv) Subject to the provisions of the Debenture Trust Deed, the Company shall be entitled to make further issue of debentures and/or raise further loans and/or avail of further deferred payment/guarantee facilities from time to time for such amounts and from such persons/public financial institutions/banks or any other financial corporations or body corporate as it may deem fit and create charge over its assets in relation to the same. Provided that at the time of raising such further issue of debentures and/or further term loans and/or availing deferred payment credit/guarantee facilities the Company maintains the Security Cover stipulated in the Transaction Documents.

(b) **General Covenants**

The Company undertakes and covenants that, the Company will at all times during the term of the Debentures (except as may otherwise be previously agreed in writing by the Debenture Trustee):

(i) That the Company shall at all times comply with Applicable Law and carry on and conduct its business with due diligence and efficiency and in accordance with sound engineering, technical, managerial and financial standards and business practices with qualified and experienced management and personnel;

(ii) Utilise the monies received towards subscription of the Debentures for onward lending to grow the asset book, financing vehicles such as "commercial vehicle" and other activities as disclosed in the Debenture Trust Deed, the Information Memorandum. The Company shall also furnish to the Debenture Trustee a certificate from the Company's statutory auditors (as may be required under Applicable Law) in respect of the utilisation of funds raised by the issue of the Debenture. In addition to the above, upon completion of each financial year, the Company shall furnish to the Debenture Trustee a statement/certificate showing the manner in which the said monies have been utilized from the auditor;

(iii) The Company shall maintain the Security Cover as required in terms of the Transaction Documents.

(iv) Keep proper books of account as required by the Act and therein make true and proper entries of all dealings and transactions of and in relation to the Secured Assets and the business of the Company and keep the said books of account and all other books, registers and other documents relating to the affairs of the Company at its registered office or, where permitted by law, at other place or places where the books of account and documents of a similar nature may be kept and the Company will ensure that all entries in the same relating to the Secured Assets and the business of the Company shall at all reasonable times be open for inspection of the Debenture Trustee and such person or persons as the Debenture Trustee shall, from time to time, in writing for the purpose, appoint with prior written notice to the Company;

(v) Give to the Debenture Trustee or to such person or persons as aforesaid such information as they or he or any of them shall require as to all matters relating to the business, property and affairs of the Company and at the time of the issue thereof to the shareholders of the Company furnish to the Debenture Trustee three copies of every report, balance sheet, profit and loss account, circulars or notices, issued to the Shareholders and the Debenture Trustee shall be entitled, if they think fit, from time to time, to nominate a firm of chartered accountants to examine the books of account, documents and property of the Company or any part thereof and to investigate the affairs thereof and the Company shall allow any such accountant or agent to make such examination and investigation and shall furnish him with all such information as he may require and shall pay all costs, charges and expenses of and incidental to such examination and investigation;

(vi) Punctually pay all rents, royalties, taxes, rates, levies, cesses, assessments, insurance premium with respect to the Security, impositions and outgoings, governmental, municipal or otherwise imposed upon or payable by the Company as and when the same shall become payable and when required by the Debenture Trustee produce the receipts of such payment and also punctually pay and discharge all debts and obligations and liabilities which may have priority over the security created hereunder and observe, perform and comply with all covenants and obligations which ought to be observed and performed by the Company in respect of or any part of the Secured Assets;

(vii) Forthwith give notice in writing to the Debenture Trustee of commencement of any proceedings, order directly affecting the Secured Assets;

(viii) Diligently preserve its corporate existence and status and all rights, contracts privileges, franchises and concessions now held or hereafter acquired by it in the conduct of its business and that it will comply with each and every term of the said franchises and concessions and all acts, rules, regulations, orders and directions of any legislative, executive, administrative or judicial body applicable to the Secured Assets or any part thereof PROVIDED THAT the Company may contest in good faith the validity of any such acts, rules, regulations, orders and directions and pending the determination of such contest may postpone compliance therewith if the rights enforceable under the Debentures or the security of the Debentures is not thereby materially endangered or impaired. The Company will not do or voluntarily suffer or permit to be done any act or thing whereby its right to transact its business might or could be terminated or whereby payment of the principal of or interest on the Debentures might or would be hindered or delayed;

(ix) Reimburse all sums paid or expenses incurred by the Debenture Trustee or any Receiver, attorney, manager, agent or other person appointed by the Debenture Trustee for all or any of the purposes mentioned in these presents immediately on receipt of a notice of demand from them in this behalf. All such sums shall carry interest at the rate of 20% (Twenty percent) per annum as from the date when the same shall have been advanced, paid or become payable or due and as regards liabilities, the Company will, on demand, pay and satisfy or obtain the releases of such persons from such liabilities and if any sum payable under this Clause shall be paid by the Debenture Trustee, the Company shall, forthwith on demand, reimburse the same to the Debenture Trustee. Until payment or reimbursement of all such sums, the same shall be a charge upon the Secured Assets in priority to the charge securing the Debentures;

(x) Shall inform the Debenture Trustee with respect to any change in the nature and conduct of business by the Company before such change is undertaken by the Company. Provided that the Company shall be required to inform the Debenture Trustee in respect of such change at the same time when any information in relation to any such change is disclosed to BSE or NSE any other relevant stock exchange;

(xi) Promptly inform the Debenture Trustee if it has notice of any application for winding up having been made or any statutory notice of winding up under the Act or otherwise of any suit or other legal process intended to be filed or initiated against the Company and/affecting the title to the Company's properties or if a receiver is appointed of any of its properties or business or undertaking;

(xii) Promptly inform the Debenture Trustee of any event likely to have a substantial effect on the Company's profits or business and of any material changes in the rate of production or sales of the Company with an explanation of the reasons therefore;

(xiii) Promptly inform the Debenture Trustee of any loss or damage which the Company may suffer due to any force majeure circumstances or act of God, such as earthquake, flood, tempest or typhoon, etc. against which the Company may not have insured its properties;

(xiv) Not undertake or permit any merger, consolidation, reorganisation scheme or arrangement or compromise with its creditors or shareholders or effect any scheme of amalgamation or reconstruction without informing the Debenture Trustee.

(xv) furnish quarterly/annual report to the Debenture Trustee containing the following particulars:

A. periodical status/performance reports form the Company within 7 (Seven) days of the relevant board meeting or within 45 (Forty Five) days of the respective quarter whichever is earlier;
B. updated list of the names and addresses of the Debenture Holders;
C. details of the interest/ coupon/ premium due, but unpaid and reasons thereof;
D. details of payment of interest made on the Debentures in the immediately preceding calendar quarter;
E. the number and nature of grievances pending at the beginning of the quarter, the number and nature of grievances received from the Debenture Holders during the quarter and resolved/disposed off by the Company in the quarter and those remaining unresolved by the Company and the reasons for the same by the Company;
F. certificate on quarterly basis from the Director/ Managing Director of the Company certifying the value of the Hypothecated Assets;
G. Certificate from the independent chartered accountant on quarterly basis certifying the value of the Hypothecated Assets;
H. A statement that those assets of the Company which are available by way of security are sufficient to discharge the claims of the Debenture Holders as and when they become due;
I. Statement that the quarterly compliance report on corporate governance (if applicable) has been submitted to the stock exchange, in the format prescribed by SEBI, within the time lines prescribed in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
J. Such other information as required under SEBI (Issue and Listing of Debt Securities), Regulation 2008 and/or SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and/or SEBI (Debenture Trustee Regulations), 1993, as amended from time to time, and under other Applicable Law and such other information, as required by the debenture trustee.

(xvi) Furnish to the Debenture Trustee a certificate on a half-yearly basis from the statutory auditor regarding maintenance of the Security Cover, certifying the value of the Hypothecated Assets charged in favour of the Debenture Trustee for securing the Debentures and compliance with the covenants set out in the Information Memorandum, along with the half-yearly financial results;

(xvii) Promptly inform the Debenture Trustee about any change in the composition of its board of directors which may amount to change in control as defined in Securities Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time.

(xviii) The Company shall submit to the stock exchange for dissemination, along with the half yearly financial results, a half- yearly communication, along with the Debenture Trustee's letter of noting of the following information:

A. credit rating of the Debentures and change in the credit rating (if any);
B. nature, extent of the Security and Security Cover available for the debentures;
C. status of the Security;
D. asset cover ratio;
E. debt equity ratio;
F. Previous due date for the payment of interest/principal and whether the same has been paid or not;
G. Next due date for the payment of interest/principal;
H. Debt service coverage ratio;
I. Interest service coverage ratio;
J. Debenture redemption reserve;
K. Net worth;
L. Net profit after tax;
M. Earnings per share;
N. A statement indicating material deviations, if any in utilisation of the proceeds of the Debentures;
O. A certificate form the chartered accountant giving the value of the Hypothecated Assets; and
P. On Yearly basis - certificate from the Company's statutory auditor giving the value of Hypothecated Assets.

(xix) Promptly and expeditiously attend to and redress the grievances, if any, of the Debenture Holders. The Company further undertakes that it shall promptly comply with the suggestions and directions that may be given in this regard, from time to time, by the Debenture Trustees and shall advise the Debenture Trustees periodically of the compliance.

(xx) Comply with all the provisions, including furnishing of all such information as mentioned in the Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993, the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, the simplified listing agreement issued in terms of notification CIR/CFD/CMD/6/2015, issued by the SEBI and as amended from time to time, Issuance of Non-convertible Debentures (Reserve Bank) Directions, 2010, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Companies Act, 2013 and rules framed thereunder as amended from time to time and/or any other notification, circular, press release issued by the SEBI/Reserve Bank of India, from time to time (hereinafter collectively referred to as the "Guidelines"). The Debenture Trust Deed is also subject to such guidelines as may be issued by SEBI, Government of India, such other statutory or regulatory authorities from time to time;

(xxi) The Company hereby agrees, confirms and undertakes that in the event the Company has failed to make a timely repayment of the Debenture Obligations or to create a charge on the Secured Assets or there is a revision of rating assigned to the Debentures, the Debenture Trustee shall, be entitled to disclose the information to the Debenture Holders and the general public by issuing a press release, placing the same on their websites and with the credit rating agencies;

(xxii) Shall submit details of all orders, directions, notices, of any court/Tribunal affecting or likely to affect the Secured Assets;

(xxiii) Shall submit to the Debenture Trustee, a copy of all notices, resolutions and circulars relating to:

A. new issue of non-convertible debt securities at the same time as they are sent to shareholders/ holders of non-convertible debt securities;

B. the meetings of holders of non-convertible debt securities at the same time as they are sent to the holders of non-convertible debt securities or advertised in the media including those relating to proceedings of the meetings;

(xxiv) The Company shall notify the Debenture Trustee of any Event of Default or potential Event of Default (and the steps, if any, being taken to remedy it) promptly upon becoming aware of its occurrence;

(xxv) Permit the Debenture Trustee and such person, as they shall, from time to time in writing for that purpose appoint to enter into or upon and to view the state and condition of all the Secured Assets and/or to ensure that the Secured Assets are free from any kind of Encumbrance (except as provided in the Debenture Deed) and pay all travelling, hotel and other expenses of any person whom the Debenture Trustee may depute for the purpose of such inspection and if the Debenture Trustee shall, for any reason, decide that it is necessary to employ an expert, to pay the fees and all travelling, hotel and other expenses of such expert;

(xxvi) Except as permitted in terms of the Debenture Deed, not sell or dispose of the Secured Assets or any part thereof or create thereon any mortgage, lien or charge by way of hypothecation, pledge or otherwise howsoever or other encumbrance of any kind whatsoever to the intent and purpose that the Secured Assets and all parts thereof shall remain and continue to remain free from any further encumbrances whatsoever during the continuance of these presents and/or shall not part with the possession of the relevant title documents in relation to Secured Assets;

(xxvii) The Company shall furnish all information as may be required by the Debenture Trustee as may be required by it for the purpose of effective discharge of its duties under Applicable Law and the terms of the Debenture Trust Deed, including copies of reports, balance sheets, profit and loss accounts etc.;

(xxviii) The Company hereby confirms, agrees and undertakes that:

(i) that it shall promptly inform the Debenture Trustee of any event or circumstance which may have a Material Adverse Effect on the Secured Assets; and

(ii) it shall take such appropriate measures in respect of (i) above, as may be advised by the Debenture Trustee from time to time, including executing such agreements/documents as may be required by the Debenture Trustee to secure its interest with respect to the Debentures issued.

(xxix) The Company shall promptly notify the Debenture Trustee and the Debenture Holders of any corporate action by the Company which may have any dilutive effect on the value of the Security and shall ensure to immediately (and prior to the effective date of the proposed corporate action) take all actions necessary to ensure that there is no reduction in the Security Cover as a result of such proposed corporate action and to otherwise protect and maintain the value of the Security therein;

(xxx) The Company shall provide to the Debenture Trustee, quarterly financial statements of the company, within 45 days of the close of the quarter;

(xxxi) The Company shall provide to the Debenture Trustee, annual audited financial statements of the Company within 180 days of the close of the year;

(xxxii) The Company shall file a copy of the Debenture Trust Deed along with a duly completed CHG-9 prescribed under the Act, with the Registrar of Companies at Chennai along with the requisite filing fee within the prescribed period, without payment of penalty and shall deliver a copy thereof to the Debenture Trustee;

(xxxiii) The Company hereby confirms and undertakes that it shall comply with all corporate related conditions/obligations in relation to the issue of Debentures as contained in the Transaction Documents;

(xxxiv) Upon occurrence of Event of Default, any loan to the Company from any of the members of the Company group/promoters/Affiliates/ any Person shall be subordinate to the Debentures and will not be repaid until the Debentures have been completely repaid with no outstanding Redemption Amount or Debenture Obligations;

(xxxv) The Company shall not, without the prior written approval of the Debenture Trustee:

(A) wind up, liquidate or dissolve its affairs;

(B) make any amendments to the memorandum and articles of association;

(C) effect any change in the accounting methods or policies, and in case any such change is made on account of Applicable Law, then the Company shall give a prior intimation to the Debenture Trustee before making such change;

(D) enter into any compromise or arrangement or settlement with any of its secured creditors that would prejudicially affect the interests of the Debenture Holders;

(E) enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary to sell, lease, transfer or otherwise Encumber or dispose the Secured Assets or any part thereof;

(F) avail any further debt or investment or any other facility in the event an Event of Default is in existence;

(G) effect any change in the capital structure of the Company by way of issuance of new equity shares, preference shares or warrants or any other instrument/security with the same effect;

(H) change the nature and conduct of business of the Company or undertake any new business or any diversification other than its current business; and

(I) commit or omit any act which may prejudice the interests of the Debenture Trustee/Debenture Holders with respect to the Issue; and

(xxxvi) Anti-corruption law:

(i) The Company shall not and shall ensure that no other member of the Group will directly or indirectly use the proceeds of the subscription of Debentures for any purpose which would breach the Bribery Act 2010, the United States Foreign Corrupt Practices Act of 1977 or other similar legislation in other jurisdictions.

(ii) The Company shall and shall ensure that each other member of the Group will):

a. conduct its businesses in compliance with applicable anti-corruption laws; and

b. maintain policies and procedures designed to promote and achieve compliance with such laws;

(iii) In connection with the transactions contemplated by the Transaction Documents, the Company shall not and shall ensure that no other member of the Group will, directly or indirectly, authorize, offer, promise, or make payments of anything of value, including but not limited to cash, cheques, wire transfers, tangible and intangible gifts, favours, services, and those entertainment and travel expenses that go beyond what is reasonable and customary and of modest value to: (i) an executive, official, employee or agent of a governmental department, agency or instrumentality, (ii) a director, officer, employee or agent of a wholly or partially government-owned or controlled company or business, (iii) a political party or official thereof, or candidate for political office, (iv) a Foreign Public Official, or (v) any other person; while knowing or having a reasonable belief that all or some portion will be used for the purpose of: (1) influencing any act, decision or failure to act by any such person in his or her official capacity, (2) inducing any such person to use his or her influence with a government or instrumentality to affect any act or decision of such government or entity, or (3) securing an unlawful advantage; in order to obtain, retain or direct business.

For the purpose of this sub-clause "Foreign Public Official" means an individual who —

(a) holds a legislative, administrative or judicial position of any kind, whether appointed or elected, of a country or territory outside the United Kingdom (or any subdivision of such a country or territory),

(b) exercises a public function—

(i) for or on behalf of a country or territory outside the United Kingdom (or any subdivision of such a country or territory), or

(ii) for any public agency or public enterprise of that country or territory (or subdivision), or

(c) is an official or agent of a public international organisation.

(xxxvii) The Company shall comply with and fulfill to the satisfaction of the Debenture Trustee, the conditions precedent and conditions subsequent set forth in Schedule 3 of Part D of the Debenture Trust Deed.

(xxxviii) Promptly inform the Debenture Trustee if it has notice of any application for winding up having been made or any statutory notice of winding up under the Act or otherwise of any suit or other legal process intended to be filed or initiated against the Company and/affecting the title to the Company's properties or if a receiver is appointed of any of its properties or business or undertaking;

(xxxix) Promptly inform the Debenture Trustee of any event likely to have a substantial effect on the Company's profits or business and of any material changes in the rate of production or sales of the Company with an explanation of the reasons therefore;

(xl) Promptly inform the Debenture Trustee of any loss or damage which the Company may suffer due to any force majeure circumstances or act of God, such as earthquake, flood, tempest or typhoon, etc. against which the Company may not have insured its properties;

(c) **SPECIAL COVENANTS**

(a) Disclosure Clauses

Consent for Disclosure

(1) The Company hereby agrees and gives consent for the disclosure by the Debenture Trustee or any Debenture Holder of all or any;

a. information and data relating to the Company and any obligation assumed by it under any Transaction Document ;

b. default, if any, committed by the Company in discharge of any obligation hereunder or any other Transaction Document.

as the Trustee/ Debenture Holder may deem appropriate and necessary to TransUnion CIBIL Limited ("**CIBIL**") and/or any other agency authorized in this behalf by the Reserve Bank of India.

(2) The Company further agrees that-

a. CIBIL and any other agency so authorized may use, process the said information and data disclosed by the Debenture Trustee/ Debenture Holder in the manner as deemed fit by it;

b. CIBIL, and any other agency so authorized may furnish for consideration, the processed information and data or products thereof prepared by them, to banks/financial institutions and other credit grantors or registered users, as may be specified by the RBI in this behalf; and

c. the Debenture Holder/ Trustee may, if required by law, statutory regulation, court order, subpoena or other similar legal process, disclose to banks/government and statutory authorities information in connection with the Issue, Company etc.

(3) The Company hereby consents to the Debenture Trustee and the Debenture Holders, their officers and agents disclosing information relating to the Company and its account(s) and/or dealing relationship(s) with the Debenture Trustee and/ or the Debenture Holders, including but not limited to details of its facilities, any security taken, transactions undertaken and balances and positions with the Debenture Trustee and/ or the Debenture Holders, to:

a. the Debenture Holder Member/ Debenture Trustee and their representatives in any jurisdiction, (together with the respective Debenture Holder, the "**Permitted Parties**");
b. professional advisers, insurers or insurance brokers and service providers of the Permitted Parties who are under a duty of confidentiality to the Permitted Parties;
c. any actual or potential assignee, novatee, transferee, participant or sub-participant in relation to any of the Debenture Holders' rights and/or obligations under any agreement (or any agent or adviser of any of the foregoing), provided that such third party shall agree in writing to preserve the confidentiality of any confidential information relating to the Company received by it from the concerned Debenture Holder;
d. any rating agency, or direct or indirect provider of credit protection to any Permitted Party; and
e. as required by any law or Authority with jurisdiction over any of the Permitted Parties.

(4) The Company gives specific consent to the Debenture Trustee and Debenture Holders for disclosing / submitting the 'financial information' as defined in Section 3 (13) of the Insolvency and Bankruptcy Code, 2016 ("**Insolvency Code**") read with the relevant Regulations/ Rules framed thereunder, as amended and in force from time to time and as specified there under from time to time, in respect of the Debentures issued by the Company in terms of the Debenture Trust Deed and in respect the security, mortgage and charge created/given to secure the repayment of Redemption Amount and Debenture Obligations under the Debenture Trust Deed, to any 'Information Utility' ("**IU**") as defined in Section 3 (21) of the Insolvency Code, in accordance with the relevant regulations framed under the Insolvency Code, and directions issued by the RBI from time to time and hereby specifically agrees to promptly authenticate the 'financial information' submitted by the Debenture Trustee or the Debenture Trustee, as and when requested by the concerned IU.

For the purposes of this provision:

Affiliate means, in relation to the Company:

a) its Subsidiary;
b) its Holding Company; or
c) any other Subsidiary of that Holding Company

(including head offices and branches of the above).

Authority means any government, quasi-government, administrative, regulatory or supervisory body or authority, court or tribunal.

Debenture Holder Member means the relevant Debenture Holder or any of its Affiliates (including branches).

Control means where one person (either directly or indirectly and whether by share capital, voting power, contract or otherwise) has the power to appoint and/or remove the majority of the members of the governing body of another person or otherwise controls or has the power to control the affairs and policies of that other person and that other person is taken to be **Controlled** by the first person.

Holding Company means, in relation to a company, a company in respect of which the first named company is a Subsidiary.

Subsidiary means, in relation to a company, any other company:

a) which is Controlled, directly or indirectly, by the first named company;

b) more than half the issued share capital of which is beneficially owned, directly or indirectly, by the first named company; or

c) which is a Subsidiary of another Subsidiary of the first named company."

(b) Sanctions Clause

Neither the Company nor any of its subsidiaries or joint ventures, nor any of their respective directors, officers or employees nor, to the knowledge of the Company, any persons acting on any of their behalf shall permit or authorize any other person to, directly or indirectly, use, lend, make payments of, contribute or otherwise make available, all or any part of the proceeds from the issue of the Debentures or other transaction(s) contemplated by the Transaction Documents to fund any trade, business or other activities: (i) involving or for the benefit of any Restricted Party, or (ii) in any other manner that would reasonably be expected to result in the Company being in breach of any Sanctions (if and to the extent applicable to either of them) or becoming a Restricted Party.

For the purposes of this provision:

(i) "Restricted Party" means a person that is: (i) listed on, or owned or controlled by a person listed on, or acting on behalf of a person listed on, any Sanctions List; (ii) located in, incorporated under the laws of, or owned or (directly or indirectly) controlled by, or acting on behalf of, a person located in or organized under the laws of a country or territory that is the target of country-wide or territory-wide Sanctions; or (iii) otherwise a target of Sanctions ("target of Sanctions" signifying a person with whom a US person or other national of a Sanctions Authority would be prohibited or restricted by law from engaging in trade, business or other activities);

(ii) "Sanctions" means the economic sanctions laws, regulations, embargoes or restrictive measures administered, enacted or enforced by the Sanctions Authorities;

(iii) "Sanctions Authorities" means and includes; (i) the United States government; (ii) the United Nations; (iii) the European Union (iv) the United Kingdom; or (v) the respective governmental institutions and agencies of any of the foregoing, including, without limitation, the Office of Foreign Assets Control of the US Department of Treasury (OFAC), the United States Department of State, and Her Majesty's Treasury(HMT); or (vi) the Indian Government; and

(iv) "Sanctions List" means the 'Specially Designated Nationals and Blocked Persons' list maintained by OFAC, the Consolidated List of Financial Sanctions Targets and the Investment Ban List maintained by HMT, or any similar list maintained by, or public announcement of Sanctions designation made by, any of the Sanctions Authorities.