

- Undertaking guarantee obligations on behalf of any third party;
- Declaring any dividends to our shareholders if there is a subsisting event of default/ breach in any financial covenant or repaying any monies brought in by our Promoter / directors / principal shareholders and their affiliates, friends and relatives by way of deposits / loans / advances;
- Transferring or disposal of any of our undertakings;
- Utilization of funds for any other purpose other than for which approval has been granted or agreed to be granted; and
- Entering into any long-term contractual obligations that significantly affect the lender.

For further details in relation to the principal terms of the borrowings, see “*Financial Indebtedness – Principal terms of the borrowings availed by our Company*” beginning on page 360. As of the date of this Red Herring Prospectus, we have received all requisite approvals from the relevant lenders in connection with the Offer. Further, one of our lenders has provided an approval conditional upon our Company obtaining all relevant regulatory/ statutory approvals required to undertake the Offer. Other than the final listing and trading approval for the Equity Shares from the Stock Exchanges, the Company has received all the necessary relevant regulatory/ statutory approvals required to undertake the Offer.

Our financings are typically secured against our assets. Since the security we provide is on a *pari-passu* basis to all lenders (except to NHB, which is on exclusive charge basis), we are required to obtain no-objection letters or *pari-passu* letters from the perfection of security from all our lenders every time we raise new secured borrowing, which is time-consuming.

Further, some of our loan agreements also require us to maintain certain periodic financial ratios, such as GNPA, net worth, minimum interest coverage ratio, CRWAR, among others, which we have maintained compliance in the past three FYs and the nine months ended December 31, 2023. Additionally, most of our financing agreements also contain cross-default and cross-acceleration clauses, which are triggered in the event of default by our Company under the respective financing agreements. We also entered into a debenture subscription agreement and a debenture trust deed each dated December 28, 2023 in relation to our issuance of non-convertible debentures, pursuant to which an event of default would be triggered if our Company does not comply with, *inter alia*, the specified use of the subscription proceeds or a set of safeguards and social requirements designated by the subscriber of the non-convertible debentures. Also, our Company has certain loan facilities which the lenders can recall without any cause. In particular, in December 2021, we were in breach of our covenant with one lender to maintain a certain level of NPAs (this was due to increase in our NPAs as a result of the November 12 Circular) and have received a condonation from the relevant lender. We cannot assure you that we will be able to comply with financial covenants in the future or that we will receive a similar condonation or waivers for any breaches from any of our present or future lenders.

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

We cannot assure you that our business will generate sufficient cash to enable us to service our debt or to fund our other liquidity needs, see “- *We have had negative net cash flows in the past and may continue to have negative cash flows in the future*” on page 26 for further details. In addition, we may need to refinance all or a portion of our debt on or before maturity. We cannot assure you that we will be able to refinance any of our debt on commercially reasonable terms or at all.

9. *We are required to comply with regulations and guidelines issued by regulatory authorities in India, including the NHB and RBI, which may increase our compliance costs, divert the attention of our management and subject us to penalties.*

We are regulated principally by and have reporting obligations to the NHB and the RBI. We are also subject to the corporate, taxation and other laws in effect in India. Our business and financial performance could be adversely affected by changes in the laws, rules, regulations or directions applicable to us and the housing finance business, or the interpretations of such existing laws, rules and regulations, or the promulgation of new laws, rules and regulations, including foreign investment laws governing our business, operations and investments in our Company by non-residents. These regulations, apart from regulating the manner in which a company carries out its business and internal operations, prescribe various periodical compliances and filings, including but not limited to filing of forms and declarations with the relevant registrar of companies, the RBI and other relevant authorities. Further, notification of new regulations and policies, could require us to obtain approvals and licenses from the government and other regulatory bodies, or impose