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**AKME FINTRADE (INDIA) LIMITED**  
**CORPORATE IDENTITY NUMBER: U67120RJ1996PLC011509**

REGISTERED OFFICE	CORPORATE OFFICE	CONTACT PERSON	EMAIL AND TELEPHONE	WEBSITE
AKME Business Centre (ABC), 4-5 Subcity Centre, Savina Circle opp. Krishi Upaz Mandi Udaipur, Rajasthan - 313002	608, The Summit - Business Bay, behind Guru Nank Petrol Pump, Opp. Cinemax, Prakashwadi Andheri (East), Mumbai - 400069	<b>Manoj Kumar Choubisa</b> , Company Secretary and Compliance Officer	<b>E-mail:</b> cs@asaanloans.com <b>Tel:</b> +91- 294-2489501-02	www.asaanloans.com

**OUR PROMOTERS: NIRMAL KUMAR JAIN, MANJU DEVI JAIN, DIPESH JAIN AND NIRMAL KUMAR JAIN HUF**

**DETAILS OF THE PUBLIC ISSUE**

TYPE	FRESH ISSUE SIZE	TOTAL ISSUE SIZE	ELIGIBILITY
Fresh Issue	Fresh Issue of up to 1,10,00,000 <sup>^</sup> Equity Shares	Up to ₹ [●] lakhs	This Issue is being made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations. For details in relation to share reservation amongst Qualified Institutional Buyers, Non-Institutional Bidders, Retail Individual Bidders and Eligible Employees, see “ <i>Issue Structure</i> ” on page 431.

**DETAILS OF OFFER FOR SALE: NOT APPLICABLE**

**RISKS IN RELATION TO THE FIRST ISSUE**

This being the first public issue of equity shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹ 10 each. The Issue Price, Floor Price and Price Band (as determined by our Company in consultation with the Book Running Lead Manager) on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated in ‘*Basis for Issue Price*’ on page 177 should not be considered to be indication of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

**GENERAL RISKS**

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the contents of this Red Herring Prospectus. Specific attention of the investors is invited to “*Risk Factors*” on page 33.

**ISSUER’S ABSOLUTE RESPONSIBILITY**

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

**LISTING**

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

**BOOK RUNNING LEAD MANAGER**

Name of Book Running Lead Manager and logo	Contact Person	Email and Telephone
 Gretex Corporate Services Limited	<b>Mr. Alok Harlalka</b>	<b>Tel:</b> +91-22-62280818/9653249863 <b>Email:</b> info@gretexgroup.com

**REGISTRAR TO THE ISSUE**

Name of Registrar	Contact Person	Email and Telephone
 Bigshare Services Private Limited	<b>Mr. Babu Raphael C</b>	<b>Tel:</b> +91 22 6263 8200 <b>Email:</b> ipo@bigshareonline.com

**BID/ ISSUE PERIOD**

ANCHOR INVESTOR BIDDING DATE	TUESDAY, JUNE 18, 2024*	BID/ ISSUE OPENS ON	WEDNESDAY, JUNE 19, 2024 **	BID/ ISSUE CLOSES ON#	FRIDAY, JUNE 21, 2024

<sup>^</sup> Subject to finalisation of Basis of Allotment

\* Our Company may, in consultation with the BRLM, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be 1 (one) Working Day prior to the Bid/Issue Opening Date.

\*\*Our Company may, in consultation with the BRLM, consider closing the Bid/Issue Period for QIBs 1 (one) Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.

#The UPI mandate end time and date shall be at 5:00 p.m. on Bid/Issue Closing Day.



## AKME FINTRADE (INDIA) LIMITED

Our Company was originally incorporated as 'Akme Fintrade (India) Private Limited' as a private limited company under the provisions of the Companies Act, 1956, pursuant to a certificate of incorporation dated February 5, 1996 issued by the Registrar of Companies, Rajasthan, Jaipur. Thereafter, our Company was converted to a public limited company, pursuant to a special resolution passed by our shareholders on January 5, 1997 and the name of our Company was changed to 'Akme Fintrade (India) Limited' and a fresh certificate of incorporation dated March 11, 1997 was issued to our Company by the Registrar of Companies, Rajasthan, Jaipur. For details in relation to change in the address of the registered office of our Company, see "History and Certain Corporate Matters" on page 259.

**Registered Office:** AKME Business Centre (ABC), 4-5 Subcity Centre, Savina Circle opp. Krishi Upaz Mandi Udaipur, Rajasthan - 313002, India; **Tel:** 0294-2489501-02  
**Contact Person:** Manoj Kumar Choubisa, Company Secretary and Compliance Officer; **E-mail:** cs@aasaanloans.com  
**Website:** www.aasaanloans.com **Corporate Identity Number** U67120RJ1996PLC011509

### OUR PROMOTERS: NIRMAL KUMAR JAIN, MANJU DEVI JAIN, DIPESH JAIN AND NIRMAL KUMAR JAIN HUF

INITIAL PUBLIC OFFERING OF UP TO 1,10,00,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF AKME FINTRADE (INDIA) LIMITED ("OUR COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A PREMIUM OF ₹ [●] PER EQUITY SHARE) ("ISSUE PRICE") AGGREGATING UP TO ₹ [●] LAKHS ("THE ISSUE"). THE ISSUE WILL CONSTITUTE [●] % OF OUR POST-ISSUE PAID-UP EQUITY SHARE CAPITAL. THE ISSUE INCLUDES A RESERVATION OF UP TO 5,50,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH AGGREGATING UP TO ₹ [●] LAKHS (CONSTITUTING UP TO [●] OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL) FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES ("EMPLOYEE RESERVATION PORTION"). THE ISSUE LESS THE EMPLOYEE RESERVATION PORTION IS HERINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND NET ISSUE SHALL CONSTITUTE [●] % AND [●] %, RESPECTIVELY OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE FACE VALUE OF THE EQUITY SHARES IS ₹10 EACH AND THE ISSUE PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES. THE PRICE BAND, IF ANY AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER AND WILL BE ADVERTISED IN ALL EDITIONS OF FINANCIAL EXPRESS (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER), ALL EDITIONS OF JANSATTA (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER, HINDI BEING THE REGIONAL LANGUAGE OF UDAIPUR, RAJASTHAN WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST 2 (TWO) WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE, AND SHALL BE MADE AVAILABLE TO THE STOCK EXCHANGES FOR THE PURPOSE OF UPLOADING ON THEIR RESPECTIVE WEBSITES IN ACCORDANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS").

In case of any revision in the Price Band, the Bid/ Issue Period will be extended by at least 3 (three) additional Working Days after such revision in the Price Band, subject to the Bid/ Issue Period not exceeding 10 (ten) Working Days. In cases of force majeure, banking strike or similar unforeseen circumstances, our Company may, for reasons to be recorded in writing, extend the Bid / Issue Period for a minimum of 1 (one) Working Day, subject to the Bid/ Issue Period not exceeding 10 (ten) Working Days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the respective websites of the BRLM and at the terminals of the Members of the Syndicate and by intimation to Designated Intermediaries and the Sponsor Bank, as applicable.

This Issue is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 31 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "SEBI ICDR Regulations"). This Issue is being made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Net Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs" and such portion the "QIB Portion"), provided that our Company in consultation with the BRLM may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with SEBI ICDR Regulations ("Anchor Investor Portion"). One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the Anchor Investor Allocation Price. Further, 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders out of which (a) one third of such portion shall be reserved for applicants with application size of more than ₹ 200,000 and up to ₹ 1,000,000 and (b) two-third of such portion shall be reserved for applicants with application size of more than ₹ 1,000,000, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price. Further, Equity Shares will be allocated on a proportionate basis to Eligible Employees applying under the Employee Reservation Portion, subject to valid Bids received from them at or above the Issue Price. All Bidders are required to participate in the Issue by mandatorily utilising the Application Supported by Blocked Amount ("ASBA") process by providing details of their respective ASBA Account (as defined hereinafter) and UPI ID in case of UPI Bidders using the UPI Mechanism, as applicable, pursuant to which their corresponding Bid Amounts will be blocked by the Self Certified Syndicate Banks ("SCSBs") or by the Sponsor Banks under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. There shall be no allocation to QIBs in this Issue under the QIB category. For further details, see "Issue Procedure" on page 436.

### RISKS IN RELATION TO THE FIRST ISSUE

This being the first public issue of the Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹ 10 each. The Issue Price, Floor Price and Price Band (as determined by our Company in consultation with the Book Running Lead Manager) on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated in 'Basis for Issue Price' on page 436 should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

### GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Red Herring Prospectus. Specific attention of the investors is invited to "Risk Factors" on page 33.

### ISSUER'S ABSOLUTE RESPONSIBILITY

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

### LISTING

The Equity Shares offered through this Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received 'in-principle' approvals from the BSE and the NSE for the listing of the Equity Shares pursuant to letters each dated January 02, 2024 and January 03, 2024, respectively. For the purposes of the Issue, the Designated Stock Exchange shall be NSE. A signed copy of this Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Section 26(4) and 32 of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of this Red Herring Prospectus until the Bid/ Issue Closing Date, see "Material Contracts and Documents for Inspection" on page 470.

### BOOK RUNNING LEAD MANAGER

### REGISTRAR TO THE ISSUE



**Gretex Corporate Services Limited**  
A-401, Floor 4th, Plot FP-616, (PT),  
Naman Midtown, Senapati Bapat Marg,  
Near Indiabulls, Dadar (West), Mumbai –  
400013, Maharashtra, India  
**Tel:** +91-22-62280818/9653249863  
**Email:** info@gretexgroup.com  
**Investor Grievance Email:** info@gretexgroup.com  
**Website:** www.gretexcorporate.com  
**Contact Person:** Mr. Alok Harlalka  
**SEBI Registration No:** INM000012177

**Bigshare Services Private Limited**  
S62, 6<sup>th</sup> Pinnacle Business Park,  
Mahakali Caves Road, Next to Ahura Centre,  
Andheri East, Mumbai – 400093  
Maharashtra, India  
**Tel:** +91 22 6263 8200  
**Email:** ipo@bigshareonline.com  
**Investor Grievance Email:** investor@bigshareonline.com  
**Website:** www.bigshareonline.com  
**Contact Person:** Mr. Babu Raphael C  
**SEBI Registration Number:** INR000001385

### BID / ISSUE PROGRAMME

ANCHOR INVESTOR BIDDING DATE	TUESDAY, JUNE 18, 2024 *
BID / ISSUE OPENS ON	WEDNESDAY, JUNE 19, 2024 *
BID / ISSUE CLOSES ON#	FRIDAY, JUNE 21, 2024 **

\*Subject to finalization of the Basis of Allotment

\*Our Company may, in consultation with the BRLM, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be 1 (one) Working Day prior to the Bid/Issue Opening Date.

\*\*Our Company may, in consultation with the BRLM, consider closing the Bid/Issue Period for QIBs 1 (one) Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations

# The UPI mandate end time and date shall be at 5:00 p.m. on Bid/Issue Closing Day

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**SECTION I – GENERAL**  
**DEFINITIONS AND ABBREVIATIONS**

*This Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below. References to any legislation, Act, regulation, rules, guidelines or our Articles of Association, Memorandum of Association, policies shall be to such legislation, Act or regulation, as amended from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.*

*The words and expressions used in this Red Herring Prospectus but not defined herein, shall have, to the extent applicable, the meanings ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made thereunder.*

*Notwithstanding the foregoing, terms used in “Statement of Special Tax Benefits”, “Restated Financial Statements”, “Description of Equity Shares and terms of Articles of Association”, “Outstanding Litigations and Material Developments” and “Key Regulations and Policies in India, “Industry Overview”, “Basis for Issue Price” and “Our Business” beginning on pages 190, 293, 460, 390, 248, 195, 177, 225 respectively, shall have the meaning ascribed to such terms in these respective sections.*

**General Terms**

Term	Description
“Akme Fintrade (India) Limited” or “our Company” or “the Company” or “the Issuer”	Akme Fintrade (India) Limited incorporated under the Companies Act, 1956
“we” or “us” or “our”	Unless the context otherwise indicates or implies, refers to our Company.
“you”, “your” or “yours”	Prospective investors in this Issue.

**Company Related Terms**

Term	Description
“Articles of Association” or “AoA”	Articles of association of our Company, as amended.
Audit Committee	The committee of the Board of Directors constituted as the Company’s Audit Committee in accordance with Regulation 18 of the SEBI Listing Regulations and Section 177 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014.
“Auditors” or “Statutory Auditors”	Statutory auditors of our Company, namely, M/s. Valawat & Associates.
Board/Board of Directors / our Board	The Board of Directors of our Company unless otherwise specified or any committee constituted thereof.
CFO	Chief Financial Officer of our Company being Ms. Rajni Gehlot.
Chairman	The Chairman of Board of Directors, being Mr. Nirmal Kumar Jain.
Company Secretary and Compliance Officer	Company Secretary and Compliance Officer of our Company being Mr. Manoj Kumar Choubisa.
Corporate Social Responsibility Committee” or “CSR Committee”	Corporate social responsibility committee of our Board, as described in “Our Management – Committees of the Board” beginning on page 271.
Director(s)	Director(s) on the Board.
Dun & Bradstreet Report	The report entitled “NBFC Industry in India” dated March 2024, prepared by Dun and Bradstreet Information Services India Private Limited. The Dun and Bradstreet Report is also available on the website of the Company at <a href="http://www.aasaanloans.com">www.aasaanloans.com</a> .
Equity Shares	Equity shares of our Company of face value of ₹ 10/- each unless otherwise specified in the context thereof.
ESOP Scheme	Akme Fintrade Employee Stock Option Plan 2022 of our Company.

“Executive Director” or “Whole-time Director”	A whole-time director / executive director of our Company. For further details, see “ <i>Our Management</i> ” beginning on page 264.
Group Company(ies)	Group company(ies) of our Company, identified in terms of SEBI ICDR Regulations. For details of our Group Companies, see “ <i>Our Group Companies</i> ” beginning on 286.
Independent Directors	Independent Directors on our Board, who are eligible to be appointed as independent directors under the provisions of the Companies Act, 2013 and the SEBI Listing Regulations. For details of the Independent Directors, see “ <i>Our Management</i> ” beginning on page 264.
IPO Committee	The IPO committee reconstituted by our Board on January 1, 2024
ISIN	International Securities Identification Number. In this case being: INE916Y01019.
Key Managerial Personnel (KMP)	Key managerial personnel of our Company in terms of Regulation 2(1) (bb) of the SEBI ICDR Regulations as disclosed in “ <i>Our Management- Key Managerial Personnel and Senior Management</i> ” beginning on page 264.
MD or Managing Director	The managing director of our Company, Mr. Nirmal Kumar Jain.
Materiality Policy	The policy adopted by our Board pursuant to its resolution dated January 5, 2023 for identification of: (a) material outstanding litigations; (b) Group Company (ies); and (c) material creditors, in accordance with the disclosure requirements under the SEBI ICDR Regulations and for the purpose of disclosure in the Draft Red Herring Prospectus, the Red Herring Prospectus and Prospectus.
MOA/ Memorandum/ “Memorandum of Association” or “MoA”	The Memorandum of Association of our Company, as amended.
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board, as described in “ <i>Our Management</i> ” beginning on page 264.
Non-Executive Director	A Director not being an Executive Director.
Promoter(s)	Unless the context otherwise requires, refers to Nirmal Kumar Jain, Manju devi Jain, Dipesh Jain and Nirmal Kumar Jain HUF.
Promoter Group	The persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, as disclosed in “ <i>Our Promoters and Promoter Group</i> ” beginning on page 281.
Registered Office	The registered office of our Company situated at 4-5 Subcity Center, Savina Circle, opp. Krishi Upaz Mandi Udaipur, Udaipur 313002.
Registrar of Companies or RoC	Registrar of Companies, Rajasthan, Jaipur.
Restated Financial Statements	Our restated summary statements of assets and liabilities as at December 31, 2023, March 31, 2023, March 31, 2022 and March 31, 2021 and the restated summary statements of profit and loss (including other comprehensive income), cash flows and changes in equity for the nine months period ended December 31, 2023 and for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021 together with the summary statement of significant accounting policies, and other explanatory information prepared in terms of the requirements of Section 26 of Part I of Chapter III of the Companies Act, SEBI ICDR Regulations and the Guidance Note on “Reports in Company Prospectuses (Revised 2019)” issued by ICAI, as amended from time to time.
Risk Management Committee	The risk management committee of our Board, as described in “ <i>Our Management</i> ” beginning on page 264.
Senior Management/ Senior Management Personnel /SMP	Senior Management of our Company in terms of the SEBI ICDR Regulations. For details, see “ <i>Our Management</i> ” beginning on page 264
Shareholders	The equity shareholders of our Company whose names are entered into (i) the register of members of our Company; or (ii) the records of a depository as a beneficial owner of Equity Shares.

Stakeholders' Relationship Committee	The stakeholders' relationship committee of our Board, as described in " <i>Our Management</i> " beginning on page 264.
Stated Allotments	Allotment of Equity Shares of the Company made on September 30, 2011, March 31, 2012, March 29, 2013, August 10, 2013 and March 31, 2014.

### Issue Related Terms

Term	Description
Abridged Prospectus	Abridged Prospectus means a memorandum containing salient features of a Prospectus as may be specified by the SEBI in this behalf.
Acknowledgement Slip	The slip or document issued by a Designated Intermediary to a Bidder as proof of registration of the Bid cum Application Form.
Allot / Allotment /Allotted	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Issue of Equity Shares to the successful Applicants
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottee	A successful Bidder to whom the Equity Shares are Allotted.
Anchor Investor	A Qualified Institutional Buyer, who applied under the Anchor Investor Portion with a minimum Bid of ₹1000 lakhs in accordance with the requirements specified in the SEBI ICDR Regulations and this Red Herring Prospectus.
"Anchor Escrow Account(s)" or "Escrow Account(s)"	Account opened with Anchor Escrow Bank for the Issue and in whose favour the Anchor Investors will transfer money through direct credit or NEFT or RTGS in respect of the Bid Amount when submitting a Bid.
Anchor Investor Allocation Price	The price at which the Equity Shares will be allocated to the Anchor Investors in terms of the Red Herring Prospectus and Prospectus, which will be decided by our Company, in consultation with the BRLM, during the Anchor Investor Bidding Date.
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of this Red Herring Prospectus and Prospectus.
"Anchor Investor Bid/Issue Period" or "Anchor Investor Bidding Date"	Tuesday, June 18, 2024 being 1 (one) Working Day prior to the Bid/Issue Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the BRLMs will not accept any Bids from Anchor Investors and allocation to Anchor Investors shall be completed.
Anchor Investor Issue Price	The final price at which the Equity Shares will be Allotted to the Anchor Investors in terms of this Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Issue Price but not higher than the Cap Price. The Anchor Investor Issue Price will be decided by our Company, in consultation with the BRLM.
Anchor Investor Pay-in Date	With respect to the Anchor Investor(s), it shall be the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Issue Price, a date not later than 2 (two) Working Days after the Bid/ Issue Closing Date.
Anchor Investor Portion	Up to 60% of the QIB Portion, which may be allocated by our Company in consultation with the BRLM, to the Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations.
"Application Supported by Blocked Amount" or "ASBA"	An application, whether physical or electronic, used by ASBA Bidders to make a Bid by authorizing an SCSB to block the Bid Amount in the ASBA Account and will include applications made by UPI Bidders using UPI, where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by UPI Bidders using the UPI Mechanism.

ASBA Account	A bank account maintained with an SCSB and specified in the Bid cum Application Form which will be blocked by such SCSB to the extent of the appropriate Bid Amount in relation to a Bid by a Bidder (other than a Bid by an Anchor Investor) and includes a bank account maintained by a UPI Bidder linked to a UPI ID, which will be blocked upon acceptance of a UPI Mandate Request made by UPI Bidders using the UPI Mechanism.
ASBA Bidders	All Bidders except Anchor Investors.
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders which will be considered as the application for Allotment in terms of this Red Herring Prospectus.
Banker(s) to the Issue	Collectively, the Escrow Collection Bank(s), Refund Bank(s), Public Issue Account Bank(s) and Sponsor Bank.
Basis of Allotment	Basis on which Equity Shares will be Allotted to successful Bidders under the Issue, as described in “ <i>Issue Procedure</i> ” beginning on page 436
Bid	An indication to make an offer during the Bid/Issue Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/Issue Period by an Anchor Investor pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares of our Company at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations. The term “Bidding” shall be construed accordingly.
Bid Amount	The highest value of the optional Bids as indicated in the Bid cum Application Form and payable by the Bidder or as blocked in the ASBA Account of the Bidder, as the case may be, upon submission of the Bid in the Issue.  However, Eligible Employees applying in the Employee Reservation Portion can apply at the Cut-off Price mentioned in the Bid cum Application Form.
Bid cum Application Form	The form in terms of which the Bidder shall make a Bid and which shall be considered as the application for the Allotment pursuant to the terms of this Red Herring Prospectus, which, means the Anchor Investor Application Form or the ASBA Form, as the context requires.
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.
Bid/Issue Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being Friday, June 21, 2024 , which shall be notified in all editions of English national daily newspaper, Financial Express, all editions of Hindi national daily newspaper, Jansatta a (Hindi being the regional language of Udaipur, where our Registered Office is located).  In case of any revisions, the extended Bid/ Issue Closing Date will be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the websites of the Book Running Lead Manager and at the terminals of the other members of the Syndicate and by intimation to the Designated Intermediaries and the Sponsor Bank.  Our Company, in consultation with the Book Running Lead Manager, may consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.
Bid/Issue Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, being Wednesday, June 19, 2024 which shall be notified in all editions of English national daily newspaper, Financial Express, all editions of Hindi national daily newspaper, Jansatta (Hindi being the regional language of Udaipur, where our Registered Office is located).



	In case of any revision, the extended Bid/Issue Opening Date will also be widely disseminated by notification the Stock Exchanges, by issuing a public notice, and also by indicating the change on the website of the Book Running Lead Manager and at the terminals of the other members of the Syndicate and by intimation to the Designated Intermediaries and the Sponsor Bank(s).
Bid/Issue Period	<p>Except in relation to any Bids received from the Anchor Investors, the period between the Bid/Issue Opening Date and the Bid/Issue Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof, in accordance with the SEBI ICDR Regulations, provided that such period shall be kept open for a minimum of 3 (three) Working Days.</p> <p>Our Company, in consultation with the BRLM, may consider closing the Bid/ Issue Period for QIBs one Working Day prior to the Bid/ Issue Closing Date in accordance with the SEBI ICDR Regulations.</p> <p>In cases of force majeure, banking strike or similar unforeseen circumstances, our Company may, for reasons to be recorded in writing, extend the Bid/Issue Period for a minimum of one Working Day, subject to overall Bid/Issue Period not exceeding 10 (ten) Working Days.</p>
Bidder / Investor/ Applicant	Any prospective investor who made a Bid pursuant to the terms of this Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied and includes an Anchor Investor.
Bidding Centers	Centers at which the Designated Intermediaries accepted the Bid cum Application Forms, being the Designated SCSB Branch for SCSBs, Specified Locations for the Syndicate, Broker Centers for Registered Brokers, Designated RTA Locations for CRTAs and Designated CDP Locations for CDPs.
Book Building Process	The book building process as described in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue is being made.
“Book Running Lead Manager” or “BRLM”	The book running lead manager to the Issue namely, Gretex Corporate Services Limited, SEBI registered Category-I Merchant Banker.
Broker Centers	Broker centers of the Registered Brokers, where Bidders (other than Anchor Investors) submitted the ASBA Forms. The details of such Broker centers, along with the names and contact details of the Registered Brokers are available on the website of the Stock Exchanges at <a href="http://www.bseindia.com">www.bseindia.com</a> and <a href="http://www.nseindia.com">www.nseindia.com</a> .
“CAN” or “Confirmation of Allocation Note”	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, after the Anchor Investor Bid/Issue Period.
Cap Price	The higher end of the Price Band, above which the Issue Price and the Anchor Investor Issue Price will not be finalized and above which no Bids will be accepted, including any revisions thereof. The Cap Price shall be at least 105% of the Floor Price and shall not be more than 120% of the Floor Price.
Cash Escrow and Sponsor Bank Agreement	Agreement dated June 11, 2024 entered into by our Company, the Registrar to the Issue, the BRLM, the Syndicate Member, and the Bankers to the Issue for collection of the Bid Amounts from Anchor Investors, for transfer of funds to the Public Issue Account and where applicable, refund of the amounts collected from Bidders, on the terms and conditions thereof in accordance with the UPI Circulars.
Client ID	Client identification number maintained with one of the Depositories in relation to dematerialised account.
“Collecting Depository Participant” or “CDP”	A depository participant, as defined under the Depositories Act, 1996 and registered under Section 12 (1A) of the SEBI Act and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR /CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Compliance Officer	The Company Secretary of our Company, Mr. Manoj Kumar Choubisa.
Controlling Branches	Such branches of SCSBs which coordinate Bids under the Issue with the BRLM, the Registrar and the Stock Exchanges, a list of which is available on the website

	of SEBI at <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> .
Cut-off Price	Issue Price, authorized by our Company, in consultation with the BRLM which shall be any price within the Price Band. Only Retail Individual Bidders and Eligible Employees Bidding under the Employee Reservation Portion are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price.
Demographic Details	Details of the Bidders including the Bidder's address, name of the Bidder's father/husband, investor status, occupation and bank account details and UPI ID, wherever applicable.
Depository / Depositories	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996.
Depository Participant / DP	A depository participant as defined under the Depositories Act.
Designated CDP Locations	Such locations of the CDPs where Bidders submitted the ASBA Forms and in case of RIIs only ASBA Forms with UPI. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the websites of the Stock Exchanges ( <a href="http://www.bseindia.com">www.bseindia.com</a> and <a href="http://www.nseindia.com">www.nseindia.com</a> ).
Designated Date	The date on which the Escrow Collection Banks transfer funds from the Escrow Accounts to the Public Issue Account or the Refund Account, as the case may be, and/or the instructions are issued to the SCSBs (in case of UPI Bidders using the UPI Mechanism, where made available, instruction issued through the Sponsor Banks) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Issue Account or the Refund Account, as the case may be, in terms of this Red Herring Prospectus, after finalization of the Basis of Allotment in consultation with the Designated Stock Exchange, following which the Board of Directors may Allot Equity Shares to successful Bidders in the Issue.
Designated Intermediary(ies)	<p>Collectively, the Syndicate, Sub-Syndicate Members/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorised to collect Bid cum Application Forms from the Bidders in the Issue.</p> <p>In relation to ASBA Forms submitted by RIIs and NIIs with an application size of upto ₹ 5,00,000 (not using the UPI Mechanism) authorizing an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs.</p> <p>In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such UPI Bidders using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-syndicate, Registered Brokers, CDPs and RTAs.</p> <p>In relation to ASBA Forms submitted by QIBs and NIIs (not using the UPI Mechanism), Designated Intermediaries shall mean SCSBs, Syndicate, sub-syndicate, Registered Brokers, CDPs and RTAs.</p>
Designated RTA Locations	Such locations of the CRTAs/RTAs where Bidders can submit the Bid cum Application Forms. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective of the Stock Exchanges ( <a href="http://www.bseindia.com">www.bseindia.com</a> and <a href="http://www.nseindia.com">www.nseindia.com</a> )
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms (other than ASBA Forms submitted by RIIs where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism), a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	NSE

DP ID	Depository Participant's identity number.
"Draft Red Herring Prospectus" or "DRHP"	The draft red herring prospectus dated June 27, 2023 issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Issue, including any addenda or corrigenda thereto.
Eligible Employee(s)	<p>All or any of the following:</p> <p>(i) a permanent employee of the Company working in India or out of India (excluding such employees who are not eligible to invest in the Issue under applicable laws), as on the date of filing of the Red Herring Prospectus with the RoC and who continue to be a permanent employee of our Company until the submission of the Bid cum Application Form; or</p> <p>(ii) a director of our Company, whether whole-time or not, as on the date of the filing of the Red Herring Prospectus with the RoC and who continues to be a permanent employee of our Company or be our Director(s), as the case may be until the submission of the Bid cum Application Form, but excludes: (a) an employee who is the Promoter or belongs to the Promoter Group; (b) a director who either by himself or through his relatives or through any body corporate, directly or indirectly holds more than 10% of outstanding Equity Shares of our Company; and (c) an independent director.</p> <p>The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹5,00,000. However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹2,00,000. Only in the event of an under-subscription in the Employee Reservation Portion, such unsubscribed portion will be available for allocation and Allotment, proportionately to Eligible Employees Bidding in the Employee Reservation Portion who have Bid in excess of ₹2,00,000, subject to maximum value of Allotment to such Eligible Employee not exceeding ₹5,00,000.</p>
Eligible FPIs	FPIs that are eligible to participate in this Issue in terms of applicable laws, other than individuals, corporate bodies and family offices.
Eligible NRI(s)	A non-resident Indian, under Schedule 3 and Schedule 4 of the FEMA Non-Debt Rules, from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Bid cum Application Form and this Red Herring Prospectus will constitute an invitation to purchase the Equity Shares.
Employee Reservation Portion	The portion of the Issue being up to 5,50,000 Equity Shares aggregating up to ₹[●] lakhs, available for allocation to Eligible Employees, on a proportionate basis. Such portion constitutes [●]% of the post-Issue equity share capital of our Company.
Escrow Account(s)	Account opened with the Escrow Collection Bank and in whose favor the Anchor Investors transferred money through direct credit/NEFT/RTGS/NACH in respect of the Bid Amount when submitting a Bid.
"Escrow Collection Bank(s)" or "Anchor Escrow Bank"	Banks which are clearing members and registered with SEBI as bankers to an issue under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 and with whom the Escrow Accounts will be opened, in this case being Axis Bank Limited.
First/ Sole Bidder	Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.
Floor Price	The lower end of the Price Band, subject to any revision thereto, at or above which the Issue Price and the Anchor Investor Issue Price will be finalised and below which no Bids will be accepted and which shall not be less than the face value of the Equity Shares.
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations.

Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
General Information Document	The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular no.SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars, as amended from time to time. The General Information Document shall be available on the websites of the Stock Exchanges and the BRLM.
Issue	The initial public offering of up to 1,10,00,000 Equity Shares of face value of ₹10 each for cash at a price of ₹ [●] each, aggregating up to ₹ [●] lakhs. The Issue comprises the Net Issue and the Employee Reservation Portion.
Issue Agreement	Agreement dated February 12, 2023 amongst our Company and the BRLM, as amended by an amendment agreement dated June 27, 2023 entered into between our Company and the BRLM, pursuant to which certain arrangements have been agreed to in relation to the Issue.
Issue Price	The final price at which Equity Shares will be Allotted to successful Bidders, other than Anchor Investors. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Issue Price in terms of this Red Herring Prospectus. The Issue Price will be decided by our Company, in consultation with the BRLM on the Pricing Date, in accordance with the Book Building Process and in terms of this Red Herring Prospectus.
Issue Proceeds	The proceeds of the Issue, which shall be available to our Company. For further information about use of the Issue Proceeds, see “ <i>Objects of the Issue</i> ” beginning on page 170.
Mobile Applications	The mobile applications listed on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmid=43">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmid=43</a> or such other website as may be updated from time to time, which may be used by RIIs to submit Bids using the UPI Mechanism.
Monitoring Agency	Acuite Ratings & Research Limited
Monitoring Agency Agreement	The agreement dated June 11, 2024 to be entered into between our Company and the Monitoring Agency.
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
Mutual Fund Portion	5% of the Net QIB Portion (excluding the Anchor Investor Portion), or [●] Equity Shares which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Issue Price.
Net Issue	The Issue less the Employee Reservation Portion.
Net Proceeds	Proceeds of the Issue less the Issue related expenses. For further information about use of the Issue Proceeds and the Issue related expenses, see “ <i>Objects of the Issue</i> ” beginning on page 170.
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors.
Non-Institutional Portion	The portion of the Net Issue being not less than 15% of the Net Issue consisting of [●]* Equity Shares, available for allocation to Non-Institutional Bidders, on a proportionate basis. The allocation to each Non-Institutional Investor shall not be less than ₹ 2,00,000, subject to availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allocated on a proportionate basis, subject to valid Bids being received at or above the Issue Price, in accordance with the SEBI ICDR Regulations. Further, (a) one third of the portion available to Non-Institutional Investors shall be reserved for applicants with application size of more than ₹ 2,00,000 and up to ₹ 10,00,000; and (b) two third of the portion available to Non-Institutional Investors shall be reserved for applicants with application size of more than ₹ 10,00,000, provided that the unsubscribed portion in either of the sub-categories specified

	<p>in clauses (a) or (b), may be allocated to applicants in the other sub-category of Non-Institutional Investors.</p> <p>*Subject to finalization of Basis of Allotment</p>
Non-Institutional Investors/Non-Institutional Bidders/NIIs/ NIBs	All Bidders, including FPIs other than individuals, corporate bodies and family offices, registered with the SEBI that are not QIBs (including Anchor Investors) or Retail Individual Investors, who have Bid for Equity Shares for an amount of more than ₹ 2,00,000 (but not including NRIs other than Eligible NRIs).
Non-Resident	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs.
“Non-Resident Indians” or “NRI(s)”	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs.
OCB/ Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue.
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company, partnership firm, limited liability partnership firm, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Price Band	<p>Price band of a minimum price of ₹ [●] per Equity Share (Floor Price) and the maximum price of ₹ [●] per Equity Share (Cap Price) including any revisions thereof.</p> <p>The Price Band and the minimum Bid Lot size for the Issue will be decided by our Company in consultation with the BRLM, and will be advertised, at least 2 (two) Working Days prior to the Bid/Issue Opening Date on Wednesday, June 19, 2024, in all editions of Financial Express, an English national daily newspaper and all editions of Jansatta, a Hindi national daily newspaper, (Hindi also being the regional language of Udaipur, where our Registered Office is located), each with wide circulation and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites. The above provided Price Band is justified based on quantitative factors/ KPIs disclosed in the 'Basis for the Issue Price' section of the RHP vis-a-vis the weighted average cost of acquisition ("WACA") and secondary transactions, as applicable.</p>
Pricing Date	The date on which our Company in consultation with the BRLM, will finalize the Issue Price.
Prospectus	Prospectus dated [●] to be filed with the RoC for this Issue on or after the Pricing Date in accordance with Sections 26 and 32 of the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Issue Price that is determined at the end of the Book Building Process, the size of the Issue and certain other information, including any addenda or corrigenda thereto.
Public Issue Account	Bank account opened with the Public Issue Account Bank under Section 40(3) of the Companies Act, 2013, to receive monies from the Escrow Account and ASBA Accounts on the Designated Date.
Public Issue Account Bank	The bank with which the Public Issue Account is opened for collection of Bid Amounts from Escrow Account and ASBA Account on the Designated Date, in this case being Axis Bank Limited.
“QIB Category” or “QIB Portion”	The portion of the Net Issue (including the Anchor Investor Portion) being not more than 50% of the Net Issue consisting of [●]* Equity Shares which shall be available for allocation to QIBs (including Anchor Investors), subject to valid Bids being received at or above the Issue Price or Anchor Investor Issue Price (for Anchor Investors).

	*Subject to finalization of Basis of Allotment
“Qualified Institutional Buyers” or “QIBs” or “QIB Bidders”	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
“Red Herring Prospectus” or “RHP”	This Red Herring Prospectus dated June 11, 2024 issued in accordance with Section 32 of the Companies Act 2013 and the SEBI ICDR Regulations, which did not have complete particulars of the price at which the Equity Shares shall be Allotted and which was filed with the RoC at least three Working Days before the Bid /Issue Opening Date and became the Prospectus after filing with the RoC after the Pricing Date, including any addenda or corrigenda thereto.
Refund Account	The account opened with the Refund Bank, from which refunds, if any of the whole or part of the Bid Amount to the Anchor Investors shall be made.
Refund Bank	The bank which is a clearing member registered with SEBI under the SEBI BTI Regulations, with whom the Refund Account has been opened, in this case being Axis Bank Limited.
Registered Brokers	Stock brokers registered with the stock exchanges having nationwide terminals, other than the BRLM and the Syndicate Members and eligible to procure Bids in terms of circular number CIR / CFD / 14 / 2012 dated October 14, 2012, issued by SEBI.
Registrar Agreement	The agreement dated March 15, 2024 among our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, and the UPI circular, as per the lists available on the websites of BSE and NSE
“Registrar to the Issue” or “Registrar”	Big Share Services Private Limited.
Retail Portion	The portion of the Net Issue being not less than 35% of the Net Issue comprising of [●]* Equity Shares which shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. *Subject to finalization of Basis of Allotment
Retail Individual Investors / RIIs/Retail Individual Bidders/RIBs	Bidders (including HUFs and Eligible NRIs) whose Bid Amount for Equity Shares in the Issue was not more than Rs 2,00,000/- in any of the bidding options in the Issue (including HUFs applying through their karta and Eligible NRIs and does not include NRIs other than Eligible NRIs).
Revision Form	The form used by the Bidders to modify the quantity of Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s), as applicable. Non-Institutional Investors bidding in the Non-Institutional Portion are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. RIIs can revise their Bids during Bid / Issue period and withdraw their Bids until Bid / Issue Closing Date.
“Self-Certified Syndicate Bank(s)” or “SCSB(s)”	(i) The banks registered with the SEBI which offer the facility of ASBA and the list of which is available on the website of the SEBI ( <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> ) and updated from time to time and at such other websites as may be prescribed by SEBI from time to time. (ii) The banks registered with SEBI, enabled for UPI Mechanism, a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> Applications through UPI in the Issue can be made only through the SCSBs mobile applications whose name appears on the SEBI website. A list of SCSBs and mobile application, which, are live for applying in public issues using UPI

	Mechanism is provided as Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019. The list is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43</a> and updated from time to time and at such other websites as may be prescribed by SEBI from time to time.
Specified Locations	Bidding centers where the Syndicate shall accept Bid cum Application Forms, a list of which is included in the Bid cum Application Form.
Sponsor Bank	A Banker to the Issue which is registered with SEBI and is eligible to act as a Sponsor Bank in a public issue in terms of applicable SEBI requirements and has been appointed by the Company, in consultation with the BRLM to act as a conduit between the Stock Exchanges and NPCI to push the UPI Mandate Request in respect of UPI Bidders as per the UPI Mechanism and carry out other responsibilities in terms of the UPI Circulars, in this case being Axis Bank Limited.
Stock Exchanges	BSE and NSE.
Syndicate Agreement	Agreement dated June 11, 2024 entered into among our Company, the Registrar to the Issue, the BRLM and the Syndicate Members in relation to collection of Bid cum Application Forms by Syndicate.
Syndicate Members	Syndicate members to the Issue as defined under Regulation 2(1)(hhh) of the SEBI ICDR Regulations (other than the BRLM), in this case being, Asit C. Mehta Investment Intermediates Limited and Gretex Share Broking Limited.
Syndicate or members of the Syndicate	Together, the BRLM and the Syndicate Members.
Systemically Important Non-Banking Financial Company	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
Underwriters	The BRLM and the Syndicate Members
Underwriting Agreement	The agreement dated [●] among the Underwriters and our Company to be entered into on or after the Pricing Date but prior to filing of Prospectus.
UPI	Unified payments interface which is an instant payment mechanism, developed by NPCI.
UPI Bidders	Collectively, individual investors applying as (i) Retail Individual Investors in the Retail Portion; (ii) Eligible Employees under the Employee Reservation Portion; and (iii) Non-Institutional Bidders with an application size of up to ₹ 5,00,000 in the Non-Institutional Portion, and Bidding under the UPI Mechanism through ASBA Form(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agent.  Pursuant to Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹ 5,00,000 shall use UPI and shall provide their UPI ID in the Application Form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity).
UPI Circulars	Circular number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI, as amended by its Circular number SEBI/HO/CED/DIL/CIR/2016/26 dated January 21, 2016 and Circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 issued by SEBI as amended or modified by SEBI from time to time, including Circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, Circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, Circular number

	SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, Circular number SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular no. SEBI/ HO/CFD/DIL2/CIR/2022/75 dated May 30, 2022, master circular (SEBI/HO/CFD/PoD-2/P/CIR/2023/00094) dated June 21, 2023, SEBI circular (SEBI/HO/CFD/TPD1/CIR/P/2023/140) dated August 9, 2023, (to the extent that such circulars pertain to the UPI Mechanism) along with the circular issued by the National Stock Exchange of India Limited having reference no. 25/2022 dated August 3, 2022 and the circular issued by BSE Limited having reference no. 20220803-40 dated August 3, 2022, and any subsequent circulars or notifications issued by SEBI or the Stock Exchanges in this regard and any other circulars issued by SEBI or any other governmental authority in relation thereto from time to time.
UPI ID	ID created on the UPI for single-window mobile payment system developed by the NPCI.
UPI Mandate Request	A request (intimating the UPI Bidders, by way of a notification on the UPI application and by way of a SMS directing the UPI Bidders to such UPI application) to the UPI Bidders initiated by the Sponsor Bank to authorise blocking of funds equivalent to the Bid Amount in the relevant ASBA Account through the UPI, and the subsequent debit of funds in case of Allotment.
UPI Mechanism	The Bidding mechanism that is used by Retail Individual Investors to make Bids in the Issue in accordance with the UPI Circulars to make as ABA bid in the Issue.
UPI PIN	Password to authenticate UPI transaction.
Wilful Defaulter	A wilful defaulter as defined in Regulation 2(1)(III) of the SEBI ICDR Regulations.
Working Day	All days on which commercial banks in Mumbai, India are open for business, provided however, for the purpose of announcement of the Price Band and the Bid/Issue Period, "Working Day" shall mean all days, excluding all Saturdays, Sundays and public holidays on which commercial banks in Mumbai, India are open for business and the time period between the Bid/Issue Closing Date and listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of the Stock Exchanges excluding Sundays and bank holidays in India in accordance with circulars issued by SEBI, including UPI Circulars



**Technical / Industry related terms**

<b>Term</b>	<b>Description</b>
ACUITE	Acuite Ratings & Research Limited
AUM	Assets under management.
BFSI	Banking, financial services and insurance.
CAGR	Compound Annual Growth Rate
CMIE	Centre for Monitoring Indian Economy
Cost of Funds	The ratio of interest expended to Average Total Interest-Bearing Liabilities
Cost to Income Ratio	The ratio of operating expenses divided by Operating Income
COVID-19 Regulatory Packages	RBI's 'COVID-19 Regulatory Packages', which were announced by the RBI on March 27, 2020, April 17, 2020 and May 23, 2020
CPI	Consumer Price Index
CRAR	Capital to risk-weighted asset ratio
CRIF	Centre for Research in International Finance
CRL	Code for Responsible Lending
CRR	Cash reserve ratio
DNBS	Department of Non-Banking Supervisions
EXIM	Export-Import Bank of India
FMCG	Fast Moving Consumer Goods.
GDP	Gross Domestic Product
GLP	Gross Loan Portfolio
GNPA	Gross Non-Performing Assets
GST	Goods and Service Tax
HFC	Housing finance company
IBBI	Insolvency Bankruptcy Board In India
IIP	Index of Industrial Production
IP	Insolvency Professional
IPA	Insolvency Professional Agencies
IMF	International Monetary Fund
INR	Indian Rupees
IRACP	Income Recognition Asset Classification and Provisioning
IRDA	Insurance Regulatory and Development Authority of India
IU	Information Utilities
JLG	Joint Liability Group Model
JLGPI	Joint Liability Group Model Promoting Institutions
KYC	Know Your Customer
LCR	Liquidity Coverage Ratio
MIS	Management Information System
MLI	Multilateral instrument
MOSPI	Ministry of Statistics and Programme Implementation
MSME	Ministry of Micro, Small & Medium Enterprises
NABARD	National Bank of Agriculture and Rural Development
NaBFID	National Bank for Financing Infrastructure and Development
NBFC	Non-Banking Finance Company
NBFC-BL	Non-Banking Finance Company-Base layer
NBFC-D	Deposit taking NBFC
NBFC-MFI	Non-banking financial company – microfinance institution.
NBFC-ML	Non-Banking Finance Company-Middle Layer

NBFC-ND	Non-Deposit taking NBFC
NBFC-ND-SI	Systemically important non-deposit taking non-banking financial company.
NBFC-SI	Systematically Important NBFC
NBFC-TL	Non-Banking Finance Company-Top Layer
NBFC-UL	Non-Banking Finance Company-Upper Layer
NBFI	Non-Banking Financial Intermediary
NEFT	National electronic funds transfer
NGO	Non-governmental Organization
NHB	National Housing Bank
NCAER	National Council of Applied Economic Research
NII	Net interest income
NIM	Net Interest Margins
NMP	National Monetized Pipeline
NHB	National Housing Bank
NPA	Non-Performing Assets
Net Profit Before Tax	Net profit plus provisions made towards income tax
Net Total Income	Net total income is summation of net interest income and non-interest income and non-interest income
NSSO	National Sample Survey Office
Net Worth	Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.
PAR	Portfolio at risk.
P/E Ratio	Price earnings ratio
P2P	Peer to Peer
PFRDA	Pension Fund Regulatory and Development Authority
POS	Point of sale
PSBs	Public Sector Banks
PSL	Priority sector lending
PSLCs	Priority Sector Lending Certificates
RBI	Reserve Bank of India
RBI (RFML) Directions	Reserve Bank of India (Regulatory Framework for Microfinance Loans) Directions, 2022
ROA	Return On Assets
“RoAA” or “Return on Average	Return on Average Advances, which is ratio of profit after tax to average advances
ROE	Return On equity
SCB	Schedule Commercial Bank
SEBI	Securities and Exchange Board of India
SFB	Small Finance Banks
SHG-BLP	Self Help Group – Bank Linkage Programme
SIDBI	Small Industries Development Bank of India
SME	Small and Medium Enterprises
UAE	United Arab Emirates
UK	United Kingdom

US	United States
WPI	Wholesale Price Index

### Conventional and General Terms / Abbreviations

Term	Description
“₹” or “Rs.” Or “Rupees” or “INR”	Indian Rupees
A.Y./AY	Assessment Year.
A/C	Account
AGM	Annual general meeting.
AIF(s)	Alternative Investment Funds.
AS/Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India.
Associate	A person who is an associate of the issuer and as defined under the Companies Act, 2013.
Authorized Dealers	Authorized Dealers registered with RBI under the Foreign Exchange Management (Foreign Currency Accounts) Regulations, 2000.
Bn/bn	Billion.
BSE	BSE Limited.
CAGR	Compound Annual Growth Rate, which is computed by dividing the value of an investment at the year-end by its value at the beginning of that period, raise the result to the power of one divided by the period length, and subtract one from the subsequent result: $((\text{End Value}/\text{Start Value})^{(1/\text{Periods})} - 1)$ .
CDSL	Central Depository Services (India) Limited.
CIN	Corporate Identity Number.
Companies Act, 2013/ Companies Act	Companies Act, 2013, as amended read with rules, regulations, clarifications and modifications thereunder.
COVID-19	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020.
Consolidated FDI Policy	The extant consolidated FDI Policy, effective from October 15, 2020, issued by the DPIIT, and any modifications thereto or substitutions thereof, issued from time to time.
Copyright Act	Copyright Act, 1957.
CY	Calendar year.
Depositories Act	The Depositories Act, 1996.
Depository	A depository registered with the SEM under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996.
DIN	Director Identification Number.
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry ( <i>formerly Department of Industrial Policy and Promotion</i> ), GoI.
DP ID	Depository Participant’s identity number.
DPI Circular	SEBI Circular dated December 31, 2015 bearing no. CIR/CFD/DIL3/18/2015
EBITDA	Earnings before interest, taxes, depreciation and amortisation excluding other income.
EGM	Extra-ordinary general meeting.
EPS	Earnings per share.
Euro/EUR	Euro, the official single currency of the participating member states of the European Economic and Monetary Union of the Treaty establishing the European Community.
FDI	Foreign direct investment.

FEMA	The Foreign Exchange Management Act, 1999 read with rules and regulations thereunder.
FEMA Non-Debt Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019.
Financial Year/Fiscal/fiscal year	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year.
FPIs	A foreign portfolio investor who has been registered pursuant to the SEBI FPI Regulations.
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI.
GDP	Gross Domestic Product.
“GoI” or “Government”	Government of India.
GST	Goods and services tax.
HUF(s)	Hindu Undivided Family(ies).
ICAI	Institute of Chartered Accountants of India, New Delhi
IFRS	International Financial Reporting Standards.
IMF	International Monetary Fund.
Ind AS	The Indian Accounting Standards referred to in the Companies Act, 2013 and Companies (Indian Accounting Standard) Rules, 2015, as amended.
Indian GAAP	Generally Accepted Accounting Principles in India.
INR or Rupee or ₹ or Rs.	In Rupee, the official currency of the Republic of India.
Ind AS 24	Indian Accounting Standard 24 issued by the ICAI.
IRDAI	Insurance Regulatory and Development Authority of India.
KVA	Kilovolt Ampere.
MCA	The Ministry of Corporate Affairs, Government of India.
Mn	Million
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
“N.A.” or “NA”	Not Applicable.
NACH	National Automated Clearing House.
NAV	Net Asset Value.
NEFT	National Electronic Fund Transfer.
NPCI	National Payments Corporation of India.
NRI/Non-resident Indian	A person resident outside India, who is a citizen of India as defined under the Foreign Exchange Management (Deposit) Regulations, 2016 or an “Overseas Citizen of India” cardholder within the meaning of Section 7(A) of the Citizenship Act, 1955.
NRE accounts	NRI Non-Resident External account.
NRI	Non-Resident Indian.
NRO accounts	Non-Resident Ordinary accounts.
NSDL	National Securities Depository Limited.
NSE	National Stock Exchange of India Limited.
OCB/ Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue.
P/E Ratio/ PIE	Price/Earnings Ratio.
p.a.	Per annum.

PAN	Permanent account number.
PAT	Profit after tax.
PCB(s)	Pollution Control Board(s).
Provident Fund	Provident fund for employees managed by the Employee's Provident Fund Organisation in India.
RBI	Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act.
RoC or Registrar of Companies	The Registrar of Companies, Rajasthan, Jaipur.
RoNW	Return on Net Worth.
RTGS	Real Time Gross Settlement.
SARFAESI Act	The Securitisation And Reconstruction Of Financial Assets And Enforcement Of Security Interest Act, 2002
SCRA	Securities Contract (Regulation) Act, 1956.
SCRR	The Securities Contracts (Regulation) Rules, 1957.
SCSB	Self-Certified Syndicate Bank.
SEBI	Securities and Exchange Board of India established under Section 3 of the SEBI Act.
SEBI Act	Securities and Exchange Board of India Act, 1992.
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019.
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
SCORES	Securities and Exchange Board of India Complaints Redress System.
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
Trademarks Act	The Trademarks Act, 1999
U.S Securities Act	United States Securities Act of 1933, as amended.
VCFs	Venture capital funds as defined in and registered with the SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the SEBI AIF Regulations, as the case may be.

### Key Performance Indicators

KPI	Explanations
Revenue from Operations (₹ in lakhs)	Revenue from Operations is used by our management to track the revenue profile of our business and in turn helps assess the overall financial performance of the Company and size of the business
Growth in revenue from operations (%)	Growth in Revenue from operations provides information regarding the growth of the business for the respective period.
EBITDA (₹ in lakhs)	EBITDA provides information regarding the operational efficiency of the business.
EBITDA Margin (%)	EBITDA Margin is an indicator of the operational profitability of the business before interest, depreciation, amortisation and taxes and financial performance of the business.
Adjusted EBITDA (₹ in lakhs)	Adjusted EBITDA provides information regarding the operational efficiency of the business after adjusting for other income, which is non-core income

<b>KPI</b>	<b>Explanations</b>
Adjusted EBITDA Margin (%)	Adjusted EBITDA Margin is a further indicator of the operational profitability and financial performance of the business after negating the impact of non-operating income
Restated Profit after Tax (PAT) (₹ in lakhs)	Restated Profit after Tax is an indicator of the overall profitability and financial performance of the business.
PAT Margin (%)	PAT Margin is an indicator of the overall profitability and financial performance of the business as a % to revenue from operations.
Return on Equity (“ <b>RoE</b> ”) (%)	RoE provides how efficiently our Company generates profits from the shareholders’ funds.
Return on Capital Employed (“ <b>RoCE</b> ”) (%)	ROCE provides how efficiently our Company generates earnings from the capital employed in the business.
Net Debt / EBITDA Ratio	It represents how many years it would take for our Company to pay back its debt if net debt and EBITDA are held constant.
Debt Equity ratio	This gearing ratio compares shareholders’ equity to company debt to assess the company’s amount of leverage and financial stability.
Trade Receivable Days	Trade Receivable Days is the number of days that a customer invoice is outstanding before it is collected.
Trade Payable Days	Trade Payable Days is the number of days that a company takes to pay its bills and invoices to its trade creditors.

## CERTAIN CONVENTIONS, PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA AND CURRENCY OF PRESENTATION

### Certain Conventions

All references to “India” contained in this Red Herring Prospectus are to the Republic of India. All references in this Red Herring Prospectus to the “U.S.,” “USA” or “United States” are to the United States of America.

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

### Financial Data

Unless the context requires otherwise, the financial information in this Red Herring Prospectus is derived from our restated summary statements of assets and liabilities as at nine months period ended December 31, 2023 and for the Financial Years ended March 31, 2023, March 31, 2022, March 31, 2021 the restated statements of profit and loss (including other comprehensive income), cash flow statement and changes in equity for the nine months period ended December 31, 2023 and for the years ended March 31, 2023, March 31, 2022, March 31, 2021 of the Company together with the summary statement of significant accounting policies, and other explanatory information thereon, derived from audited financial statements as at and for the nine months period ended December 31, 2023 and for the Financial Years ended March, 31, 2023, March, 31, 2022, and March 31, 2021 prepared in accordance with the recognition and measurement principles of Ind AS 34 and audited financial statements as at for the nine months period ended December 31, 2023 and for the Financial Years ended March, 31, 2023, March 31, 2022 and March 31, 2021 prepared in accordance with Ind AS and restated in accordance with the SEBI ICDR Regulations and the ICAI Guidance Note. For further information, see “*Restated Financial Statements*” beginning on page 293.

In this Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row.

Our Company’s financial year commences on April 1 and ends on March 31 of the next year. Accordingly, all references in this Red Herring Prospectus to the terms Fiscal or Fiscal Year or Financial Year are to the 12 months ended March 31 of such year. Unless stated otherwise, or the context requires otherwise, all references to a “year” in this Red Herring Prospectus are to a calendar year.

There are significant differences between Ind AS, Indian GAAP, US GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or US GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our Company’s financial data. For details in connection with risks involving differences between Ind AS, U.S. GAAP and IFRS see “*Risk Factor – We have included certain non-GAAP financial measures and other selected statistical information related to our operations in this Red Herring Prospectus. Such non-GAAP measures and statistical information may vary from any standard methodology that is applicable across the financial services industry and may not be comparable with financial or statistical information of similar nomenclature computed and presented by other companies*” on page 57. The degree to which the financial information included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, the Companies Act, 2013 and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Red Herring Prospectus should accordingly be limited. Further, any figures sourced from third-party industry sources may be rounded off to other than two decimal points to conform to their respective sources.

Unless the context otherwise indicates, any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 33, 225 and 361, respectively, and elsewhere in this Red Herring Prospectus have been calculated on the basis of amounts derived from our Restated Financial Statements.

Certain Non-GAAP Measures and certain other statistical information relating to our operations and financial performance like EBITDA, EBITDA Margin, Direct Costs, PAT Margin, CAGR and others, have been included in this Red Herring Prospectus. We compute and disclose such Non-GAAP Measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance. These Non-GAAP Measures and other statistical and other information relating to our operations and financial performance may not be computed on the basis of any methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies

### Currency and Units of Presentation

All references to:

- “Rupees” or “₹” or “INR” or “Rs.” are to Indian Rupee, the official currency of the Republic of India; and
- “USD” or “US\$” or “\$” are to United States Dollar, the official currency of the United States.

All references to ‘Rupees’ or ‘Rs.’ or ‘₹’ or ‘INR’ are to Indian Rupees, the official currency of the Republic of India. In this Red Herring Prospectus, unless the context otherwise requires, all references to one gender also refers to another gender and the word “Lac / Lakh” means “one hundred thousand”, the word “million (mn)” means “ten lac / lakh”, the word “Crore” means “ten million” and the word “billion (bn)” means “one hundred crore”. Figures sourced from third-party industry sources may be expressed in denominations other than millions or may be rounded off to other than two decimal points in the respective sources, and such figures have been expressed in this Red Herring Prospectus in such denominations or rounded-off to such number of decimal points as provided in such respective sources.

### Exchange Rates

This Red Herring Prospectus may contain conversion of certain other currency amounts into Indian Rupees. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between Rupee and US\$.

*(in ₹ per US\$)*

Currency	As on December 31, 2023	As on March, 31, 2023	As on March 31, 2022	As on March 31, 2021
1 US\$	83.23	82.22	75.80	73.50

*(Source: RBI/ FBIL Reference Rate)*

### Industry and Market Data

Unless stated otherwise, industry and market data used in this Red Herring Prospectus has been obtained or derived from a report titled “*NBFC Industry in India*” dated February 2024 prepared by Dun & Bradstreet Information Services India Private Limited, and exclusively commissioned and paid by our Company only for the purposes of the Issue. We commissioned and paid for the Dun & Bradstreet Report for an agreed fee for the purposes of confirming our understanding of the industry exclusively in connection with the Issue. The data included in the RHP includes excerpts from the Dun & Bradstreet Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the Issue), that have been left out or changed in any manner. Unless otherwise indicated, all financial, operational, industry and other related information derived from the Dun & Bradstreet Report and included herein with respect to any particular year, refers to such information for the relevant year. Actual results and future events could differ materially from such forecasts, estimates, predictions, or such statements. In making any decision regarding the transaction, the recipient should conduct its own investigation and analysis of all facts and information contained in the prospectus and the recipient must rely on its own examination and the terms of the transaction, as and when discussed. Industry publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. For risks in relation to commissioned reports, please see the section entitled “*Risk Factors – This Red Herring Prospectus contains information from third parties and an industry report obtained from Dun and Bradstreet Information Services India Private Limited, which we have commissioned and paid for purposes of confirming our understanding of the industry exclusively in connection with the Issue. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate.*” on page 58. The Dun and Bradstreet Report is also available on the website of the Company at <https://aasaanloans.com/investor-relation/ipo/>



## FORWARD-LOOKING STATEMENTS

This Red Herring Prospectus 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”, “propose”, “project”, “will”, “will continue”, “will pursue” or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Actual results may differ materially from those suggested by forward-looking statements due to risks or uncertainties associated with expectations relating to, *inter alia*, regulatory changes pertaining to the industries in India in which we operate and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in the industries in which we operate.

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

1. We require substantial capital for our business and any disruption in our sources of capital could have an adverse effect on our business, results of operations and financial condition;
2. The risk of non-payment or default by our borrowers may adversely affect our business, results of operations and financial condition;
3. Our inability to meet our obligations, including financial and other covenants under our debt financing arrangements could adversely affect our business, results of operations and financial condition;
4. Any deterioration in the performance of any pool of receivables securitized to banks and other institutions may adversely impact our results of operations;
5. Our Company did not comply with certain RBI norms/guidelines in the past. Non-compliance with the RBI’s norms/guidelines and violations of regulations prescribed by the RBI, could expose us to certain penalties and restrictions;
6. The COVID-19 pandemic and measures intended to prevent its spread; and
7. Outstanding legal proceedings involving our Company, our Promoters and our Directors.

For further discussion of factors that could cause the actual results to differ from the expectations, see “*Risk Factors*”, “*Our Business*” “*Industry Overview*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 33, 225, 195, 361 respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

There can be no assurance to the investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, the investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance.

Forward-looking statements reflect current views as of the date of this Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Directors, the BRLM, the Syndicate 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. In accordance with the SEBI ICDR Regulations, our Company and the BRLM will ensure that the investors in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchanges.

## SUMMARY OF THE OFFER DOCUMENT

*This section is a general summary of the terms of the issue and of certain disclosures included in this Red Herring Prospectus and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Red Herring Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Red Herring Prospectus, including the sections titled “Risk Factors”, “Our Business”, “Industry Overview”, “Capital Structure”, “The Issue”, “Objects of the Issue”, “Our Promoters and Promoter Group”, “Financial Information”, “Outstanding Litigation and Other Material Developments”, “Issue Structure” and “Issue Procedure” beginning on pages 33, 225, 195, 84, 68, 170, 281, 293, 390, 431 and 436 respectively of this Red Herring Prospectus.*

### Primary business of our Company

We are a non-banking finance company (“NBFC”) incorporated in the year 1996 registered with the Reserve Bank of India as a Non-systemically important non-deposit taking company with over two decades of lending experience in rural and semi-urban geographies in India. We are primarily engaged in rural and semi-urban centric lending solutions to look after the needs and aspirations of rural and semi-urban populace. Our portfolio includes Vehicle Finance and Business Finance Products to small business owners. We have a long history of serving rural and semi-urban markets with high growth potential and have maintained a track record of financial performance and operational efficiency through consistently high rates of customer acquisition and retention and low cost expansion into underpenetrated areas. Therefore, we strategically focus on clients in the rural and semi-urban sector.

Our loan book in rural & semi-urban and urban areas is as under:

Area	Area-wise Loan Book as on March 31,						Area-wise Loan Book as on December 31, 2023	
	2021		2022		2023		₹ Lakhs	%
	₹ Lakhs	%	₹ Lakhs	%	₹ Lakhs	%		
Rural & Semi-Urban	25,555.17	60.70%	21,497.14	61.19%	21,327.58	60.22%	23,226.92	61.21%
Urban	16,545.61	39.30%	13,634.65	38.81%	14,088.53	39.78%	14,719.36	38.79%
<b>Grand Total</b>	<b>42,100.78</b>	<b>100.00%</b>	<b>35,131.79</b>	<b>100.00%</b>	<b>35,416.11</b>	<b>100.00%</b>	<b>37,946.28</b>	<b>100.00%</b>

Our digital lending platform [www.aasaanloans.com](http://www.aasaanloans.com) is currently under development and will be rolled out in a phased manner. This digital lending platform, [www.aasaanloans.com](http://www.aasaanloans.com), has been successfully deployed to the users across all branches for the two wheeler product (used and new vehicles) and to a select group of users for the Business Finance Products for the purpose of User Acceptance Testing (UAT). Concurrently, our team is actively engaged with the developing team to enhance the customer experience for the Business finance product, We would start deploying the product across the company in phased manner as soon as the Business finance product goes live. We are rigorously scrutinizing all aspects of Business Finance Product and subjecting them to stress testing using various parameters to ensure alignment with the anticipated credit standards before expanding the rollout to a broader audience at our branches.

We have our footprints in rural and semi-urban geographies in 4 Indian states Rajasthan, Maharashtra, Madhya Pradesh and Gujarat through registered office located at Udaipur, Rajasthan, 12 branches and over 25 points of sale including digital and physical branches having served over 200,000 customers till date.

Statewise Interest Income of our Company for the last 3 Fiscals is mentioned below:

*(₹ in lakhs)*

State	March 31, 2021		March 31, 2022		March 31, 2023		December 31, 2023	
	Interest Income	% to total interest income	Interest Income	% to total interest income	Interest Income	% to total interest income	Interest Income	% to total interest income
Gujarat	677.25	8.05%	566.35	8.73%	345.06	5.47%	395.16	7.78%
Madhya Pradesh	489.55	5.82%	370.78	5.72%	394.11	6.24%	456.61	8.99%
Maharashtra	218.58	2.60%	119.27	1.84%	246.18	3.90%	389.096	7.66%
Rajasthan	7,031.48	83.55%	5,430.54	83.72%	5,325.64	84.39%	3,836.37	75.56%
Grand Total	8,416.86	100.00%	6,486.94	100.00%	6,310.99	100.00%	<b>5,077.23</b>	<b>100.00%</b>

For further details, see “Our Business” beginning on pages 225.

### Industry in which our Company operates

NBFCs’ Assets Under Management is expected to grow in single digits (between 7-8%) in FY24 on the back of NBFCs continued focus on extending credit facilities to that segment of consumers where the penetration of bank is relatively low, the demand for credit from the retail segment will also continue to flow to NBFCs. Continuous investments in technology infrastructure and ease of access to internet will fuel the growth of NBFC in upcoming years. There would be steady demand from retail segments specially from Housing loans and Vehicle loans segments which will continue growth momentum of NBFC sector.

*(Source: Dun & Bradstreet Report on page 213 of the RHP)*

In the recent past, many NBFCs have improved in terms of liquidity, capital and provisioning which along with improving economic activity would enable NBFCs to comfortably position itself to capitalize the growth opportunities in the years to come, however there will be competition from banks. On Asset Quality front the recent change in NPA recognition norms by RBI to a daily due-date basis instead of the month-end will have implications. However, the increase in GNPA’s because of the revised income recognition, asset classification and provisioning norms will be largely an accounting impact because given the improving economy, the credit profiles of borrowers are not expected to deteriorate. Consequently, ultimate credit losses are not expected to change significantly.

*(Source: Dun & Bradstreet Report on page 213 of the RHP)*

### NBFC Presence in Vehicle Financing

As on March 2023, the total outstanding vehicle loan portfolio of NBFC segment was approximately INR 7.4 Lakh Crore, with nearly 75% of them being commercial vehicle loans. NBFC share in total two-wheeler loan portfolio is nearly 65% while its share in passenger vehicle is close to 25%. In CV financing segment, the market share of NBFC is closer to 62% (including new and used CV financing).

*(Source: Dun & Bradstreet Report on page 221 of the RHP)*

### Name of our Promoters

As on the date of this Red Herring Prospectus, our Promoters are Mr. Nirmal Kumar Jain, Ms. Manju Devi Jain, Mr. Dipesh Jain and Nirmal Kumar Jain HUF. For further details, see “Our Promoters and Promoter Group” beginning on page 281.

### Objects of the Issue

The Net Proceeds are proposed to be used in the manner set out in in the following table:

*(₹ in lakhs)*

Sr. No.	Particulars	Estimated amount
1.	Augmenting the capital base of our Company <sup>#</sup>	[●]

<sup>#</sup>To be finalised upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC.

For further details please see chapter “Objects of the Issue” on page 170.

### The Issue size

The following table summarizes the details of the Issue size. For further details, see “The Issue” and “Issue Structure” on beginning pages 68 and 431, respectively.

<b>Issue size<sup>(1)</sup></b>	Up to 1,10,00,000 <sup>^</sup> Equity Shares for cash at price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share), aggregating up to ₹ [●] lakhs.
<b>The Issue may include:</b>	
<b>Employee Reservation Portion<sup>(2)</sup></b>	Up to 5,50,000 Equity Shares for cash at price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share), aggregating up to ₹ [●] lakhs
<b>Net Issue</b>	Up to 1,04,50,000 Equity Shares for cash at price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share), aggregating up to ₹ [●] lakhs

<sup>(1)</sup> The Issue has been authorized by a resolution of our Board dated November 14, 2022 and by a special resolution of our Shareholders, dated December 7, 2022.

<sup>(2)</sup> The Employee Reservation Portion constitutes [●]% of our post-Issue paid-up Equity Share capital. In the event of under-subscription in the Employee Reservation Portion (if any), the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹2,00,000, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹5,00,000. The unsubscribed portion, if any, in the Employee Reservation Portion (after allocation of up to ₹5,00,000), shall be added to the Net Issue. For further details, see “Issue Structure” on page 431.

<sup>^</sup>Subject to finalization of the Basis of Allotment. Number of Equity Shares may need to be adjusted for lot size upon determination of Issue Price.

For further details, see “The Issue” beginning on page 68.

### Aggregate pre-Issue Shareholding of our Promoters and Promoter Group (other than our Promoters)

As on the date of this Red Herring Prospectus, the aggregate pre-Issue shareholding of our Promoters and Promoter Group as a percentage of the pre-Issue paid-up Equity Share capital of the Company is set out below\*:

S. No.	Name of shareholders	No. of Equity Shares held	% of Pre-Issue Equity Shares Capital	% of Post- Issue Equity Shares
<b>Promoters</b>				
1.	Nirmal Kumar Jain	1,14,10,090	36.02%	[●]
2.	Manju Devi Jain	11,61,480	3.67%	[●]
3.	Dipesh Jain	6,97,880	2.20%	[●]
4.	Nirmal Kumar Jain (HUF)	12,77,470	4.03%	[●]
<b>Promoter Group</b>				
5.	Kanchan Devi	3,04,325	0.96%	[●]
6.	Shantilal Jain	31,200	0.09%	[●]
7.	Jamak Lal Jain	95,940	0.30%	[●]
8.	Manak Chand Jain	1,26,667	0.4%	[●]
9.	Yashpal Jain	32,824	0.10%	[●]
10.	Kanchan Jain	92,225	0.29%	[●]
11.	Jenisha Jain	7,14,920	2.26%	[●]
12.	The Coronation Castles Private Limited	1,40,085	0.44%	[●]
13.	Star Housing Finance Limited	2,18,220	0.69%	[●]
14.	Akme Build Estate Limited	14,37,500	4.54%	[●]
	<b>Total</b>	<b>1,77,40,826</b>	<b>56.01%</b>	

\*The shareholding is as per the BENPOS dated June 07, 2024.

For further details, see “*Capital Structure*” beginning on page 84.

### Summary of Restated Financial Statements

The following details are derived from the Restated Financial Statements:

The details of our Equity Share capital, Net Worth, Net Asset Value per Equity Share and total borrowings as at nine months ended December 31, 2023 and for the Financial Years ended March 31, 2023, March 31, 2022 and March 31, 2021, derived from the Restated Financial Statements are as follows:

*(₹ in lakhs except per share data or unless otherwise stated)*

Particulars	For Fiscal			For the nine months period ended December 31, 2023
	2021	2022	2023	
Equity Share capital	2,181.65	2,181.65	3,167.50	3,167.50
Net worth (i)	13,026.36	13,684.44	20,478.11	21,701.25
Revenue from Operation	8,617.72	6,744.13	6,951.37	5,340.49
Total income	8,679.38	6,750.21	6,956.82	5,344.67
Restated Profit for the period/year attributable to equity shareholders	1630.50	412.07	1580.27	1224.66
Basic earnings per share (Face Value of ₹ 10/- each) (in ₹.) (ii)	6.68	1.68	5.85	3.87
Diluted earnings per share (Face Value of ₹10/- each) (in ₹.) (ii)	6.68	1.68	5.85	3.87
Return on Net Worth for equity shareholders (%) (iii)	13.57%	3.09%	9.25%	5.81%*
Net Asset Value per Equity Share (in ₹.) (iv)	59.71	62.73	64.65	68.51
Total borrowings	31,782.23	23,006.03	17,776.31	19,518.94

\*Not Annualised

#### Notes:

- (i) Net worth is equivalent to Total Equity, and is the sum of Equity share capital and other equity.
- (ii) Basic and diluted earnings/ (loss) per share: Basic and diluted earnings per equity share are computed in accordance with Indian Accounting Standard 33 notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended).
- (iii) Return on average net worth %: Profit after tax for the period/year divided by the simple average of Net Worth of the Company as of the last day of the relevant financial year and last day of the previous Financial Year.
- (iv) Net assets value per share (in Rs.): Net asset value per share is calculated by dividing net worth of the Company by number of equity shares outstanding at the end of the relevant period/year.

For further details, see “*Restated Financial Statements*” beginning on page 293.

### Auditor Qualifications or Adverse Remarks

There are no auditor qualifications which have not been given effect to in the Restated Financial Statements.

### Summary of outstanding litigation

A summary of outstanding litigation proceedings involving our Company, our Promoters, Directors, and Group Companies as on the date of this Red Herring Prospectus as disclosed in the section titled “*Outstanding Litigations and Material Developments*” beginning on page 390, in terms of the SEBI ICDR Regulations and the materiality policy is provided below:

Name of Entity	Criminal Proceeding	Tax Proceeding	Statutory or Regulatory Proceeding	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigation	Aggregate amount involved (₹ in lakhs) to the extent quantifiable
<b>Company</b>						
By the Company	7598	1	-	-	142*	12,963.93
Against the Company	-	3	-	-	7*	657.07
<b>Directors<sup>(1)</sup></b>						
By our Directors	-	-	-	-	-	-
Against the Directors	-	-	-	-	-	-
<b>Promoters</b>						
By Promoters	-	2	-	-	-	19.05
Against Promoters	1	13	-	-	-	13.70
<b>Group Companies</b>						
By Group Companies	-	1	-	-	-	200.78
Against Group Companies	-	-	-	-	-	-
*For further details of the outstanding litigation proceedings, see “ <i>Outstanding Litigations and Material Developments</i> ” beginning on page 390 of this Red Herring Prospectus.						

\*The proceedings may not individually exceed the materiality threshold as determined under the materiality policy adopted by our Board in respect of material outstanding civil litigations.

(1) Excluding legal proceedings against one of our Promoters who is also our Director.

## Risk Factors

The following are the top 10 (ten) risk factors affecting the Company:

1. We have experienced a decline in revenue in Fiscal Year 2022 and may consider to experience such decline in the future.
2. The Company has higher levels of NPAs as compared to some of its peer companies and hence, our business may be adversely affected if we are unable to provide for such higher levels of NPAs.
3. Our Company did not comply with certain RBI norms/guidelines in the past. Non-compliance with the RBI's norms/guidelines and violations of regulations prescribed by the RBI, could expose us to certain penalties and restrictions.
4. Our company has changed its shareholding by more than 26% during FY 2021-22 and FY2022-23 and has changed our management during the FY 2021-22 without taking the prior approval from RBI.
5. We have in the past, made certain issuances and allotments of our equity shares which may not be in compliance with the applicable provisions and rules of the Companies Act, 1956. We cannot guarantee that we will not be subject to any other complaints and penalties in the future regarding the said violations.
6. Our business and operational presence is concentrated in the state of Rajasthan and our result of operations may be adversely affected by difficulties in expanding our business or pursuing new business opportunities in new regions and markets.

7. The income-tax authorities have conducted survey at the premises our Company and search at its Promoters residence. Any adverse outcome of these IT survey and such proceedings would have an adverse effect on the operations and reputation of our Company, which in turn could have an adverse impact on our business, financial condition and results of operations.
8. Some of our secretarial records are not traceable.
9. Our credit ratings are presently low and any future downward revision in our credit ratings could adversely affect our ability to service our debts as well as raise funds in the future hence affecting our results of operations and financial conditions.
10. The Company is party to a legal proceeding being Civil Suit No. 516 of 2021 filed by Messrs. Timeglass Construction and Sandeep Barjatya, (purportedly Partner of M/s Timeglass Construction) inter-alia alleging that a mortgage against a loan has been illegally obtained by the Company. Any adverse outcome of such proceeding may adversely affect our reputation, business, operations, financial condition and results of operations.

Investors should see “*Risk Factors*” beginning on page 33 to have an informed view before making an investment decision.

### Summary of Contingent Liabilities

As on December 31, 2023, the Company does not have any contingent liabilities except as disclosed below:

(₹ in lakhs)

Sr. No.	Particulars	As at December 31, 2023
1.	Corporate Guarantee to financial institution	1,203.57

For further details, see “*Restated Financial Statements*” beginning on page 293.

### Related Party Transactions

We have entered into related party transactions with related parties. A summary of the related party transactions entered into by us for as at and for the nine months period ended December 31, 2023 and the Financial Years ended 2023, 2022 and 2021 is detailed below:

(₹ in lakhs)

Sr. No.	Name of the Related Party	Nature of Transactions	For the Period ended			
			December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
1	Nirmal Kumar Jain	Salary	46.25	60.00	60.00	57.00
2	Manju Devi Jain	Salary	31.50	42.00	42.00	39.90
3	Dipesh Jain	Salary	12.11	13.60	24.00	23.00
4	Jenisha Jain	Salary	11.60	12.00	11.78	12.00
5	Kartika Jain	Salary	5.81	-	4.80	4.80
6	Pushpa Nagda	Salary	-	-	-	39.90
7	Abhilasha Jain	Salary	-	-	1.00	2.00
8	Surbhi Jain	Salary	-	-	-	9.60
9	Vinita Jain	Salary	-	-	-	9.60
12	Pankaj Jain	Salary	-	-	4.55	7.65
13	Praveen Kumar Jain	Salary	-	-	5.50	13.20
14	Indu Jain	Salary	-	-	-	-
15	Sheetal Jain	Salary	-	-	1.75	4.20
16	Divyansh Jain	Salary	-	-	1.20	4.80
17	Ramesh Jain-Mumbai	Salary	12.75	12.00	10.95	5.20
18	Kiran Jain-Mumbai	Salary	3.00	9.00	8.05	3.35
19	Chirag Jain	Salary	5.48	4.09	-	-
20	Rajendra Chittora	Salary	8.84	7.76	6.07	1.55

21	Archana Chittora	Salary	4.41	4.05	4.81	1.20
22	Dhruv Chittora	Salary	-	3.89	1.94	0.58
23	Megha Chittora	Salary	4.05	3.65	4.21	1.05
24	Chanda W/o Bhupendra Jain	Salary	-	-	-	3.60
25	Geeta S. Jain	Salary	-	-	-	3.00
26	Kanta M. Jain	Salary	-	-	-	3.00
27	Bobby Singh Chandel	Salary	32.50	10.50	-	-
28	Rajni Gehlot	Salary	9.45	12.34	12.22	10.13
29	Anjali Pacholi	Salary	-	-	3.36	3.39
30	Shalu Banoria	Salary	-	1.33	-	-
31	Jayshree Sharma	Salary	2.71	-	-	-

### Loans & Advances

(₹ in lakhs)

Sr. No.	Name	Nature of Transactions	December 31, 2023			March 31, 2023			FY 2021-22			FY 2020-21		
			AR*	AP*	OS*	AR*	AP*	OS*	AR*	AP*	OS*	AR*	AP*	OS*
1	Akme Automobiles Private Limited	Loan & Advances	30.00	15.86	82.28	-	38.52	96.42	0.10	7.92	57.89	111.00	28.05	50.08
2	Akme Buildmart Private Limited	Loan & Advances	0	0	0	43.00	54.64	0	10.00	1.34	-1.64	105.93	62.02	-2.98
3	Akme Build Estate Private Limited	Loan & Advances	363.38	14.82	64.45	0	414.62	413.01	409.05	407.44	-1.62	-	-	-
4	Akme Mineral Exim Private Limited	Loan & Advances	-	-	-	-	-	-	4.61	0.04	-	-	1.63	4.57
5	Arsh Fincon Limited	Loan & Advances	2.21	21.56	0	18.27	19.52	-19.35	29.14	26.09	-20.60	49.53	23.05	-17.55
6	Akme Sarvodaya Dreamventure LLP	Loan & Advances	-3.51	0	0	3.51	0	-3.51	165.97	78.63	-	141.78	229.12	87.34
7	Arvind Multi Industries Private Limited	Loan & Advances	21.15	0.91	0	3.21	3.44	20.24	22.92	23.14	20.00	9.31	5.64	19.79
8	Hiraman Construction	Loan & Advances	23.42	1.01	0	3.38	3.93	22.41	23.40	24.41	21.86	2.70	3.55	20.85
9	Hira Lal Jain	Loan & Advances	-	-	-	85.15	-	-	-	9.12	85.15	-	9.92	76.04
10	Jenisha Jain	Loan & Advances	-	-	-	-	-	-	22.53	1.62	-	25.00	45.9	20.9
11	Laxmi Marble and Steel Corporation	Loan & Advances	-	-	-	-	-	-	60.00	19.16	0	32.32	13.96	40.84
12	Manju Devi Jain	Loan & Advances	-	-	-	-	-	-	2.28	39.58	-	66.13	34.59	-37.30
13	Star housing Finance Limited	Loan & Advances	0	47.07	0	194.73	145.16	-47.07	484.25	484.94	2.50	854.81	718.94	1.81



14	The Coronation Castles Private Limited	Loan & Advances	-	90.16	90.16	-	-	-	65.00	65.00	-	281.02	150	-
<b>TOTAL</b>			<b>436.65</b>	<b>191.39</b>	<b>236.89</b>	<b>351.25</b>	<b>679.83</b>	<b>482.15</b>	<b>1299.25</b>	<b>1188.43</b>	<b>153.54</b>	<b>1679.53</b>	<b>1326.37</b>	<b>264.39</b>

\*AR- Amount Received, AP- Amount Paid, OS- Outstanding Balance

<b>Interest Income</b>				<b>(₹ in lakhs)</b>		
S. No.	Name	Nature of Transactions	For the nine months period ended December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
1	Akme Automobile Pvt. Ltd.	Loan & Advances	12.00	8.40	-	-
2	Akme Build Estate Private Limited	Loan & Advances	14.82	63.00	-	-
3	Star housing Finance Ltd.	Loan & Advances	-	-	-	5.99
4	The Coronation Castles Pvt. Ltd.	Loan & Advances	6.16	-	-	14.69
5	ArshFincon Ltd.	Loan & Advances	-	-	-	-
6	Arvind Multi Industries Pvt. Ltd.	Loan & Advances	0.91	3.21	5.66	8.21
7	Hiraman Construction Heera Lal Jain	Loan & Advances	1.01	3.38	2.56	3.55
8	Laxmi Marble and Steel Corporation	Loan & Advances	-	-	4.12	9.08
9	Hira Lal Jain	Loan & Advances	-	-	9.12	9.92
10	Manju Devi Jain	Loan & Advances	-	-	2.28	11.04
11	Jenisha Jain	Loan & Advances	-	-	1.62	3.41

<b>Interest Expenses</b>				<b>(₹ in lakhs)</b>		
S. No.	Name	Nature of Transactions	For the nine months period ended December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
1.	Star Housing Finance Limited	Loan & Advances	-	0.55	70.23	31.49
2.	Aarsh Fincon Limited	Loan & Advances	2.21	2.67	2.46	-

#### Other Transactions

<b>(₹ in lakhs)</b>						
S. No.	Party Name	Nature of Transactions	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
1	Nirmal Kumar Jain	Purchase of property	0.00	151.10	0.00	0.00
2	Akme Build estate Ltd	Purchase of property	0.00	1,150.00	0.00	0.00

The related party transactions entered into by us as at and for the nine months period ended December 31, 2023 and the Financial Years ended 2023, 2022 and 2021 as percentage of revenue as per the Restated Financial Statements of the Company are as given below:

Sr. No	Related Party Transaction	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
1	Salary expenses/ Revenue from operation	3.57%	2.82%	3.09%	3.06%
2	Interest expenses/ Revenue from operation	0.04%	0.05%	1.08%	0.37%
3	Interest Received/ Revenue from operation	0.65%	1.12%	0.38%	0.76%

For further details, see “*Note 41 - Related Party Disclosures*” on page 328, under the chapter titled “*Restated Financial Statements*” beginning on page 293 of this RHP.

### Financing Arrangements

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

### Weighted average price

The weighted average price at which the Equity Shares of our Company were acquired by our Promoters, in the 1 (one) year preceding the date of this Red Herring Prospectus, are set forth below:

Name of Promoter	Number of Equity Shares acquired*	Weighted average price per Equity Share (in ₹)#
Nirmal Kumar Jain	Nil	NA
Manju Devi Jain	Nil	NA
Deepesh Jain	Nil	NA
Nirmal Kumar Jain HUF	Nil	NA

\*For arriving weighted average price at which the Equity Shares of the Company were acquired by the Promoters only acquisition of Equity Shares has been considered

# As certified by Valawat & Associates, Chartered Accountants, by way of their certificate dated June 11, 2024.

The weighted average price at which the Equity Shares of our Company were acquired by our Promoters, in the 18 (eighteen) months preceding the date of this Red Herring Prospectus, are set forth below:

Name of Promoter	Number of Equity Shares acquired	Weighted average price per Equity Share (in ₹)*#
Nirmal Kumar Jain	8,51,500	56.46
Manju Devi Jain	Nil	NA
Deepesh Jain	Nil	NA
Nirmal Kumar Jain HUF	Nil	NA

\*For arriving weighted average price at which the Equity Shares of the Company were acquired by the Promoters only acquisition of Equity Shares has been considered.

#As certified by Valawat & Associates, Chartered Accountants, by way of their certificate dated June 11, 2024.

The weighted average price at which the Equity Shares of our Company were acquired by our Promoters, in 3 (three) years preceding the date of this Red Herring Prospectus, are set forth below:

Name of Promoter	Number of Equity Shares acquired	Weighted average price per Equity Share (in ₹)*#
Nirmal Kumar Jain	66,23,185	43.41
Manju Devi Jain	Nil	NA
Deepesh Jain	Nil	NA
Nirmal Kumar Jain HUF	Nil	NA

\*For arriving weighted average price at which the Equity Shares of the Company were acquired by the Promoters only acquisition of Equity Shares has been considered.

#As certified by Valawat & Associates, Chartered Accountants, by way of their certificate dated June 11, 2024.

### Average cost of acquisition of Equity Shares

The average cost of acquisition of or subscription to Equity Shares by our Promoters is set forth in the table below:

Name of Promoter	Number of Equity Shares acquired	Average cost of acquisition per Equity Share (in ₹)*#
Nirmal Kumar Jain	1,14,10,090	26.09
Manju Devi Jain	11,61,480	11.49
Deepesh Jain	6,97,880	1.77
Nirmal Kumar Jain HUF	12,77,470	1.82

\*Average cost of acquisition of Equity Shares of the Company held by the Promoters in respect of their respective shareholding in the Company is calculated as per FIFO Method

#As certified by Valawat & Associates, Chartered Accountants, by way of their certificate dated June 11, 2024.

### Weighted average cost of all Equity Shares Transacted\* in the three years, eighteen months and one year preceding the date of this Red Herring Prospectus

Period	Weighted average cost of acquisition per Equity Share (in ₹)	Cap Price is 'x' times the weighted average cost of acquisition ^	Range of acquisition price per Equity Share: lowest price – highest price (in ₹)	
Last one year preceding the date of this Red Herring Prospectus**	Nil	[•]	Nil**	Nil
Last eighteen months preceding the date of this Red Herring Prospectus	[•]	[•]	Nil**	80.00
Last three years preceding the date of this Red Herring Prospectus	50.66	[•]	Nil**	80.00

\*By the Promoters and Promoter Group and the shareholders holding more than 1% Equity Shares of the Company as on the date of this Red Herring Prospectus.

\*\* Nil, since Equity Shares acquired by our Promoter viz Nirmal Kumar Jain through transmission.

#As certified by Valawat & Associates, Chartered Accountants, by way of their certificate dated June 11, 2024.

^To be updated in the Prospectus.

### Details of price at which Equity Shares were acquired by our Promoters, the members of the Promoter Group in the last three years preceding the date of this Red Herring Prospectus

Except as stated below, there have been no specified securities that were acquired in the last three years preceding the date of this Red Herring Prospectus, by our Promoter and members of Promoter Group. The details of the prices at which these acquisitions were undertaken are stated below:

Name of Shareholder	Date of acquisition	Number of Equity Shares acquired	Price of acquisition per Equity Share (in ₹)#
<b>Promoter</b>			
Nirmal Kumar Jain	22 October 2021	9,75,065	Nil
	21 February 2022	10,000	10.00
	12 July 2022	50,000	50.00
	15 July 2022	9,59,430	50.00
	15 July 2022	9,75,110	50.00
	08 August 2022	6,70,000	50.00
	10 August 2022	61,190	50.00
	12 August 2022	3,90,540	50.00

	22 August 2022	1,88,500	50.00
	23 August 2022	4,41,540	50.00
	27 August 2022	13,690	50.00
	06 October 2022	12,000	50.00
	06 October 2022	1,46,640	50.00
	10 October 2022	1,28,640	50.00
	07 November 2022	7,49,340	50.00
	21 December 2022	1,87,500	80.00
	27 December 2022	5,03,880	50.00
	02 February 2023	1,57,620	50.00
	07 June 2023	2,500	Nil

#As certified by Valawat & Associates, Chartered Accountants, by way of their certificate dated June 11, 2024.

***Details of Pre-IPO placement***

Our Company will not undertake a Pre-IPO placement of its Equity Shares.

***Equity Shares issued for consideration other than cash in last one year.***

Our Company has not issued any Equity Shares for consideration other than cash during last 1 (one) year from the date of this Red Herring Prospectus.

***Split/ Consolidation of Equity Shares in the last 1 (one) year***

Our Company has not undertaken any split or consolidation of Equity Shares during the last 1 (one) year from the date of this Red Herring Prospectus.

***Exemption from complying with any provisions of securities laws, if any, granted by SEBI***

The Company has not applied for any exemption to SEBI.

## SECTION II: RISK FACTORS

An investment in Equity Shares involves a high degree of risk. You should carefully consider each of the following risk factors and all other information set forth in this Red Herring Prospectus, including in “Our Business”, “Industry Overview”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations”, “Selected Statistical Information” and “Financial Statements” before making an investment in Equity Shares. The risks and uncertainties described below are not the only risks that we currently face. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may also adversely affect our business, financial condition, results of operations and cash flows.

If any or some combination of the following risks, or other risks that are not currently known or believed to be adverse, actually occur, our business, financial condition, results of operations and cash flows could suffer, the trading price of, and the value of your investment in, Equity Shares could decline and you may lose all or part of your investment. In making an investment decision with respect to this Issue, you must rely on your own examination of our Company and the terms of this Issue, including the merits and risks involved. To the extent the novel coronavirus (“COVID-19”) pandemic adversely affects our business and financial results, it may also have the effect of heightening many of the other risks described in this section.

Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment, which may differ in certain respects from that of other countries. Prospective investors should consult their tax, financial and legal advisors about the particular consequences of investing in the Issue.

This Red Herring Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward looking statements as a result of certain factors, including the considerations described below and elsewhere in this Red Herring Prospectus.

Unless the context otherwise requires, in this section, reference to “we”, “us” or “our” refers to Akme Fintrade (India) Limited.

### Internal Risk Factors

#### Risks Relating to our Business

1. **We have experienced a decline in revenue in Fiscal Year 2022 and may consider to experience such decline in the future.**

We have experienced a decline in revenue in Fiscal Year 2022 and may continue to experience such decline in the future. We experienced a decrease in revenue from operations of 21.74 % to ₹6744.13 lakhs for Fiscal 2022 from ₹8617.72 lakhs for Fiscal 2021. These decreases were primarily attributable to the conservative approach in loan disbursements opted by the Company between Fiscal 2020-21 to Fiscal 2021-22 arising from the COVID-19 pandemic beginning in Fiscal 2020 and the consequent nation-wide lockdowns imposed by the Government of India up until the second half of March 2020. The COVID-19 pandemic had a substantial impact on the business and economic landscape during Fiscals 2020-21 and 2021-22, with the majority of Fiscal 2020-21 and Fiscal 2021-22 being affected due to the moratorium given to the customers by the RBI impacting the monthly collection efficiencies from disbursed loans. This situation had nationwide repercussions, resulting in disruptions to overall business activities and economic growth across various sectors, including the NBFC sector. One of the effects of the pandemic on the NBFC sector was a decrease in the disbursement of new loans. The uncertain economic environment led to a need of taking a cautious approach by financial institutions, including NBFCs, in extending new credit to borrowers. During this challenging period, the Company's management made a strategic decision to prioritize the collection of existing loans over pursuing new business opportunities. This approach was taken to mitigate potential losses and maintain the Company's financial stability in the face of economic uncertainties caused by the COVID-19 pandemic. As a result of this shift in strategy, the Company did not make major disbursements, and in turn reduced its borrowings so that the Company could reduce the overall leverage position and manage its cashflows. This is evident from the fact that Company's leverage position has come down from more than 3.67 as on March 31, 2020, to 0.88 as on March 31, 2023. Given below are the details of the Company's AUM, yearly disbursements and interest income as per the Restated Financial Statements.

(₹ in lakhs)

Sr No.	Particulars	Fiscal 2021	Fiscal 2022	Fiscal 2023	As on nine months period ended December 31, 2023
1.	Loan book	42,100.78	35,131.79	35,416.11	37,946.28
2.	Fresh loan disbursement	5,377.60	1,954.14	7,834.00	5,752.76
3.	Revenue from Operations	8617.72	6744.13	6951.37	5,340.49

The Company had a healthy growth in fresh loan disbursements, AUM and revenue in pre-COVID-19 pandemic period. The decline in revenue from operations of the Company mainly arose on account of the COVID-19 pandemic during which period, the Company had adopted a cautious approach towards loan disbursements to safeguard the Company's financial stability, ensuring that any future occurrences of COVID-19 pandemic-like situations would not significantly impact its cash flows. By mitigating potential losses, the Company aimed to navigate the economic uncertainties caused by the pandemic, thereby securing the Company's resilience and long-term sustainability. While this cautious approach did lead to decline in revenue from operations in Fiscal 2021 and Fiscal 2022, once the effects of the COVID-19 Pandemic subsided, then the Company resumed its normal business activities and disbursed around Rs.7800.00 lakhs of loan amount in Fiscal 2023.

The Company may continue to experience such decline in revenue from operations in future in the event any such adverse situations arise and if such strategic decisions are to be made in such adverse situations. Our failure to generate profits may adversely affect the market price of our Equity Shares, restrict our ability to pay dividends and impair our ability to raise capital and expand our business.

2. **The Company has higher levels of NPAs as compared to some of its peer companies and hence our business may be adversely affected if we are unable to provide for such higher levels of NPAs.**

Our ability to manage the credit quality of our loans, which we measure through assets that are more than 90 days past due ("DPD"), and such assets ("NPAs"), are a key deciding factor for our results of operations. During the COVID-19 period some of the customers have defaulted in the repayment of their instalments of loans and because of that Gross NPA% of the company increased during that period.

Below table shows the Year wise Gross NPA% and Net NPA% of our Company:

Financial Year	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	As on December 31, 2023
Gross NPA ratio(%) <sup>(1)</sup>	1.71%	1.88%	2.69%	3.57%	4.90%	4.57%	3.94%
Net NPA ratio (%) <sup>(2)</sup>	1.51%	1.36%	2.24%	2.97%	4.06%	3.45%	1.94%

(1) Gross NPA ratio (%) represents the Gross NPA to the Gross Loan Book as of the last day of the relevant period.

(2) Net NPA ratio (%) represents the Net NPA to the Gross Loan Book as of the last day of the relevant period.

Our NPAs also include linked loans (where one customer has more than one loan with our Company, if one loan becomes NPA, all other linked loans also become NPA), and loans that have been 90 DPD and have rolled back but not become current. As of March 2023, and as of December 31, 2023, our NPAs are higher as compared to some of our Peer group companies.

NPA Provisions booked in P&L for last five years and nine months period ended December 31, 2023:

Particulars	Provision Amount (₹ in Lacs)					Period Ended December 31, 2023
	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	
Provision booked in P & L						
Provision on Std Assets	60.49	-0.26	118.95	46.67	-54.69	48.26
Provision on NPA's	181.95	63.32	40.51	41.49	103.22	360.87
Total Provision booked	<b>242.44</b>	<b>63.06</b>	<b>159.44</b>	<b>88.17</b>	<b>48.53</b>	<b>409.13</b>

Set forth below are details of Gross and Net NPA ratio as of each of the corresponding periods as compared to our peer group companies:

Particulars	As of / For the year ended March 31, 2021	As of / For the year ended March 31, 2022	As of / For the year ended March 31, 2023	As of / For the period ended December 31, 2023
<b>Our Company</b>				
Gross NPA ratio(%) <sup>(1)</sup>	3.57%	4.90%	4.57%	3.94%
Net NPA ratio (%) <sup>(2)</sup>	2.97%	4.06%	3.45%	1.94%
<b>Details of Peer Group Companies*</b>				
<b>MAS Financial Services Limited</b>				
Gross NPA ratio(%) <sup>(1)</sup>	1.94%	2.28%	2.15%	2.23%
Net NPA ratio (%) <sup>(2)</sup>	1.52%	1.70%	1.52%	1.48%
<b>Shriram Finance Limited</b>				
Gross NPA ratio(%) <sup>(1)</sup>	7.06%	7.07%	6.21%	5.66%
Net NPA ratio (%) <sup>(2)</sup>	4.22%	3.67%	3.19%	2.72%
<b>Cholamandalam Investment and Finance Company Limited</b>				
Gross NPA ratio(%) <sup>(1)</sup>	4.00%	6.80%	4.60%	3.92%
Net NPA ratio (%) <sup>(2)</sup>	2.20%	4.80%	3.10%	2.56%
<b>Arman Financial Service Limited</b>				
Gross NPA ratio(%) <sup>(1)</sup>	4.60% <sup>#</sup>	4.10% <sup>#</sup>	2.70%	2.83%
Net NPA ratio (%) <sup>(2)</sup>	0.60% <sup>#</sup>	0.70% <sup>#</sup>	0.20%	0.33%
<b>CSL Finance Limited</b>				
Gross NPA ratio(%) <sup>(1)</sup>	2.11%	1.73%	0.61%	0.40%
Net NPA ratio (%) <sup>(2)</sup>	1.19%	0.96%	0.35%	0.23%

\* Please note that corresponding data has been obtained from Dun & Bradstreet Report for the peer Companies mentioned above, except for Arman Financial Service Limited for the year ended March 31, 2022 and March 31, 2023.

<sup>#</sup> Please note that the data for year ended March 31, 2022 and March 31, 2023 has been obtained from public domain for the peer Company mentioned above.

(1) Gross NPA ratio (%) represents the Gross NPA to the Gross Loan Book as of the last day of the relevant period.

(2) Net NPA ratio (%) represents the Net NPA to the Gross Loan Book as of the last day of the relevant period.

There can be no assurance that we will be able to maintain our NPA ratios at levels in comparison with industry peers or at levels with the credit performance of our customers, or at which our credit and our underwriting analysis, servicing and collection systems and controls will be adequate. We may experience greater defaults in principal and/or interest repayments in future. In the event of any further deterioration in our NPA portfolio, or if our provisioning coverage is insufficient to cover our existing or future levels of NPAs, our ability to raise additional capital and debt funds as well as our business prospects, financial condition and results of operations could be adversely affected.

**3. Our Company did not comply with certain RBI norms/guidelines in the past. Non-compliance with the RBI's norms/guidelines and violations of regulations prescribed by the RBI, could expose us to certain penalties and restrictions.**

As an NBFC, we are subject to periodic inspections by the RBI under Section 45N of the RBI Act, wherein the RBI inspects our books of accounts and other records for the purpose of verifying the correctness or completeness of any statement, information or particulars furnished to the RBI or for obtaining any information, which we may have failed to furnish when called upon to do so. In its past inspection reports, the RBI has (a) identified certain deficiencies in our operations, (b) made certain observations in relation to our operations during its periodic inspections and (c) sought certain clarifications on our operations. These observations inter-alia pertained to (a) concentration of credit/investment; (b) scope of audit; (c) adherence to KYC; (d) compliances pertaining to fraud monitoring, asset liability management and risk management; and (e) requirement for obtaining prior approval of the RBI in cases of acquisition/transfer of control. For further information, see "Other regulatory and statutory disclosure "Violations of

certain RBI regulations in past by the Company” on page 410 of this Red Herring Prospectus. The Company had considered these observations and had submitted their responses and explanations. certain areas, which required some changes to the policies and processes were either duly complied with or undertaken to be complied with in due course, which the Company has fulfilled. Such due compliance was notified by the Company to the Reserve Bank of India. Thereafter there has been no communication or remarks by the Reserve Bank of India and further there was no qualification in our Audit Reports.

We submit that no penalties were imposed and no warning letters were issued by the RBI pursuant to any such inspection. In case of any penalty or adverse finding by RBI or in case of any material developments in the above matters, then the same shall be intimated to Stock Exchanges and all the above information will be updated in the offer documents.

The Company was a deposit accepting non-banking finance company until Fiscal 2019. Till such time, RBI had conducted physical inspection at the Company's office and issued annual inspection reports. Fiscal 2020 onwards, the Company became a non-deposit accepting non-banking finance company and thereafter, the RBI has sought information from the Company in the online mode. The dates of the past inspection reports and replies filed by the Company are listed below:

Period	Date of RBI Inspection Report	Date of Company's Reply
Fiscal 2016	September 30, 2016	November 1, 2016
Fiscal 2017	October 20, 2017	November 15, 2017
Fiscal 2018	December 28, 2018	February 28, 2019
Fiscal 2019	October 18, 2019	November 23, 2019

The dates of the past emails addressed by the RBI to the Company by the Department of Supervision seeking certain data and replies filed by the Company are listed below:

Period	Date of RBI Inspection Report	Date of Company's Reply
Fiscal 2020	August 31, 2020	September 4, 2020
Fiscal 2021	October 21, 2021	October 27, 2021
Fiscal 2022	Various communication initiated from September 30, 2022 with final observations mail received on May 15, 2023	Various replies given on October 3, 2022, October 4, 2022 etc. and final submission on mail received on May 15, 2023 on May 29, 2023.

The company's submissions with respect to the non-compliances observed by RBI in its periodic inspections are still being examined by RBI, and in the future, the Company may face any penal or supervisory action from RBI.

Further, while we attempt to comply with all regulatory provisions, directions or observations applicable to us, including in connection with the RBI inspection reports (all of which have been responded to by us), if we are unable to comply with the RBI's observations or directions, we could be subject to penalties and restrictions which may be imposed by the RBI. Imposition of any penalty or adverse finding by the RBI during any future inspection may have a material adverse effect on our reputation, business, financial condition, results of operations and cash flows.

4. **Our Company has changed its shareholding by more than 26% during FY 2021-22 and FY2022-23 and has changed our management during the FY 2021-22 without taking the prior approval from RBI. We cannot assure you that such or other instances of violations may not occur in future and our Company, Promoters and Directors may not be subjected to the disciplinary penal action or fine and penalties by the Reserve Bank of India, and if such actions are initiated or penalty and fine imposed, the same may adversely affect the results of our operations, revenues and profitability and adversely impact our reputation in the market.**

Since the Company is a Non-Banking Financial Company, it is governed by the provisions of the RBI Act and the rules and regulations made thereunder including circulars, notifications, guidelines issued by the Reserve Bank of India from time to time.

In terms of Master Circular DNBR.PD.007/03.10.119/2016-17 – Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 dated September 1, 2016 (“**Master Directions**”), the Reserve Bank of India's prior permission is required in case of change in shareholding above a certain threshold. The Reserve Bank of India has issued a letter to the Company intimating the Company of the violation of



paragraph 61 of the Master Directions by it. In response thereto, the Company has provided explanation to the Reserve Bank of India vide its letter dated May 1, 2023 explaining the facts and the reasons for not obtaining the prior permission as envisaged by the said Master Directions. The Reserve Bank of India vide its letter dated May 9, 2023 have taken the same on record and have advised the Company to be more vigilant and strictly comply with the rules and regulations and ensure full compliance with the Reserve Bank of India's circulars, notifications and master circulars and to obtain prior permission of Reserve Bank of India in case of any change in shareholding going forward.

The Reserve Bank of India had also issued a letter dated May 15, 2023 inter-alia raising a supervisory concern in the inspection of the Company for Financial Year ended March 31, 2022, that the Company had violated applicable norms on the requirement for obtaining prior approval of the Reserve Bank of India for acquisition/transfer of control of non-banking financial companies. The Company in its reply dated May 29, 2023 filed with the Reserve Bank of India clarified that the oversight and failure in obtaining such prior approval had occurred due to the misinterpretation and ambiguity in understanding the guidelines concerning the requirement for prior approval regarding acquisitions or transfers of shares. However, the Company had promptly submitted its above-referred letter of condolence dated May 1, 2023 and has formally requested approval for the same. Subsequently, in response to the above referred reply dated May 29, 2023, the Reserve Bank of India vide its email dated June 9, 2023, had inter-alia sought certain other documents from the Company on certain other subjects. However, no further query was raised on the failure to obtain prior approval for acquisition of shares of the Company.

Pursuant to this, as and by way of abundant caution, the Company has also addressed letter dated May 10, 2023 to the Reserve Bank of India intimating the RBI of further change in the shareholding of Mr. Nirmal Kumar Jain, one of the Promoter of the Company together with his family members in the Company during FY 2022-23, even though such change did not cross the threshold stipulated in the Master Directions for further change in shareholding which requires prior permission of the RBI.

The above matter is still being examined by RBI, and in the future, the company may face any penal or supervisory action from RBI.

Further, we cannot assure that no further penal action may be initiated against our Company or our Promoters, Directors or that they will not be subjected to fine and penalties under the relevant rules and regulations, circulars, notifications issued by the Reserve Bank of India. We cannot assure you that such or other instances of non-compliance may not occur in future and our Company, Promoters and Directors may not be subjected to the disciplinary penal action by the Reserve Bank of India and subjected to fine and penalties as may be levied upon our Company, our Promoters and our Directors and if such actions are initiated or penalty and fine imposed, the same may adversely affect the results of our operations, revenues and profitability and adversely impact our reputation in the market.

5. **We have in the past, made certain issuances and allotments of our equity shares which may not be in compliance with the applicable provisions and rules of the Companies Act, 1956. We cannot guarantee that we will not be subject to any other complaints and penalties in the future regarding the said violations.**

The number of allottees for the Stated Allotments exceeded 50 allottees. For further information, see "*Capital Structure –Notes to Capital Structure*" on page 84 of this Red Herring Prospectus. The management of the Company had perceived that (i) these allotments were a domestic concern of the Company and the persons receiving the offers for subscription to the Equity Shares of the Company; and (ii) since the Company is an NBFC, it qualifies for the exemption under Section 67 of the Companies Act, 1956 in as much as the threshold of 50 allottees does not apply to an NBFC. However, the management of the Company, in retrospect took the view that these allotments may be perceived not to have been in compliance with the provisions governing a public offering of securities under the Companies Act, 1956, including those mandating the issuance and registration of a Prospectus, by the Registrar of Companies, Jaipur or the concerned Regional Director. Without prejudice and as a matter of abundant precaution, and in due compliance of the SEBI Circular No. CIR/CFD/DIL3/18/2015 dated December 31, 2015 and SEBI Circular dated May 3, 2016, the Company suo-moto voluntarily provided an exit offer to eligible shareholders of the Company (i) who continued to hold Equity Shares allotted by the Company through the Stated Allotments; and/or (ii) who hold Equity Shares of the Company which were acquired by them on account of transfers to them of the Equity Shares allotted through the Stated Allotments. Subsequently, invitations were issued through offer letter to all the relevant eligible shareholders to purchase the Equity Shares held by them on account of the Stated Allotments or by transfer of the Equity Shares issued under the Stated Allotments, at a purchase price calculated in accordance with the applicable SEBI circulars. The Stated Allotments were made to higher number of allottees and most of such allottees had subsequently transferred the Equity Shares held by them pursuant to the Stated Allotments to certain persons. Ultimately, considering the persons falling in categories (i) and (ii) above, the exit offer was to be made to 13 shareholders and which was duly made. However, no response was received from any of such eligible shareholders. All formalities pertaining to the above exit offer have been completed. Apart from providing the exit offer, the Company had filed, on February 1, 2023, an application bearing Application No. RD (NWR)/441/Sec. 67/102/2022-

23 with the Registrar of Companies, Rajasthan, Jaipur and the Regional Director, Ahmedabad, seeking to compound these breaches of Companies Act, 1956, if any, occasioned by the Stated Allotments and subsequent transfer of such Equity Shares. The application has been disposed-off by the Regional Director, North-West Region, Ahmedabad vide its Order dated April 6, 2023 by levying a penalty of ₹2,50,000/- on the Company and a penalty of ₹2,50,000/- on the Managing Director of the Company viz. Nirmal Kumar Jain.

Further, the Company has obtained a certificate dated December 13, 2023 issued by Valawat and Associates, Chartered Accountants and a certificate dated January 16, 2024 issued by Ronak Jhuthawat & Co., Practicing Company Secretaries, certifying compliance of allotments of Equity Shares of the Company (made by the Company except the Stated Allotments) with the Companies Act, 1956 and Companies Act, 2013. We cannot guarantee that we will not be subject to any other complaints and penalties in the future regarding the said violations. Particularly, investors are cautioned that SEBI may take action against the Company for making the Stated Allotments. If any such events were to occur, we would have to divert substantial resources including our management's attention on such proceedings or complaints or both. Any such proceeding or action or any adverse order may result in fines, penalties, payment of additional amounts and potentially criminal liability and adversely affect our Company's ability to raise funds, its reputation, financial condition, results of operations and the trading prices of the Equity Shares.

We further state that there would be no impact on capital structure of Company arising from the outcome of the Compounding Application filed by the Company, as the Company has already provided exit offer to the eligible shareholders of the Company who have acquired Equity Shares of the Company as a result of the allotments.

**6. Our business and operational presence is concentrated in the State of Rajasthan and our result of operations may be adversely affected by difficulties in expanding our business or pursuing new business opportunities in new regions and markets.**

Our business is concentrated in West India, particularly in the state of Rajasthan. As of December 31, 2023, we had a total of 12 branches out of which 06 branches, which is 50% of our total branches are located in Rajasthan. Also, out of our 25 Point of sales (POS), 19 POS are located in Rajasthan.

The following tables set forth the details of concentration of Loan Book and Interest Income on advances (which is the primary source of our revenue) for the period ended December 31, 2023, Financial Year ended March 31, 2023, 2022 and 2021 in the state of Rajasthan.

Particular	As on March 31						As on December 31, 2023	
	2021		2022		2023		As a % of Total Loan Book	As a % of Total Loan Book
	(₹ Lakhs)	As a % of Total Loan Book	(₹ Lakhs)	As a % of Total Loan Book	(₹ Lakhs)	As a % of Total Loan Book		
Loan Book	28,853.51	68.53%	24,980.84	71.11%	24,982.34	70.54%	26,329.30	69.39%

Particular	For the period March 31						For the period ended December 31, 2023	
	2021		2022		2023		As a % of Total Interest Income	As a % of Total Interest Income
	(₹ Lakhs)	As a % of Total Interest Income	(₹ Lakhs)	As a % of Total Interest Income	(₹ Lakhs)	As a % of Total Interest Income		
Interest Income	7,031.48	83.54%	5,430.54	83.71%	5,325.64	84.39%	3,836.36	75.56%

Our concentration in Rajasthan exposes us to any adverse geological, ecological, economic and/or political circumstances in Rajasthan. If there is a sustained downturn in the economy of Rajasthan or a sustained change in financial patterns in Rajasthan for any reason, our financial position may be adversely affected.

Although, we have prioritized organic geographic diversification in last few years, with a focus on strategic management of state concentration risk by expanding into new geographical areas that offer significant growth opportunities, our inability to manage our expansion effectively and execute our growth strategy in a timely manner, or within budget estimates could have an adverse effect on our business and results of operations.

Our ability to execute our growth strategies will depend, among other things, on our ability to identify key target markets correctly, manage our pricing to compete effectively, and scale up and grow our network efficiently. We will

also need to manage relationships with a greater number of customers, service providers, lenders and other parties as we expand.

7. **A survey was carried out on November 23, 2022 by the Income-tax authorities at premises of the Company at 4-5 Subcity Centre, Savina, Krishi Mandi, Udaipur, and Search was carried out at its Promoters namely Nirmal Kumar Jain and Dipesh Jain and its Promoter Group member namely Jenisha Jain under Section 132 of the I.T. Act at 18, Tagore Nagar, Sector-4, Udaipur.**

Panchnama in respect of the above searches were prepared recording the survey and search proceedings conducted by the various Income-tax officers at these locations of the Company, its Promoters and the Promoter Group member. The Panchnama records the items and documents, which were seized by the Income-tax authorities from these locations. Subsequently on December 3, 2022, a summon was issued under Section 131(1A) of the I.T. Act by the Income-tax Investigation wing to one of our Promoters namely Nirmal Kumar Jain, to give further details/information/evidence. Further on January 2, 2023 and January 5, 2023 summons were issued under Section 131(1A) of the I.T. Act by the Income-tax Investigation wing to the Company to give further details/information/evidence. On February 8, 2023, a summons was issued under Section 131(1A) of the I.T. Act by the Income-tax Investigation wing to one of our Promoters namely Manju Devi Jain to give further details/information/evidence. The Company and the relevant Promoters in compliance with such directions of the Income-tax authorities provided the information, data and the explanations Thereafter, pursuant to search and survey proceedings, the Company had received a notice under Section 142(1) of the Income-tax Act, 1961 for A.Y. 2018-2019 in which the income-tax authorities have inter-alia sought details from the Company in respect of allotments made between the period June 6, 2016 to March 31, 2021 and valuation methodologies adopted by the Company for arriving at the valuation of Equity Shares allotted. Further, pursuant to the search proceedings, each of Mr. Nirmal Kumar Jain, Ms. Manju Devi Jain and Mr. Dipesh Jain had received separate notices under Section 142(1) of the Income-tax Act, 1961 from the income-tax authorities for A.Y. 2019-2020 and A.Y. 2022-2023 in which, inter-alia, details of certain investment in/purchase of immovable properties and explanation on documents seized/impounded in the search and survey proceedings were sought. Further, Mr. Nirmal Kumar Jain, Ms. Manju Jain and Mr. Dipesh Jain have received separate notices dated February 20, 2024 from the income-tax authorities, intimating them that pursuant to the search initiated, it is inter-alia proposed to reassess their income for A.Y. 2020-21 and A.Y. 2021-22 and calling upon them to furnish a return for the relevant assessment year. Subsequent to the search and survey proceedings, notices of demand for A.Y. 2019-20 and 2022-2023 have been issued to our Promoters namely Nirmal Kumar Jain, Manju Devi Jain and Dipesh Jain. In compliance with such notices dated February 20, 2024, Mr. Nirmal Kumar Jain, Ms. Manju Jain and Mr. Dipesh Jain filed returns of income for A.Y. 2020-21 and A.Y. 2021-22. For further details, please refer to page 398 of this Red Herring Prospectus under the chapter titled "*Outstanding Litigation and Other Material Developments*". Till date no demand of tax has been raised against the Company and Promoter Group member.

We cannot assure you that such proceedings, will not result in any further demand or imposition of penalty or prosecution in future. Adverse action, if any, taken by the income-tax authorities against our Company and/or the Promoters and/or our Promoter Group member arising from such survey and searches, may have an adverse effect on the operations and reputation of our Company and could have an adverse impact on our ability to conduct our business, our financial condition and our results of operations. For further details, please refer to page 390 of this Red Herring Prospectus under the chapter titled "*Outstanding Litigation and Other Material Developments*".

8. **Some of our secretarial records are not traceable.**

The secretarial records for one past allotment of securities of our Company and certain Forms could not be traced as the relevant information was not available in the records maintained by our Company, or at the MCA Portal maintained by the Ministry of Corporate Affairs and the Registrar of Companies, despite conducting internal searches and engaging an independent practicing company secretary to conduct the search. Particularly, The Company is unable to trace Form 2 filed with the Registrar of Companies for allotment of Equity Shares made on March 28, 1996, Form 66 for Financial Years 1996-97, 1997-98. 1998-1999, 1999-2000, 2003-04, 2004-05 and 2005-06 and Form 20B for Financial Years 2004-05, 1999-00 and 2002-03.

While no legal proceedings or regulatory actions have been initiated against our Company in relation to untraceable secretarial and other corporate records and documents as of the date of this Red Herring Prospectus, we cannot assure you that such legal proceedings or regulatory actions in relation to missing filings and corporate records will not be initiated against our Company in the future. In case of any further legal proceedings or regulatory actions by any authority pertaining to untraceable secretarial records, the same shall be intimated to BSE and NSE accordingly.

9. **Our credit ratings are presently low and any future downward revision in our credit ratings could adversely affect our ability to service our debts as well as raise funds in the future hence affecting our results of operations and financial conditions.**

Our Company being NBFC is heavily dependent on its ability to raise funds from the debt markets and other financial institutions. The cost and availability of capital depends in part on our short-term and long-term credit ratings. Credit ratings reflect the opinions of ratings agencies on our financial strength, operating performance, strategic position and ability to meet our debt servicing obligations. We are hence highly sensitive to changes in our credit ratings. The long-term bank facilities issued to us are currently rated ACUITE BBB / Stable (Upgraded) by Acuite Rating, upgraded from ACUITE BBB-. Any downgrade in our credit ratings could increase borrowing costs, result in an event of default under certain of our financing arrangements and adversely affect our access to capital and debt markets, which could in turn adversely affect our interest margins, our business, results of operations, financial condition and cash flows. In addition, any downgrade in our credit ratings could result in a recall of existing facilities, increase the probability that our lenders impose additional terms and conditions to any financing or refinancing arrangements we enter into in the future, impair our future issuances of debt and equity, and our ability to raise new capital on a competitive basis, which may adversely affect our business, results of operations and financial condition.

The details of credit rating, which has been obtained by us from credit rating agency is given below:

Date	Particulars	Amount (₹ in lakhs)	Rating
February 22, 2024	Total Bank Facilities	17,000.00	ACUITE BBB   Stable   Upgraded
March 8, 2023	Long term bank facilities	15,000.00	ACUITE BBB-/Stable
	Non-convertible debenture	2,000.00	ACUITE BBB-/Stable
	Long term bank facilities	11,000.00	IVR BBB-/Stable
	Non-convertible debenture	1,000.00	IVR BBB-/Stable
June 28, 2022	Bank Loan	15,000.00	ACUITE BB+   Reaffirmed
	Non Convertible Debentures (NCD)	1,000.00	ACUITE BB+   Reaffirmed
	Non Convertible Debentures (NCD)	1,000.00	Provisional   ACUITE BB+   Reaffirmed
December 31, 2021	Total Bank Facilities	15,000.00	ACUITE BB+/ Stable
	Total Bank Facilities	9,700.00	ACUITE BB+
	Secured Redeemable Nonconvertible Debentures	1,000.00	ACUITE BB+/ Stable
	Proposed Secured Redeemable Nonconvertible Debentures	1,000.00	ACUITE Provisional BB+/Stable
	Proposed Secured Redeemable Nonconvertible Debentures	8,000.00	ACUITE BB+
December 26, 2020	Total Bank Facilities	24,700.00	ACUITE BBB / Negative
	Secured Redeemable Nonconvertible Debentures	2,000.00	ACUITE Provisional BBB / Negative
December 12, 2020	Total Bank Facilities	24,700.00	ACUITE BBB+ / Stable (Reaffirmed)
	Fixed Deposit	300.00	ACUITE FA (Withdrawn)

We have been able to successfully honour all our outstanding debt instruments and have been servicing our debt obligation on time. The Company has not defaulted in payments principal/interest of any of its current borrowings. However, there have been certain instances of delay in payments of principal/interest obligations in the past as mentioned in the table below:

Number of instances of delay in each bucket																
Financial Year	2020-21				2021-22				2022-23				For the period ended December 31, 2023			
Bank/FI Name	Days															
	1-30	31-60	61-89	More than 89	1-30	31-60	61-89	More than 89	1-30	31-60	61-89	More than 89	1-30	31-60	61-89	More than 89
Au Small Finance Bank	-	-	-	-	2	5	2	-	-	-	-	-	-	-	-	-
Bandhan Bank	-	-	-	-	-	-	-	-	-	1	-	-	-	-	-	-
Bank of India	-	-	-	-	2	-	1	-	-	1	1	-	-	-	-	-
Vijaya Bank	-	-	-	-	2	-	-	-	-	1	-	-	-	-	-	-
DCB Bank	-	-	-	-	1	1	-	-	-	-	-	-	-	-	-	-
Federal Bank	-	-	-	-	1	5	-	-	-	-	-	-	-	-	-	-
Hinduja Leyland Finance	-	-	-	-	1	2	4	-	3	2	-	-	-	-	-	-
Hiranandani Financial Services	-	-	-	-	1	6	4	-	-	2	4	-	-	-	-	-
Indusind Bank	-	-	-	-	1	1	2	-	2	1	1	-	-	-	-	-
Nab Samruddhi	-	-	-	-	-	-	3	-	-	-	-	-	-	-	-	-
Northern Arc	-	-	-	-	-	-	-	-	1	1	-	-	-	-	-	-
State Bank of India	-	-	-	-	3	-	-	-	1	1	-	-	-	-	-	-
Shriram Finance Company	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
UC Inclusive	-	-	-	-	-	-	-	-	-	-	1	-	-	-	-	-
Ugro Capital	-	-	-	-	2	-	1	-	-	-	-	-	-	-	-	-
Andhra Bank	-	-	-	-	1	1	-	-	-	-	-	-	-	-	-	-

However, we cannot assure that we will be able to improve our credit ratings and/or we would be able to ensure that the same may not be downgraded in the future due to some internal or external event. Any such adverse position by our rating agencies will affect our ability to raise funds and hence affect our results of operations and financial condition. For information on our current credit ratings, see “Our Business – Credit Ratings” on page 239.

10. **The Company is party to a legal proceeding being Civil Suit No. 516 of 2021 filed by Messrs Timeglass Construction and Sandeep Barjatya, (purportedly Partner of M/s Timeglass Construction) inter-alia alleging that a mortgage against a loan has been illegally obtained by the Company. Any adverse outcome of such proceeding may adversely affect our reputation, business, operations, financial condition and results of operations**

Messrs Timeglass Construction and Sandeep Barjatya, (purportedly Partner of M/s. Timeglass Construction) (collectively “Plaintiffs”) have filed the Civil Suit No. 516 of 2021 (“the Suit”) for Declaration and Permanent Injunction and Recovery before Second Additional District Judge, Indore (“the Hon’ble Court”) inter-alia alleging that one Rajesh Jain and one Mayank Jain have conspired with the Company to obtain a loan of approximately Rs. 5,00,00,000/- (Rupees Five Crores Only) to Rs.6,00,00,000/- (Rupees Six Crores Only) from the Company by mortgaging certain properties of Messrs. Timeglass Construction located at Survey 414/1/2, Village Pigdambar, Patwari Circle No. 1, Mahu, Tehsil Mahu, District Indore (“Property”), using forged documents. The said Suit has been filed by the Plaintiffs inter-alia seeking a declaration that the mortgage loan obtained on the Property owned and occupied by the Plaintiffs is not binding upon them and does not affect the Property and also a permanent injunction order prohibiting Rajesh Jain, Mayank Jain and the Company from forcibly evicting the Plaintiffs from the ownership

and possession of the Property. Further, we had received two complaints from Mr. Sandeep Barjatya on April 12, 2024 and April 24, 2024 regarding the subject matter of the above Civil Suit No. 516 of 2021, and we have duly replied to his complaints on April 26, 2024 and April 30, 2024, respectively. There can be no assurance that we will not receive further complaints from him in the future. Civil Suit No. 516 of 2021 is pending before the Hon'ble Second Additional District Judge, Indore and for the details of the Suit and the Complaint, please refer the chapter titled “*Outstanding Litigations and Material Developments*” on page 391 of this Red Herring Prospectus.

There can be no assurance that this litigation will be decided in favour of our Company and consequently it may divert the attention of our management and Promoters and waste our corporate resources and we may incur significant expenses in such proceedings and may have to make provisions in our financial statements, which could increase our expenses and liabilities. If such claim is determined against us, there could be a material adverse effect on our reputation, business, financial condition and results of operations, which could adversely affect the trading price of our Equity Shares

**11. We significantly depend on our business Loans and any adverse developments in this sector, or in the other industries in which our business loan customers operate, could adversely affect our business, results of operations, financial condition and cash flows.**

Since our business significantly depends on financing under business loans and Vehicle loans. Any adverse developments in these business segments could adversely affect our business, results of operations, cashflows and financial conditions.

Bifurcation and percentage of vehicle finance and Business loans are as under:

Sector-wise Loan Book	Sector-wise Loan Book as on March 31,						Sector-wise Loan Book as on December 31, 2023	
	2021		2022		2023		₹ Lakhs	%
	₹ Lakhs	%	₹ Lakhs	%	₹ Lakhs	%		
Vehicle Loan	9,574.29	22.74%	7,620.69	21.69%	7,525.18	21.25%	7,879.63	20.77%
Business Loans	32,526.49	77.26%	27,511.10	78.31%	27,890.94	78.75%	30,066.65	79.23%
<b>Grand Total</b>	<b>42,100.78</b>	<b>100.00%</b>	<b>35,131.79</b>	<b>100.00%</b>	<b>35,416.11</b>	<b>100.00%</b>	<b>37,946.28</b>	<b>100.00%</b>

Consequently, our financial performance significantly depends on our business loans division. Business loans are affected by many other external factors too that are not within the control of the Company.


Business finance sectors, particularly the micro and small borrowers, may be negatively impacted by various factors, including due to pandemics, industry downturns, natural disasters, calamities, political and social risks, including any adverse publicity or litigation relating to these loan products thereby adversely impacting the ability of borrowers to repay their loans availed from us. Moreover, we lend to medium enterprises operating in various diverse industries and if we do not develop the requisite industry understanding and expertise, our ability to lend in such industries may be limited. Further, any adverse development in the industries, could adversely affect their ability to repay us, which in turn could have an adverse effect on our business, result of operations, financial condition and cash flow.

Further, there are many players in the economy, like banks, financial institutions, companies, stock markets, lenders in the unorganized market, borrowers (both retail and business), etc. All these players are inter-connected, hence any untoward incident in one sector has a ripple effect on the other players.

**12. Certain statutory and regulatory licenses and approvals are required for conducting our business and any failure or omission to obtain, maintain or renew these licenses and approvals in a timely manner, or at all, could adversely affect our business and results of operations.**

Our operations in India are subject to government regulation and we are required to obtain and maintain certain statutory and regulatory licenses and approvals and we have obtained the necessary licenses and approvals required under central, state and local government regulations in India for our operations. In addition, we may apply for additional licenses and approvals, including the renewal of certain approvals which may expire from time to time, and approvals in the ordinary course of business. There can be no assurance that the relevant authorities will issue any of such permits, approvals and licenses in the time-frame anticipated by us or at all. For further details, please see chapters titled “*Key Regulations and Policies in India*” and “*Government and Other Statutory Approvals*” at pages 248 and 402 respectively of this Red Herring Prospectus. The Company has obtained a Certificate of registration dated September 5, 2019 from the RBI bearing registration number B-10.00092 (NBFC-ICC), from the RBI pursuant to which our Company is allowed to carry on the business of a non-banking financial institution without accepting public deposits, subject to the conditions mentioned therein and the same is valid until cancelled. Further, the



Company has applied for registration of the trademark ‘  ’ in Class 36 with the Registrar of Trademarks, which is pending. If we are unable to obtain, maintain or renew all necessary licenses and approvals required for our continued operations or for continued provision of the services being issued by us, this may have consequences on our operations, which may be limited or suspended to that extent, which in turn may have an adverse impact on our business and results of operations.

In the future, we may be required to obtain new registrations, permits and approvals for our business, as a result of change in current regulations or for any proposed expansion strategy or diversification into additional business lines or new financial products. There can be no assurance that the relevant authorities will issue any permits or approvals required by us in a timely manner, or at all, and/or on favorable terms and conditions. As part of our business operations, we have various branches spread across India. Certain approvals that are required to operate such branches expire from time to time. Accordingly, we have either made an application to the appropriate authorities for renewal of such approvals/ seeking fresh approvals or are in the process of making such applications. There can be no assurance that the relevant authorities will renew such approvals in a timely manner or at all. In the event of any cancellation or suspension or non-renewal of any of the permits, licenses or approvals resulting from any regulatory non-compliance or otherwise or refusal of the relevant authorities to issue fresh approvals may materially and adversely affect our business prospects, results of operations and financial condition or comply with applicable rules and regulations or apply in time, renew or requisite licenses or maintain certifications and we may not be able to undertake certain operations of our business which may affect our business, results of operations and cash flows.

A majority of these approvals are granted for a limited duration and are subject to numerous conditions. For example, our Company has a certificate of registration from the RBI to operate as an NBFC, which requires our Company to comply with certain terms and conditions for our Company to continue our operations as an NBFC. The RBI conducts an annual inspection of our Company’s books of accounts and other records relating to our financial position every year. We cannot assure you that these approvals would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. If there is any failure by us to comply with the applicable regulations, or if the regulations governing our business are amended, we may incur increased costs, be subject to penalties, have our approvals and permits revoked or suffer a disruption in our operations, any of which could adversely affect our business.

**13. Our Company, our Promoters and Directors are parties to certain legal proceedings. Any adverse decision in such proceedings may have a material adverse effect on our business, results of operations and financial condition.**

Our Company, our Promoters and our Directors are parties to certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts, tribunals and forums. Mentioned below are the details of the proceedings involving our Company, our Promoters and our Directors as on the date of this Red Herring Prospectus along with the amount involved, to the extent quantifiable, based on the materiality policy for litigations, as approved by the Company in its Board meeting held on January 5, 2023:

Name of Entity	Criminal Proceeding	Tax Proceeding	Statutory or Regulatory Proceeding	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigation	Aggregate amount involved (₹ in lakhs) to the extent quantifiable
<b>Company</b>						
By the Company	7598	1	-	-	142*	12,963.93
Against the Company	-	3	-	-	7 *	657.07
<b>Directors<sup>(1)</sup></b>						
By our Directors	-	-	-	-	-	-
Against the Directors	-	-	-	-	-	-

Promoters						
By Promoters	-	2	-	-	-	19.05
Against Promoters	1	13	-	-	-	13.70
Group Companies						
By Group Companies	-	1	-	-	-	200.78
Against Group Companies	-	-	-	-	-	-
*For further details of the outstanding litigation proceedings, see “ <i>Outstanding Litigations and Material Developments</i> ” beginning on page 390 of this Red Herring Prospectus.						

\*The proceedings may not individually exceed the materiality threshold as determined under the materiality policy adopted by our Board in respect of material outstanding civil litigations.

(1) Excluding legal proceedings against one of our Promoters who is also our Director.

There can be no assurance that these litigations will be decided in favour of our Company, our Promoters and our Group Companies, respectively, and consequently it may divert the attention of our management and Promoters and waste our corporate resources and we may incur significant expenses in such proceedings and may have to make provisions in our financial statements, which could increase our expenses and liabilities. If such claims are determined against us, there could be a material adverse effect on our reputation, business, financial condition and results of operations, which could adversely affect the trading price of our Equity Shares. For the details of the cases please refer the chapter titled “*Outstanding Litigations and Material Developments*” on page 390 of this Red Herring Prospectus.

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

We face potential liquidity risks because our assets and liabilities mature over different periods. Asset and liability mismatch (“ALM”), which represents a situation when the financial terms of an institution’s assets and liabilities do not match, is a key financial parameter for us. We carefully monitor the contractual maturity periods of our assets and liabilities and categorize them on the basis of the number of years in which they mature. Although we had a positive asset-liability position as of March 23, 2023 across various maturities and had no cumulative mismatch in ALM up to the five years maturity, we cannot assure you that we will be able to continue to maintain a favourable asset-liability maturity profile in the future.

As on March 2023 the short-term assets of the Company were adequate to meet the Company’s short term liabilities demand and the long term assets of the Company were adequate to meet the Company’s long term liabilities demand. So as on March 2023, Company has adequate resources to meet Company’s all liability demand. We meet a significant portion of our financing requirements through term loans and working capital facilities; proceeds from loans securitized; proceeds from the issuance of NCDs; and principal protected market linked debentures from banks, financial institutions, mutual funds, and other domestic and international development financial institutions. Any ALM in the maturity profile may lead to a liquidity risk and have an adverse effect on our business, cash flows and results of operations. See “Selected Statistical Information”.

The distribution of borrowing between short-term and long-term borrowings is as follows:

(₹ in lakhs)

Borrowings	March 31, 2021	March 31,2022	March 31,2023	For the nine months period ended December 31, 2023
Short Term	15,787.14	12,424.72	6,505.87	7741.34
Long Term	15,995.09	10,581.31	11,270.44	11,777.60
<b>Total</b>	<b>31,782.23</b>	<b>23,006.03</b>	<b>17,776.31</b>	<b>19,518.94</b>



The break-up of assets based on tenure, to highlight the extent of asset-liability mismatch is as follows:

*(₹ in lakhs)*

Assets	March 31, 2021	March 31, 2022	March 31, 2023	For the nine months period ended December 31, 2023
Short Term Assets	22,877.43	13,324.46	12,371.39	11,307.98
Long Term Assets	22,662.38	24,076.89	26,678.63	30,487.99
<b>Total</b>	<b>45,539.81</b>	<b>37,401.35</b>	<b>39,050.02</b>	<b>41,795.97</b>

15. **We may face difficulties and incur additional expenses in operating in rural & semi-urban markets, where infrastructure is limited, and recovery of our loans is comparably difficult.**

A significant number of our customers are in the rural & semi-urban markets in India, which may have limited infrastructure, which may have an adverse impact on our business, profitability, results of operations, cash flows and financial condition. At branches in rural and semi urban markets, we may face difficulties in conducting operations, such as accessing resources, monitoring, and collections. We may also face increased costs and expenses in conducting our business and operations and implementing risk management measures. We cannot assure you that such costs will not increase in the future as we further expand our network in rural & semi urban markets, which may adversely affect our profitability.

Also, considering the limited infrastructure, lack of third-party partners in such rural & semi-urban markets areas, our recovery proceedings is comparably difficult.

The table below set out details of our AUM and Gross NPA (divided into rural & semi-urban and urban areas), in the periods as indicated below:

Particular	As of and for the year March 31, 2021		As of and for the year March 31, 2022		As of and for the year March 31, 2023		For the nine months period ended December 31, 2023	
	Rural & semi-urban	Urban	Rural & semi-urban	Urban	Rural & semi-urban	Urban	Rural & semi-urban	Urban
AUM (₹ in lakhs)	25,555.17	16,545.61	21,497.14	13,634.65	21,327.58	14,088.53	23,226.92	14,719.36
Gross NPA (₹ in lakhs)	966.85	537.19	1,057.37	664.97	1,065.40	554.49	937.04	558.31
Gross NPA (%)	3.78	3.25	4.92	4.88	5.00	3.94	4.03	3.79

As we grow our business in newer geographies, including rural & semi urban areas, we may face difficulties such as lack of infrastructure in terms of connectivity, increased competition, cost & expenses, different culture, regulatory and taxation regimes, business practices, customs, behavior, and preferences, which could adversely affect our profitability.

16. **Our Company has experienced negative cash flow in the past and may continue to do so in the future, which could have a material adverse effect on our business, prospects, financial condition, cash flows and results of operations.**

Our Company has experienced negative net cash flow in operating, investing and financing activities in the past. Following are the details of our cash flow position during the last three financial years based on financial statements:

*(₹ in lakhs)*

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2022	Year Ended March 31, 2023	For the nine months period ended December 31, 2023
Net cash flow from / (used in) operating activities	8,508.68	6,310.24	2,361.30	(2,129.08)

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2022	Year Ended March 31, 2023	For the nine months period ended December 31, 2023
Net cash flow from / (used in) investing activities	262.63	159.66	(1,496.34)	157.01
Net cash flow from / (used in) financing activities	(8,410.89)	(7,455.85)	(201.64)	2,540.65

We may incur negative cash flows in the future which may have a material adverse effect on our business, prospects, results of operations and financial condition.

**17. Our inability to maintain our capital adequacy ratio could adversely affect our business.**

The RBI Master Directions currently require NBFCs to comply with a capital to risk (weighted) assets ratio, or capital risk adequacy ratio (“CRAR”), consisting of Tier I and Tier II capital. Accordingly, we are required to maintain a CRAR consisting of Tier I and Tier II capital, which shall not be less than 15% of our aggregate risk weighted assets on-balance sheet and of risk adjusted value of off-balance sheet items on an ongoing basis. Our Company’s capital adequacy ratio was 42.02% of which Tier 1 was 40.63% as of December 31, 2023 as per our Restated Financial Statements. Though presently our CRAR is higher than the prescribed regulatory requirement and we are well capitalized, if we continue to grow our Total Credit Exposure and asset base, we will be required to raise additional capital in order to continue to meet applicable capital adequacy ratios with respect to our business. Further, the RBI may increase its minimum CRAR threshold, which may require us to raise additional capital. 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, which could result in non-compliance with applicable capital adequacy ratios and may adversely affect the growth of our business. We cannot assure you that we would be able to raise adequate additional capital required under these regulations in the future on favourable terms, which may adversely affect the growth of our business.

**18. Our liquidity may be affected by the COVID-19 pandemic which may affect our ability to continue to operate and grow our business.**

There is no guarantee that we and the Indian financial services industry in general, notwithstanding measures taken by the Government, will be able to maintain sufficient liquidity given the uncertain scope and duration of the COVID-19 pandemic. We fund substantially all of the loans through borrowings under our several financial facilities. Given the broad impact of COVID-19 on the financial markets, our ability to borrow money to fund our current and future customer demand is uncertain. Our liquidity could also be affected as our lenders reassess their exposure to NBFCs and either curtail access to financing facilities or impose higher costs to access such facilities. Our liquidity may be further constrained as there may be less demand by investors to acquire our loans in the secondary market. Even if such demand exists, we face a higher risk as a result of the COVID-19 pandemic stemming from our customers inability to repay the underlying loans. Further, if as a consequence of COVID-19, NBFCs are unable to meet their market commitments, this could affect investor confidence in NBFCs generally and result in a loss of investors in NBFCs. A liquidity shortage for the industry as a whole may adversely affect our cash flows.

**19. The Company has inadvertently failed to submit certain intimations as required under the SEBI Listing Regulations to the BSE. In the event the Company fails to submit requisite disclosures to regulators in future, then the Company may be penalised by the regulators and the same may affect our results of operations.**

There have also been instances of delay by the Company in submission of requisite disclosures to BSE relating to details of payment of interest on debentures, record date for quarterly payment of interest, Financial results for quarters ended September 30, 2020 and March 31, 2021 as required under the SEBI Listing Regulations.

However, we have paid the penalty amount to BSE for delayed submission of financial results for quarter ended March 31, 2021 and other non-compliance wherever was required. Furthermore, we have provided requisite clarifications and explanations to BSE for certain instances wherein BSE has levied penalty for certain violations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 but the Company was not in violation of the same and has not paid any penalty thereon as yet. Set-out below is the list of instances wherein Company had failed to submit intimations to BSE:

Sr. No	Regulation	Particulars
1	57(1)	Non – submission of certificate to the stock exchange for quarter ended September 30, 2020 within two days regarding status of payment of the interest or dividend or principal becoming due.
2	57(5)	Non – submission of certificate to the stock exchange for quarter ended September 30, 2020 within seven working days confirming: (a) a certificate confirming the payment of interest/dividend/principal obligations for non-convertible securities which were due in that quarter; and (b) the details of all unpaid interest/dividend/principal obligations in relation to nonconvertible securities at the end of the quarter.
3	57(4)	Details of Interest to be payable during the quarter ended December 31, 2021 were not uploaded
4	54(3)	Unaudited Financial results for the quarter ended on December 31, 2021 did not include the details of Asset Cover.
5	53(2)	Notice of Annual General Meeting for the Fiscal 2022 was not uploaded on the Stock Exchange.
6	Schedule III – Part B	i) Proceedings of Annual General Meeting is not uploaded on BSE for Fiscal 2022. ii) No intimation made to BSE with respect to appointment of Ms. Shalu Banoria, Company Secretary of the Company within 24 hours from the date of appointment i.e. September 1, 2022. iii) No intimation made to BSE with respect to appointment of Mr. Shiv Prakash Shrimali, Independent Director of the Company within 24 hours from the date of appointment i.e. October 1, 2022. iv) No intimation made to BSE with respect to appointment of Mr. Nirmal Kumar Jain as the Chief Executive Officer of the Company within 24 hours from the date of appointment i.e. January 4, 2022. v) No intimation made to BSE with respect to appointment of Mrs. Rekha Jain as the Non Executive Director of the Company within 24 hours from the date of appointment i.e. December 31, 2021. vi) No intimation made to BSE with respect to resignation of Mrs. Rekha Jain as the Non Executive Director of the Company within 24 hours from the date of resignation i.e. December 31, 2021.
7	53	Annual Report for Fiscal 2021 is not uploaded on BSE.
8	57(2)	Non submission of an undertaking that the Company is required to submit on Annual basis stating that all documents and intimations required to be submitted to Debenture Trustees in terms of Trust Deed and Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 have been complied with.
9	SEBI Circular SEBI/HO/DDHS/CI R/P/2018/144 dated November 26, 2018	i) Non submission of Annual disclosure related to applicability and compliance with respect to large entities for the Fiscal 2022.
10	Schedule III	i) Non submission of intimation to BSE regarding disruption of Business during Covid-19. ii) Non submission of intimation to BSE regarding receipt of credit rating.

The Company had received various penalty notices for violation of the SEBI Listing Regulations of which the below mentioned penalties were paid by the Company: ₹ 37, 560 for violation of Regulation 52(4) of the SEBI Listing Regulations;

1. ₹ 2,160 for Regulation 52(4) of the SEBI Listing Regulations ₹ 2,160 for Regulation 54(2) of the SEBI Listing Regulations for quarters ended March 2021, September 2021, June 2022 and December 2022;

2. ₹3, 240 for Regulation 52(7)/(7A) of the SEBI Listing Regulations; and
3. ₹10,800 for Regulation 52(1) of the SEBI Listing Regulations.

Further the Company requested for waiver for fines imposed for late submission/non-compliance for the Regulations 57(4), 50(2), 53(2) and 60(2) provisions of SEBI Listing Regulations levied on the Company in terms of SEBI circular no. SEBI/HO/DDHS\_DIV2/P/CIR/2021/699 dated December 29, 2021 (SEBI SOP Circular) which were accepted and waived off as mentioned below:

1. ₹1080 for non-compliance of Regulation 57(4) of the SEBI Listing Regulations;
2. ₹5,900 for violation of Regulation 50(2) of the SEBI Listing Regulations;
3. ₹1,06,200 for violation of Regulation 53(2) of the SEBI Listing Regulations via email dated June 10, 2023 and;
4. ₹47, 200 for violation of Regulation 60(2) of the SEBI Listing Regulations via email dated June 22, 2023

Furthermore, the BSE has imposed a penalty of ₹68,440/- on the Company for non-compliance of Regulation 53(2) of the SEBI Listing Regulations. The Company has sought waiver of the above penalty and has submitted the requisite documents as requested by BSE.

Additionally, we have strengthened our internal compliance system by introducing the ‘Maker Checker’ System and have undertaken steps to update the internal database with latest circulars and amendments to ensure future compliance. In the event the Company fails to submit the requisite disclosures to the regulators in the future, then the Company may be penalised by the regulators and the same may affect our results of operations.

**20. We are subject to certain conditions and restrictions in terms of our financing arrangements.**

As on December 31, 2023 our total borrowings was ₹ 19,518.94 lakhs and we will continue to incur additional indebtedness in the future. Our level of indebtedness has important consequences to us, such as:

- increasing our vulnerability to general adverse economic, industry and competitive conditions;
- limiting our flexibility in planning for, or reacting to, changes in our business and the industry;
- affecting our credit ratings;
- limiting our ability to borrow additional amounts in the future;
- affecting our capital adequacy requirements; and
- increasing our finance costs.

Our Company has entered into several types of borrowing facilities of varying terms and tenures from lenders. Undertaking any of the above including the Issue without such consent constitutes a default under the relevant financing documents and will entitle the lender to declare a default against our Company and enforce remedies under the terms of the financing documents. Our Company has obtained the relevant consents from its lenders for undertaking the Issue. A default by our Company under the terms of any financing document may have an adverse effect on our operations, financial position and credit rating. For further details of our Company’s borrowings, see “*Financial Indebtedness*” on page 357.

**21. We have made Company Law related non-compliances in the past. We may be subject to regulatory action, including monetary penalty that may be imposed on us.**

There have been certain non-compliances in respect of company law related matters by the Company, in the past. For instance, non-compliances with regards to Companies Act, 2013 are mentioned below:

Non-compliance	Action taken to rectify the non-compliance
Our Company has not filed E-form 23 for appointment of Nirmal Kumar Jain as a Managing Director of the Company for the period between December 2006 to December 2013.	Subsequent filings and compliances related to re-appointment of Mr. Nirmal Kumar Jain are in proper compliance. It is not possible to file a new Form to reflect an old appointment of Mr. Nirmal Kumar Jain.
Form MGT-14 in respect of appointment and regularization of our Directors, Ramesh Kumar Jain and Rajendra Chittora respectively.	The Compounding Application filed has been disposed vide Order dated February 26, 2024 by the Ministry of Corporate Affairs under Section 454 of the Companies Act, 2013 read with Companies (Adjudication of Penalties)

Non-compliance	Action taken to rectify the non-compliance
	Rules, 2014 and Companies (Adjudication of Penalties Amendment Rules, 2015 for the violation of Section 117(1) of Companies Act, 2013 read with Rule 24 of Companies (Management and Administration) Rules, 2014 and a penalty of Rs.68,300/- was imposed on the Company and penalty of Rs.50,000/- was imposed on Nirmal Kumar Jain, being the Managing Director of the Company, and the same have been paid by the Company and Nirmal Kumar Jain.
The Company has inadvertently furnished incorrect details in Form CHG-1 for creation of charge of ₹100,00,000/- as against the charge required to be created for ₹10,00,00,000/-.	The Company has repaid the loan availed and filed Form CHG-4 with the Registrar of Companies, Rajasthan, Jaipur for satisfaction of charge.
The Company is also unable to trace Form-2 for the allotment of Equity Shares made on March 28, 1996.	Form 2 not traceable even in the searches caused to be conducted by the Company in the records of the Registrar of Companies, Rajasthan, Jaipur.

Further we shall intimate the respective regulatory authorities in case of any regulatory action, notices, fines, penalties, etc. by any authority pertaining to company law related non-compliances. Notices may be issued upon our Company and fines or penalties may also be imposed upon our Company, which may adversely affect our administration from compliance perspective. There can be no assurance that no penal action will be taken against us by the regulatory authorities with respect to the non-compliances. If any adverse actions are taken against us, our financial results could be affected.

22. **We do not own premises where our branch offices are located. Any termination or failure by us to renew the rent and license agreements in a favorable and timely manner, or at all, could adversely affect our business and results of operations. Moreover, many of the lease and license agreements entered into by us may not be duly registered or adequately stamped.**

All of our branches are located on rented or licensed premises. The typical period for which licenses are generally entered into by our Company for its branches range from eleven months to nine years. These agreements can be terminated, and any such termination could result in any of our branches being shifted or shut down. Some of the rent and license agreements may have expired in the ordinary course of business and we are currently involved in negotiations for the renewal of these rent and license agreements. While we have not faced major issues renewing the licenses of our branches in the past, if these rent and license agreements are not renewed or not renewed on terms favorable to us, we may suffer a disruption in our operations or increased costs, or both, which may affect our business and results of operations. Further, our rent and license agreements are required to be adequately stamped and duly registered. Unless such documents are adequately stamped or duly registered, such documents may be rendered inadmissible as evidence in a court in India or may not be authenticated by any public officer and the same may attract penalty as prescribed under applicable law or may impact our ability to enforce these agreements legally, which may result in an adverse effect on the continuance of our operations and business.

**List of locations where the Company has taken property on lease and their lease rentals is as follows:**

Sr. No.	Location (Branch Offices)	Lease Amount (Per Month) (In ₹)	Names of Related Party (if any)
1.	Thane, Mumbai	90,000/-	No
2.	Ahmedabad	11,500/-	No
3.	Chittorgarh	15,000/-	No
4.	Jodhpur	13,650/-	No
5.	Salumber	15,000/-	No
6.	Andheri, Mumbai (Corporate Office)	1,71,000/-	No
7.	Surat	8,500/-	No
8.	Pune	18,000/-	No

Sr. No.	Location (Branch Offices)	Lease Amount (Per Month) (In ₹)	Names of Related Party (if any)
9.	Reodar	4,500/-	No
10.	Banswara	6,500/-	No
11.	Ashta	10,000/-	No
12.	Mandsaur	9,550/-	No
13.	Sabla	8,000/-	No

For information in relation to our premises, see “Our Business – Properties” on page 245.

**23. Our inability to meet our obligations, including financial and other covenants under our debt financing arrangements, could adversely affect our business, results of operations and financial condition.**

As on December 31, 2023, our total borrowings were ₹ 19,518.94lakhs. Our ability to meet our debt service obligations and repay our outstanding borrowings will depend primarily on the cash generated by our business, which depends on the timely repayment by our customers. We incur indebtedness from time to time for meeting our capital requirements. Our financing agreements contain certain restrictive covenants that limit our ability to undertake certain types of transactions such as issue any further share capital whether on a preferential basis or otherwise and formulate or effect any scheme of amalgamation or merger or compromise or reconstruction, any of which could adversely affect our business, results of operations and financial condition. We are required to obtain prior approval from our lenders for undertaking various actions, including (a) make any amendments to the memorandum of association and articles of association; (b) effect any changes to or alter our Company’s capital structure, including by way of a buyback; (c) issue any further share capital whether on a preferential basis or otherwise; (d) formulate or effect any scheme of amalgamation or merger or compromise or reconstruction; (e) approach capital market for mobilizing additional resources either in the form of debts or equity; (f) effect any change in the constitution of our Company, including shareholding pattern, ownership, controlling interest and control; (g) declare dividend for any year except out of profits relating to that year; (h) effect any changes in the management of our Company, including changes in the composition of the Board of Directors and change in the practice with regard to remuneration of directors; (i) undertake guarantee obligations on behalf of any other person or provide any loan/advance to any third party; (j) incur further indebtedness by the Company; • make any prepayment of amounts due under the facilities; (k) pay any brokerage or fees to the promoters/directors other than sitting fees as paid to directors; (l) enter into long term contractual obligations directly affecting the financial position of our Company; and (m) delist debentures or permit or suffer the debentures to be delisted. Our future borrowings may also contain similar restrictive provisions. For details in relation to our outstanding indebtedness and certain indicative terms of our borrowing facilities, see “Financial Indebtedness” on page 357. Further, the details of the debt/equity ratio of the Company for the last 3 (three) Fiscals is as under:

Particulars	(₹ in lakhs)			
	March 31, 2021	March 31, 2022	March 31, 2023	Nine months period ended December 31, 2023
Total Debt	31,782.23	23,006.03	17,776.31	19,518.94
Total Equity	13,026.36	13,684.44	20,478.11	21,701.25
Debt Equity Ratio	2.49	1.70	0.88	0.91
Average cost of borrowing	13.40%	12.78%	13.56%	11.07%#

#Figures not annualized

Details of the Company's top 5 (five) lenders along with amount, tenure and interest rate as on December 31, 2023 are as follows:

*(₹ in lakhs)*

Sr. No.	Name of the lender	Nature of borrowing	ROI %	Tenure (Months)	Sanctioned Amount	Outstanding amount as on December 31, 2023
1.	Bank of Baroda	Cash Credit	13.05%	Repayable on demand	4,287.00	3776.71
2.	World Business Capital	Term Loan	4.09161% + 3 Month USD SOFR	120	5,600.00	4618.54
3.	Mas Financial Services Ltd.	Term Loan	14.10%	36	950.00	343.06
		Subordinated Debts	15.30%	72	1,000.00	1,000.00
		Term Loan	14.00%	36	200.00	148.71
		Term Loan	13.50%	36	500.00	424.24
		Term Loan	13.50%	36	500.00	491.70
4.	Maanaveeya Development & Finance Pvt. Ltd.	Term Loan	14.00%	36	1,000.00	760.58
		Subordinated Debts	16.00%	72	1,000.00	1,000.00
5.	State Bank of India	Cash Credit	11.15%	Repayable on demand	400.00	329.38
		Term Loan	11.15%	67	1,500.00	1495.26
<b>Total</b>						<b>14,388.18</b>

If we fail to meet our debt service obligations or covenants provided under the financing agreements, the relevant lenders could declare us to be in default under the terms of our agreements or accelerate the maturity of our obligations. We cannot assure you that, in the event of any such acceleration, we will have sufficient resources to repay the borrowings. Our failure to meet our obligations under our financing agreements could have an adverse effect on our business, results of operations and financial condition.

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

Our business and results of operations depend on our ability to raise both, debt and equity from various external sources on suitable terms and in a timely manner. Our financing requirements historically have been met from several sources, including term loans and working capital facilities; proceeds from loans securitized; proceeds from the issuance of NCDs; and debt from other domestic and international financial institutions to meet our capital requirements. See “*Financial Indebtedness*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations — Significant Factors Affecting our Results of Operations*” on page 357 and 362 respectively. Our business thus depends on, and will continue to depend on, our ability to continually access these sources of capital and secure low cost funding at rates lower than the interest rates at which we lend to our customers.

Our ability to raise funds on acceptable terms, at competitive rates and in a timely manner, depends on various factors including our current and future results of operations and financial condition, our risk management policies, our credit ratings, our brand equity, the regulatory environment and policy initiatives in India and developments in the domestic markets including capital markets and international markets affecting the Indian economy including the effect of events such as the COVID-19 pandemic, macro and micro economic and financial conditions or continuing lack of liquidity in the market. The terms of any additional financing may also place limits on our financial and operational flexibility.

We cannot assure you that our business will continue to generate sufficient cash to enable us to service our existing and future debt or to fund our other liquidity needs. Recently, certain NBFCs in India have defaulted in the repayment of their borrowings, which has adversely affected the availability and cost of funds to NBFCs in general. Any such events in the future may lead to adverse perceptions about the finance sector as a whole and affect our ability to obtain financing at commercially reasonable terms.

Further, changes in economic, regulatory and financial conditions or any lack of liquidity in the market could adversely affect our ability to access funds at competitive rates, which could adversely affect our liquidity and financial condition. Our ability to raise debt to meet our financing requirements is also restricted by the limits prescribed under applicable regulations. If we are unable to obtain adequate financing in a timely manner and on acceptable terms, our business, results of operations and financial condition may be adversely affected.

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

We primarily serve customers in the low and middle-income groups, with majority of our borrowers being small business owners, salaried or working class individuals, and self-employed individuals. A significant portion of our customer base is typically less economically stable than large corporates, and as a result, is usually adversely affected by declining economic conditions. Earning capacity of customers in these segments depends on various macro and micro economic factors that affect them from time to time. Our customers may default on their repayment obligations due to various reasons including business failure, insolvency, lack of liquidity, loss of employment or personal emergencies such as the death of an income-generating family member, including on account of events such as the COVID-19 pandemic.

In addition, our customers may have limited credit histories that would enable us to assess their creditworthiness. Further, we may not receive updated information regarding change in the financial condition of our customers and may receive inaccurate or incomplete information as a result of any misrepresentation by our customers or employees. It may therefore be difficult for us to carry out the necessary credit risk analysis on all of our customers. Although we follow procedures to evaluate the credit profiles of our customers prior to sanctioning a loan, we also rely on the value of the property provided as underlying collateral valued by valuer in the case of business loans and value of vehicle hypothecated in favour of Company in case of vehicle loans. The Company does not offer any unsecured loans.

Following table set forth shows details of our customer base:

Sr. No.	Particulars	March 31, 2021	March 31, 2022	March 31, 2023	December 31, 2023
<b>Customer Base (Nos)</b>					
1.	Vehicle Finance	41,046	29,671	27,227	2,7482
2.	Business Loans	4,269	4,288	5,172	5,289
	<b>Total</b>	<b>45,315</b>	<b>33,959</b>	<b>32,399</b>	<b>32,771</b>
<b>Securitized Loans (in Rs. Lakhs)</b>					
1.	Vehicle Loans				
2.	Business Loans	1,208.48	1,192.40	679.96	446.55
	<b>Total</b>	<b>1,208.48</b>	<b>1,192.40</b>	<b>679.96</b>	<b>446.55</b>

Following table set forth shows details of our NPA.

NPA	( ₹ in Lakhs except %)							
	As on March 31, 2021		As on March 31, 2022		As on March 31, 2023		As on December 31, 2023	
	Amount	%	Amount	%	Amount	%	Amount	%
Vehicle Loans	805.25	53.54%	311.99	18.11%	512.33	31.63%	337.24	22.55%
Business Loans	698.79	46.46%	1,410.34	81.89%	1,107.55	68.37%	1158.11	77.45%
<b>Total</b>	<b>1,504.04</b>	<b>100.00%</b>	<b>1,722.33</b>	<b>100.00%</b>	<b>1,619.88</b>	<b>100.00%</b>	<b>1,495.35</b>	<b>100.00%</b>

To the extent we are unable to successfully manage the risks associated with lending to customers new to credit, it may become difficult for us to recover outstanding loan amounts (including interest) provided to such customers. We cannot assure you that our risk management controls will be sufficient to prevent losses on account of customer defaults, increasing our Net NPA and adversely affecting our business, results of operations and financial condition.



The rise in interest rates may adversely affect our customers' cash flows and increase our NPAs. Due to the circumstances of our customers and our lending practices, we may, in the future, experience increased levels of NPAs and related provisions and write-offs that may adversely affect our business, financial condition and results of operations. We cannot assure you that our monitoring and risk management controls will be sufficient to prevent future losses on account of customer defaults, thereby increasing our Gross NPAs and adversely affecting our business, results of operations and financial condition. We cannot assure you that there will not be a significant increase in the portion of our loans that are classified as NPAs as our loan portfolio matures.

**26. We are affected by volatility in interest rates for both our lending and treasury operations, which could cause our net interest income to vary and consequently affect our profitability.**

Our results of operations depend substantially on the level of our net interest income, which is the difference between our interest and other income charges, and interest expense and other borrowing costs. Any change in interest rates would affect our interest expense on our floating interest-bearing liabilities as well as our net interest income and net interest margins. Any increase in our cost of funds may lead to a reduction in our net interest margin, or require us to increase interest rates on loans disbursed to customers in the future to maintain our net interest margin.

Our interest income is affected by any volatility in interest rates in our lending operations. 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 relatively high degree of volatility in interest rates in India. Moreover, if there is an increase in the interest rates we pay on our borrowings that we are unable to pass to our customers, we may find it difficult to compete with our competitors, who may have access to low-cost funds or lower cost deposits. Further, to the extent our borrowings are linked to market interest rates, we may have to pay interest at a higher rate than lenders that borrow only at fixed interest rates. 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, it could lead to a reduction in our net interest income and net interest margin.

Fluctuations in interest rates may also adversely affect our treasury operations. In a rising interest rate environment, especially if the rise is sudden or sharp, we could be adversely affected by the decline in the market value of our securities portfolio and other fixed income securities. In addition, we currently do not enter into any interest rate hedging instruments to protect against interest rate volatility. Our inability to effectively and efficiently manage interest rate variations and our failure to pass on increased interest rates on our borrowings may cause our net interest income to decline, which would decrease our return on assets and could adversely affect our business, future financial performance and result of operations.

**27. The Objects of the Issue for which funds are being raised have not been appraised by any bank or financial institution. The deployment of funds is entirely at the discretion of our management and as per the details mentioned in the section titled "Objects of the Issue". Any revision in the estimates may require us to reschedule our expenditure and may have a bearing on our expected revenues and earning**

Our funding requirements and the deployment of the proceeds of the Issue are purely based on our management's estimates and have not been appraised by any bank or financial institution. Our Company may have to revise such estimates from time to time and consequently our funding requirements may also change. Our estimates may exceed the value that would have been determined by third party appraisals and may require us to reschedule our expenditure which may have a bearing on our expected revenues and earnings. Further, the deployment of the funds towards the Objects of the Issue is entirely at the discretion of our management. However, the Monitoring Agency will monitor the utilisation of the proceeds of the Issue and the Board after consideration and approval by the Audit Committee will disclose the utilisation of proceeds of the Issue under separate head in our balance sheet along with relevant details for all sum amounts that have not been utilized. Our Company will issue a disclosure to the Stock Exchanges, on a quarterly basis, of deviations, if any, in the use of proceeds of the Issue from the Objects of the Objects stated in this Red Herring Prospectus or by way of an explanatory statement to the notice for a general meeting.

**28. We operate in a highly competitive industry and our inability to compete effectively may adversely affect our business.**

We operate in a highly competitive industry. Given the diversity of our businesses, and the products and services which each of those issue, we face competition from the full spectrum of public sector banks, private sector banks (including foreign banks), small finance banks, financial institutions and other NBFCs who are active in business finance and vehicle finance. Many of our competitors have greater resources than we do, may be larger in terms of business volume and may have significantly lower cost of funds compared to us. Many of them may also have greater geographical reach, long-standing partnerships and may issue their customers other forms of financing that we may not be able to provide. We believe that the competition we face from other NBFCs is increasing as more NBFCs are

targeting products and services similar to ours. Competition in our industry depends on, among other things, the ongoing evolution of government policies, the entry of new participants and the extent to which there is consolidation among other financial institutions in India.

Our ability to compete effectively will depend, in part, on our ability to maintain or increase our margins. We cannot assure you that we will be able to react effectively to market developments or compete effectively with new and existing players in the industries in which we operate. Increasing competition may adversely affect our net interest margins, income and market share.

**29. We depend on the services of our management team and employees. Our inability to retain existing members of our management team and recruit new members for our management team may adversely affect our business.**

Our future success depends substantially on the continued service and performance of members of our management team and employees and also upon our ability to manage key issues relating to human resource such as selecting and retaining key managerial personnel, developing managerial experience, addressing emerging challenges and ensuring a high standard of customer service. There is intense competition for experienced senior management and other qualified personnel, particularly office managers, field executives and employees with local knowledge in customer procurement, loan disbursement and instalment collections in vehicle finance and small business finance which we expect to scale up significantly. If we cannot hire additional or retain existing management personnel and employees, our ability to expand our business will be impacted and our revenue could be adversely affected. Failure to train and motivate our employees properly may result in an increase in employee attrition rates affect our origination and collection rates, increase our exposure to high-risk credit and impose significant costs on us. While we have an incentive based remuneration structure, employee stock option schemes and training and development programs 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 and future financial performance. For details in relation to changes in our Board and Key Management Personnel, see “*Our Management Changes in our Board during the last three years*” and “*Our Management - Changes in Key Management Personnel during the last three years*” on pages 270 and 280 respectively.

There can be no assurance that we will not experience any disruptions to our operations due to disputes or other problems with our employees, which may adversely affect our business and results of operations.

**30. Any failure or significant weakness of our internal controls system could cause operational errors or incidents of fraud, which would adversely affect our profitability and reputation.**

We are responsible for establishing and maintaining adequate internal measures commensurate with the size and complexity of operations. Our internal or concurrent audit functions make an evaluation of the adequacy and effectiveness of internal controls on an ongoing basis so that business units adhere to our policies, compliance requirements and internal circular guidelines. While we periodically test and update, as necessary, our internal controls systems, we are exposed to operational risks arising from the potential inadequacy or failure of internal processes or systems, and our actions may not be sufficient to guarantee effective internal controls in all circumstances. Given the size of our operations, it is possible that errors may repeat or compound before they are discovered and rectified.

Our management information systems and internal control procedures that are designed to monitor our operations and overall compliance may not identify every instance of non-compliance or every suspicious transaction. If internal control weaknesses are identified, company may take definitive steps to mitigate the risk but our actions may not be sufficient to correct such internal control weakness. Failures or material errors in our internal controls systems may lead to deal errors, pricing errors, inaccurate financial reporting, fraud and failure of critical systems and infrastructure. Such instances may also adversely affect our reputation, business and results of operations. There can also be no assurance that we would be able to prevent frauds in the future or that our existing internal mechanisms to detect or prevent fraud will be sufficient. Any fraud discovered in the future may have an adverse effect on our reputation, business, results of operations and financial condition.

**31. We utilize the services of certain third parties for parts of our operations. Any deficiency or interruption in their services could adversely affect our business and reputation.**

We engage third party service providers for certain parts of our operations including the recovery, legal services, valuation and investigating agencies. Such third parties are typically proprietorships or professionals. Our engagements with them do not provide for any exclusivity, and accordingly, they can work with other lenders, including our competitors. There can be no assurance that our Third parties will continue to provide a services to us in comparison with our competitors. Our ability to control the manner in which services are provided by third party

service providers is limited and we may be held liable on account of any deficiency of services on the part of such service providers.

Though we have internal systems in place our business is also susceptible to fraud by third parties on our behalf. We cannot assure you that we will be successful in continuing to receive uninterrupted and quality services from our third party service providers. In addition, if we fail to supervise and control the sales and marketing activities of such third parties, the quality of services they provide may deteriorate, which could adversely affect our brand value. This may result in a delay of services or products delivered to us and we may be unable to find alternative vendors. Any disruption or inefficiency in the services provided by our third party service providers could affect our business and reputation.

**32. A substantial portion of our customers are first time borrowers which increases risks of non-payment or default for us.**

We have customers who are first-time borrowers from the formal secured lending ecosystem. Our customers were new to the lending ecosystem. Such customers generally may have higher risk of non-payment or default due to a number of reasons such as not having the experience of payment of interest and repayment of principal, as well as other reasons applicable to our other customers such as business failure, insolvency, lack of liquidity, loss of employment or personal emergencies such as the death of an income-generating family member, including on account of events such as the COVID-19 pandemic. To the extent we are unable to successfully manage the risks associated with lending to customers new to credit, it may become difficult for us to recover outstanding loan amounts (including interest) provided to such customers. We cannot assure you that our risk management controls will be sufficient to prevent future losses on account of customer defaults and hence increasing our Stage 3 Gross Term Loans and adversely affecting our business, results of operations and financial condition.

**33. We may be exposed to potential losses due to a decline in value of assets secured in our favour, and due to delays in the enforcement of such security upon default by our borrowers.**

We secured total credit exposure by a mix of movable and immovable assets or other forms of collateral, depending on the nature of the loans. The value of certain types of collaterals may decline due to inherent operational risks, the nature of the asset secured in our favour and adverse market and economic conditions (both global and domestic). For example, the value of the vehicle, is subject to depreciation, deterioration, and/or a reduction in value on account of a number of factors (such as wear and tear), over the course of time. Consequently, the realizable value of the collateral for the loan provided by us, when liquidated, may be lower than the outstanding loan from such customers. 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 typically repossess the commercial vehicles financed and sell such vehicles through auctions. The hypothecated vehicles, being movable property, may be difficult to locate or seize in the event of any default by our customers.

In the event of default by our customers, there can be no assurance that we will be able to sell our collateral including property, machinery, stock or vehicles provided as security at all or at prices sufficient to cover the amounts under borrower defaults, or that we would be able to invoke other securities, such as personal guarantees, due to among other things, unforeseen delays in our ability to take immediate action, winding up and foreclosure proceedings, defects in title, defects in perfection of the collateral or documentation relevant to the assets, stock market downturns, fraudulent transfers by our customers, difficulty in locating movable assets and the necessity of obtaining regulatory approvals and/or court orders for the enforcement of our collateral over those assets. Further, if any of our borrowers take recourse of arbitration or litigation against our repayment claims, it may cause a further delay in our recovery process leading to depreciation of the secured asset. A failure or delay in recovering the expected value from sale of collateral could expose us to a potential loss. Any such losses could adversely affect our business prospects, financial condition and results of operations. As a result, if our customers default, we may receive less money from liquidating collateral than is owed under the relevant financing facility, and, in turn, incur losses, even where we successfully repossess and liquidate the collateral, thereby adversely affecting our business, future financial performance and results of operations.

We have not incurred any losses in the business loans due to decline in the value of the assets secured in our favor in the past three years. The details regarding securitized assets and amount of loss on sale of assets in case of vehicle loans are mentioned below:

(₹ in Lakhs except otherwise stated)

Years	No of Vehicles	Outstanding amount	Sum of Sale	Sum of Loss
As on and for the year ended March 31, 2021	1,166	371.43	220.98	-150.46
As on and for the year ended March 31, 2022	448	301.64	270.15	-31.49
As on and for the year ended March 31, 2023	530	325.96	267.60	-58.36
As on the nine months period ended December 31, 2023	161	89.16	84.40	-4.76

However, the amount of loans written off by the Company on conservative basis and as per provision of RBI during the last three years and up to period ended December 31, 2023, which includes the sum of loss on sale of assets in case of vehicle loans is given below.

(₹ in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2023	For the period ended nine months December 31, 2023
Write offs	612.03	974.63	310.59	138.56

In addition, we may face additional delay and expense in conducting an auction to sell the collateral and may face significant delay in repossessing collateral, as litigation against defaulting customers, even if governed by an arbitration clause, can be slow and expensive in India. In the event a specialized regulatory agency gains jurisdiction over the borrower, creditor actions can be further delayed. In the event of any inability or delay in the repossession and liquidation of the collateral securing loans in default, we may incur losses, which could adversely affect our results of operations and financial condition.

34. **Failure to train and motivate our 125 employees may lead to an increase in our employee attrition rates which is 15.79% as on December 31, 2023 and our results of operations could be adversely affected as a result of any disputes with our employees.**

Our operations are employee-driven, and we place significant emphasis on the effective training of our personnel in communication and service orientation skills. However, failure to train and motivate our employees may lead to an increase in our employee attrition rates, erode the quality of customer service, divert management resources and impose significant costs on us which may have an adverse effect on our results of operations. We employed 125 permanent employees as of December 31, 2023 and place significant emphasis on our employees' overall welfare.

Following table shows attrition rate:

Particulars	As at March 31, 2021	As at March 31, 2022	As at March 31, 2023	December 31, 2023
Attrition Rate	40.00%	7.00%	19.71%	15.79%

However, we cannot assure you that there will not be any future disruptions in our operations due to any disputes with our employees. Further, we depend on our branch-level employees for sourcing, disbursements and collections and customer liaison, and significant attrition at any of our branches could adversely affect our operations. Moreover, in the event of a labour dispute, protracted negotiations and strike action may impair our ability to carry on our day-to-day operations, which could adversely affect our results of operations.

35. **We are exposed to risks that may arise if our customers opt for balance transfers to other lenders.**

It is possible that interest rates on loans for some of our customers may be higher than the interest rates on loans being offered to these customers by our competitors. Some such customers may seek to refinance their loans through balance transfer to other banks and financial institutions. While refinancing of loans by other lenders could in certain circumstances be beneficial for our customers, it results in a loss of interest income expected from such loans over the course of their tenure and may cause us to incur increased origination costs.

Following table shows total outstanding loan amounts of customers who have opted for balance transfer option:-

<i>(₹ in lakhs)</i>				
Particulars	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2023	For nine months ended December 31, 2023
Balance transfer	310.57	71.76	29.63	36.29

As competition in the small business finance sector intensifies, some of our customers may be able to find balance transfer options at comparably lower interest rates or other financing alternatives which could have an adverse effect on our business, results of operations and financial condition.

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

For the financial years March 31, 2021, 2022 and 2023 and the nine months ended December 31, 2023, ₹ 5,697.41 lakhs, ₹ 2,958.72 lakhs, ₹ 1,390.57 lakhs and ₹ 959.20 lakhs respectively and which is 32.69%, 23.39%, 10.04% and 11.75% respectively, of our total collections, were in cash. These cash collections expose us to the risk of theft, fraud, misappropriation or unauthorized transactions by employees responsible for dealing with such cash collections. These risks are exacerbated by the high levels of responsibility we delegate to our employees and the geographically dispersed nature of our network.

As we grow our retail presence, the cash collections are likely to increase. While we have taken insurance policies, including coverage for cash in safes and in transit, and undertaken measures to detect and prevent unauthorized transactions, fraud or misappropriation, this may not be sufficient to prevent or deter such activities in all cases, which may adversely affect our operations and profitability. Further, we may be subject to regulatory or other proceedings in connection with any unauthorized transactions, fraud or misappropriation by our representatives and employees, which could adversely affect our goodwill. We may also be party to criminal proceedings and civil litigation related to our cash collections.

**37. We have given corporate guarantees to financial institutions, which may or may not crystallize.**

The corporate guarantees extended by the Company to financial institutions against our co-lending and business correspondent model, outstanding as on nine months ended December 31, 2023 and for financial years ended March 31, 2023, 2022 and 2021, are as mentioned in table below:

<i>(₹ in lakhs)</i>				
Particulars	March 31, 2021	March 31, 2022	March 31, 2023	December 31, 2023
Corporate guarantees to financial institutions	565.13	366.68	2,038.43	1,203.57

Corporate guarantees form a part of our contingent liabilities, and they may become our actual liabilities and if a significant portion of these liabilities materialize, it could have an adverse effect on our business, financial condition and results of operations. These corporate guarantees have been given by the Company against the loans sourced by the Company and funded by these financial institutions. If any loan becomes irrecoverable, then Company is liable to honor the liability under such corporate guarantees extended by it.

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

Certain non-GAAP measures, such as EBITDA, EBITDA Margin, Average Cost of Borrowing, Stage 3 Gross term loans (net), Stage 3 Gross term loans to Gross term loans, Net Worth, Return on Equity, Total Borrowings to Total Equity Ratio, Gross Term Loans to Net Worth and Operating Expenses to Average Total Assets presented in this Red Herring Prospectus are a supplemental measure of our performance and liquidity that are not required by, or presented in accordance with, Ind AS, Indian GAAP, or IFRS. Further, these Non-GAAP measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, or IFRS and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the periods/years or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, or IFRS. In addition, these Non-GAAP measures are not a standardised term, hence a direct comparison of similarly titled Non-GAAP

Measures between companies may not be possible. Other companies may calculate the Non-GAAP Measures differently from us, limiting its utility as a comparative measure. Although the Non-GAAP measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it is useful to an investor in evaluating us because it is a widely used measure to evaluate a company's operating performance.

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

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

In recent years, there has been a marked increase in the use of social media platforms in India, including blogs, social media websites and applications, and other forms of internet-based communications which allow individuals access to a broad audience of customers and other interested persons. Many social media platforms immediately publish the content that their subscribers and participants post, often without filters or checks on accuracy of the content posted. The dissemination of inaccurate information online could harm our business, reputation, prospects, financial condition and operating results, regardless of the information's accuracy. The damage may be immediate without affording us an opportunity for redress or correction. Other risks associated with the use of social media include negative comments about us, fraud, hoaxes or malicious exposure of false information. Such inappropriate, unverifiable or false information regarding us may be published online or on social media by third parties, or any other such damage to our brand or our reputation may result in withdrawal of business by our existing customers and loss of new business from potential customers, could increase our costs, lead to litigation or result in negative publicity that could damage our reputation and adversely affect our business, results of operations and financial condition.

**40. This Red Herring Prospectus contains information from third parties and an industry report obtained from Dun and Bradstreet, which we have commissioned and paid for purposes of confirming our understanding of the industry exclusively in connection with the Issue. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate.**

The industry and market information contained in this Red Herring Prospectus includes information that is derived from the Dun & Bradstreet Report prepared by an independent third-party research agency, Dun & Bradstreet. The Dun & Bradstreet Report has been commissioned and paid for by us for the purposes of confirming our industry exclusively in connection with the Issue. The report uses certain methodologies for market sizing and forecasting, and may include numbers relating to our Company that differ from those we record internally. While we believe such information to be true, we cannot assure you that such information is complete or reliable. Accordingly, investors should read the industry-related disclosure in this Red Herring Prospectus in this context. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced for other economies and should not be unduly relied upon. Further, we cannot assure you that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Red Herring Prospectus. While these industry sources and publications may take due care and caution while preparing their reports, they do not guarantee the accuracy, adequacy or completeness of the data. Accordingly, investors should not place undue reliance on, or base their investment decision solely on this information.

**41. We may enter into related party transactions in the ordinary course of our business and we cannot assure you that such transactions will not have an adverse effect on our results of operation and financial condition.**

We may, from time to time, enter into related party transactions in the future. All related party transactions that we may enter into post-listing, will be subject to an approval by our Audit Committee, Board, or Shareholders, as required under the Companies Act and the SEBI Listing Regulations. For information on the related party transactions, see “*Restated Financial Information – Related Party Disclosures*” on page 328. All related party transactions by us as mentioned in the Restated Financial Statements were at arms' length and in compliance with Companies Act, 2013 and other applicable laws.

We confirm none of the related party transactions taken together for the nine months period ended December 31, 2023 and for the financial years ended March 31, 2023, March 31, 2022, and March 31, 2021 is not more than 10% of the total transactions of similar nature for the abovementioned periods/year except for salary paid to related parties.

Total salary paid to related parties as a % to total employee benefit expenses was 33.66%, 29.98%, 28.50%, and 31.38% for the nine months period ended December 31, 2023 and the financial years ended March 31, 2023, March 31, 2022, and March 31, 2021 respectively.

We have entered into related party transaction while giving Loans/Advances in the past and we may continue to do the same in future. Although there are no instances of default in the past with respect to transaction of loans and advances entered into with related parties, there is no assurance that there will not be default in these transactions.

Such related party transactions in the future or any other future transactions may potentially involve conflicts of interest which may be detrimental to the interest of our Company and we cannot assure you that such transactions, individually or in the aggregate, will always be in the best interests of our minority shareholders and will not have an adverse effect on our business, financial condition, results of operations, cash flows and prospects.

**42. Our Company may not be able to pay dividends in the future. Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements and capital expenditures and the terms of our financing arrangements.**

Any dividends to be declared and paid in the future are required to be recommended by our Company's Board of Directors and approved by its Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. Further, the RBI has issued circular dated June 24, 2021 on Declaration of Dividends by NBFCs (“Dividend Circular”). The Dividend Circular specifies, inter alia, certain minimum prudential requirements (relating to capital adequacy, Net NPA and other criteria) for an NBFC to be eligible to declare dividend, the maximum permissible dividend payout ratio, the considerations to be taken into account by the board of directors of an NBFC while considering the proposal to declare dividend (such as supervisory findings of the RBI on divergence in classification and provisioning of NPAs, qualifications in the auditors' report to the financial statements, and long term growth plans) and the manner of reporting details of dividends declared. The Dividend Circular will be applicable to NBFCs for the declaration of dividends from the profits of the financial year ending onwards. Our Company's ability to pay dividends in the future will depend upon our future results of operations, financial condition, cash flows, sufficient profitability, working capital requirements and capital expenditure requirements. We cannot assure you that we will generate sufficient revenues to cover our operating expenses and, as such, pay dividends to our Company's shareholders in future consistent with our past practices, or at all. Dividends distributed by us will attract dividend distribution tax at rates applicable from time to time and may be subject to other requirements prescribed by the RBI. For information pertaining to dividend declared by our Company in the past, see “Dividend Policy” on of this Red Herring Prospectus.

**43. The average cost of acquisition of Equity Shares by our Promoters may be lower than the Floor Price.**




The average cost of acquisition of Equity Shares by our Promoter may be lower than the Floor Price. The Floor Price as per the price band announced is ₹ [●]. For further details regarding the average cost of acquisition of Equity Shares by our Promoters, please see page 31.

**44. Some of our Directors/Promoters may be interested in companies or entities which are in the same line of business as us.**

Some of our Directors/Promoters, are interested in other companies or entities, as directors or shareholders or otherwise, which are engaged in a similar line of business as compared to ours. For more details regarding other directorships of our Directors, see “*Our Management*” on page 264. Further there is no assurance that our Directors

will not provide competitive services or otherwise compete in business lines in which we are already present or will enter into in future. Such factors may have an adverse effect on the results of our operations and financial condition.

**45. Any failure to protect or enforce our rights to own or use trademarks and brand names and identities could have an adverse effect on our business and competitive position.**

As on the date of this Red Herring Prospectus, our Company has applied for registration of its logo  which application is presently pending. Hence, we do not enjoy the statutory protection accorded to a registered trademark. Since we have not obtained registration, we may remain vulnerable to infringement and passing-off by third parties and will not be able to enforce any rights against them. We may also need to change our logo which may adversely affect our reputation and business and could require us to incur additional costs. Our Company has also obtained 2 (two) registrations for the 2 (two) trademarks “” and “” from the Registrar of Trademarks under Classes 36 and 37, respectively. The Company has entered into agreement with Akmedream Homes LLP, Akme Automobiles Private Limited, Akme Fincare LLP, Akme Build Estate Limited, Akme Finnova Advisors LLP, Akme Sarvoday Dreamventures LLP, Akme Buildmart Private Limited and Akme Mineral Exim Private Limited (“**Akme Entities**”) in respect of use of ‘Akme’ name and label, by these entities in respect of their respective goods and services. For further details please refer the chapter titled “*Government and Other Statutory Approvals*” beginning on page 402 of this Red Herring Prospectus. Any failure to register our logo or renew registration of our registered trademarks may affect our right to use them in future. Our efforts to protect our intellectual property may not be adequate and any third party claims on any of our unprotected brands or misuse of the ‘Akme’ name and label by the Akme Entities may lead to erosion of our business value and our reputation, which could adversely affect our operations. Third parties may also infringe or copy our registered trademarks. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our trademarks.

Further, if we do not maintain our brand identity, which is an important factor that differentiates us from our competitors, we may not be able to maintain our competitive edge. If we are unable to compete successfully, we could lose our customers, which would negatively affect our financial performance and profitability. Moreover, our ability to protect, enforce or utilize our brand is subject to risks, including general litigation risks. Furthermore, we cannot assure you that our brand will not be adversely affected in the future by actions that are beyond our control, including customer complaints or adverse publicity from any other source. Any damage to our brand identity, if not immediately and sufficiently remedied, could have an adverse effect on our business and competitive position.

Finally, while we take care to ensure that we comply with the intellectual property rights of others, we cannot determine with certainty whether we are infringing any existing third-party intellectual property rights, which may force us to alter our offerings. We may also be susceptible to claims from third parties asserting infringement and other related claims. If similar claims are raised in the future, these claims could result in costly litigation, divert management’s attention and resources, subject us to significant liabilities and require us to enter into potentially expensive royalty or licensing agreements or to cease certain offerings. Any of the foregoing could have an adverse effect on our business and competitive position.

**46. The Price Band, Issue Price, market capitalization to total turnover and price to earnings ratio based on the Issue Price of our Company, may not be indicative of the market price of our Company on listing or thereafter.**

The Issue Price, market capitalization to total revenue multiple and price to earnings ratio based on the Issue Price of our Company, may not be indicative of the market price of the Equity Shares on listing. Our revenue from operations and restated profit after tax for the Financial Year ended March 31, 2023, was ₹ 6,951.37 lakhs and ₹1,580.27 lakhs, respectively as per our Restated Financial Statements. The table below provides details of our price to earnings ratio and market capitalization to revenue from operations at the upper end of the Price Band:

Particulars	Price to earnings ratio*	Market Capitalization to Revenue*
For Fiscal 2023	[●]	[●]

*\*To be updated at Prospectus stage*

For the Financial Year 2023, our market capitalization to revenue from operations (for the Financial Year 2023) multiple is [●] times at the upper end of the Price Band. Further the P/E ratio for the Financial Year ended March 31, 2023 is [●] at the upper end, while the average P/E ratio of our competitor entities (which are listed companies in India that are of larger size with longer operating histories and varied business models and offerings) is 23.68 for the Financial Year ended March 31, 2023. The Issue Price of the Equity Shares is proposed to be determined on the basis of assessment of market demand for the Equity Shares offered through a book-building process and certain quantitative



and qualitative factors as set out in the chapter titled “*Basis for Issue Price*” on page 177. The Price Band, Issue Price and derived multiples and ratios may not be indicative of our market price on listing or thereafter.

Prior to the Issue, there has been no public market for our Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Issue. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. Any valuation exercise undertaken for the purposes of the Issue by us, in consultation with the BRLM, is not based on a benchmark with our industry peers. The relevant financial parameters based on which the Price Band would be determined, shall be disclosed in the advertisement that would be issued for publication of the Price Band. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results, market conditions specific to the industry we operate in, developments relating to India, announcements by us or our competitors of significant acquisitions, strategic alliances, our competitors launching new products or superior products, COVID-19 related or similar situations, announcements by third parties or governmental entities of significant claims or proceedings against us, volatility in the securities markets in India and other jurisdictions, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors.

### **External Risk Factors**

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

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

- 1) increase in interest rates may adversely affect our access to capital and increase our borrowing costs, which may constrain our ability to grow our business and operate profitably;
- 2) downgrade of India’s sovereign debt rating by an independent agency;
- 3) political instability, resulting from a change in governmental or economic and fiscal policies, may adversely affect economic conditions in India. In recent years, India has implemented various economic and political reforms. Reforms in relation to land acquisition policies and trade barriers have led to increased incidents of social unrest in India over which we have no control;
- 4) change in the government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular;
- 5) civil unrest, acts of violence, terrorist attacks, regional conflicts or situations or war;
- 6) India has experienced epidemics, and natural calamities such as earthquakes, tsunamis, floods, and drought in recent years;
- 7) high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins; and
- 8) contagious diseases such as the COVID-19 pandemic, the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine. A worsening of the current COVID-19 pandemic or any similar future outbreaks of COVID-19, avian or swine influenza or a similar contagious disease could adversely affect the Indian economy and economic activity in the region.

Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely affect our business, results of operations and financial condition and the price of the Equity Shares. Our performance and the growth of our business depend on the overall performance of the Indian economy as well as the economies of the regional markets in which we operate.

**48. Macroeconomic conditions in India could have a material adverse effect on our business, results of operations and financial condition.**

We conduct all of our business activities in India, and rely primarily on interest income from loans, income from investments, and fee income (which includes login fees and processing fees) to generate our revenues. These revenue streams have historically been affected by key macroeconomic conditions in India, and are likely to continue being affected by them in the future. In addition, our ECL models take into account macroeconomic factors such as India's prevailing GDP and interest rates, which could adversely affect our ECLs and, in turn, our profitability.

Consumer confidence, consumer spending, unemployment and overall economic growth rates are among the main factors that often impact the demand for credit. Poor economic conditions and regulatory forbearances or relaxations tend to adversely affect our end-customers' ability and willingness to repay the amounts borrowed, thus increasing delinquencies, charge-offs and provisions for credit losses, and decreasing recoveries.

Economic growth in India is influenced by, among other things, inflation, unemployment rates, interest rates, foreign trade and capital flows, as well as the monsoon season. The level of inflation or depreciation of the Indian rupee may limit monetary easing or cause monetary tightening by the RBI. Any increase in inflation, due to increases in domestic food prices or global prices of commodities, including crude oil, the impact of currency depreciation on the prices of imported commodities and additional pass-through of higher fuel prices to consumers, or otherwise, may result in a tightening of monetary policy.

While our results may not necessarily track India's economic growth figures, the Indian economy's performance affects the environment in which we operate. These factors could have a material adverse effect on our business, financial condition and results of operations.

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

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, particularly emerging market countries in Asia. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our business, our future financial performance and the prices of the Equity Shares. Concerns related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy.

In addition, China is one of India's major trading partners and there are rising concerns of a possible slowdown in the Chinese economy as well as a strained relationship with India, which could have an adverse impact on the trade relations between the two countries. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, implemented a number of policy measures designed to add stability to the financial markets. However, the overall long-term effect of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilizing effects. Any significant financial disruption could have a material adverse effect on our business, financial condition and results of operation. These developments, or the perception that any of them could occur, have had and may continue to have a material adverse effect on global economic conditions and the stability of global financial markets and may significantly reduce global market liquidity, restrict the ability of key market participants to operate in certain financial markets or restrict our access to capital. This could have a material adverse effect on our business, financial condition and results of operations and reduce the price of the Equity Shares.

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

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

High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our operating expenses, which we may not be able to pass on to our

customers, whether entirely or in part, and the same may adversely affect our business and financial condition. In particular, we might not be able to reduce our costs or pass the increase in costs on to our customers. In such case, our business, results of operations, cash flows and financial condition may be adversely affected.

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

**51. The growth rate of India's small business finance industry may not be sustainable.**

We expect the small business finance industry in India to continue to grow as a result of anticipated growth in India's economy, increases in household income and demographic changes. In addition, the Government of India is pursuing various schemes and initiatives to create an enabling and supportive environment to enhance the flow of credit to the small business sector in India. Initiatives such as the "Credit Guarantee Fund Trust Scheme for Micro and Small Enterprises" scheme have reinforced the flow of credit to the small business finance sector. However, it is not clear how certain trends and events, such as the pace of India's economic growth, the development of domestic capital markets and the on-going reform will affect India's small business finance industry. In addition, there can be no assurance that the Government policies and initiatives for the small business finance industry will continue at the same or expected pace in the future. Consequently, there can be no assurance that the growth and development of India's small business finance industry will be sustainable.

**52. Changing laws, rules and regulations and legal uncertainties, including adverse application of corporate and tax laws, may adversely affect our business, results of operations and prospects and could lead to new compliance requirements that are uncertain.**

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes, including the instances mentioned below, may adversely affect our business, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. For example:

- The Government of India has announced the union budget for Fiscal 2022 and the Finance Act, 2021 has received the President's assent on March 28, 2021. There is no certainty on the impact that the Finance Act, 2021 may have on our business and operations or on the industry in which we operate. We cannot predict whether any amendments made pursuant to the Finance Act, 2021 would have an adverse effect on our business, financial condition and results of operations. Further, the Government of India has announced the Union Budget for the Financial Year 2023 pursuant to which the Finance Act of 2022 has introduced various amendments. Unfavorable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals.
- In India, the Supreme Court, in a judgment delivered on 24 August 2017, has held that the right to privacy is a fundamental right. Following this judgment, the Government of India is considering enactment of a bill on personal data protection for implementing organizational and technical measures in processing personal data and lays down norms for cross-border transfer of personal data and to ensure the accountability of entities processing personal data. The enactment of the aforesaid bill may introduce stricter data protection norms for a company such as us and may impact our processes.
- On September 7, 2021, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 were notified, pursuant to which the SEBI Listing Regulations stand amended. The amended SEBI Listing Regulations, amongst other matters, require entities that have listed non-convertible securities to disclose financial results on a quarterly basis (as opposed to a half yearly basis), including assets and liabilities, and cash flows. This will impose additional compliance requirements on companies such as us, which have listed their non-convertible debentures on the debt segments of the stock exchanges. Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals.

We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the application, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our businesses in the future.

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

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

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

The United Kingdom, Singapore, UAE and Hong Kong have been declared by the Government of India to be reciprocating territories for purposes of Section 44A of the Civil Code. A judgment of a court of a country which is not a reciprocating territory may be enforced in India only by a suit on the judgment under Section 13 of the Civil Code, and not by proceedings in execution. Section 13 of the Civil Code provides that foreign judgments shall be conclusive regarding any matter directly adjudicated on except-

- (i) where the judgment has not been pronounced by a court of competent jurisdiction,
- (ii) where the judgment has not been given on the merits of the case,
- (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or refusal to recognize the law of India in cases to which such law is applicable,
- (iv) where the proceedings in which the judgment was obtained were opposed to natural justice,
- (v) where the judgment has been obtained by fraud, or
- (vi) where the judgment sustains a claim founded on a breach of any law then in force in India.

Under the Civil Code, a court in India shall, on the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record. The Civil Code only permits the enforcement of monetary decrees, not being in the nature of any amounts payable in respect of taxes, other charges, fines or penalties. Judgments or decrees from jurisdictions which do not have reciprocal recognition with India cannot be enforced by proceedings in execution in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be enforceable in India. Even if an investor obtained a judgment in such a jurisdiction against us, our officers or directors, it may be required to institute a new proceeding in India and obtain a decree from an Indian court. However, the party in whose favor such final judgment is rendered may bring a new suit in a competent court in India based on a final judgment that has been obtained in the United States or other such jurisdiction within three years of obtaining such final judgment. It is unlikely that an Indian court would award damages on the same basis as a foreign court if an action is brought in India.

Moreover, it is unlikely that an Indian court would award damages to the extent awarded in a final judgment rendered outside India if it believes that the amount of damages awarded were excessive or inconsistent with Indian practice. In addition, any person seeking to enforce a foreign judgment in India is required to obtain the prior approval of the RBI to repatriate any amount recovered.

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

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies. Foreign ownership of Indian securities is subject to Government regulation. Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain exceptions), if they comply with the pricing and reporting requirements specified by the RBI. If a transfer of shares is

not in compliance with such requirements and does not fall under any of the exceptions specified by the RBI, then RBI's prior approval is required. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. Further, this conversion is subject to the shares having been held on a repatriation basis and, either the security having been sold in compliance with the pricing guidelines or, the relevant regulatory approval having been obtained for the sale of shares and corresponding remittance of the sale proceeds. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment. We cannot assure you that any required regulatory approvals for borrowing in foreign currencies will be granted to us without onerous conditions, or at all.

As provided in the foreign exchange controls currently in effect in India, the RBI has provided that the price at which the Equity Shares are transferred be calculated in accordance with internationally accepted pricing methodology for the valuation of shares at an arm's length basis, and a higher (or lower, as applicable) price per share may not be permitted. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares a land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government of India, as prescribed in the Consolidated FDI Policy and the FEMA Rules. These investment restrictions shall also apply to subscribers of offshore derivative instruments. Furthermore, on April 22, 2020, the Ministry of Finance has also made similar amendment to the FEMA Rules. While the term "beneficial owner" is defined under the Prevention of Money-Laundering (Maintenance of Records) Rules, 2005 and the General Financial Rules, 2017, neither the foreign direct investment policy nor the FEMA Rules provide a definition of the term "beneficial owner". The interpretation of "beneficial owner" and enforcement of this regulatory change involves certain uncertainties, which may have an adverse effect on our ability to raise foreign capital. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained on any particular term or at all. For further details, see "*Restrictions on Foreign Ownership of Indian Securities*" beginning on page 458.

**55. Significant differences exist between Indian Accounting Standards and other accounting principles, such as Indian Generally Accepted Accounting Principles, United States Generally Accepted Accounting Principles and International Financial Reporting Standards, which may be material to investors' assessments of our financial condition, results of operations and cash flows.**

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

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

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be similar to the shareholders' rights under the laws of other countries or jurisdictions. Investors may face challenges in asserting their rights as shareholder in an Indian company than as a shareholder of an entity in another jurisdiction.

**Risks Related to the Issue**

**57. The Issue Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Issue.**

The Issue Price of the Equity Shares will be determined by our Company, in consultation with the BRLM, and through the Book Building Process. This price will be based on numerous factors, as described under "*Basis for Issue Price*"

on page 177 and may not be indicative of the market price for the Equity Shares after the Issue. The market price of the Equity Shares could be subject to significant fluctuations after the Issue and may decline below the Issue Price owing to various factors including quarterly variations in our results of operations, results of operations that vary from the expectations of securities analysts and investors and results of operations that vary from those of our competitors. We cannot assure you that the investor will be able to resell their Equity Shares at or above the Issue Price.

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

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. The Income Tax Act levies taxes on such long-term capital gains exceeding ₹100,000 arising from sale of equity shares on or after April 1, 2018, while continuing to exempt the unrealized capital gains earned up to January 31, 2018 on such equity shares subject to specific conditions. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of a securities transaction tax ("STT"), on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold.

Any gain realized on the sale of Equity Shares held for more than 12 months, which are sold other than on a recognized stock exchange and on which no STT has been paid, will be subject to long term capital gains tax in India. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

Additionally, the Finance Act, 2020 does not require dividend distribution tax ("DDT") to be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident. Earlier, the Finance Act, 2019, had clarified that in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor.

The stamp duty for transfer of securities other than debentures, on a delivery basis is specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount. These provisions have been notified with effect from July 1, 2020. Further, the Government of India proposed additional tax measures in Finance Bill, 2022 and Union Budget for Fiscal 2023 which, among others, require the taxpayers to explain sources of cash credits, introduce a separate 30% tax on income from virtual digital assets, extend the anti-tax avoidance provision to bonus stripping of securities and repeal the 15% concessional rate on foreign dividends.

**59. The Equity Shares have never been publicly traded, and, after the Issue, the Equity Shares may experience price and volume fluctuations. Further, the Issue may not result in an active trading market for the Equity Shares and the investors may be unable to resell the Equity Shares at or above the Issue Price, or at all.**

Prior to the Issue, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Issue. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares.

The Issue Price of the Equity Shares is proposed to be determined through a book-building process and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors.

Consequently, the price of our Equity Shares may be volatile, and you may be unable to resell your Equity Shares at or above the Issue Price, or at all, and may as a result lose all or a part of your investment. Our Equity Shares are expected to trade on the Stock Exchanges after the Issue, but there can be no assurance that active trading in our Equity Shares will develop after the Issue, or if such trading develops, that it will continue. Investors may not be able to sell our Equity Shares at the quoted price if there is no active trading in our Equity Shares.

There has been significant volatility in the Indian stock markets in the recent past, and our Equity Share price could fluctuate significantly because of market volatility. A decrease in the market price of our Equity Shares could cause investors to lose some or all of their investment.

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

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

**61. Any future issuance of Equity Shares, or convertible securities or other equity-linked securities by us may dilute your shareholding and adversely affect the trading price of the Equity Shares and sale of Equity Shares by the Promoter(s) may adversely affect the trading price of the Equity Shares.**

Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by us, including through exercise of employee stock options may dilute your shareholding in our Company, adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. We cannot assure you that we will not issue additional Equity Shares. The disposal of Equity Shares by any of our Promoters, Promoter Group or other significant Shareholders, or the perception that such sales may occur may significantly affect the trading price of the Equity Shares. We cannot assure you that our Promoters and Promoter Group will not dispose of, pledge or encumber their Equity Shares in the future. Such securities may also be issued at prices below the Issue Price. We may also issue convertible debt securities to finance our future growth or fund our business activities.

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

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

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

The Equity Shares will be listed on the Stock Exchanges. Pursuant to applicable Indian laws, certain actions must be completed before the Equity Shares can be listed and trading in the Equity Shares may commence. Investors' book entry, or 'demat' accounts with depository participants in India, are expected to be credited within one working day of the date on which the Basis of Allotment is approved by the Stock Exchanges or such period as may be prescribed under applicable law. The Allotment of Equity Shares in this Issue and the credit of such Equity Shares to the applicant's demat account with depository participant could take approximately five Working Days from the Bid/Issue Closing Date and trading in the Equity Shares upon receipt of final listing and trading approvals from the Stock Exchanges is expected to commence within six Working Days of the Bid/Issue Closing Date or such period as may be prescribed under applicable law. There could be a failure or delay in listing of the Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the approval or otherwise commence trading in the Equity Shares would restrict investors' ability to dispose of their Equity Shares. There can be no assurance that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in this risk factor. We could also be required to pay interest at the applicable rates if allotment is not made, refund orders are not dispatched or demat credits are not made to investors within the prescribed time periods.

## SECTION III: INTRODUCTION

### THE ISSUE

The following table summarises the Issue details:

Particulars	Number of Equity Shares
Issue <sup>(1)</sup>	Upto 1,10,00,000* Equity Shares aggregating to ₹ [●] lakhs
The Issue consists of:	
The Fresh Issue	Upto 1,10,00,000* Equity Shares aggregating to ₹ [●] lakhs
Employee Reservation Portion <sup>(2)</sup>	Upto 5,50,000* Equity Shares aggregating to ₹ [●] lakhs
The Net Issue	Upto 1,04,50,000* Equity Shares aggregating to ₹ [●] lakhs
<i>The Net Issue consists of</i>	
A) QIB Portion <sup>(3)(4)(5)</sup>	Not more than [●]* Equity Shares aggregating up to ₹ [●] million
<i>of which:</i>	
(i) Anchor Investor Portion	Up to [●]* Equity Shares
(ii) Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	Up to [●]* Equity Shares
<i>Of which:</i>	
Available for allocation to Mutual Funds (5% of the Net QIB Portion)	Up to [●]* Equity Shares
Balance of the Net QIB Portion for all QIBs including Mutual Funds	Up to [●]* Equity Shares
A) Non-Institutional Portion <sup>(4)(5)(6)(7)</sup>	Not less than [●]* Equity Shares aggregating up to ₹[●] lakhs
<i>Of which:</i>	
One-third of the Non-Institutional Portion available for allocation to Bidders with an application size between ₹ 2,00,000 to ₹ 10,00,000	[●] Equity Shares
Two-third of the Non-Institutional Portion available for allocation to Bidders with an application size of more than ₹ 10,00,000	[●] Equity Shares
B) Retail Portion <sup>(3)(4)(5)</sup>	Not less than [●]* Equity Shares aggregating up to ₹[●] lakhs
<b>Pre and post-Issue Equity Shares</b>	
Equity Shares outstanding prior to the Issue	[●] Equity Shares
Equity Shares outstanding after the Issue	[●]* Equity Shares.
<b>Use of Net Proceeds</b>	Kindly refer to the chapter titled “ <i>Objects of the Issue</i> ” beginning on page 170 of this Red Herring Prospectus for information about the use of the Net Proceeds.

\*Subject to finalization of the Basis of Allotment.

(1) The Issue has been authorised by a resolution by our Board of Directors dated November 14, 2022 and a resolution of our Shareholders dated December 07, 2022.

(2) In the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹2,00,000, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹5,00,000. The unsubscribed portion, if any in the Employee Reservation Portion (after allocation up to ₹5,00,000), shall be added to the Net Issue. The Employee Reservation Portion shall not exceed 5% of our post-Issue paid-up equity share capital. For further details, see “Issue Structure” beginning on page 431.



(3) Our Company may, in consultation with the BRLM, allocate up to 60% of the QIB portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. The QIB Portion shall be accordingly reduced for the Equity Shares allocated to Anchor Investors. One-third of the Anchor Investor Portion is available for allocation to domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is made to Anchor Investors. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added back to the Net QIB Portion. 5% of the Net QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion (excluding Anchor Investor Portion) will be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids having been received at or above the Issue Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For further details, see "Issue Procedure" on page 436 of this Red Herring Prospectus.

(4) Under-subscription, if any, in the QIB Portion would not be allowed to be met with spill-over from other categories or a combination of categories. In the event of under-subscription in the Issue, Equity Shares shall be allocated in the manner specified in "Terms of the Issue" on page 424 of this Red Herring Prospectus.

(5) Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category, except the QIB Category, would be allowed to be met with spill-over from any other category or a combination of categories, as applicable, at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange subject to applicable law.

(6) Allocation to Bidders in all categories, other than Anchor Investor Portion, Retail Individual Portion and Non-Institutional Portion, shall be made on a proportionate basis, subject to valid Bids received at or above the Issue Price. The allocation to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. One-third of the Non-Institutional Portion shall be reserved for applicants with application size of more than ₹200,000 and up to ₹1,000,000, two-thirds of the Non-Institutional Portion shall be reserved for Bidders with an application size of more than ₹1,000,000 and the unsubscribed portion in either of the above subcategories may be allocated to Bidders in the other sub-category of Non-Institutional Bidders. The Allocation to each Non-Institutional Investor shall not be less than the minimum application size viz. ₹200,000, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining Equity Shares, if any, shall be allocated on a proportionate basis. Allocation to Anchor Investors shall be on a discretionary basis. For details, see "Issue Procedure" on page 436 of this Red Herring Prospectus.

(7) SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹500,000, shall use UPI. Individual investors bidding under the Non-Institutional Portion bidding for more than ₹200,000 and up to ₹500,000, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

**SUMMARY OF RESTATED FINANCIAL STATEMENTS**  
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**RESTATED STATEMENT OF ASSETS AND LIABILITIES**

(₹ in lakhs)

Particulars	Note	As at			
		December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>ASSETS</b>					
<b>Financial Assets</b>					
Cash and cash equivalents	4	1,305.98	737.39	74.07	1,060.03
Bank balances other than cash and cash equivalents	5	141.72	294.77	117.73	271.56
Loans	6	36,755.98	34,556.66	34,287.11	41,283.87
Investments	7	20.40	20.40	20.34	20.34
Other financial assets	8	1,410.89	1,365.70	2,157.87	1,993.97
<b>Total Financial Assets</b>		<b>39,634.97</b>	<b>36,974.92</b>	<b>36,657.13</b>	<b>44,629.77</b>
<b>Non-financial Assets</b>					
Deferred tax assets (net)	36	251.12	149.41	98.74	198.89
Property, plant and equipment	9	1,752.64	1,782.76	549.13	606.96
Right of use asset	37	0.00	0.00	39.22	53.06
Other intangible assets	10	101.05	111.24	38.15	34.99
Other non-financial assets	11	56.18	31.69	18.98	16.15
<b>Total Non-Financial Assets</b>		<b>2,161.00</b>	<b>2,075.09</b>	<b>744.22</b>	<b>910.04</b>
<b>Total Assets</b>		<b>41,795.97</b>	<b>39,050.02</b>	<b>37,401.35</b>	<b>45,539.81</b>
<b>LIABILITIES AND EQUITY</b>					
<b>LIABILITIES</b>					
<b>Financial Liabilities</b>					
Trade payables	12	45.01	26.67	22.19	33.17
Debt securities	13	-	1,000.00	1,000.00	1,000.00
Borrowings (other than debt securities)	14	17,518.94	14,778.00	20,006.03	28,782.23
Subordinated Liabilities	15	2,000.00	1,998.30	2,000.00	2,000.00
Other financial liabilities	16	152.37	182.07	256.33	177.62
<b>Total Financial Liabilities</b>		<b>19,716.32</b>	<b>17,985.05</b>	<b>23,284.56</b>	<b>31,993.02</b>
<b>Non-financial Liabilities</b>					
Current tax liabilities (net)	17	189.01	440.41	227.52	363.49
Provisions	18	163.84	106.90	101.46	103.91
Other non-financial liabilities	19	25.55	39.55	103.37	53.03
<b>Total Non-Financial Liabilities</b>		<b>378.40</b>	<b>586.86</b>	<b>432.35</b>	<b>520.43</b>
<b>Total Liabilities</b>		<b>20,094.72</b>	<b>18,571.91</b>	<b>23,716.91</b>	<b>32,513.45</b>
<b>EQUITY</b>					
Equity share capital	20	3167.50	3,167.50	2,181.65	2,181.65
Other equity	21	18,533.75	17,310.61	11,502.79	10,844.71
<b>Total Equity</b>		<b>21,701.25</b>	<b>20,478.11</b>	<b>13,684.44</b>	<b>13,026.36</b>
<b>Total Liabilities and Equity</b>		<b>41,795.97</b>	<b>39,050.02</b>	<b>37,401.35</b>	<b>45,539.81</b>

**RESTATED STATEMENT OF PROFIT AND LOSS**

(₹ in lakhs)

Particulars	Note	For the Period/Year ended			
		December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>Revenue from operations</b>					
Interest income	22	5,077.23	6,310.99	6,486.94	8,416.86
Fees and commission Income	23	140.73	209.78	227.97	148.52
Gain / Loss on derecognized financial assets	24	-3.41	-6.52	-6.30	0.00
Other operating Income	25	125.94	437.12	35.53	52.33
<b>Total revenue from operations (I)</b>		<b>5,340.49</b>	<b>6,951.37</b>	<b>6,744.13</b>	<b>8,617.72</b>
Other income (II)	26	4.18	5.45	6.08	61.66
<b>Total Income (III) = (I) + (II)</b>		<b>5,344.67</b>	<b>6,956.82</b>	<b>6,750.21</b>	<b>8,679.38</b>
<b>Expenses</b>					
Finance costs	27	2,063.86	2,765.08	3,500.04	4,804.47
Impairment on financial instruments	28	547.69	359.12	1,062.80	771.47
Employee benefits expense	29	565.79	654.48	730.40	840.43
Depreciation and amortisation expense	30	38.82	58.19	69.48	65.27
Other expenses	31	612.36	1,115.24	628.58	276.95
<b>Total Expenses (IV)</b>		<b>3,828.52</b>	<b>4,952.11</b>	<b>5,991.30</b>	<b>6,758.58</b>
<b>Profit before tax (V) = (III) - (IV)</b>		<b>1,516.15</b>	<b>2,004.71</b>	<b>758.91</b>	<b>1,920.80</b>
<b>Tax expense (VI)</b>	32				
Current tax		403.52	478.82	252.59	434.09
Deferred tax (net)		-112.03	-54.38	94.25	-143.79
Tax Expense		291.49	424.44	346.84	290.30
<b>Profit for the period / year (A) = (V) - (VI)</b>		<b>1,224.66</b>	<b>1,580.27</b>	<b>412.07</b>	<b>1,630.50</b>
<b>Other comprehensive income Items that will not be reclassified to profit or loss</b>	38				
Re-measurements of the defined benefit plan (Net of Tax)		-1.52	11.04	17.53	3.49
<b>Items that will be reclassified subsequently to profit or loss</b>					
Fair value gain/(loss) on equity instruments (Net of Tax)		-	-	-	-
<b>Other comprehensive income / (deficit) for the period / year, net of Income tax</b>		<b>-1.52</b>	<b>11.04</b>	<b>17.53</b>	<b>3.49</b>
<b>Total comprehensive income</b>		<b>1,223.14</b>	<b>1,591.32</b>	<b>429.60</b>	<b>1,634.00</b>
<b>Earnings per equity share (face value Re.10 each)</b>	39				
Basic EPS (in rupees)*		3.87	5.85	1.68	6.68
Diluted EPS (in rupees)*		3.87	5.85	1.68	6.68

**RESTATED STATEMENT OF CASH FLOWS**

(₹ in lakhs)

Particulars	For the Period/Year ended			
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>A. Cash Flow from Operating Activities</b>				
<b>Profit before tax</b>	<b>1,516.15</b>	<b>2,004.71</b>	<b>758.91</b>	<b>1,920.80</b>
<b>Adjustments for:</b>				
Depreciation and Amortisation Expenses	38.82	58.19	69.48	65.27
Provision for ECL	409.13	48.53	88.17	159.44
Bad debts Written-off	138.56	310.59	974.63	612.03
Interest on investment	-0.36	-0.98	-0.73	-0.73
Profit on sale of fixed assets	-2.12	-5.45	-6.08	-7.89
<b>Operating cash flow before working capital changes</b>	<b>2,100.18</b>	<b>2,415.59</b>	<b>1,884.39</b>	<b>2,748.92</b>
<b>Changes in Working Capital:</b>				
<i>Adjustments for (Increase) / Decrease in operating assets:</i>				
Loans	-2,747.01	-628.67	5,933.96	5,230.51
Other non- financial assets	-24.49	-12.71	-2.83	36.89
Other financial assets	-45.19	792.17	-163.90	163.16
<i>Adjustments for Increase / (Decrease) in operating liabilities:</i>				
Trade Payables	18.34	4.48	-10.97	-14.77
Current Tax Liabilities	-251.40	212.89	-135.97	62.34
Provisions	67.22	9.15	3.44	22.90
Other financial liabilities	-29.70	-74.26	78.71	-27.38
Other non-financial liabilities	-14.00	-63.82	50.33	49.44
Cash Credit	-799.50	185.30	-1,074.34	670.76
<b>Net cash (used in) operations</b>	<b>-1,725.56</b>	<b>2,840.12</b>	<b>6,562.83</b>	<b>8,942.76</b>
Direct taxes paid (net)	-403.52	-478.82	-252.59	-434.09
<b>Net Cash from/ (used in) Operating Activities (A)</b>	<b>-2,129.08</b>	<b>2,361.30</b>	<b>6,310.24</b>	<b>8,508.68</b>
<b>B. Cash Flow from Investing Activities</b>				
Investment in Fixed Deposits	153.05	-177.04	153.83	67.51
Purchase of Fixed Assets	-8.39	-1,441.58	-20.04	-55.58
Sale of Fixed Assets	12.00	121.35	25.15	30.45
(Increase)/decrease in investment	-0.00	-0.05	0.00	219.53
Interest income on Investment	0.36	0.98	0.73	0.73
<b>Net Cash from / (used in) Investing Activities (B)</b>	<b>157.01</b>	<b>-1496.34</b>	<b>159.66</b>	<b>262.63</b>
<b>C. Cash Flow from Financing Activities</b>				
Proceeds from issue of equity shares	0.00	985.85	0.00	14.22
Proceeds from securities premium (net off utilisation)	0.00	4,216.50	0.00	270.18
Foreign Currency Monetary Gain /(Loss)	0.00	0.00	0.00	0.00
Issue of Debentures	0.00	0.00	0.00	1,000.00
Deposits	0.00	0.00	0.00	0.00
Other	-1.52	11.04	246.01	106.08
<b>Net Repayment of Borrowings during the period/year</b>	<b>2,542.17</b>	<b>-5,415.02</b>	<b>-7,701.86</b>	<b>-9,801.37</b>

Particulars	For the Period/Year ended			
<b>Net Cash from/(used in) Financing Activities (C)</b>	<b>2,540.65</b>	<b>-201.64</b>	<b>-7,455.85</b>	<b>-8,410.89</b>
<b>Net increase / (decrease) in Cash and Cash Equivalents (A) + (B) + (C)</b>	<b>568.59</b>	<b>663.32</b>	<b>-985.95</b>	<b>360.42</b>
<b>Cash and Cash Equivalents at the beginning of the period/ year</b>	737.39	74.07	1,060.03	699.61
<b>Cash and Cash Equivalents at the end of the period/ year</b>	<b>1305.98</b>	<b>737.39</b>	<b>74.07</b>	<b>1,060.03</b>

Cash and cash equivalents comprises of	As at			
	December 31,2023	March 31, 2023	March 31, 2022	March 31, 2021
Cash on hand	91.92	81.46	70.09	547.24
Balances with banks				
i) In current accounts	110.83	455.93	3.97	512.78
ii) In other deposit accounts (original maturity less than 3 months)	1,103.23	200.00	0.00	0.00
	<b>1,305.98</b>	<b>737.39</b>	<b>74.07</b>	<b>1,060.03</b>

## GENERAL INFORMATION

### REGISTERED OFFICE

AKME Business Centre (ABC),  
4-5 Subcity Centre,  
Savina Circle opp. Krishi Upaz Mandi Udaipur,  
Rajasthan 313002  
**Tel No:** 0294-2489501-02  
**Email:** [cs@aasaanloans.com](mailto:cs@aasaanloans.com)  
**Website:** [www.aasaanloans.com](http://www.aasaanloans.com)  
**Registration Number:** 011509  
**Corporate Identification Number:** U67120RJ1996PLC011509

### CORPORATE OFFICE

608 The Summit - Business Bay,  
behind Guru Nank Petrol Pump,  
Opp. Cinemax , Prakashwadi  
Andheri (East ), Mumbai – 400069

*For details relating to changes in our registered office, see the section titled “History and Certain Corporate Matters - Changes in Registered Office” beginning on page 259.*

### ADDRESS OF REGISTRAR OF COMPANIES

Our Company is registered with the RoC, situated at the following address:

#### Office of the Registrar of Companies

Ministry Of Corporate Affairs,  
C/6-7,  
1<sup>st</sup> Floor, Residency Area,  
Civil Lines, Jaipur-302001,  
Rajasthan.

### Board of Directors of our Company

As on the date of the filing of this Red Herring Prospectus, the Board of Directors of our Company consists of the following:

Name of Director	Designation	DIN	Address
Mr. Nirmal Kumar Jain	Chairman and Managing Director	00240441	188, Sector-4 Tagore Nagar, Hiran Magri, Udaipur, Rajasthan- 313001.
Mr. Rajendra Chittora	Executive Director	08211508	26, New Keshav Nagar Roop Sagar Road, Near Water Tank, Bhuwana, Bhuwana Udaipur Shastri Circle, Rajasthan – 313001.
Mr. Ramesh Kumar Jain	Executive Director	07441707	Room No 506, Nisarg CHS, P.I Lokhande Marg, MHADA Colony, New Gautam Nagar, Govandi, Mumbai Maharashtra-400043
Mr. Shiv Prakash Shrimali	Non-Executive Director	09188385	151 Roop Rajat Township, Pal Road, Jodhpur, PIN: 342008, Rajasthan, India
Mr. Vimal Bolia Sardarsinghji	Non-Executive Independent Director	03056586	1901 Royce Rodas Encalve, Hiranandani Estate, GB Road, Thane West, Thane, Maharashtra – 400607
Ms. Antima Kataria	Non-Executive Independent Director	09788502	26, B Shakti Nagar, Road No. 1, Udaipur PIN:313001, Rajasthan, India
Mr. Nishant Sharma	Non-Executive Independent Director	08951697	B-501, Raghuroop Apartment, 215C, Sardarpura, Udaipur, Rajasthan, India-

Name of Director	Designation	DIN	Address
			313001
Mr. Sanjay Dattatray Tatke	Non-Executive Independent Director	09848265	H- 503/504, Palm Court, New Link Road, Near D Mart, Malad West, Mumbai, Maharashtra, India- 400064.

For further details of our Directors, please refer to the chapter titled “*Our Management*” beginning on page 264.

#### **CHIEF FINANCIAL OFFICER**

##### **Ms. Rajni Gehlot**

AKME Business Centre (ABC),  
4-5 Subcity Centre,  
Savina Circle opp. Krishi Upaz Mandi Udaipur,  
Rajasthan 313002

**Tel No.:** +91- 294-2489501-02

**Email:** cfo@aasaanloans.com

#### **COMPANY SECRETARY AND COMPLIANCE OFFICER**

##### **Mr. Manoj Kumar Choubisa**

AKME Business Centre (ABC),  
4-5 Subcity Centre,  
Savina Circle opp. Krishi Upaz Mandi Udaipur,  
Rajasthan 313002

**Tel No.:** +91- 294-2489501-02

**Email:** cs@aasaanloans.com

#### **Investor grievances**

**Bidders are advised to contact the Company Secretary and Compliance Officer and/or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of funds by electronic mode etc.**

All grievances relating to the Issue, other than that of Anchor Investors, may be addressed to the Registrar to the Issue, giving full details such as name, address of the Bidder, number of Equity Shares applied for, the Bid amount paid on submission of the Bid cum Application Form and the bank branch or collection center where the application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant SCSB or the member of the Syndicate if the Bid was submitted to a member of the Syndicate at any of the Specified Locations, or the Registered Broker if the Bid was submitted to a Registered Broker at any of the Brokers Centres, as the case may be, quoting the full name of the sole or first Bidder, Bid cum Application Form number, address of the Bidder, Bidder’s DP ID, Client ID, PAN, number of Equity Shares applied for, date of Bid-cum-Application Form, name and address of the member of the Syndicate or the Designated Branch or the Registered Broker or address of the RTA or address of the DP, as the case may be, where the Bid was submitted, and the ASBA Account number in which the amount equivalent to the Bid Amount was blocked.

All grievances relating to the UPI mechanism may be addressed to the Registrar to the Issue with a copy to the relevant Sponsor Bank or the member of the Syndicate if the Bid was submitted to a member of the Syndicate at any of the Specified Locations, or the Registered Broker if the Bid was submitted to a Registered Broker at any of the Brokers Centers, as the case may be, quoting the full name of the sole or first Bidder, Bid cum Application Form number, address of the Bidder, Bidder’s DP ID, Client ID, PAN, number of Equity Shares applied for, date of Bid-cum-Application Form, name and address of the member of the Syndicate or the Designated Branch or the Registered Broker or address of the RTA or address of the DP, as the case may be, where the Bid was submitted, and the UPI ID of the UPI ID Linked Bank Account in which the amount equivalent to the Bid Amount was blocked.

All grievances relating to Bids submitted through the Registered Broker and/or a Stock Broker may be addressed to the Stock Exchanges with a copy to the Registrar to the Issue.

All grievances of the Anchor Investors may be addressed to the Registrar to the Issue, giving full details such as the name of the sole or first Bidder, Bid cum Application Form number, Bidders’ DP ID, Client ID, PAN, date of the



Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Bid cum Application Form and the name and address of the BRLM where the Bid cum Application Form was submitted by the Anchor Investor.

#### **BOOK RUNNING LEAD MANAGER**

##### **Gretex Corporate Services Limited**

A-401, Floor 4th, Plot FP-616, (PT),  
Naman Midtown, Senapati Bapat Marg,  
Near Indiabulls, Dadar (West), Mumbai –  
400013, Maharashtra, India **Tel:** +91-22-69308500/9653249863

**Email:** info@gretexgroup.com

**Investor Grievance Email:** info@gretexgroup.com

**Website:** www.gretexcorporate.com

**Contact Person:** Mr. Alok Harlalka

**SEBI Registration No:** INM000012177

#### **STATEMENT OF RESPONSIBILITIES**

Gretex Corporate Services Limited is the sole Book Running Lead Manager to the Issue and all the responsibilities relating to co-ordination and other activities in relation to the Issue shall be performed by Gretex Corporate Services Limited and hence, a statement of inter-se allocation of responsibilities is not required.

#### **LEGAL COUNSEL TO THE ISSUE**

##### **Messrs. Kanga and Company**

Advocates & Solicitors,  
Readymoney Mansion,  
43, Veer Nariman Road,  
Mumbai – 400 001.

**Tel No:** +91 22 6623 0000

**Email:** chetan.thakkar@kangacompany.com

**Contact Person:** Mr. Chetan Thakkar

#### **STATUTORY AUDITORS TO OUR COMPANY**

##### **Valawat & Associates**

432-433, 2<sup>nd</sup> Floor, S.M. Lodha Complex, Near Shastri Circle, Udaipur-313001

**Tel:** +91 -9414161934

**Email:** valawat@yahoo.com

**Contact person:** Jinendra Jain

**Membership No.:** 072995

**Peer Review Number:** 014191

**Firm Registration Number:** 003623C

#### **Changes in Auditors during the last three years**

There has been no change in Auditors during the last 3 (three) years.

#### **REGISTRAR TO THE ISSUE**

##### **Big Share Services Private Limited**

S6-2, 6<sup>th</sup> Pinnacle Business Park, Mahakali Caves Road,  
Next to Ahura Centre, Andheri East, Mumbai – 400093,  
Maharashtra, India

**Tel:** +91 22 6263 8200

**Fax:** +91 22 6263 8299

**Email:** ipo@bigshareonline.com

**Investor Grievance Email:** investor@bigshareonline.com

**Website:** www.bigshareonline.com

**Contact Person:** Mr. Babu Rapheal C.

**SEBI Registration Number:** INR000001385

## BANKERS TO OUR COMPANY

BANKERS TO OUR COMPANY	
<b>State Bank of India</b> <b>Address:</b> State Bank of India, SME Branch, 4-C, Ridhi Sidhi Complex, Madhuban Udaipur- 313001(Rajasthan) <b>Tel:</b> 0294-2419133 <b>E-mail:</b> sbi.04082@sbi.co.in <b>Website:</b> www.sbi.co.in <b>Contact Person:</b> Shri Om Prakash Choudhary	<b>UCO Bank</b> <b>Address:</b> 12 D, Samudayik Bhawan, Hiran Magri, Sector 14, Udaipur - 313002 <b>Tel:</b> 0294-248113 <b>E-mail:</b> hiranm@ucobank.co.in <b>Website:</b> www.ucobank.com <b>Contact Person:</b> Harshvardhan Vyas
<b>AU Small Finance Bank Limited</b> <b>Address:</b> 5 <sup>th</sup> Floor, Kanakia Zillion, E wing, Jn of CST, & Lal Bahadur Shastri Rd, Kurla West, Mumbai, Maharashtra 400070. <b>Tel:</b> 022-62490600 <b>E-mail:</b> nbfcsupport@aubank.in <b>Website:</b> www.aubank.com <b>Contact Person:</b> Harshal Patkar	<b>Rajasthan Marudhara Gramin Bank</b> <b>Address:</b> Sec 14 Goverdhan Villas Branch <b>Tel:</b> 9414161706 <b>E-mail:</b> rameshpurbia@gmail.com <b>Contact Person:</b> Rc Purbia
<b>Bank of Baroda</b> <b>Address:</b> Main Branch Udaipur, Opposite Town Hall, Udaipur, Rajasthan-313001 <b>Tel:</b> +91-8875006669 <b>E-mail:</b> udaipu@bankofbaroda.com <b>Website:</b> https://bankofbaroda.in <b>Contact Person:</b> Mukesh Kumar Phulwary	

## SYNDICATE MEMBERS

### Asit C. Mehta Investment Interrmediates Limited

Pantomath Nucleus House, Saki Vihar Road,  
Andheri East, Mumbai – 400072.

**Tel:** +91 22 285833333

**E-mail:** manju.makwana@acm.in

**Website:** www.investmentz.com

**Investor Grievance E-mail:** investorgrievance@acm.co.in

**Contact Person:** Ms. Manju Makwana

**SEBI Registration No.:** INZ0001863336

### Gretex Share Broking Limited

A-401, Floor 4<sup>th</sup>, Plot FP-616, (PT),  
Naman Midtown, Senapati Bapat Marg,  
Near Indiabulls, Dadar (West), Delisle Road,  
Mumbai- 400013, Maharashtra, India.

**Tel:** +91 02262390753

**E-mail:** compliance@gretexbroking.com

**Website:** www.gretexbroking.com

**Investor Grievance E-mail:** [investor.grievances@gretexbroking](mailto:investor.grievances@gretexbroking)

**Contact Person:** Mr. Arvind Harlalka

**SEBI Registration No.:** INZ000166934

## **BANKERS TO THE ISSUE**

### **Public Issue Account Bank / Sponsor Bank/Escrow Collection Bank/ Refund Bank**

#### **Axis Bank Limited**

Axis House, 6<sup>th</sup> Floor, C-2,  
Wadia International Centre,  
Pandurang Budhkar Marg, Worli,  
Mumbai – 400025,  
**Tel:** 022 24253672

**E-mail:** [vishal.lade@axisbank.com](mailto:vishal.lade@axisbank.com)

**Website:** [www.axisbank.com](http://www.axisbank.com)

**Contact Person:** Vishal M. Lade

The list of SCSBs notified by SEBI for the ASBA process is available at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB Branches with which an ASBA Bidder (other than a RIB using the UPI Mechanism), not Bidding through Syndicate/Sub Syndicate or through a Registered Broker, RTA or CDP may submit the Bid cum Application Forms, is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>, or at such other websites as may be prescribed by SEBI from time to time.

### **SELF CERTIFIED SYNDICATE BANKS ELIGIBLE AS SPONSOR BANKS FOR UPI MECHANISM**

The list of SCSBs through which Bids can be submitted by the UPI Bidders using the UPI Mechanism, including details such as the eligible Mobile Applications and UPI handle which can be used for such Bids, is available on the website of the SEBI, and may be updated from time to time or at such other website as may be prescribed by SEBI from time to time. Applications through UPI in the Issue can be made only through the SCSBs mobile applications (apps) whose name appears on the SEBI website.

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 UPI Bidders using the UPI Mechanism may apply through the SCSBs and Mobile Applications whose names appears on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>) and (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43>) respectively, as updated from time to time. The list of SCSBs notified by SEBI for the ASBA process is available at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB Branches with which an ASBA Bidder (other than a RIB using the UPI Mechanism), not Bidding through Syndicate/Sub Syndicate or through a Registered Broker, RTA or CDP may submit the Bid cum Application Forms, is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>, or at such other websites as may be prescribed by SEBI from time to time.

### **SYNDICATE SCSB BRANCHES**

In relation to Bids (other than Bids by Anchor Investors) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI [www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35](http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35) and updated from time to time or any such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI [www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35](http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35) as updated from time to time or any such other website as may be prescribed by SEBI from time to time.

## **REGISTERED BROKERS**

In terms of SEBI circular no. CIR/CFD/14/2012 dated October 4, 2012, Bidders can submit the ASBA Forms in the Issue using the stock broker network of the stock exchange, i.e. through the Registered Brokers at the Broker Centers.

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of the BSE and the NSE at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), respectively.

## **RTAs**

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at <https://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx> and <https://www.nseindia.com/products/consent/equities/ipo/asba-procedures.htm>, as updated from time to time.

## **COLLECTING DEPOSITORY PARTICIPANTS**

In terms of SEBI circular no. CIR/CFD/ POLICYCELL/11/2015 dated November 10, 2015, Bidders can submit Bid cum Application Forms through CDPs who are depository participants registered with SEBI and have furnished their details to Stock Exchanges for acting in such capacity.

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as postal address, telephone number and e-mail address, is provided on the websites of the BSE and the NSE at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively.

## **COLLECTING RTAs**

In terms of SEBI circular no. CIR/CFD/ POLICYCELL/11/2015 dated November 10, 2015, Bidders can submit Bid cum Application Forms through Collecting RTAs who are registrars and transfer agents registered with SEBI and have furnished their details to Stock Exchanges for acting in such capacity.

The list of Collecting RTAs, including details such as postal address, telephone number and e-mail address, is provided on the websites of the BSE and the NSE at <http://www.bseindia.com> and <http://www.nseindia.com>, respectively.

## **STATEMENT OF RESPONSIBILITIES**

GreteX Corporate Services Limited is the sole Book Running Lead Manager to the Issue and all the responsibilities relating to co-ordination and other activities in relation to the Issue shall be performed by them and hence a statement of inter-se allocation of responsibilities is not required.

## **CREDIT RATING**

This being a public Issue of Equity Shares, there is no requirement of credit rating for the Issue.

## **DEBENTURE TRUSTEE**

As this is an Issue consisting only of Equity Shares, the appointment of a debenture trustee is not required for the Issue.

## **IPO GRADING OF THE ISSUE**

No credit agency registered with SEBI has been appointed in respect of obtaining grading for the Issue.

## **EXPERTS**

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

Our Company has received written consent dated June 11, 2024 from the Auditor, M/s. Valawat and Associates, Chartered Accountants, who holds a valid peer review certificate dated April 27, 2022, to include its name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Red Herring Prospectus and as an “expert” as defined under Section 2(38) of the Companies Act, 2013 in respect of (i) their examination report dated February 26, 2024 on the Restated Financial Statements; and (ii) the statement of special tax benefits dated June 11, 2024, included in this Red Herring Prospectus and such consents have not been withdrawn as on the date of this Red Herring Prospectus.

However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

## **TRUSTEES**

As this is an issue of Equity Shares, the appointment of trustees is not required.

## MONITORING AGENCY

Our Company has appointed a monitoring agency to monitor utilization of the Gross Proceeds, in accordance with Regulation 41 of the SEBI ICDR Regulations, prior to the filing of this Red Herring Prospectus with the RoC. The requisite details have been included in this Red Herring Prospectus. For further details in relation to the proposed utilisation of the Net Proceeds, see “*Objects of the Issue*” beginning on page 170. The details of the Monitoring Agency are as follows:

### **Acuite Ratings & Research Limited**

708, Lodha Supremus,  
Lodha iThink Techno Campus,  
Kanjurmarg (East), Mumbai – 400042,  
**Tel:** +91 9969898000  
**E-mail:** chitra.mohan@acuite.in  
**Contact Person:** Ms. Chitra Mohan

## APPRAISING AGENCY

None of the objects for which the Net Proceeds will be utilised have been appraised by any agency. Accordingly, no appraising entity has been appointed in relation to the Issue.

## FILING OF THE OFFER DOCUMENT

A copy of the DRHP has been filed with the SEBI at [cfddil@sebi.gov.in](mailto:cfddil@sebi.gov.in) in accordance with SEBI circular dated March 27, 2020, in relation to “Easing of Operational Procedure –Division of Issues and Listing –CFD”; and has been filed with SEBI electronically on the platform provided by SEBI at <https://siportal.sebi.gov.in>, in accordance with SEBI master circular SEBI/HO/CFD/PoD-2 /P/ CIR/2023/00094 dated June 21, 2023 and Regulation 25(8) of the SEBI ICDR Regulations. Further, a physical copy of this Red Herring Prospectus shall be filed at:

### **Securities and Exchange Board of India,**

Corporation Finance Department,  
Division of Issues and Listing,  
Plot No.C4-A, 'G' Block,  
Bandra-Kurla Complex, Bandra (East),  
Mumbai - 400051, Maharashtra.

A copy of this Red Herring Prospectus, along with the material contracts and documents required to be filed, has been filed with the RoC in accordance with Section 32 of the Companies Act and a copy of the Prospectus required to be filed under Section 26 of the Companies Act, will be filed with the RoC at its office and through the electronic portal at <https://www.mca.gov.in/mcafoportal/login.do>.

## BOOK BUILDING PROCESS

The book building, in context of the Issue, refers to the process of collection of Bids on the basis of this Red Herring Prospectus within the Price Band, which will be decided by our Company in consultation with the BRLM, and advertised in English editions of Financial Express, Hindi editions of Jansatta (Hindi being the regional language of Rajasthan, where our Registered Office is located) at least 2 (two) Working Days prior to the Bid/Issue Opening Date and was made available to the Stock Exchanges for the purpose of uploading on their respective websites. The Issue Price shall be determined by our Company, in consultation with the BRLM, after the Bid/Issue Closing Date.

All potential Bidders (excluding Anchor Investors) are mandatorily required to utilize the ASBA process to participate in the Issue by providing details of their bank account in which the corresponding Bid Amount which will be blocked by the SCSBs. UPI Bidders can also participate in the Issue through the UPI Mechanism under the ASBA process by either (a) providing the details of their ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs; or (b) through the UPI Mechanism. Anchor Investors are not permitted to participate in the Issue through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders and Eligible Employees Bidding in the Employee Reservation Portion (subject to the Bid Amount being upto ₹2,00,000) can revise their Bids during the Bid /Issue Period and withdraw their Bids on or before the Bid/Issue Closing Date. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bidding Date. Allocation to QIBs (other than the Anchor Investors), in the Issue will be on a proportionate basis. However,

allocation to the Anchor Investors will be on a discretionary basis. For allocation to the Non-Institutional Bidders, the following shall be followed:

- (a) One-third of the portion available to Non-Institutional Bidders shall be reserved for Bidders with application size of more than ₹2,00,000 and up to ₹10,00,000;
- (b) Two-thirds of the portion available to Non-Institutional Bidders shall be reserved for Bidders with application size of more than ₹10,00,000.

Provided that the unsubscribed portion in either of the sub-categories specified under clauses (a) or (b), may be allocated to Bidders in the other sub-category of Non-Institutional Bidders.

Each Bidder by submitting a Bid in the Issue, will be deemed to have acknowledged the above restrictions and the terms of the Issue.

For further details, see the chapters titled “*The Issue*”, “*Terms of the Issue*” and “*Issue Procedure*” beginning on pages 68, 424 and 436, respectively.

Our Company will comply with the SEBI ICDR Regulations and any other ancillary directions issued by SEBI for the Issue. In this regard, our Company has appointed the BRLM to manage the Issue and procure subscriptions to the Issue.

**The Book Building Process under the SEBI ICDR Regulations is subject to change from time to time and Bidders are advised to make their own judgment about an investment through the Book Building Process prior to submitting a Bid.**

For further details on the method and procedure for Bidding, please see chapters titled “*Issue Structure*” and “*Issue Procedure*” beginning on pages 431 and 436, respectively.

Bidders should note that the Issue is also subject to obtaining (i) final approval of the RoC after the Prospectus is filed with the RoC; and (ii) final listing and trading approvals from the Stock Exchanges, which our Company shall apply for post- Allotment.

Each Bidder, by submitting a Bid in the Issue, will be deemed to have acknowledged the above restrictions and the terms of the Issue.

## UNDERWRITING AGREEMENT

After the determination of the Issue Price, but prior to the filing of the Prospectus with the RoC, our Company will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through this Issue. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions specified therein. The Underwriting Agreement is dated [●].

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

*(This portion has been intentionally left blank and will be filled in before filing of the Prospectus with the RoC).*

Name, address, telephone number and e-mail address of the Underwriters	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten (₹ in lakhs)
[●]	[●]	[●]

The above mentioned is indicative underwriting and will be finalized after determination of the Issue Price and actual allocation subject to the provisions of Regulation 40(2) of the SEBI ICDR Regulations.

In the opinion of our Board (based on a certificate given by the Underwriters), the resources of the abovementioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered with SEBI under Section 12 (1) of the SEBI Act or registered as merchant bankers with SEBI or as brokers with the Stock Exchange(s). Our Board of Directors, at its meeting held on [●], approved the acceptance and entering into the Underwriting Agreement mentioned above on behalf of our Company.

Notwithstanding the table above, the BRLM and the Syndicate Members shall be responsible for ensuring payment with respect to the Equity Shares allocated to the Bidders procured by them. The Underwriting Agreement has not been executed as on the date of this Red Herring Prospectus and will be executed after determination of the Issue Price and allocation of Equity Shares, but prior to filing the Prospectus with the RoC. The extent of underwriting obligations and the Bids to be underwritten in the Issue by the BRLM shall be as per the Underwriting Agreement.

The underwriting agreement shall list out the role and obligations of each Syndicate Member, and *inter alia* contain a clause stating that margin collected shall be uniform across all categories indicating the percentage to be paid as margin by the bidders at the time of Bidding. The extent of underwriting obligations and the Bids to be underwritten in the Issue shall be as per the Underwriting Agreement.

## CAPITAL STRUCTURE

Our share capital, as at the date of this Red Herring Prospectus and after the proposed Issue is set forth below:

Particulars		Aggregate Value at Face value (in ₹)	Aggregate Value at Issue Price (in ₹)
<b>A.</b>	<b>AUTHORISED SHARE CAPITAL<sup>(1)</sup></b>		
	5,00,00,000 Equity Shares of ₹ 10/- each	50,00,00,000	[●]
<b>B.</b>	<b>ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE ISSUE</b>		
	3,16,74,996 Equity Shares of ₹ 10/- each	31,67,49,960	[●]
<b>C.</b>	<b>PRESENT ISSUE IN TERMS OF THIS RED HERRING PROSPECTUS<sup>(2)(3)</sup></b>		
	Issue of up to 1,10,00,000 * Equity Shares	[●]	[●]
	<i>Of Which:</i>		
	Non-Institutional Portion of not less than [●] Equity Shares	[●]	[●]*
	Retail Portion of not less than [●] Equity Shares	[●]	[●]*
	Employee Reservation Portion of upto 5,50,000 Equity Shares	[●]	[●]
<b>D.</b>	<b>ISSUED, SUBSCRIBED AND PAID-UP EQUITY SHARE CAPITAL AFTER THE ISSUE</b>		
	[●] Equity Shares of ₹10/- each		[●]
<b>E.</b>	<b>SECURITIES PREMIUM ACCOUNT</b>		
	Before the Issue	80,50,88,720	
	After the Issue		[●] <sup>#</sup>

\* Subject to finalisation of Basis of Allotment. The Issue Price is ₹ [●] per Equity Share.

#Calculated after considering the impact of issue of [●] number of Equity Shares of ₹10 each at a premium of ₹ [●] per Equity Share (without adjusting for Issue expenses)

(1) For details in relation to the changes in the authorised share capital of our Company, please refer to section titled "History and Certain Corporate Matters - Amendments to our Memorandum of Association" on page 261.

(2) The Issue has been authorised by our Board pursuant to a resolution passed at its meeting held on November 14, 2022 and authorised by our Shareholders pursuant to their resolution dated December 7, 2022.

(3) The Issue includes a reservation for subscription by Eligible Employees not exceeding 5% of our post-Issue paid-up Equity Share Capital.

### Notes to Capital Structure

#### 1. Share Capital history of our Company

##### A. The following table sets forth the history of the Equity Share Capital of our Company:

Date of allotment of Equity Shares	No. of Equity Shares Allotted	Face Value per Equity Share (in ₹)	Issue Price Per Equity Share (in ₹)	Nature of consideration	Reasons/ Nature of allotment	Cumulative no. of Equity Shares	Cumulative paid-up Equity Share Capital (in ₹)
Initial Subscription of MOA	30 <sup>(1)</sup>	10.00	10.00	Cash	Subscription to MOA	30	300
March 28, 1996 <sup>#*^</sup>	40,500 <sup>(2)</sup>	10.00	10.00	Cash	Rights Issue	40,530	4,05,300
March 31, 1997	98,400 <sup>(3)</sup>	10.00	10.00	Cash	Rights Issue	1,38,930	13,89,300
March 25, 1998	1,10,000 <sup>(4)</sup>	10.00	10.00	Cash	Rights Issue	2,48,930	24,89,300
April 16, 1998	1,070 <sup>(5)</sup>	10.00	10.00	Cash	Rights Issue	2,50,000	25,00,000
March 29, 2003	2,50,000 <sup>(6)</sup>	10.00	10.00	Cash	Rights Issue	5,00,000	50,00,000



Date of allotment of Equity Shares	No. of Equity Shares Allotted	Face Value per Equity Share (in ₹)	Issue Price Per Equity Share (in ₹)	Nature of consideration	Reasons/ Nature of allotment	Cumulative no. of Equity Shares	Cumulative paid-up Equity Share Capital (in ₹)
March 29, 2004	39,000 <sup>(7)</sup>	10.00	30.00	Cash	Rights Issue	5,39,000	53,90,000
March 28, 2005	2,34,000 <sup>(8)</sup>	10.00	30.00	Cash	Rights Issue	7,73,000	77,30,000
February 26, 2007	28,850 <sup>(9)</sup>	10.00	30.00	Cash	Rights Issue	8,01,850	80,18,500
January 31, 2008	93,600 <sup>(10)</sup>	10.00	50.00	Cash	Rights Issue	8,95,450	89,54,500
August 26, 2008	99,550 <sup>(11)</sup>	10.00	50.00	Cash	Rights Issue	9,95,000	99,50,000
May 30, 2009	98,900 <sup>(12)</sup>	10.00	60.00	Cash	Rights Issue	10,93,900	1,09,39,000
September 29, 2010	1,72,500 <sup>(13)</sup>	10.00	60.00	Cash	Rights Issue	12,66,400	1,26,64,000
September 30, 2011	1,34,580 <sup>(14)</sup>	10.00	100.00	Cash	Rights Issue	14,00,980	1,40,09,800
March 31, 2012	1,94,650 <sup>(15)</sup>	10.00	100.00	Cash	Rights Issue	15,95,630	1,59,56,300
March 29, 2013	2,69,610 <sup>(16)</sup>	10.00	110.00	Cash	Rights Issue	18,65,240	1,86,52,400
August 10, 2013	73,190 <sup>(17)</sup>	10.00	110.00	Cash	Rights Issue	19,38,430	1,93,84,300
March 31, 2014	74,585 <sup>(18)</sup>	10.00	110.00	Cash	Rights Issue	20,13,015	2,01,30,150
July 3, 2014	10,010 <sup>(19)</sup>	10.00	110.00	Cash	Rights Issue	20,23,025	2,02,30,250
August 29, 2014	14,080 <sup>(20)</sup>	10.00	110.00	Cash	Rights Issue	20,37,105	2,03,71,050
November 1, 2014	29,770 <sup>(21)</sup>	10.00	110.00	Cash	Rights Issue	20,66,875	2,06,68,750
December 31, 2014	7,920 <sup>(22)</sup>	10.00	110.00	Cash	Rights Issue	20,74,795	2,07,47,950
March 31, 2015	6,750 <sup>(23)</sup>	10.00	110.00	Cash	Rights Issue	20,81,545	2,08,15,450
March 31, 2015	1,48,710 <sup>(24)</sup>	10.00	110.00	Consideration other than cash	Conversion of debentures into equity shares	22,30,255	2,23,02,550
May 31, 2015	660 <sup>(25)</sup>	10.00	110.00	Cash	Rights Issue	22,30,915	2,23,09,150
October 16, 2015	22,390 <sup>(26)</sup>	10.00	110.00	Cash	Rights Issue	22,53,305	2,25,33,050
January 21, 2016	35,340 <sup>(27)</sup>	10.00	110.00	Cash	Rights Issue	22,88,645	2,28,86,450
March 31, 2016	82,370 <sup>(28)</sup>	10.00	110.00	Cash	Rights Issue	23,71,015	2,37,10,150
June 9, 2016	69,230 <sup>(29)</sup>	10.00	110.00	Cash	Rights Issue	24,40,245	2,44,02,450
August 10, 2016	1,17,120 <sup>(30)</sup>	10.00	110.00	Cash	Rights Issue	25,57,365	2,55,73,650
October 3, 2016	1,78,570 <sup>(31)</sup>	10.00	110.00	Cash	Rights Issue	27,35,935	2,73,59,350
December 3, 2016	1,03,040 <sup>(32)</sup>	10.00	125.00	Cash	Rights Issue	28,38,975	2,83,89,750
February 1, 2017	76,942 <sup>(33)</sup>	10.00	200.00	Cash	Rights Issue	29,15,917	2,91,59,170
March 31, 2017	1,42,240 <sup>(34)</sup>	10.00	200.00	Cash	Rights Issue	30,58,157	3,05,81,570
June 5, 2017	2,53,684 <sup>(35)</sup>	10.00	250.00	Cash	Rights Issue	33,11,841	3,31,18,410
August 3, 2017	1,18,980 <sup>(36)</sup>	10.00	250.00	Cash	Rights Issue	34,30,821	3,43,08,210
September 16, 2017	6,11,633 <sup>(37)</sup>	10.00	NIL	Consideration other than cash	Bonus Issue	40,42,454	4,04,24,540
October 3, 2017	14,337 <sup>(38)</sup>	10.00	400.00	Cash	Rights Issue	40,56,791	4,05,67,910
December 23, 2017	7,040 <sup>(39)</sup>	10.00	625.00	Cash	Rights Issue	40,63,831	4,06,38,310
March 3, 2018	21,920 <sup>(40)</sup>	10.00	625.00	Cash	Rights Issue	40,85,751	4,08,57,510
March 31, 2018	90,251 <sup>(41)</sup>	10.00	800.00	Cash	Rights Issue	41,76,002	4,17,60,020
May 30, 2018	24,236 <sup>(42)</sup>	10.00	800.00	Cash	Rights Issue	42,00,238	4,20,02,380
July 28, 2018	53,415 <sup>(43)</sup>	10.00	800.00	Cash	Rights Issue	42,53,653	4,25,36,530
September 29, 2018	44,876 <sup>(44)</sup>	10.00	800.00	Cash	Rights Issue	42,98,529	4,29,85,290
March 30, 2019	24,625 <sup>(45)</sup>	10.00	800.00	Cash	Rights Issue	43,23,154	4,32,31,540
June 21, 2019	2,100 <sup>(46)</sup>	10.00	800.00	Cash	Rights Issue	43,25,254	4,32,52,540
July 25, 2019	580 <sup>(47)</sup>	10.00	800.00	Cash	Rights Issue	43,25,834	4,32,58,340
September 24, 2019	2,000 <sup>(48)</sup>	10.00	800.00	Cash	Rights Issue	43,27,834	4,32,78,340
December 26, 2019	6,250 <sup>(49)</sup>	10.00	800.00	Cash	Rights Issue	43,34,084	4,33,40,840

Date of allotment of Equity Shares	No. of Equity Shares Allotted	Face Value per Equity Share (in ₹)	Issue Price Per Equity Share (in ₹)	Nature of consideration	Reasons/ Nature of allotment	Cumulative no. of Equity Shares	Cumulative paid-up Equity Share Capital (in ₹)
February 10, 2020	1,73,36,336 <sup>(50)</sup>	10.00	NIL	Consideration other than cash	Bonus Issue	2,16,70,420	21,67,04,200
February 10, 2020	3,886 <sup>(51)</sup>	10.00	180.00	Cash	Rights Issue	2,16,74,306	21,67,43,060
December 11, 2020	10,000 <sup>(52)</sup>	10.00	200.00	Cash	Rights Issue	2,16,84,306	21,68,43,060
January 30, 2021	50,000 <sup>(53)</sup>	10.00	200.00	Cash	Rights Issue	2,17,34,306	21,73,43,060
March 11, 2021	9,500 <sup>(54)</sup>	10.00	200.00	Cash	Rights Issue	2,17,43,806	21,74,38,060
March 31, 2021	72,700 <sup>(55)</sup>	10.00	200.00	Cash	Rights Issue	2,18,16,506	21,81,65,060
July 2, 2022	27,26,422 <sup>(56)</sup>	10.00	NIL	Consideration other than cash	Bonus Issue	2,45,42,928	24,54,29,280
August 8, 2022	2,61,693 <sup>(57)</sup>	10.00	50.00	Cash	Rights Issue	2,48,04,621	24,80,46,210
August 31, 2022	1,26,000 <sup>(58)</sup>	10.00	50.00	Cash	Rights Issue	2,49,30,621	24,93,06,210
September 15, 2022	2,50,000 <sup>(59)</sup>	10.00	50.00	Cash	Rights Issue	2,51,80,621	25,18,06,210
September 22, 2022	4,30,000 <sup>(60)</sup>	10.00	50.00	Cash	Rights Issue	2,56,10,621	25,61,06,210
September 30, 2022	6,10,000 <sup>(61)</sup>	10.00	50.00	Cash	Rights Issue	2,62,20,621	26,22,06,210
December 17, 2022	24,91,625 <sup>(62)</sup>	10.00	80.00	Cash	Private Placement	2,87,12,246	28,71,22,460
December 20, 2022	17,01,250 <sup>(63)</sup>	10.00	80.00	Cash	Private Placement	3,04,13,496	30,41,34,960
December 21, 2022	12,61,500 <sup>(64)</sup>	10.00	80.00	Cash	Private Placement	3,16,74,996	31,67,49,960

# We have placed reliance on the disclosures made in the Board minutes, to ascertain the details of the issue of Equity Shares, the nature of allotment and the nature of consideration since Form 2 for the relevant allotment is not present in the records of the Company and is not found in the records of the RoC, as certified by Marmat & Associates, Practising Company Secretaries, under their search report dated June 19, 2023. For further information, please refer to Risk Factor- "Some of our secretarial records are not traceable." on page 38 under chapter titled 'Risk Factors' beginning on page 33 of this RHP.

\*In respect of the allotment of 40,500 Equity Shares made on March 28, 1996, the Company has received affidavits dated February 27, 2024 from the allottees namely Praveen P Jain, February 27, 2024 from Ashok Kumar Jain, February 29, 2024 from Harish A Jain, February 28, 2024 from Chandreshkehar Jain, February 28, 2024 from Vardhman Jain and February 28, 2024 from Rajendra Jain confirming that they have subscribed to 14,500, 15,000, 6500, 1500, 1500 and 1500 Equity Shares respectively and that they have made full payment to the Company of the consideration thereof. Further, the Company (through its Chairman and Managing Director Nirmal Kumar Jain) has also submitted an affidavit dated March 4, 2023 confirming allotment of Equity Shares of the Company to the allottees namely Praveen P Jain, Ashok Kumar Jain, Harish A Jain, Chandreshkehar Jain, Vardhman Jain and Rajendra Jain and the receipt of the consideration thereof from such allottees.

^As certified by M/s. Ronak Jhuthawat & Co., Practicing Company Secretaries, by way of their certificate dated March 5, 2024

The number of allottees for the Stated Allotments exceeded 50 allottees. The management of the Company perceived that (i) these allotments were a domestic concern of the Company and the persons receiving the offers for subscription to the Equity Shares of the Company; and (ii) since the Company is an NBFC, it qualifies for the exemption under Section 67 of the Companies Act, 1956 in as much as the threshold of 50 allottees does not apply to an NBFC. However, the management of the Company, in retrospect took the view that these allotments may be perceived not to have been in compliance with the provisions governing a public offering of securities under the Companies Act, 1956, including those mandating the issuance and registration of a Prospectus by the Registrar of Companies, Jaipur or the concerned Regional Director. Without prejudice and as a matter of abundant precaution, and in due compliance of the SEBI Circular No. CIR/CFD/DIL3/18/2015 dated December 31, 2015 and SEBI Circular dated May 3, 2016, the Company had suo-moto voluntarily provided an exit offer to eligible shareholders of the Company (i) who continued to hold Equity Shares allotted by the Company through the Stated Allotments; and/or (b) who hold Equity Shares of the Company which were acquired by them on account of transfers to them of the Equity Shares allotted through the

Stated Allotments. Subsequently, invitations were issued through offer letter to all the relevant eligible shareholders to purchase the Equity Shares held by them on account of the Stated Allotments or by transfer of the Equity Shares issued under the Stated Allotments, at a purchase price calculated in accordance with the applicable SEBI circulars. The Stated Allotments were made to higher number of allottees and most of such allottees had subsequently transferred the Equity Shares held by them pursuant to the Stated Allotments to certain persons. Ultimately, considering the persons falling in categories (i) and (ii) above, the exit offer was to be made to 13 shareholders and which was duly made. However, no response was received from any of such eligible shareholders. All formalities pertaining to the above exit offer have been completed. Apart from providing the exit offer, the Company had filed, on February 1, 2023, an application bearing Application No. RD (NWR)/441/Sec. 67/102/2022-23 with the Registrar of Companies, Rajasthan, Jaipur and the Regional Director, Ahmedabad, seeking to compound these breaches of Companies Act, 1956, if any, occasioned by the Stated Allotments and subsequent transfer of such Equity Shares. The application has been disposed-off by the Regional Director, North-West Region, Ahmedabad vide its Order dated April 6, 2023 by levying a penalty of ₹2,50,000/- on the Company and a penalty of ₹2,50,000/- on the Managing Director of the Company viz. Nirmal Kumar Jain. For further details, please refer to Risk Factor – “*We have in the past, made certain issuances and allotments of our equity shares which may not be in compliance with the applicable provisions and rules of the Companies Act, 1956. We cannot guarantee that we will not be subject to any other complaints and penalties in the future regarding the said violations*” on page 37. Further, the Stated Allotments, inter alia are in compliance with the DPI Circular as certified by Valawat & Associates, Chartered Accountants, by way of their certificate dated January 11, 2024 and as certified by Ronak Jhuthawat & Co., Practicing Company Secretaries by way of their certificate dated January 16, 2024.

All allotments of Equity Shares of the Company are in compliance with the Companies Act, 1956 and Companies Act, 2013, except the Stated Allotments as certified by Valawat & Associates, Chartered Accountants, by way of their certificate dated December 13, 2023.

Note 1

Date of Allotment: Initial subscription of MOA

Sr. No.	Name	No. of Equity Shares
1.	Ashok Kumar Jain	10
2.	Praveen P. Jain	10
3.	Harish A. Jain	10
	<b>Total</b>	<b>30</b>

Note 2

Date of Allotment: March 28, 1996

Sr. No.	Name	No. of Equity Shares
1	Ashok Kumar Jain	15,000
2.	Praveen P Jain	14,500
3	Harish A Jain	6500
4	Vardhman Jain	1500
5	Chandreshkehar Jain	1500
6	Rajendra Jain	1500
	<b>Total</b>	<b>40,500</b>

Note 3

Date of Allotment: March 31, 1997

Sr. No.	Name	No. of Equity Shares
1	Vardhaman Jain	1700
2	Valchand Patel	1600
3	Mangi Lal Malvi	1700
4	Jamak Lal Devra	1600
5	Gopal Soni	1600

Sr. No.	Name	No. of Equity Shares
6	Nathi Bai Jain	4500
7	Pawan Kumar Jain	1500
8	Narendra Choubisa	1600
9	Jamak Lal Jain	1800
10	Praveen A Jain	1250
11	Roshan C Jain	1500
12	Roshan L Jain	1600
13	Prem Shankar Chobisa	1500
14	Gautam Lal Patel	1000
15	Devi Lal Jain	1000
16	Ramesh Devra	1700
17	Santosh Devra	1700
18	Rakesh Shah	1600
19	Ganesh Nath Jogi	1700
20	Shambu Nath Jogi	1600
21	Kastur Chand Jain	7000
22	Subhash Jain	2000
23	Bansilal Devda	10,000
24	Nirmal Kumar Jain	11,100
25	Lalita Jain	1600
26	Kanta Jain	3250
27	Manju Devi Jain	3300
28	Deepesh Jain	800
29	Anil Kumar Jain	18,000
30	Shantilal Jain	1200
31	Shantilal Jain	500
32	Gajendra Jain	1200
33	Rang Lal Jain	1300
34	Laxmi Lal Jain	1700
35	Bhim Nath	1700
	<b>Total</b>	<b>98,400</b>

Note 4

Date of Allotment: March 25, 1998

Sr. No.	Name	No. of Equity Shares
1	Ashok Kumar Jain	450
2	Praveen P Jain	900
3	Harish A Jain	3200
4	Pawan Kumar Jain	430
5	Rekha Devi Jain	1800
6	Hangami Bai Jain	1800
7	Prakash Kumar Jain	1800
8	Dinesh Kumar Jain	1800
9	Jaishree Jain	1800
10	Laxmi Devi Jain	1800
11	Deva Chand Jain	1800

Sr. No.	Name	No. of Equity Shares
12	Pinky Sakrawat	1600
13	Roshan Lal Jain	1800
14	Dinesh Kumar Jain	1600
15	Sushila Devi Jain	1800
16	Sheetal Jain	1000
17	Mahipal Jain	1000
18	Gendi Bai Jain	1600
19	Hemlata Jain	1800
20	Bansilal Devda	5850
21	Hemraj Karawat	1000
22	Gulab Nath	5000
23	Nathu Lal Gayri	500
24	Kailash Jain	2000
25	Dal Chand Jain	500
26	Nirmal Kumar Jain	15,500
27	Lalita Jain	3000
28	Ravindra Jain	2000
29	Heera Lal Jain	500
30	Vijaya Jain	700
31	Dalla Ji Patel	500
32	Dhuli Ram Patel	500
33	Gautam Lal Meena	250
34	Kanta Jain	3000
35	Lalu Ram Patel	1000
36	Pushpa Devi Jain	3000
37	Lalu Ram Patel	1000
38	Nathulal Jain	2000
39	Basanti K Choudhari	1000
40	Nathulal Jain	400
41	Vardi Bai Chittora	1500
42	Abhilasha Jain	6000
43	Moti Chand Jain	1900
44	Seema Jain	1600
45	Ramesh Malawat	600
46	Geeta Devi Patel	1500
47	Praveen Kumar Jain	13,920
48	Anita Devi Patel	1500
49	Val Chand Patel	2000
50	Priyanka Dangi	500
	<b>Total</b>	<b>1,10,000</b>

Note 5

Date of Allotment: April 16, 1998

Sr. No.	Name	No. of Equity Shares
1	Bhanu Bapna	1070

Note 6

Date of Allotment: March 29, 2003

Sr. No.	Name	No. of Equity Shares
1	Nirmal Kumar Jain	2000
2	Manju Devi Jain	2000
3	Deepesh Jain	2000
4	Jenisha Jain	2000
5	Vimal Jain	2000
6	Kailash Jain	2000
7	Kanta Jain	2000
8	Ravindra Jain	1600
9	Anil Kumar Jain	2000
10	Mohan Lal Nagda	2,32,400
	<b>Total</b>	<b>2,50,000</b>

Note 7

Date of Allotment: March 29, 2004

Sr. No.	Name	No. of Equity Shares
1	J.P. Tejawat	1000
2	Anjana Jain	1000
3	Shanti Lal Jain	1000
4	Rajesh	1000
5	Rajendra Patil	1000
6	Vijay Patil	1000
7	Manak Chand Jain	1000
8	Sohan Lal Jain	1000
9	Pavan Jain	1000
10	Gajendra Jain	1000
11	Rang Lal Jain	1000
12	Yashpal Jain	1000
13	Madhu Bala	1000
14	Anita Jain	1000
15	Ranuka Rawat	1000
16	Shankar Lal Pancholi	1000
17	Prashant Jain	1000
18	Ragini	1000
19	Anil Kumar Jain	1000
20	Nirmal Kumar Jain	1000
21	Puishpa Devi Jain	1000
22	Rakesh Shah	1000
23	Shanti Devi	1000
24	Dinesh Jain	1000

Sr. No.	Name	No. of Equity Shares
25	Hemraj Jain	1000
26	Laxmi Lal Jain	1000
27	Labh Chand Jain	1000
28	Sunil Chittora	1000
29	Nathu Lal Jain	1000
30	Bhanwar Lal Jain	1000
31	Manju Jain	1000
32	Sohani Bat	1000
33	Kanti Lal Jain	1000
34	Rajendra Jain	1000
35	Hemant Sharma	1000
36	Kachan Devi	1000
37	Rang Lal Jain	1000
38	Jamak Lal Jain	1000
39	Kanta Jain	1000
	<b>Total</b>	<b>39,000</b>

Note 8

Date of Allotment: March 28, 2005

Sr. No.	Name	No. of Equity Shares
1	Anjana Jain	2000
2	Bhupendra Jain	20,000
3	Jamni Bai Jain	47,000
4	Shanti Lal	4200
5	Anita Jain	3500
6	Amit Jain	3500
7	Ramesh Jain	3500
8	Ronak Jain	3500
9	Vishal Jain	3500
10	Dhapu Bai	7200
11	Prem Ji Patel	10,400
12	Gokul Chand Patel	8300
13	Reena Tejawat	1700
14	Chandra Kala	1700
15	Ruchika	1700
16	Sansar Bai	4200
17	Anil Jain	8400
18	Dali Chand Rawal	10,000
19	Ratan Devi	8800
20	Nitesh	5900
21	Jagdish	7800
22	Hem Raj Jain	3400
23	Lal Chand	6800
24	Sohan Lal Jain	14,700
25	Mahaveer	2800
26	Mahipal	6800
27	Punji Bai	4600

Sr. No.	Name	No. of Equity Shares
28	Sunil	2500
29	Shanker Lal	6900
30	Leela Jain	3500
31	Nathu Lal Jain	5700
32	Archana Chittora	9500
	<b>Total</b>	<b>2,34,000</b>

Note 9

Date of Allotment: February 26, 2007

Sr. No.	Name	No. of Equity Shares
1	Ramesh Ji Karmawat	3300
2	Smt. Manki Bai Jain	5000
3	Bhanwar Lal Chittora	7000
4	Rajendra Jain	650
5	Prashant Jain	650
6	Rakesh Shah	650
7	Hemant Sharma	650
8	Anita Jain	650
9	Nathu Lal Jain	650
10	Rajendra Patil	650
11	Smt. Leela	1600
12	Bhavin	1600
13	Rang Lal Jain	650
14	Laxmi Lal Jain	650
15	Bheru Lal	600
16	Sohan Lal	3300
17	Ramesh Jain	600
	<b>Total</b>	<b>28,850</b>

Note 10

Date of Allotment: January 31, 2008

Sr. No.	Name	No. of Equity Shares
1	Vijay Chand Jain	3500
2	Usha Kothari	1200
3	Shanti Bai Nagda	1200
4	Rakesh Jain	1500
5	Prakash Jain	1800
6	Pradeep Jain	1800
7	Mani Bai	3000
8	Mithu Bai	3500
9	Manohari Devi	1800
10	Lehri Devi	1500
11	Kanhaiya Lal	1200
12	Kanhaiya Lal	2500



<b>Sr. No.</b>	<b>Name</b>	<b>No. of Equity Shares</b>
13	Kanhaiya Lal	3500
14	Kanchan Devi	1500
15	Kamlesh Jain	2500
16	Karishma Jain	2500
17	Praveen Jain	1400
18	Prittam Jain	1800
19	Pushpa Malvi	1500
20	Rekha Devi	1500
21	Saroj Devi	2000
22	Jayanti Lal	1600
23	Bhagwan Lal Nagda	1800
24	Goutam Lal Nagda	1800
25	Himmat Ram Nagda	1800
26	Narvada Devi Nagda	1800
27	Manohari Devi	1800
28	Bhanwar Lal Jain	3000
29	Amba Bai	1800
30	Bahadur Mal Jain	2800
31	Laxmi Lal Malvi	3000
32	Bhuri Lal Jain	1500
33	Modi Lal	2800
34	Kanak Mal	1800
35	Chandan Lal	2200
36	Mahipal	2200
37	Rang Lal Jain	2800
38	Roshan Lal	2800
39	Ashok Jain	1500
40	Parvati Devi	2800
41	Shanti Lal	3000
42	Shanti Devi	1500
43	Rekha Devi	1800
44	Ravi Garg	3000
	<b>Total</b>	<b>93,600</b>

Note 11

Date of Allotment: August 26, 2008

<b>Sr. No.</b>	<b>Name</b>	<b>No. of Equity Shares</b>
1	Mitha Lal Ameta	1250
2	Pramila Jain	1500
3	Vikas Chobisa	1300
4	Vijay Kumar Kalal	1100
5	Rambha Devi Jain	1600
6	Devi Lal Jain	1500
7	Sohan Lal Chittora	3300

<b>Sr. No.</b>	<b>Name</b>	<b>No. of Equity Shares</b>
8	Santosh Devi	3150
9	Amba Lal Jain	3150
10	Dhaneshwar Meena	1500
11	Ganesh Lal Kalal	1300
12	Nathu Lal	1600
13	Shanker Lal Joshi	1750
14	Kachru Lal Jain	1500
15	Jeewan Kumar Jain	2800
16	Hitesh Jain	1250
17	Pema Ram T.	3250
18	Panna Lal Dhatania	2100
19	Mukesh Kalal	1500
20	Nathu Lal Patel	2250
21	Deva Chand Patel	2250
22	Gehri Lal Jain	1500
23	Roshan Lal Jain	1500
24	Rajendra Kumar Jain	2700
25	Bheru Lal Patel	2250
26	Hemant Jain	3000
27	Padam Jain	900
28	Pawan Jain	2100
29	Sunil Asawara	700
30	Sanjay Asawara	700
31	Gulab Nath	3400
32	Hitesh Singh Rathore	2500
33	Bhagwat Singh Rathore	2500
34	Mangu	3250
35	Bhimnath	3250
36	Kistur Chand	3000
37	Nath Bai	3000
38	Hitesh	3000
39	Hemraj Kothari	4200
40	Anil Jain	3000
41	Leela Jain	3000
42	Sohan Lal Jain	3000
43	Bhavin Jain	3200
44	Jamani Bai Jain	3000
	<b>Total</b>	<b>99,550</b>

Note 12

Date of Allotment: May 30, 2009

<b>Sr. No.</b>	<b>Name</b>	<b>No. of Equity Shares</b>
1	M/s Akme Fincon Pvt. Ltd.	20,000
2	M/s Akme Build Estate Pvt. Ltd.	35,000
3	Roshan Lal Jain	900

Sr. No.	Name	No. of Equity Shares
4	Gautam Lal Patel	1500
5	Rakesh Jain	6000
6	Bansilal Devda	7500
7	Hemraj Kothari	5000
8	Prathviraj Jain	9000
9	Nirmala K. Jain	1000
10	Kantilal D. Jain	1000
11	Labh Chand Jain	3500
12	Saroj Jain	3500
13	Durga Devi Jain	5000
	<b>Total</b>	<b>98,900</b>

Note 13

Date of Allotment: September 29, 2010

Sr. No.	Name	No. of Equity Shares
1	Akme Fincon Pvt. Ltd.	16,700
2	Anil Kothari	25,000
3	Basant Jain	1800
4	Dal Chand Jain	1900
5	Dhanraj Gudha	3000
6	Dil Khush Chittora	5500
7	Dinesh Goti	3000
8	Gendi Bai Chittora	2200
9	Heera Lal Sharma	12,500
10	Jhamak Lal Jain	3000
11	Kanchan Devi	800
12	Kanchan Devi	1500
13	Lalit Amar Chand Jain	1000
14	Lalita Patel	1800
15	Madan Raj Chandra Bhan Ji	1500
16	Madan Raj Singhvi	1700
17	Mamta Jain	2100
18	Mangi Lal Jain	3000
19	Manju Devi Nirmal Jain	8300
20	Monika Dhakad	1000
21	Narendra Pamecha	9200
22	Naresh Rathore	1700
23	Nirmal Jain	16,700
24	Prveen Jain	1800
25	Rajesh Jain	5000
26	Ramba Devi Jain	4400
27	Ramesh Jain	7700
28	Ramesh Jain Director	1700
29	Rang Lal Jain	3300
30	Shyam Chittora	6600

Sr. No.	Name	No. of Equity Shares
31	Sunil Chittora	2000
32	Sunil Jain	3000
33	Sunil Labh Chand Chittora	1700
34	Vandana Kunwar	1700
35	Vardi chand Amba Lal Jain	8700
	<b>Total</b>	<b>1,72,500</b>

Note 14

Date of Allotment: September 30, 2011

Sr. No.	Name	No. of Equity Shares
1	Tek Chand Jain	5000
2	Sanjay Babel	2000
3	Dadam Chand Jain	2000
4	Ashok Kumar Jain	10,000
5	Ragini Pamecha	1000
6	Ashish Jain	1000
7	Surbhi Jain	1000
8	Narendra Kumar Pamecha	1000
9	Madhu Bala Pamecha	1000
10	Kavish Jain	2000
11	Nathu Lal Jain	1000
12	Monika Dhakad	2550
13	Mohan Lal Jain	1700
14	Dhapu Devi Jain	1700
15	Ashok Kumar Jain	1700
16	Rakesh Kumar Jain	1700
17	Dilip Kumar Bhojawat	1400
18	Sohan Lal Jain	1400
19	Khem Raj Suthar	1600
20	Kanchan Devi Jain	1400
21	Sushila Jain	1400
22	Vandana Jain	1400
23	Kanta Devi Jain	1400
24	Pushpraj Jain	2700
25	Ritu Jain	1320
26	Leena Jain	1320
27	Goutam Lal Patel	1600
28	Devi Lal Patel	4600
29	Bhanwari Devi Jain	1100
30	Ravi Garg	1700
31	Raghul Garg	1700
32	Gajendra Kumar Jain	1300
33	Nirmal Jain	1300
34	Dharmendra Jain	1300
35	Mahaveer Kumar Jain	1320

Sr. No.	Name	No. of Equity Shares
36	Devi Bai Jolawat	4200
37	Rodi Bai Gayari	2100
38	Arun Paliwal	1100
39	Dhula Khumar	2200
40	Champa Bai kumhar	2200
41	Ram Chandra Vijayvargiya	4320
42	Jamna Lal Pancholi	1850
43	Shanker Lal Meena	1600
44	Heera Bai Meena	1600
45	Mahendra Kumar Kalal	5400
46	Durga Jain	3300
47	Bhuri Bai Nagda	1700
48	Tulsi Devi Jain	1700
49	Indira Devi Nagda	1700
50	Santoshi Devi Nagda	1700
51	Mani Bai Jain	2200
52	Banshi Lal Jain	1500
53	Ram Krishna Das Guru	8600
54	Seema Jain	5000
55	Ruchika Tejawat	1500
56	Sumiti Lal Choubisa	1500
57	Anand Dhakad	10,000
	<b>Total</b>	<b>1,34,580</b>

Note 15

Date of Allotment: March 31, 2012

Sr. No.	Name	No. of Equity Shares
1	Kalu Lal	650
2	Inder Lal Jain	2000
3	Dr. P.C. Bhandari	10,000
4	Ishwar Singh	1700
5	Bhanwar Lal Nagda	3650
6	Manju Devi Jain	10,000
7	Karuna Bhandari	15,000
8	Ashish Jain	2500
9	Kavish Jain	2000
10	Surbhi Pamecha	2000
11	Darshna Pamecha	2000
12	Narendra Pamecha	2000
13	Madhubala Pamecha	2000
14	Ratan Devi	2750
15	Bhupendra Jain	500
16	Amba Lal Jain	800
17	Onkar Lal Jain	2000
18	Prekesha Chittora	500

<b>Sr. No.</b>	<b>Name</b>	<b>No. of Equity Shares</b>
19	Dinesh Jain	3000
20	Heera Lal Nayak	3000
21	Manish Jain	1000
22	R.C. Vijayvergiya	4370
23	Ramesh Kumar Jain	1300
24	Kalu Lal Patel	400
25	Manju Devi Jain	500
26	Bhanwar Lal Jain	5000
27	Kanti Lal Jain	1340
28	Bheru Lal Jain	1550
29	Heera Lal Jain	2330
30	Rashmi Sharma	4570
31	Vinod Paliwal	2000
32	Lata Paliwal	1000
33	Bhanwar Lal Nagda	4000
34	Durga Devi Suthar	400
35	Kan Ji Meena	560
36	Shankar Suthar	510
37	Puran Mal Banjara	480
38	Manju Devi Jain	330
39	Manju Devi Jain	330
40	Jeet Mal Jain	400
41	Rajesh Kumar Jain	460
42	Jaishree Jain	330
43	Nirmala Pancholi	780
44	Swastik Devda	420
45	Lalita Jain	1010
46	Preeti Devi Jain	1010
47	Mansi Jain	630
48	Moksha Jain	630
49	Kalu Lal Jain	510
50	Rajendra Kumar Jain	510
51	Tulsi Devi Jain	770
52	Roshan Lal Jain	570
53	Bhanwari Devi Jain	570
54	Kapil Jain	570
55	Shiv Lal Sharma	560
56	Goutam Lal	400
57	Khemraj Suthar	400
58	Ramesh Kumar Jain	600
59	Roshan Lal	330
60	Kamla Devi	790
61	Suresh Jain	490
62	Prem Singh	440
63	Ramesh Sharma	7980
64	Purshottam Lal Choubisa	11,210

<b>Sr. No.</b>	<b>Name</b>	<b>No. of Equity Shares</b>
65	Pushpa Bai Choubisa	11,210
66	Ramesh Choubisa	4490
67	Lalita Devi Patel	1120
68	Purshottam Lal Paliwal	1690
69	Radha Sharma	3360
70	Purshottam Lal Paliwal	2210
71	Om Prakash Purohit	2170
72	Shankar Lal Suthar	2420
73	Rodi Bai Gayri	3020
74	Yugal Kishor Tripathi	1290
75	Kanchan Devi Singhi	1040
76	Mahendra Jain Babel	1190
77	Rajesh Jain	3900
78	Labh Chand Chittora	1260
79	Kanhaiya Lal Kumar	2770
80	Sanjay Shah	880
81	Dhuli Ram Suthar	750
82	Anand Dhakad	3440
83	Ganesh Lal	2200
84	Kailashi Bai	1180
85	Sunita Jain	1110
86	Sunder Lal Jain	1260
87	Ishwar Singh Rajput	930
88	Manohar Singh Rajput	930
89	Shambu Singh Rajput	930
90	Gyani Kumar	930
91	Nahar Singh Rajput	930
92	Kundan Mal Smota	1650
93	Shyam Suncer Chittora	2000
	<b>Total</b>	<b>1,94,650</b>

Note 16

Date of Allotment: March 29, 2013

<b>Sr. No.</b>	<b>Name</b>	<b>No. of Equity Shares</b>
1	Nirmal Kumar Jain	4550
2	Gandi Bai	930
3	Narendra Pamecha	9120
4	Madhubala Pamecha	9880
5	Raghini Pamecha	4930
6	Kanti Lal Jain	690
7	Anjana Nagda	4610
8	Bhupendra Jain	460
9	Bhanwar Lal Chittora	610
10	Vijay Chand Nagda	250

<b>Sr. No.</b>	<b>Name</b>	<b>No. of Equity Shares</b>
11	Kannaiya Lal Nagda	250
12	Bhuri Lal Jain	5480
13	Amba Lal Jain	920
14	Bhagwat Singh Rathore	4100
15	Kanti Lal Jain	460
16	Mahaveer Kumar Jain	2390
17	Jamana Lal Pancholi	1390
18	Ram Krishan Das	1630
19	Bhanwari Devi	400
20	Dharshana Pamecha	2440
21	Jeetmal Jain	800
22	Kapil Jain	2370
23	Manish Jain	1570
24	Purushottam Lal Choubisa	11,070
25	Puroshottam Lal Paliwal	3150
26	Roshan Lal Devra	400
27	Sundar Lal Jain	1840
28	Surbhi Pamecha	1390
29	Bhagwati Lal Chitora	2750
30	Bhanwar Lal Kothari	2740
31	Dinesh Dhimawat	460
32	Himmat Devi Dhakad	4120
33	Kamla Paliwal	2300
34	Mukesh Sen	3680
35	Pankaj Jain	12,990
36	Ratan Lal Jain	920
37	Rishabh Lal Jain	920
38	Swati Jain	920
39	Vastupal Jain	920
40	Akme Star Housing	45,460
41	Anil Kumar Jain	1160
42	Anita Devi Jain	2460
43	Anita Jain	1550
44	Anu Jain	1390
45	Arjun Lal Malvi	1870
46	Aruna Jain	1390
47	Ashok Pancholi	980
48	Beena Chittora	610
49	Bhavesh Kumar Jain	700
50	Brij Lal Bhojawat	1120
51	Chandra Kanta,	920
52	Chagan Lal Sevak	980
53	Chosar Devi Kothari	250
54	Deepak Kumar Jain	250
55	Devi Lal Patel	2390
56	Dilip Jain	1390



<b>Sr. No.</b>	<b>Name</b>	<b>No. of Equity Shares</b>
57	Dilip Kumar	1180
58	Dilip Nagda	1220
59	Dinesh Kumar Rambawat	550
60	Govind Patel	650
61	Gunmala Jain	930
62	Heera Bai Jain	830
63	Heera Lal Jain	2360
64	Heera Lal Kalal	760
65	Hemant Jain	1930
66	Hemendra Jain	1270
67	Jagdish Sevak	980
68	Jamna Lal Jain	800
69	Jayanti Lal Chittora	610
70	Jayanti Lal Jain	1800
71	Jayanti Lal Jain	1230
72	Kalpana Bhatnagar	4740
73	Kalu Lal Patel	710
74	Kamla Devi Jain	1200
75	Khumani Bai Jain	930
76	Kusum Chittora	610
77	Lavisha Chittora	610
78	Mahaveer Kumar	1620
79	Manish Kumar Deora	690
80	Mayank Chittora	610
81	Mayuri Jain	940
82	Nathu Lal Choubisa	1820
83	Nathu Lal	930
84	Nirmal Jain HUF	2750
85	Prem Chan Meena	710
86	Pyari Bai Jain	3080
87	Rajesh Chittora	610
88	Rajkumar Jain	1800
89	Ram Lal Meena	710
90	Ramesh Kumar Jain	800
91	Rekha Jain	3080
92	Rishab Jain	1270
93	Sanjeev Kumar Jain	1040
94	Santosh Devi Rabawat	550
95	Santosh Kumar	1380
96	Shailesh Jain	460
97	Shanti Devi Jain	410
98	Shanti Devi Jain	2360
99	Shanti Lal Hapawat	710
100	Sohan Lal Nagda HUF	550
101	Sohani Bai Pancholi	1090
102	Sumitra Devi Jain	1420

<b>Sr. No.</b>	<b>Name</b>	<b>No. of Equity Shares</b>
103	Sunita Chittora	610
104	Surendra Kumar Bhatnagar	4740
105	Suresh Chand Jain	4610
106	Sushma Chittora	610
107	Vandana Godawat	630
108	Vikram Kumar Jain	700
109	Vimla Devi Jain	360
110	Vimla Pamecha	1490
111	Raj Kumar Jain	350
112	Mukesh Nagda	250
113	Mahaveer Nagda	250
114	Badami Devi Jain	300
115	Chanda Jain	1050
116	Indra Devi Jain	700
117	Vimla Devi Jain	800
118	Laxmi Devi Jain	600
119	Pinki Devi Jain	600
120	Sumitra Devi Jain	600
121	Hemlata Devi Jain	600
122	Ranika Jain	250
123	Mahaveer Jain	1100
124	Mahak Jain	1100
125	Sanjay Kumar	1100
126	Granth Kumar	1100
127	Sukh Lal Pancholi	300
128	Kamlesh Kumar	600
129	Kamlesh Jain	600
130	Rekha Jain	1500
131	Bansi Lal Nagda	1000
132	Jayanti Lal Nagda	1000
133	Kalu Lal Devra	800
134	Kanku Devi Devra	800
135	Phool Chand Jain	800
136	Maya Devi Jain	800
137	Nitesh Kumar Jain	800
138	Jaishree Devi Jain	800
139	Jhamak Lal Jain	1000
140	Dalchand Pancholi	900
141	Hemlata Bhojawat	450
	<b>Total</b>	<b>2,69,610</b>

Note 17

Date of Allotment: August 10, 2013

<b>Sr. No.</b>	<b>Name</b>	<b>No. of Equity Shares</b>
1	Hemraj	2420
2	Amba Lal Jain	840
3	Madan Raj Singhi	1000
4	Goutam Lal Patel	1530
5	Devi Lal Patel	580
6	Bhanwar Lal	2960
7	Bheru Lal Jain	790
8	Ramesh Chandra Choubisa	290
9	Ramesh Chandra Sharma	840
10	Rashmi Sharma	840
11	Kamla Paliwal	1670
12	Gunjan Jain	1470
13	Kanchan Jhanwar	790
14	Manu Bai Sen	70
15	Jhamak Lal Jain(Malawat)	140
16	Ashish Jain	440
17	Rahul Jain	440
18	Ganesh Lal Jain	90
19	Bhupendra Jain	440
20	Champa Lal Devda	660
21	Jaya Kumari Jain	510
22	Nathu Lal Meena	70
23	Naredra Kumar Sevak	120
24	Nirmala Tripathi	1980
25	Amari Devi Meena	60
26	Mav Ji Patel	440
27	Sakhi Devi Kalbeliva	140
28	Kamala Surana	520
29	Nana Meena	110
30	Prachi Nagarchi	60
31	Ramesh Meena	330
32	Piyush Chobisa	110
33	Himesh Jain	230
34	Purvi Jain	240
35	Mani Devi Kalal	210
36	Sanlay Jain	950
37	Khubhi Lal Surana	520
38	Ganesh Lal Jain	650
39	Isse Khan	200
40	Rukmani Devi Lahar	650
41	Amba Lal Kalal	650
42	Jeevat Ram Meena	130
43	Khemraj Patel	330

<b>Sr. No.</b>	<b>Name</b>	<b>No. of Equity Shares</b>
44	Bheru Lal Suthar	980
45	Shanker Lal Patel	330
46	Leela Devi Darji	630
47	Dinesh Kumar Jain	360
48	Laxmi Narayan Choubisa	310
49	Dhul Chand Jain	650
50	Gulab Singh Chouhan	650
51	Ramesh Meena	200
52	Shanker Lal Darji	640
53	Dhula Patel	330
54	Amba Lal Meena	200
55	ChandrVir Singh	330
56	Nathi Bai Panchal	320
57	Kanti Lal Punjawat	650
58	Harish Chand Meena	270
59	Sohani Devji Darji	390
60	Jivan Darji	250
61	Kalu Meena	70
62	Yuvraj Singh Ranawat	60
63	Alam Khan	650
64	Mitha Lal Kumbhar	610
65	Lokesh Chodhari	780
66	Manoj Chobisa	1290
67	Heena Soni	1130
68	Chanda Devi Kalal	960
69	Dinesh Jain	750
70	Tushar Vishwas	980
71	Parameshwar Pandya	960
72	Jay Shree Choubisa	650
73	Heera Lal Bhoi	1260
74	Vvirendra Singh Chouhan	1180
75	Vandana Kumar Chouhan	890
76	Mayuraj Singh	890
77	Shanti Lal Kalal	790
78	Savita Devi Kalal	640
79	Amrit Lal Patel	790
80	Devi Lal Darji	720
81	Rinku Sharma	740
82	Gajendra Kumar Suthar	600
83	Heera Lal Suthar	600
84	Ramesh Chandra Suthar	600
85	Jeevan Lal Jain	570
86	Saroj Devi Choubisa	1330
87	Val Chand Meena	530
88	Ramesh Kumar Jain	520
89	Laxman Singh Rathor	630

Sr. No.	Name	No. of Equity Shares
90	Mohammed Noor Alam	570
91	Rashida Begam	770
92	Varju Patel	580
93	Ramesh Kumar Jain	660
94	Kanti Lal Jain	660
95	Ramesh Kumar Teli	690
96	Devendra Kumar Jain	1670
97	Deep Chand Jain	10,000
98	Mahendra Kumar	420
	<b>Total</b>	<b>73,190</b>

Note 18

Date of Allotment: March 31, 2014

Sr. No.	Name	No. of Equity Shares
1	Kanti Lal Jain	910
2	Vijay Chand Jain	1150
3	Kanhaiya Lal Jain	1150
4	Hitesh Rathore	1370
5	Ram Krishna Das	240
6	Anand Dhakad	910
7	Roshan Lal Devda	950
8	Shiv Lal Sharma	880
9	Bhanwar Lal Kothari	9100
10	Vastu Pal Jain	2100
11	Brij Lal	550
12	Jayanit Lal	690
13	Mahavir Jain	1150
14	Rajkumar Bhojawat	690
15	Vimla Devi Semaliya	2300
16	Mukesh Jain	1150
17	Laxmi Devi	1150
18	Sumitra Devi Jain	1150
19	Hemlata Devi Jain	1150
20	Mahavir Semaliya	1200
21	Granth Semaliva	1200
22	Rekha	1650
23	Banshi Lal Naeda	850
24	Jayanti Lal Iain	850
25	Kalu Lal Devda	800
26	Kanku Devi Devda	800
27	Phool Chand	800
28	Nitesh Devda	750
29	Jaishree Jain	750
30	Bhupendra Iain	460
31	Jhamak Lal Devra	850

Sr. No.	Name	No. of Equity Shares
32	Anju Devi Iain	780
33	Bhavri Devi	950
34	Bhawana Devi	660
35	Dinesh Kumar	600
36	Dipesh Dhurawat	575
37	Kanhaiya Lal Jindal	550
38	Mona Devi	800
39	Nidhi Durawat	575
40	Rekha Devi	690
41	Riya Durawat	575
42	Sejal Semaliya	1200
43	Ronak Jhuthawat	3410
44	Manju Devi Chittora	2460
45	Harish Porwal	780
46	Manish Jain	370
47	Himanshu Jain	1820
48	Dinesh Kumar Jain	3640
49	Nemi Chand Jain	910
50	Jyoti Jain	1370
51	Sugan Kunwar Rathore	910
52	Bhuri Lal Jain	1370
53	Rajni Gehlot	460
54	Mahesh Choubisa	320
55	Ramesh Kumar Dangi	460
56	Shashi Rathore	2280
57	Raj Kumar	5000
58	Moti Lal Gameti	1370
	<b>Total</b>	<b>74,585</b>

Note 19

Date of Allotment: July 3, 2014

Sr. No.	Name	No. of Equity Shares
1	Nirmal Kumar Jain	9100
2	Surendra S Rathore	910
	<b>Total</b>	<b>10,010</b>

Note 20

Date of Allotment: August 29, 2014

Sr. No.	Name	No. of Equity Shares
1	Hemraj Kothari	1820
2	Rajni Gehlot	460
3	Sohan Lal Jain	9100
4	Kalpana Jain	1100
5	Panna Lal Jain	1600
	<b>Total</b>	<b>14,080</b>

Note 21

Date of Allotment: November 1, 2014

<b>Sr. No.</b>	<b>Name</b>	<b>No. of Equity Shares</b>
1	Bheru Lal	4550
2	Shanti Lal	1550
3	Naresh Jain	1640
4	Kalpana Bhatnagar	4550
5	Rajni Gehlot	1370
6	Amrit Lal Ji	910
7	Shailesh	460
8	Arvind Kumar Jain	1820
9	Neelam Jain	910
10	Mani Lal Lohar	530
11	Dilip Kumar Jain	1370
12	Purshottam Lal Paliwal	1370
13	Rajendra Chittora	2850
14	Hemraj Kothari	910
15	Sunil Chittora	2460
16	Chanda Kalal	1820
17	Dinesh Gotwal	700
	<b>Total</b>	<b>29,770</b>

Note 22

Date of Allotment: December 31, 2014

<b>Sr. No.</b>	<b>Name</b>	<b>No. of Equity Shares</b>
1	Ragini Pamecha	910
2	Pushpa Chittora	4550
3	Rajni Gehlot	910
4	Navin Bhatt	910
5	Hemant Jain	640
	<b>Total</b>	<b>7920</b>

Note 23

Date of Allotment: March 31, 2015

<b>Sr. No.</b>	<b>Name</b>	<b>No. of Equity Shares</b>
1	Anjali Jain	910
2	Onkar Lal Jain	4550
3	Laxmi Lal Jain	750
4	Baby Devi Joshi	540
	<b>Total</b>	<b>6750</b>

Note 24

Date of Allotment: March 31, 2015

<b>Sr. No.</b>	<b>Name</b>	<b>No. of Equity Shares</b>
1	Meena Agrawal	2010
2	Rashmi Sharma	890
3	Gayatri Devi Sharma	1760

Sr. No.	Name	No. of Equity Shares
4	Rang Lal Jain	1730
5	Neelam Jain	6710
6	Rama Bhatnagar	8590
7	Jai Prakash Chittora	4290
8	Brij Lal	12,010
9	Sunita Jain	1700
10	Khem Raj Nagda	1690
11	Goutam Lal Patel	2790
12	Mona Vijendra Parmar	1650
13	Vijendra Parmar	1810
14	Bhim Raj Taletia	9780
15	Akme Fincon Pvt. Ltd.	13,920
16	Madhu Pamecha	360
17	Narendra Pamecha	1090
18	Phool Chand Jain	10,980
19	Avinash Bhatnagar	4610
20	Ashok Kumar Pancholi	2110
21	Ruchika Tejawat	1290
22	Abhilasha Jain	12,650
23	Kavish Nagda	18,980
24	Ashish Nagda	25,310
	<b>Total</b>	<b>1,48,710</b>

Note 25

Date of Allotment: May 31, 2015

Sr. No.	Name	No. of Equity Shares
1	Riya Pareek	200
2	Rajni Gehlot	460
	<b>Total</b>	<b>660</b>

Note 26

Date of Allotment: October 16, 2015

Sr. No.	Name	No. of Equity Shares
1	Rajendra Kumar Chittora	5460
2	Lalita Chittora	4000
3	Shivani Jain	1820
4	Ragini Pamecha	910
5	Durga Menariya	8190
6	Narendra Kumar Pamecha	910
7	Amba Lal Jain	460
8	Praveen Kumar Jain	640
	<b>Total</b>	<b>22,390</b>



Note 27

Date of Allotment: January 21, 2016

<b>Sr. No.</b>	<b>Name</b>	<b>No. of Equity Shares</b>
1	Chanchal Jain	1820
2	Praveen Kumar Jain	550
3	Prashant Akhawat	4550
4	Abhishek Jain	370
5	Yashwant Lal	1820
6	Nishar Ahmed	1370
7	Vinod Pagaria	910
8	Balwant Jain	460
9	Virendra Kumar Vala Patel	910
10	Rajni Gehlot	910
11	Ravindra Jain	2730
12	Kesar Devi Chittora	2190
13	Manak Chand Jain	1820
14	Ronak Jhuthawat	2280
15	Pankaj Jain	1910
16	Shabhu Lal Dhobi	2730
17	Bhagwat Singh Rathore	4550
18	Roshini Devi	910
19	Sharad Chandra Nagar	1820
20	Kalpana Jain	730
	<b>Total</b>	<b>35,340</b>

Note 28

Date of Allotment: March 31, 2016

<b>Sr. No.</b>	<b>Name</b>	<b>No. of Equity Shares</b>
1	Balwant Ballu	460
2	Pankaj Jain	4550
3	Aditya Tandon	910
4	Bhupendra Jain	5460
5	Kavish Jain	1820
6	Basant Prabha Jain	1820
7	Abhilasha Devda	910
8	Keshra Meena	180
9	Heera Lal Meena	290
10	Prem Shankar Sevak	1010
11	Punja Lal Gayri	290
12	Nathu Lal Gayri	280
13	Vilkish Begam	180
14	Leena Malvi	30
15	Dinesh Meena	440
16	Ganga Bai Meena	470
17	Nasir Modh	150
18	Modji Patel	310

Sr. No.	Name	No. of Equity Shares
19	Bhavesh Patel	810
20	Manan Jain	260
21	Renukja Jain	50
22	Shambu Lal Ameta	9100
23	Mona Parmar	1370
24	Purshottam Lal Paliwal	4100
25	Piyush K. Purohit	6370
26	Manish Devra	1460
27	Rajni Gehlot	460
28	Ganesh Lal Dangi	910
29	Indira Devi	7760
30	Sanjay Vaya	1860
31	Dipesh Jain	8590
32	Asha Mehta	200
33	Bhopal Singh / Madan Singh Kothari	1820
34	Sarika Meena	3640
35	Kanihya Lal Chaturvedi	9100
36	Nemi Chand Jain	910
37	Ruchi Kothari	460
38	Sudhir Mahnot	460
39	Kanika Gandhi	470
40	Pushpa Jain	520
41	Gajendra Gandhi	310
42	Prakash Meena Parihar	1820
	<b>Total</b>	<b>82,370</b>

Note 29

Date of Allotment: June 9, 2016

Sr. No.	Name	No. of Equity Shares
1	Madan Raj Singh	1730
2	Bhavna Jain	4550
3	Mukund Jain	14,550
4	Shanti Lal Bhagwati	1370
5	Manju Lata Dhakad	2280
6	Praveen Kumar Jain	910
7	Manohar Lal Dhakkad	2280
8	Devendra Kumar Jain	760
9	Heera Lal Jain	3640
10	Vimla Devi Jain	3640
11	Anil Godika	8190
12	Lad Klumari Samota	4550
13	Gajendra Gandhi	910
14	Laxmi Lal Jain	550
15	Mahesh Kumar Choubisa	1820
16	Gamer Chand Pancholi	2730
17	Jamna Lal Pancholi	1370

Sr. No.	Name	No. of Equity Shares
18	Neha Jain	460
19	Jaya Chittora	550
20	Dinesh Chittora	910
21	Pramit Singhvi	910
22	Shadab Mansoori	9100
23	Nikita Jain	460
24	Bhupendra Jain	1010
	<b>Total</b>	<b>69,230</b>

Note 30

Date of Allotment: August 10, 2016

Sr. No.	Name	No. of Equity Shares
1	Sugan Kunwar Rathore	2500
2	Lalita Rajendra Kumar Chittora	9100
3	Pankaj Jain	910
4	Anchor Metal	14,550
5	Rishabh Jain	7730
6	Kamla Jain	5910
7	Ranjana Jain	2960
8	Shweta Jain	1370
9	Heera Lal Nagda	21,370
10	Ganesh Lal Nagda	13,640
11	Ranjana Mahnot	1820
12	Baharunnisa	2730
13	Shweta Jain	550
14	Sanjay Chittora	13,640
15	Kamlesh Ratan Lal Hara	4550
16	Bhupendra Jain	970
17	Neelam H. Jain	4550
18	Prakash Nath	820
19	Saroj Sharma	1190
20	Sushila Devi Dhul Chand Jain	910
21	Lalita Devi	1370
22	Mohan Lal Jain	910
23	Ashish Jain	3070
	<b>Total</b>	<b>1,17,120</b>

Note 31

Date of Allotment: October 3, 2016

Sr. No.	Name	No. of Equity Shares
1	Deepa Chand Jain	2730
2	Mohan Lal Jain	9100
3	Kailash Jain	13,640
4	Mohan Lal Jain	36,370
5	Neelam Chittora	1820
6	Kanti Lal Jain	910

Sr. No.	Name	No. of Equity Shares
7	Kamini Jain	910
8	Rahul Jhuthawat	640
9	Lal Chand Jain	11,820
10	Hitesh Jain	1820
11	Manjula Padlia	1820
12	Manisha Devi	13,640
13	Shilawanti Jain	1370
14	Lalita Rajendra Chittora	3280
15	Abhilasha Jain	910
16	Basant Prabha Jain	22,730
17	Amba Lal Jain	640
18	Shweta Chittora	10,000
19	Sobha Jain	4550
20	Gajendra Kumar Jain	9100
21	Anil Kumar Mehta	4550
22	Samrta Singh Mehta HUF.	4550
23	Pawan Jain	3190
24	Shanta Jain	3190
25	Asha Mehta	1640
26	Bhagwat Singh Mehta	910
27	Rakesh Kumar	4550
28	Rajni Gehlot	910
29	Jitendra Jain	7280
	<b>Total</b>	<b>1,78,570</b>

Note 32

Date of Allotment: December 3, 2016

Sr. no.	Name	No. of Equity Shares
1	Sushila Jain	9600
2	Krishna Kumar Sharma	800
3	Anjana Jain	800
4	Rishabh Jain	800
5	Harish Kumar Jain	2000
6	Neelam Jain	2400
7	Ritu Rao	480
8	Mukund Jain	5600
9	Ashok K. Chittora	1000
10	Pankaj Tejpal Jain	8000
11	Ram Krishna Das	640
12	Prakash Jain	200
13	Gajendra Kumar Jain	1760
14	Basanti Devi	14,400
15	Ghanshyam Soni	8000
16	Santosh Kumar	800
17	Nathu Lal Chittora	1200
18	Rinki Jain	7200
19	Ranjana Devi	1600

Sr. no.	Name	No. of Equity Shares
20	Chandra Prakash	1600
21	Vipul Kumar Jain	800
22	Bheru Lal Dangi	1760
23	Divya Mahnot	400
24	Hemraj Kothari	800
25	Rayan Jain	2400
26	Pritesh Kumar Jain	2400
27	Madan Lal Chittora	9600
28	Malti Devi	1600
29	Vijay Kumar Nagda	4800
30	Nitesh Kumar Nagda	4800
31	Yashdeep Jain	2400
32	Kuldeep Jain	2400
	<b>Total</b>	<b>1,03,040</b>

Note 33

Date of Allotment: February 1, 2017

Sr. No.	Name	No. of Equity Shares
1	Saroj Jain	1000
2	Ashok Kumar Jain	5000
3	Rishabh Kumar Jain	550
4	Akhil Kumar Jain	1150
5	Bhagwati Lal Jain	500
6	Manoj Kumar	217
7	Ramesh Chandra Malawat	5000
8	Manak Chand Jain	2000
9	Devi Chand	2050
10	Gunmala Ji	225
11	Heera Lal Jain	275
12	Darshana Pamecha	500
13	Kamal Jain	300
14	Gaurav Jain	750
15	Rajesh Kurdia	300
16	Leela Ben	225
17	Malti Devi	1200
18	Rayan Jain	500
19	Urvashi Jain	800
20	Mayur Jayanti Lal Jain	5000
21	Chetna Jain	1000
22	Sushila Devi Jain	90
23	Mehul Jain	1500
24	Rajesh Kumar	6250
25	Balu Ram Kalal	1000
26	Ankur Kulshreshtha	300
27	Sajjan Jain	100
28	Shashi Kala Jain	500
29	Tanuja Singhal	1000

Sr. No.	Name	No. of Equity Shares
30	Pritesh Jain	1250
31	Ranjana Jain	2500
32	Sharmila Jain	750
33	Kanak Mala Jain	2500
34	Shashikant Mehta	1500
35	Darshan Mehta	1000
36	Nisha Kawaliya	2500
37	Anuja Jain	500
38	Neeraj Kumar	1000
39	Pushpa Nagda	3500
40	Meena Mogra	2250
41	Dinesh Bhimawat	600
42	Madhusudan Mehta	600
43	Sunil Mitha Lal Jain	1500
44	Manju Devi Jain	1225
45	Banshi Lal Jain	10,000
46	Narayani Jain	190
47	Suresh Kumar Meena	250
48	Sunil Kumar Chittora	300
49	Dinesh Kumar	610
50	Kalu Lal Jain	635
51	Sanjay Jain	1250
52	Surbhi Pamecha	1250
	<b>Total</b>	<b>76,942</b>

Note 34

Date of Allotment: March 31, 2017

Sr. No.	Name	No. of Equity Shares
1	Banshi Lal Champa Lal Jain	12,500
2	Sunder Lal Ji	500
3	Shanti Lal Jain	3200
4	Damini Godawat	280
5	Kanku Devi Kothari	270
6	Kunal Kothari	345
7	Manoj Kumar Vyas	310
8	Meena Jain	335
9	Narbada Devi Chaturvedi	360
10	Santosh Kothari	345
11	Shri Ram Motors	500
12	Anita Jain	830
13	Ankita Jain	250
14	Bhagwati Devi Jain	460
15	Chanchal Devi jain	395
16	Chosar Devi Chittora	295
17	Dayawanti Jain	420
18	Dhuri Kumar	615
19	Gandi Devi	300

Sr. No.	Name	No. of Equity Shares
20	Garima Jain	380
21	Gehri Mundaliya	580
22	Girja Devi Jain	400
23	Harshika Jain	500
24	Jaishri Devi Jain	490
25	Kailash Devi Chittora	755
26	Kanti Lal Jain	390
27	Kusum Lata Jain	570
28	Madan Lal Jain	415
29	Mahendra Jain	265
30	Nand Lal Semaliya-Bombay	750
31	Nitin Jain	425
32	Panna Lal Jain	290
33	Parul Jain	1230
34	Pyari Bai Jain	390
35	Rang Lal Nagda	480
36	Ratan Devi Jain	325
37	Raveena Jain	325
38	Rekha Nagda	480
39	Rishab Jain	285
40	Saniay Seth	345
41	Shanti Devi Jain	385
42	Sohan Lal Jain	465
43	Sumitra Chittora	435
44	Sunil Chittora	500
45	Sushila Jain	275
46	Monika Jain	1360
47	Sonu Jain	440
48	Vimla Devi	1250
49	Mahaveer Kumar Jain	2000
50	Sohani Devi Jain	250
51	Satya Narayan Vaishnav	5000
52	Mahesh Jinger	500
53	Uma Devi	490
54	Divya Mahnot	1000
55	Purhottan Lal	245
56	Ruchi Kothari	500
57	Kanika Ganadhi	350
58	Ratan Lal Jain	1000
59	Gayatri Kanwar Kachhawaha	140
60	Anjana Jain	750
61	Ragini Pamecha	1500
62	Radha Kishan	1500
63	Rishabh Jain	500
64	Ratan Devi	500
65	Chanda Jain	1500
66	Dimple Jain	4500

Sr. No.	Name	No. of Equity Shares
67	Jayanti Prakash Tejawat	3500
68	Chandra Kala Tejawat	1500
69	Manju Jain	1000
70	Lokesh Jain	1500
71	Narendra Kumar Pamecha	1000
72	Narbada Bai	850
73	Nilesh Jain	1000
74	Rodi Lal Patel	5000
75	Rahul Jhuthawat	500
76	Shanti Lal Jain	1500
77	Gaurav Kumar Ganodiya	1900
78	Prashant Jain	1900
79	Gebi Lal Jain	800
80	Shyama Kanak Mal Jain	5000
81	Vinod Ji Pagaria	1100
82	Paritosh Kothari	500
83	Mona Parmar	750
84	Pooja Jain	400
85	Mahaveer	2350
86	Prem Lata Jain	3500
87	Kanti Lal	4000
88	Praveen Kumar Jain	1000
89	Kusum Jain	400
90	Lalita Jain	1000
91	Manish Jaroli	3750
92	Laxmi Devi Jain	2500
93	Teena Jain	2500
94	Vimla Jain	750
95	Heera Lal Dhannawat	750
96	Mahendra Kumar Jain	14,000
97	Bhupendra Jain	500
98	Manak Chand Jain	1750
99	Pooja Jain	650
100	Kamal Jain -HUF	2200
101	Om Prakash	500
102	Sushila	500
103	Yashpal Jain	2500
104	Banshi Lal Nagda	300
105	Anil Ji Mundaliya	375
106	Jayanti Lal Jain	600
107	Mahak Semaliya	600
108	Naresh Kumar Devda	650
109	Arjun Lal Deora	5000
	<b>Total</b>	<b>1,42,240</b>



Note 35

Date of Allotment: June 5, 2017

<b>Sr. No.</b>	<b>Name</b>	<b>No. of Equity Shares</b>
1	Basanti Malvi	800
2	Abhilasha Jain	1408
3	The Coronation Castles Pvt. Ltd.	7296
4	Bahadur	4000
5	Sushila Devi Jain	880
6	Indra Devi	1400
7	Anjana Jain	400
8	Lalit Kumar Jain	1000
9	Bhanwar Lal Surana	3000
10	Banshi Lal Champa Lal Jain	18,000
11	Kanika Gandhi	100
12	Kanchan Devi	1200
13	Mohan Lal Champa Lal Jain	2000
14	Dhapu Kumar Jain	2000
15	Hemlata Jain	400
16	Priya Jain	2000
17	Suraj Mal Jain	3000
18	Kiran Devi	1200
19	Chunni Lal Prajapat	400
20	Meena Jain	400
21	Indu Ramanlal Golecha	10,000
22	Alpesh Rajesh Modi	1000
23	Ajay Sharma	4000
24	Sudhir N	10,000
25	Jinendra Kumar Jain	10,000
26	Abhishek Kothari	5000
27	S.S. Seema	20,000
28	M. Shikar	15,000
29	P. Anitha	12,000
30	G. Gunavanath Kumar	13,000
31	A. Gochamchand HUF	10,000
32	S. Vijayalaxmi	500
33	Hemang Shah & Ami Hemang Shah	10,000
34	S. Arun	1020
35	Sheela Devi	340
36	Amit G Mehta	20,000
37	Yashwant Jain	3200
38	Heera Lal Siyawat	600
39	Vishwanath Mool Ji Bhai	400
40	Namratha V	10,000
41	Darshani V	10,000
42	Manju Lata	1200
43	Tara Chand Samariya	80
44	Chandrasekar Saravanan	5000

Sr. No.	Name	No. of Equity Shares
45	Malini S	2500
46	Surbhi Jain	1400
47	Vinita Jain	1400
48	Hitesh Chaturvedi	400
49	Kavi Construction	1480
50	Praveen Kumar Jain	6000
51	Aziz Khan Gadnia	1000
52	Nilam Jain	2000
53	Vinita Jain	4000
54	Manju Devi	400
55	Sonak Jain	280
56	Mangi Lal	400
57	Ashok Kumar Jain	4000
58	Deepesh Kumar Jain	1200
59	Prakash Chandra	4000
	<b>Total</b>	<b>2,53,684</b>

Note 36

Date of Allotment: August 3, 2017

Sr. No.	Name	No. of Equity Shares
1	Sushila Devi Jain	400
2	Badri Lal Ratnawat	120
3	Praveen Patel	400
4	Bansilal Champalal Jain	36,000
5	Saroj Rathore	400
6	Dhiraj Khatod	400
7	Kalu Lal Jain	4000
8	Manak Chand	920
9	Yashwant Jain	800
10	Vineet Jain	800
11	Suresh Talreja	280
12	Praveen Singh Ranawat	400
13	Aziz Khan Gadniya	2000
14	Om Prakash Sharma	400
15	Mitesh Chittora	700
16	Anchor Metal Private Limited	6000
17	Basanti Devi	1600
18	Dhulchand S. Jain	2000
19	Khemraj Nagda	400
20	Praveen Kumar Jain	4000
21	Tarachand Lachiram Samariya	400
22	Laxmi Lal	600
23	Naresh Goswami	1280
24	Ashok Kumar Jain	2000
25	Navin Kumar Jain	6000
26	Pooja Jain	400
27	Jamak Lal Jain	1200

Sr. No.	Name	No. of Equity Shares
28	Amba Lal Salvi	1280
29	Nirmal Kumar Jain	1600
30	Bahadur Bhawsar	4000
31	Fakhruddin Kandawadi	8000
32	Juned Rasa Beg	4000
33	Niruddin Talwadi	2000
34	Hemlata Jain	400
35	Neeraj Jain	400
36	Sunder Devi Jain	1200
37	Khubi Lal Jain	600
38	Bhanwar Lal Surana	1000
39	Surendra Kumar Jain	20,000
40	Sohani Devi	600
	<b>Total</b>	<b>1,18,980</b>

Note 37

Date of Allotment: September 16, 2017

Sr. No.	Name	No. of Equity Shares
1	Ashok Kumar Jain	5092
2	Manju Devi Jain	29,944
3	Dipesh Jain	16,323
4	Laxmi Lal Malvi (Jain)	1270
5	Mrs. Nathi Bai Jain	1500
6	Bansi Lal Devra	9170
7	Anil Kumar Jain	22,998
8	Rang Lal Malvi (Jain)	460
9	Shvti Lal Malvi (Jain)	1040
10	Nirmal Kumar Jain	77,962
11	Mrs. Lalita P. Jain	920
12	Praveen A. Jain	250
13	Mrs. Kanta A. Jain	16,796
14	Miss Sheetal Jain	200
15	Gandi Devi	60
16	Kailash A. Jain	4888
17	Ravindra Jain	5254
18	Nathu Lal Piladara	80
19	Abhilasha Jain	4030
20	Praveen Kumar Jain	2708
21	Ashish Jain	14,562
22	Narendra Pamecha	5164
23	Pushpa Nagda	6698
24	M. L. Nagda (HUF.)	1942
25	Kavish Jain	19,542
26	Jenisha Jain	16,086
27	Vimal Jain	400
28	Mohan Lal Nagda	51,100

Sr. No.	Name	No. of Equity Shares
29	Manak Chand Jain	9088
30	Sohan Lal Jain	19,899
31	Pawan Jain	200
32	Yashpal Jain	7152
33	Madhu Bala Pamecha	2048
34	Ragini Pamecha'	1650
35	Dinesh Jain	251
36	Hemraj Jain	1390
37	Nathu Lal Jain	530
38	Bhanwar Lal Jain	200
39	Sohani Bai Jain	200
40	Kanti Lal Jain	970
41	Hemant Sharma	330
42	Kanchan Devi Jain	200
43	Rang Lal Jain	330
44	Jhamak Lal Jain	200
45	Nathu Lal Jain	1140
46	Jamani Bai Jain	9400
47	Bhupendra Jain	4192
48	Manki Bai Jain	1000
49	Bhanwar Lal Chittora	1522
50	Hemraj Kothari	1840
51	Akme Fincon Limited	2784
52	Prathvi Raj Jain	1800
53	Anil Kothari	5000
54	Jamak Lal Ji Jain	600
55	Madan Raj Singhi	1186
56	Monika IThakad	710
57	Rang Lal Jain	660
58	Sunil Chittora	100
59	Vardi Chand Jain	1740
60	Tek Chand. Jain	1000
61	Surbhi Jain	5218
62	Mohan Lat Jain	7274
63	Kanchan Devi Jain	280
64	Nirmal Jain	260
65	Anand Dhakad	2870
66	Bheru Lal Jain	1378
67	Darshna Pamecha	988
68	Dr.P.C.Bhandari	2000
69	Heera Lal Jain	1194
70	Karuna Bhandari	3000
71	Manju Devi Jain	2000
72	Purshottam Lal Paliwal	820
73	Sunder Lal Ji	100
74	Surbhi Pamecha	928
75	Pankaj Jain	3074

Sr. No.	Name	No. of Equity Shares
76	Ratan Lal Jain	200
77	Rishab Jain	157
78	Akme Star Housing Finance Limited	7274
79	Brij Lal Bhojawat	2536
80	Kalpana Bhatnagar	1858
81	Nirmal Jain HUF	23,539
82	Pyari Bai Jain	78
83	Rajkumar Jain	498
84	Rekha Jain	616
85	Vimla Devi Jain	1128
86	Vimla Pamecha	298
87	Mahak Semaliya	120
88	Banshi Lal Nagda	60
89	Jayanti Lal Jain	120
90	Viplav Jain	734
91	Bhupendra Jain	100
92	Kanti Lal	800
93	Deep Chand Jain	2546
94	Vinita Jain	10,653
95	Dhuli Bai Jain	909
96	Ronak Jhuthawat	1138
97	Manju Devi Chittora	492
98	Rajni Gehlot	1188
99	Shashi Rathore	456
100	Panna Lal Jain	58
101	Rajendra Chittora	1662
102	Pushpa Chittora	910
103	Shilpa Jain	4288
104	Laxmi Lal Jain	110
105	Rama Bhatnagar	1718
106	Brij Lal	2402
107	Mona Vijendra Parmar	150
108	Bhim Raj Taletia	1956
109	Phool Chand Jain	2196
110	Avinash Bhatnagar	922
111	Vinod Ji Pagaria	220
112	Manak Chand Jain	364
113	Basant Prabha Jain	4910
114	Piyush K. Purohit	1274
115	Indira Devi	1552
116	Ruchi Kothari	100
117	Kanika Gandhi	70
118	Bhavna Jain	910
119	Mukund Jain	4030
120	Shanti Lal Bhagwati	274
121	Praveen Kumar Jain	200
122	Manohar Lal Dhakkad	456

Sr. No.	Name	No. of Equity Shares
123	Anchor Metal Pvt. Ltd.	2910
124	Kamla Jain	1182
125	Ranjana Jain	592
126	Shweta Jain	384
127	Heera Lal Nagda	4274
128	Ganesh Lal Nagda	2728
129	Sanjay Chittora	2728
130	Kamlesh Ratan Lal Hara	910
131	Neelam H. Jain	910
132	Mohan Lal Jain	2002
133	Kailash Jain	2728
134	Rahul Jhuthawat	100
135	Manisha Devi	2728
136	Shweta Chittora	2000
137	Shobha Jain	910
138	Gajendra Kumar Jain	2172
139	Samrat Singh Mehta HUF	910
140	Pawan Jain	638
141	Shanta Jain	638
142	Bhagwat Singh Mehta	182
143	Rakesh Kumar	910
144	Sushila Jain	1938
145	Anajana Jain	150
146	Harish Kumar Jain	400
147	Neelam Jain	480
148	Ashok K. Chittora	200
149	Basanti Devi	2880
150	Ghanshyam Soni	1600
151	Nathu Lai Chittora	240
152	Rinki Jain	1440
153	Ranjana Devi	320
154	Chandra Prakash	320
155	Vipul Kumar Jain	160
156	Bheru Lal Dangri	352
157	Divya Mahnot	200
158	Rayan Jain	580
159	Pritesh Kumar Jain	480
160	Madan Lal Chittora	1920
161	Malti Devi	560
162	Vijay Kumar Nagda	960
163	Nitesh Kumar Nagda	960
164	Yashdeep Jain	480
165	Kuldeep Jain	480
166	Saroj Jain	200
167	Ashok Kumar Jain	1000
168	Rishabh Kumar Jain	110
169	Akhil Kumar Jain	230

Sr. No.	Name	No. of Equity Shares
170	Bhagwati Lal Jain	100
171	Manoj Kumar	44
172	Manak Chand Jain	400
173	Devi Chand	410
174	Gunmala Ji	45
175	Heera Lal Jain	55
176	Kamal Jain	60
177	Gaurav Jain	150
178	Rajesh Kurdia	60
179	Leela Ben	45
180	Urvashi Jain	160
181	Mayur Jayanti Lal Jain	1000
182	Chetna Jain	200
183	Mehul Jain	300
184	Balu Ram Kalal	200
185	Arrkur Kulshreshtha	60
186	Sillan Jain	20
187	Shashi Kala Jain	100
188	Tanuja Singhal	200
189	Pritesh Jain	250
190	Ranjana Jain	500
191	Sharmila Jain,	150
192	Kanak Mala Jain	500
193	Shashikant Mehta	300
194	Darshan Mehta	200
195	Nisha Kavvaliya	500
196	Anuja Jain	100
197	Neeraj Kumar	200
198	Pushpa Nagda	700
199	Meena Mogra	450
200	Madhusudan Mehtal	120
201	Sunil Mitha Lal Jain	300
202	Manju Devi Jain	245
203	Narayani Jain	38
204	Suresh Kumar Meena	50
205	Sunil Kumar Chittora	60
206	Dinesh Kumar	122
207	Kalu Lal Jain	127
208	Sanjay Jain	7862
209	Shanti Lal Jain	940
210	Damini Godawat	56
211	Kanku Devi Kothari	54
212	Kunal Kothari	69
213	Manoj Vyas	62
214	Meena Jain	67
215	Narbada Devi Chaturvedi	242
216	Santosh Kothari	69

Sr. No.	Name	No. of Equity Shares
217	Shri Ram Motors	100
218	Anita Jain	166
219	Ankita Jain	50
220	Bhagwati Devi Jain	92
221	Chancahal Devi Jain	79
222	Chosar Devi Chittora	59
223	Dayawanti Jain	84
224	Dhuri Kumar	123
225	Garima Jain	76
226	Gehri Mundaliya	116
227	Girja Devi Jain	80
228	Harshika Jain	100
229	Jaishri Devi Jain	98
230	Kailash Devi Chittora	151
231	Kanti Lal Jain	78
232	Kusum Lata Jain	194
233	Madan Lal Jain	83
234	Mahendra Jain	2853
235	Nand Lal Semaliya	150
236	Nitin Jain	85
237	Parul Jain	246
238	Rang Lal Nagda	96
239	Ratan Devi -Jain	165
240	Raveena Jain	65
241	Rekha Nagda	96
242	Sanjay Seth	69
243	Shanti Devi Jain	77
244	Sohan Lal Jain	93
245	Sumitra Chittora	87
246	Sushila Jain	55
247	Monika Jain	272
248	Sonu Jain	88
249	Mahaveer Kumar Jain	400
250	Sohani Devi Jain	50
251	Satya Narayan Vaishnav	1000
252	Mahesh Jinger	100
253	Uma Devi	98
254	Purshottam Lal	49
255	Gayatri Kanwar Kachhawaha	28
256	Radha Kishan	300
257	Chanda Jain	300
258	Dimple Jain	900
259	Jayanti Prakash Tejawat	700
260	Chandra Kala Tejawat	300
261	Manju Jain	200
262	Lokesh Jain	300
263	Nilesh Jain	200



Sr. No.	Name	No. of Equity Shares
264	Rodi Lal Patel	1000
265	Gaurav Kumar Ganodiya	380
266	Prashant Jain	380
267	Gebi Lal Jain	160
268	Shyama Kanak Mal Jain	1000
269	Paritosh Kothari	100
270	Pooja Jain	80
271	Mahaveer	470
272	Prem Lata Jain	700
273	Lalita Jain	200
274	Manish Jaroli	750
275	Laxmi Devi Jain	500
276	Teena Jain	500
277	Heera Lal Dhannawat	150
278	Pooja Jain	130
279	Kamal Jain- HUF	440
280	Om Prakash	100
281	Sushila	100
282	Anil Ji Mundaliya	75
283	Naresh Kumar Devda	130
284	Arjun Lal Deora	1000
285	Kanchan Devi Jain	7654
	<b>Total</b>	<b>6,11,633</b>

Note 38

Date of Allotment: October 3, 2017

Sr. No.	Name	No. of Equity Shares
1	Banshi Lal Champa Lal Jain	3750
2	Anil Kumar Jain	587
3	Kalu Lal Chittora	10,000
	<b>Total</b>	<b>14,337</b>

Note 39

Date of Allotment: December 23, 2017

Sr. No.	Name	No. of Equity Shares
1	Basanti Devi	2560
2	Anchor Metal Pvt. Ltd.	4000
3	Preeti Jain	160
4	Hitesh Kumar	160
5	Kamal Jain	160
	<b>Total</b>	<b>7040</b>

Note 40

Date of Allotment: March 3, 2018

Sr. No.	Name	No. of Equity Shares
1	Rajeev Saxena	2080
2	Rajesh Jain	1760
3	Panna Lal Jain	880
4	Sumitra Devi	480
5	Dai Bai	160
6	Arham Dream Homes Pvt. Ltd.	1600
7	Pankaj Jain	480
8	Anchor Metal Pvt. Ltd.	2400
9	Bhanwari Devi Gameti	720
10	Pyara Lal Gameti	4320
11	Champa Lal	1920
12	Basant Kothari	1520
13	Preeti Jain	800
14	Sheetal Jain	480
15	Divyansh Jain	240
16	Hitesh Kumar Jain	800
17	Hemlata Jain	800
18	Parul Jain	480
	<b>Total</b>	<b>21,920</b>

Note 41

Date of Allotment: March 31, 2018

Sr. No.	Name	No. of Equity Shares
1	Nakul Kumkar Purohit	625
2	Bhanwar Lal Gameti	3813
3	Pushpa Nagda	2125
4	Arham Dream Homes Pvt. Ltd.	11,750
5	Rajeev Saxena	375
6	Rakesh Kumar – 1 <sup>st</sup> holder Seema Jain -2 <sup>nd</sup> holder	875
7	Lal Chand Jain	750
8	Laxmi Lal Jain	500
9	Mangi Lal Jain	1000
10	Mohan Nagda HUF	5500
11	Charu Jain	6375
12	Akme Build Mart Pvt. Ltd.	8500
13	Praveen Kumar Jain	500
14	Sheetal Jain	125
15	Kalu Lal Jain	500
16	Indu Jain	500
17	Arjun Lal Jain	750
18	Divyansh Jain	63
19	Preeti Jain	250
20	Prakash Chandra Bhandari	500

Sr. No.	Name	No. of Equity Shares
21	Karuna Bhandari	500
22	Hitesh Kumar Jain	250
23	Kamal Jain	875
24	Anand Kumar Dhakar	1000
25	Upwan Jain	1875
26	Nilam Kothari	2000
27	Monika Dhakkar	1000
28	Pavan Kumar Jain	1000
29	Subhash Jain	1500
30	Anchor Metal Pvt. Ltd.	12,500
31	Arvind Kumar Bapna	500
32	Shashank Karanpuria	1000
33	Mamta Singhvi	1000
34	Nilesh Singhvi	500
35	Ganpat Lal Bhil	2250
36	Alpesh Kothari	1000
37	Pramila Jain	1000
38	Praveen Kumar Jain	1500
39	Lalita Jain	1500
40	Priti Jain	500
41	Ninni	500
42	Renu	500
43	Sonal Jain	500
44	Praful Rajpurohit	1500
45	Hitesh Chaturvedi	125
46	Ashok Kabra	500
47	Balwant Jain	2000
48	Twarit Jain	1000
49	Dinesh Jain	500
50	Rajesh Shah	500
51	Archana Jain	500
52	Ramesh Kumar Jain	1000
53	Kanchan Jain	500
54	Jayesh Jain	500
55	Neelam Jain	500
56	Basanti Jain	500
57	Khubi Lal Chittora	500
	<b>Total</b>	<b>90,251</b>

Note 42

Date of Allotment: May 30, 2018

<b>Sr. No.</b>	<b>Name</b>	<b>No. of Equity Shares</b>
1	Usha Kunawat	500
2	Jay Prakash Jain	407
3	Hema Devi Jain	150
4	Naresh Jain	150
5	Arvind Devi Lal Jain	500
6	Manish Jharoli	125
7	Upawan Jain	1875
8	Sohan Lal Bhil	1483
9	Amrit Singh Rajpurohit	2000
10	Seema Jain	625
11	Dayawanti Jain	357
12	Rakesh Mohan Lal Jain	625
13	Sohani Devi Jain	125
14	Suresh Kumar Jain	875
15	Bhuri Lal Jain	500
16	Hiraman Developers Private Limited	500
17	Piyush Jain	1000
18	Arvind Jain	1000
19	Nitin Jain	500
20	Kamla Devi	500
21	Surendra Kumar Jain	657
22	Khemraj Kalal	750
23	Raksha Joshi	375
24	Pradeep Kumar Jain	219
25	Naresh Kumar Nemi Chand Jain	688
26	Hema Jain	250
27	Anchor Metal Private Limited	6250
28	Sanjay Kothari	1250
	<b>Total</b>	<b>24,236</b>

Note 43

Date of Allotment: July 28, 2018

<b>Sr. No.</b>	<b>Name</b>	<b>No. of Equity Shares</b>
1	Anchor Metal Pvt. Ltd.	20,000
2	Mohan Lal Jain	1000
3	Arham Dream Homes Pvt. Ltd.	15,813
4	Dhawani Jain	38
5	Panna Lal Jain	625
6	Punja Lal Dangi	500
7	Sohan Lal Jain	250
8	Shivnath Singh Devra	3750
9	Jayshree Devi	125
10	Himmat Bai Jain	938
11	Mangi Lal Jain	938

Sr. No.	Name	No. of Equity Shares
12	Kanak Mal Jain	250
13	Bhanwar Lal Gameti	563
14	Shashikant Mehta	250
15	Jagjit Singh Panesar	1875
16	Dhanraj Jain	1250
17	Prithvi Raj	500
18	Ajay Sharma	3125
19	Jahamak Lal Jain	1000
20	Dhapu Kumari	625
	<b>Total</b>	<b>53,415</b>

Note 44

Date of Allotment: September 29, 2018

Sr. No.	Name	No. of Equity Shares
1	Anchor Metal Pvt. Ltd.	4375
2	Chandan Jain	1000
3	Nitin	500
4	Shashikant Tapidas Mehta	250
5	Mangi Lal Jain	625
6	Himmat Bai Jain	625
7	Bhanwar Lal Jain	313
8	Kanta Devi Jain	313
9	Seema	2000
10	Satish Kumar Agarwal HUF	1000
11	Partha Pratim Mukhopadhyay	1000
12	Pooja Jain	2000
13	Seema Khetan	1000
14	Radha Malani	1000
15	Dinesh Rathi	1000
16	Tetris Consultants-LLP	3000
17	Pankaj Kumar Rathi HUF	1000
18	Sangita Niraj Kumar Patel	625
19	Payal K. Tosniwal	1000
20	Pawan Sharma	1000
21	Arti Roy	1000
22	Ganesh Lal Jain	375
23	Yashwant Pancholi	125
24	Santosh Kataria	2000
25	Tara Sharma	1250
26	Khuman Singh Heera	3750
27	Bathrinath Raveendran	1000
28	Lilaben Amruthbai Patel	500
29	Artlal Punjaji Patel	500
30	Panna Lal Jain	250
31	Nikhil Khandelwal	500
32	Arham Dream Homes Pvt. Ltd.	10,000
	<b>Total</b>	<b>44,876</b>

Note 45

Date of Allotment: March 30, 2019

Sr. No.	Name	No. of Equity Shares
1	Laxmi Lal Jain	375
2	Panna Lal Jain	125
3	Rajendra Chittora	10,000
4	Bhagwan Dutt Shukla	1000
5	Bharat Jain	1250
6	Bhupendra Jain	9375
7	Indu Jain	2500
	<b>Total</b>	<b>24,625</b>

Note 46

Date of Allotment: June 21, 2019

Sr. No.	Name	No. of Equity Shares
1	Basanti Jain	600
2	Shanti Devi	1000
3	Rajni Gehlot	500
	<b>Total</b>	<b>2100</b>

Note 47

Date of Allotment: July 25, 2019

Sr. No.	Name	No. of Equity Shares
1	Basanti Jain	80
2	Vinod Pagaria Jain	500
	<b>Total</b>	<b>580</b>

Note 48

Date of Allotment: September 24, 2019

Sr. No.	Name	No. of Equity Shares
1	Jayesh Jain	1500
2	Lokesh Jain	500
	<b>Total</b>	<b>2000</b>

Note 49

Date of Allotment: December 26, 2019

Sr. No.	Name	No. of Equity Shares
1	Hemraj Kothari	6250
	<b>Total</b>	<b>6250</b>

Note 50

Date of Allotment: February 10, 2020

Sr. No.	Name	No. of Equity Shares
1	Ashok Kumar Jain	1,38,208
2	Manju Devi Jain	8,85,184
3	Dipesh Jain	5,58,304
4	Laxmi Lal Jain	3500

Sr. No.	Name	No. of Equity Shares
5	Mangi Lal Jain	10,252
6	Pavan Kumar Jain	4000
7	Bansilal Champalauai Jain	4,51,080
8	Anil Kumar Jain	5,99,472
9	Shantilal Jain	24,960
10	Nirmal Kumar Jain	38,29,524
11	Lalitajain	6000
12	Praveen Kumar Jain	6000
13	Kanta Jain	4,03,104
14	Subhash Jain	6000
15	Sheetal Jain	7220
16	Kailash Jain	1,17,312
17	Ravindra Jain	1,26,096
18	Abhilasha Jain	4,08,952
19	Praveen Kumar Jain	1,12,492
20	Ashish Jain	6,52,088
21	Narendra Kumar Pamecha	90,968
22	Pushpa Nagda	5,35,960
23	Kavish Jain	9,67,544
24	Jenisha Jain	5,71,936
25	Vimal Jain	9600
26	Manak Chand Jain	2,90,032
27	Sohanlal	7,80,052
28	Yashpal Velchand Jain	2,34,260
29	Madhu Bala Pamecha	49,152
30	Ragini Pamecha	39,600
31	Kanchan Jain	73,780
32	Jamak Lal Jain	76,752
33	Jamnibai Bansilal Jain	3,02,304
34	Bhupendra Bansilal Jain	1,38,108
35	Akme Fincon Limited	66,816
36	Basanti Jain	4720
37	Monika Dhakar	4000
38	Ramesh Kumar Jain	4000
39	Surbhi Jain	1,70,952
40	Anand Kumar Dhakar	4000
41	Darshna Pamecha	23,712
42	Prakash Chandra Bhandari	2000
43	Karuna Bhandari	2000
44	Surbhi Pamecha	22,272
45	Akme Star Housing Finance Limited	1,74,576
46	Nirmal Kumar Jain H.U.F.	10,21,976
47	Indra Devi Jain	77,600
48	Vinita Sureshkumar Jain	4,05,272
49	Panna Lal Jain	4000
50	Shilpa Jain	1,02,912
51	Balwant Kumar Jain	8000

Sr. No.	Name	No. of Equity Shares
52	Anchor Metal Private Limited	2,75,940
53	Sanjay Jain	1,88,688
54	Chanda Jain	9760
55	Kamal Jain- HUF	10,560
56	Kanchan Devi Jain	2,43,460
57	Priya Yashpal Jain	1,04,560
58	Indu Ramanlal Golecha	40,000
59	Alpesh Rajesh Modi	4000
60	Ajay Sharma	28,500
61	Sudhir Golecha N	40,000
62	Jinendra Kumar Jain	40,000
63	Abhishekh Kothari	20,000
64	S.S. Seema	80,000
65	M Shikar	60,000
66	P. Anitha	48,000
67	Gunavanthkumar G Vaid	52,000
68	Gothamchand A HUF	40,000
69	S Vijayalakshmi	2000
70	Hemang Dinesh Shah	40,000
71	Amit Gunchandra Mehta	80,000
72	Namratha V	40,000
73	V Darshan I	40,000
74	Chandrasekar Saravanan	20,000
75	Malini S	10,000
76	The Coronation Castles Private Limited	3,53,072
77	Bhagwati Devi Jain	68,788
78	Arham Dreams Homes Private Limited	1,79,052
79	Sadbhavna Charitable Trust	1,20,000
80	Bharat Bansilal Jain	21,000
81	Preeti Jain	4840
82	Hitesh Kumar Jain	4840
83	Kamal Jain	4140
84	Divyansh Jain	9796
85	Nakul Purohit	2500
86	Akme Buildmart Pvt. Ltd.	34,000
87	Kalu Lal Jain	2000
88	Indu Jain	25,500
89	Arjun Lal Jain	3000
90	Nilam Kothari	8000
91	Arvind Kumar Bapna	2000
92	Shashank Karanpuria	4000
93	Mamta N Sanghvi	4000
94	Nilesh Singhvi	2000
95	Alpesh Kothari	4000
96	Pramila Kothari	4000
97	Preeti Jain	2000
98	Ninni	2000



Sr. No.	Name	No. of Equity Shares
99	Renu Shah	2000
100	Sonal Jain	2000
101	Praful Rajpurohit	6000
102	Ashok Kabra	2000
103	Twarit Jain	4000
104	Dinesh Jain	2000
105	Rajesh Shah	2000
106	Archana Jain	2000
107	Jayesh Jain	19,380
108	Neelam Jain	53,240
109	Khubi Lal Chittora	2000
110	Usha Jain	2000
111	Jay Prakash Jain	1628
112	Arvind Devilal Jain	2000
113	Amrit Singh Rajpurohit	8000
114	Seema Jain	2500
115	Piyush Jain	4000
116	Arvind Jain	6000
117	Nitin Ganpatlal Jain	2000
118	Kamla Devi Jain	2000
119	Gayatri Gupta	2000
120	Suresh Chandra Gupta	2000
121	Sohan Lal Jain	1000
122	Himmat Bai Jain	6252
123	Jagjit Singh Panesar	7500
124	Prithvi Raj	2000
125	Jhamak Lal Jain	4000
126	Ranjani S	4080
127	Chandan Mal P Jain	4000
128	Nitin Jain	2000
129	Seema Raj Purohit	8000
130	S K Agarwal HUF	4000
131	Partha Pratim Mukhopadhyay	4000
132	Pooja Jain	8000
133	Seema Khetan	4000
134	Radha Malani	4000
135	Dinesh Rathi	4000
136	Tetris Consltants-LLP	12,000
137	Pankaj Kumar Rathi HUF	4000
138	Sangita Nirai Patel	2500
139	Payal Kishan Tosniwal	4000
140	Pawan Sharma	4000
141	Arti Roy	4000
142	Ganesh Laljain	1500
143	Yashwanti Devi Pancholi	500
144	Santosh Kataria	8000
145	Bathrinath Raveendran	4000

Sr. No.	Name	No. of Equity Shares
146	Lilaben Amrutbhai Patel	2000
147	Amrutlal Punjaji Patel	2000
148	Nikhil Khandelwal	2000
149	Jayesh Jain HUF	18,656
150	Rajendra Chittora	40,000
151	Bhagwan Dutt Shukla	4000
152	Shanti Devi	4000
153	Rajni Gehlot	2000
154	Vinod Pagaria	2000
155	Lokesh Jain	2000
156	Hem Raj Kothari	25,000
	<b>Total</b>	<b>1,73,36,336</b>

Note 51

Date of Allotment: February 10, 2020

Sr. No.	Name	No. of Equity Shares
1	Basanti Jain	2220
2	Garima Jain	1666
	<b>Total</b>	<b>3886</b>

Note 52

Date of Allotment: December 11, 2020

Sr. No.	Name	No. of Equity Shares
1	Kalu Lal Jain	10,000
	<b>Total</b>	<b>10,000</b>

Note 53

Date of Allotment: January 30, 2021

Sr. No.	Name	No. of Equity Shares
1	Kalu Lal Jain	20,000
2	Manju Devi Jain	22,500
3	Ashok Kumar Jain	7500
	<b>Total</b>	<b>50,000</b>

Note 54

Date of Allotment: March 11, 2021

Sr. No.	Name	No. of Equity Shares
1	Ashok Kumar Jain	9500
	<b>Total</b>	<b>9500</b>

Note 55

Date of Allotment: March 31, 2021

Sr. No.	Name	No. of Equity Shares
1	Ashok Kumar Jain	40,200
2	Manju Devi Jain	32,500
	<b>Total</b>	<b>72,700</b>

Note 56

Date of Allotment: July 2, 2022

<b>Sr. No.</b>	<b>Name</b>	<b>No. of Equity Shares</b>
1	Sohan Lal Jain	2500
2	Ariti Roy	10,000
3	Malini	25,000
4	Ranjani S	10,200
5	Namratha V.	1,00,000
6	V Darshani	1,00,000
7	Meghraj Jain Shikar	1,50,000
8	Prakash Chandra Bhandari	5000
9	Karuna Bhandari	5000
10	Archana Jain	5000
11	Amit Gunchandra Mehta	2,00,000
12	Amrit Singh Rajpurohit	20,000
13	Praful Rajpurohit	15,000
14	Seema Raj Purohit	20,000
15	Ajaya Sharma	51,250
16	C Saravanan	50,000
17	Hitesh Kumar Jain	12,100
18	Nikhil Khandelwal	5000
19	S Vijayalakshmi	5000
20	Garima Jain	3332
21	Arvind Jain	15,000
22	Indu Ramanlal Golecha	1,00,000
23	Sangita Niraj Patel	6250
24	S S Seema	2,00,000
25	Gunavanthkumar G Vaid	1,30,000
26	Alpesh R Modi	10,000
27	Gothamchand A HUF	1,00,000
28	P Anitha	1,20,000
29	Alpesh Kothari	10,000
30	Mangi Lal Jain	25,630
31	Pavan Kumar Jain	10,000
32	Anand Kumar Dhakar	10,000
33	Himmat Bai Jain	15,630
34	Monika Dhakar	10,000
35	Laxmi Lal Jain	8750
36	Balwant Kumar Jain	20,000
37	Seema Jain	6250
38	Piyush Jain	10,000
39	Kamal Jain (HUF)	26,400
40	Preeti Jain	12,100
41	Nilam Kothari	20,000
42	Bathrinath Raveendran	10,000
43	Suresh Chandra Gupta	5000
44	Gayatri Gupta	5000

Sr. No.	Name	No. of Equity Shares
45	Shashank Karanpuria	10,000
46	Arvind Kumar Bapna	5000
47	Ashok Kabra	5000
48	Ashok Kumar Jain	1,14,400
49	Partha Pratim Mukhopadhyay	10,000
50	Pawan Sharma	10,000
51	Payal Kishan Tosniwal	10,000
52	Seema Khetan	10,000
53	Santosh Kataria	20,000
54	Rajni Gehlot	5000
55	Ramesh Kumar Jain	10,000
56	Basanti Jain	16,240
57	Dinesh Jain	5000
58	Pramila Kothari	10,000
59	Rajesh Shah	5000
60	Chandan Mal P Jain	10,000
61	Rajendra Chittora	1,00,000
62	Abhishek Kothari	50,000
63	Panna Lal Jain	10,000
64	Jayesh Jain HUF	46,640
65	Bhagwan Dutt Shukla	10,000
66	Ganesh Lal Jain	3750
67	Yashwanti Devi Pancholi	1250
68	Usha Jain	5000
69	Arvind Devilal Jain	5000
70	Twarit Jain	10,000
71	Ninni	5000
72	Preeti Jain	5000
73	Lilaben Amrutbhai Patel	5000
74	Renu Shah	5000
75	Amrutlal Punjaji Patel	5000
76	Sonal Jain	5000
77	Prithvi Raj	5000
78	Lalita Jain	15,000
79	Shanti Devi Jain	10,000
80	Vinod Pagaria	5000
81	Lokesh Jain	5000
82	Hemraj Kothari	62,500
83	Mamta N Sanghvi	10,000
84	Nakul Purohit	6250
85	Jinendra Kumar Jain	1,00,000
86	Nilesh Sanghvi	5000
87	Pankaj Kumar Rathi	10,000
88	Sudhir N	80,000
89	Nitin Ganpatlal Jain	5000
90	Dinesh Rathi	10,000
91	Radha Malani	10,000

Sr. No.	Name	No. of Equity Shares
92	S K Agarwal HUF	10,000
93	Tetris Consultants LLP	30,000
94	Subhash Jain	15,000
95	Khubi Lal	5000
96	Pooja Jain	20,000
97	Hemang Dinesh Shah	1,00,000
	<b>Total</b>	<b>27,26,422</b>

Note 57

Date of Allotment: August 8, 2022

Sr. No.	Name	No. of Equity Shares
1	Ashok Kabra	4000
2	Bathrinath Raveendran	2000
3	Indu Ramanlal Golecha	16,650
4	Jhamak Lal Jain	3000
5	Kartik Jain	20,000
6	Karuna Bhandari	4000
7	Payal Kishan Toshniwal	2001
8	Manju Mehta	24,000
9	Sangita Niraj Patel	1042
10	Nitin Ganpatlal Jain	20,000
11	Prakash Chandra Bhandari	4000
12	Panna Lal Jain	4000
13	Pawan Sharma	2000
14	Pinky Akash Kumar	15,000
15	Pramila Badala	20,000
16	Rajnikant Megji	50,000
17	Ranjeet Kumar Badala	20,000
18	Shanti Lal Baid	10,000
19	Sanjay Sohanlal Jain	20,000
20	Vijay Jumar Badala	20,000
	<b>Total</b>	<b>2,61,693</b>

Note 58

Date of Allotment: August 31, 2022

Sr. No.	Name	No. of Equity Shares
1	Dinesh Chandra Badala	36,000
2	Rohan Badala	20,000
3	Sangeeta Badala	20,000
4	Suresh Badala	20,000
5	Singhvi Heritage LLP	30,000
	<b>Total</b>	<b>1,26,000</b>

Note 59

Date of Allotment: September 15, 2022

Sr. No.	Name	No. of Equity Shares
1	Kupparaju Sandeep	20,000
2	Jairam Durukumar Chandnani	10,000
3	Mr. Anbuezhian	2,00,000
4	Raj Ratan	20,000
	<b>Total</b>	<b>2,50,000</b>

Note 60

Date of Allotment: September 22, 2022

Sr. No.	Name	No. of Equity Shares
1	Aanand Damayanti	20,000
2	Jairam Durukumar Chandnani	10,000
3	Mr. Anbuezhian	4,00,000
	<b>Total</b>	<b>4,30,000</b>

Note 61

Date of Allotment: September 30, 2022

Sr. No.	Name	No. of Equity Shares
1	Mr. Anbuezhian	4,00,000
2	Ms. Sharda Borad	10,000
3	M/S Kanchan Auto Private Limited	2,00,000
	<b>Total</b>	<b>6,10,000</b>

Note 62

Date of Allotment: December 17, 2022

Sr. No.	Name	No. of Equity Shares
1.	Dipti Paresh Shah	10,000
2.	Dinesh Jain	50,000
3.	Bhavesh Shah	10,000
4.	Chandra Prakash Jain	20,000
5.	Dalpat Singh Choudhary	20,000
6.	Shanti Lal Jain	20,000
7.	Anil Mahajan	10,000
8.	Vardhman Mehta	5,000
9.	Mukesh Harishankar Parasher	10,000
10.	Manju Agrawal	5,000
11.	Shalini Agrawal	5,000
12.	Kamlesh Shah	3,00,000
13.	Pankaj Kantilal Barbhaya HUF	6,00,000
14.	Rajesh Kumar Kabra	15,000
15.	Hiren Paramanand Shah	2,00,000
16.	Nilesh Sanghvi	15,000
17.	Rishabh Todarwal	20,000

Sr. No.	Name	No. of Equity Shares
18.	Khubi lal Chittora	20,000
19.	Akme Fincare LLP	5,00,000
20.	Akme Finnova Advisors LLP	6,01,000
21.	Harish Kumar Patel	20,000
22.	Kamlesh Jain	35,625
	<b>Total</b>	<b>24,91,625</b>

Note 63

Date of Allotment: December 20, 2022

Sr. No.	Name	No. of Equity Shares
1.	Nirmal Kunawat	10,000
2.	Harish Kumar Patel	7,500
3.	Mukesh Jain	31,000
4.	Akme Fincare LLP	62,500
5.	Akme Finnova Advisors LLP	1,52,750
6.	Akme Build Estate Limited	14,37,500
	<b>Total</b>	<b>17,01,250</b>

Note 64

Date of Allotment: December 21, 2022

Sr. No.	Name	No. of Equity Shares
1.	Akme Finnova Advisors LLP	1,46,250
2.	Akme Fincare LLP	1,00,000
3.	Ankur Balvantsingh Bolia	50,000
4.	Anish Dhing	70,000
5.	Jain Dhuliben Keshavlal	1,00,000
6.	Bobby Singh Chandel	1,00,000
7.	Harsh Nagori	10,000
8.	Nirmal Kumar Jain	1,87,500
9.	Bharati Manish Shah	13,500
10.	Manish Amrutlal Shah	13,000
11.	Mukesh Jain	19,000
12.	Dipti Paresh Shah	3,500
13.	Kamlesh Jain	82,500
14.	Harish Kumar Patel	37,500
15.	Kiran Ramesh Kumar Jain	1,78,750
16.	Jain Sureshkumar Keshavlal	30,000
17.	Rajni Gehlot	1,00,000
18.	Rakesh Soni	20,000
	<b>Total</b>	<b>12,61,500</b>

2. Our Company does not have any preference share capital as on the date of this Red Herring Prospectus.
3. Equity Shares issued for consideration other than cash.

Date of the allotment	No. of Equity Shares	Issue Price (in ₹)	Reasons for allotment	Benefits accruing to the Company	Person to whom the allotment was made
March 31, 2015	1,48,710	110.00	Conversion of debentures into equity shares	Nil	Please refer Note 1
September 16, 2017	6,11,633	Nil	Bonus Allotment	Nil	Please refer Note 2
February 10, 2020	1,73,36,336	Nil	Bonus Allotment	Nil	Please refer Note 3
July 2, 2022	27,26,422	Nil	Bonus Allotment	Nil	Please refer Note 4
<b>Total</b>	<b>2,08,23,101</b>				

Note 1

Date of Allotment: March 31, 2015

Sr. No.	Name	No. of Equity Shares
1	Meena Agrawal	2010
2	Rashmi Sharma	890
3	Gayatri Devi Sharma	1760
4	Rang Lal Jain	1730
5	Neelam Jain	6710
6	Rama Bhatnagar	8590
7	Jai Prakash Chittora	4290
8	Brij Lal	12,010
9	Sunita Jain	1700
10	Khem Raj Nagda	1690
11	Goutam Lal Patel	2790
12	Mona Vijendra Parmar	1650
13	Vijendra Parmar	1810
14	Bhim Raj Taletia	9780
15	Akme Fincon Pvt. Ltd.	13,920
16	Madhu Pamecha	360
17	Narendra Pamecha	1090
18	Phool Chand Jain	10,980
19	Avinash Bhatnagar	4610
20	Ashok Kumar Pancholi	2110
21	Ruchika Tejawat	1290
22	Abhilasha Jain	12,650
23	Kavish Nagda	18,980
24	Ashish Nagda	25,310
	<b>Total</b>	<b>1,48,710</b>

Note 2

Date of Allotment: September 16, 2017

Sr. No.	Name	No. of Equity Shares
1	Ashok Kumar Jain	5092
2	Manju Devi Jain	29,944



Sr. No.	Name	No. of Equity Shares
3	Dipesh Jain	16,323
4	Laxmi Lal Malvi (Jain)	1270
5	Mrs. Nathi Bai Jain	1500
6	Bansi Lal Devra	9170
7	Anil Kumar Jain	22,998
8	Rang Lal Malvi (Jain)	460
9	Shanti Lal Malvi (Jain)	1040
10	Nirmal Kumar Jain	77,962
11	Mrs. Lalita P. Jain	920
12	Praveen A. Jain	250
13	Mrs. Kanta A. Jain	16,796
14	Miss Sheetal Jain	200
15	Gandi Devi	60
16	Kailash A. Jain	4888
17	Ravindra Jain	5254
18	Nathu Lal Piladara	80
19	Abhilasha Jain	4030
20	Praveen Kumar Jain	2708
21	Ashish Jain	14,562
22	Narendra Pamecha	5164
23	Pushpa Nagda	6698
24	M. L. Nagda (HUF.)	1942
25	Kavish Jain	19,542
26	Jenisha Jain	16,086
27	Vimal Jain	400
28	Mohan Lal Nagda	51,100
29	Manak Chand Jain	9088
30	Sohan Lal Jain	19,899
31	Pawan Jain	200
32	Yashpal Jain	7152
33	Madhu Bala Pamecha	2048
34	Ragini Pamecha	1650
35	Dinesh Jain	251
36	Hemraj Jain	1390
37	Nathu Lal Jain	530
38	Bhanwar Lal Jain	200
39	Sohani Bai Jain	200
40	Kanti Lal Jain	970
41	Hemant Sharma	330
42	Kanchan Devi Jain	200
43	Rang Lal Jain	330
44	Jhamak Lal Jain	200
45	Nathu Lal Jain	1140
46	Jamani Bai Jain	9400
47	Bhupendra Jain	4192
48	Manki Bai Jain	1000
49	Bhanwar Lal Chittora	1522

Sr. No.	Name	No. of Equity Shares
50	Hemraj Kothari	1840
51	Akme Fincon Limited	2784
52	Prathvi Raj Jain	1800
53	Anil Kothari	5000
54	Jamak Lal Ji Jain	600
55	Madan Raj Singhi	1186
56	Monika Dhakad	710
57	Rang Lal Jain	660
58	Sunil Chittora	100
59	Vardi Chand Jain	1740
60	Tek Chand. Jain	1000
61	Surbhi Jain	5218
62	Mohan LaL Jain	7274
63	Kanchan Devi Jain	280
64	Nirmal Jain	260
65	Anand Dhakad	2870
66	Bheru Lal Jain	1378
67	Darshna Pamecha	988
68	Dr.P.C.Bhandari	2000
69	Heera Lal Jain	1194
70	Karuna Bhandari	3000
71	Manju Devi Jain	2000
72	Purshottam Lal Paliwal	820
73	Sunder Lal Ji	100
74	Surbhi Pamecha	928
75	Pankaj Jain	3074
76	Ratan Lal Jain	200
77	Rishab Jain	157
78	Akme Star Housing Finance Limited	7274
79	Brij Lal Bhojawat	2536
80	Kalpana Bhatnagar	1858
81	Nirmal Jain HUF	23,539
82	Pyari Bai Jain	78
83	Rajkumar Jain	498
84	Rekha Jain	616
85	Vimla Devi Jain	1128
86	Vimla Pamecha	298
87	Mahak Semaliya	120
88	Banshi Lal Nagda	60
89	Jayanti Lal Jain	120
90	Viplav Jain	734
91	Bhupendra Jain	100
92	Kanti Lal	800
93	Deep Chand Jain	2546
94	Vinita Jain	10,653
95	Dhuli Bai Jain	909
96	Ronak Jhuthawat	1138

Sr. No.	Name	No. of Equity Shares
97	Manju Devi Chittora	492
98	Rajni Gehlot	1188
99	Shashi Rathore	456
100	Panna Lal Jain	58
101	Rajendra Chittora	1662
102	Pushpa Chittora	910
103	Shilpa Jain	4288
104	Laxmi Lal Jain	110
105	Rama Bhatnagar	1718
106	Brij Lal	2402
107	Mona Vijendra Parmar	150
108	Bhim Raj Taletia	1956
109	Phool Chand Jain	2196
110	Avinash Bhatnagar	922
111	Vinod Ji Pagaria	220
112	Manak Chand Jain	364
113	Basant Prabha Jain	4910
114	Piyush K. Purohit	1274
115	Indira Devi	1552
116	Ruchi Kothari	100
117	Kanika Gandhi	70
118	Bhavna Jain	910
119	Mukund Jain	4030
120	Shanti Lal Bhagwati	274
121	Praveen Kumar Jain	200
122	Manohar Lal Dhakkad	456
123	Anchor Metal Pvt. Ltd.	2910
124	Kamla Jain	1182
125	Ranjana Jain	592
126	Shweta Jain	384
127	Heera Lal Nagda	4274
128	Ganesh Lal Nagda	2728
129	Sanjay Chittora	2728
130	Kamlesh Ratan Lal Hara	910
131	Neelam H. Jain	910
132	Mohan Lal Jain	2002
133	Kailash Jain	2728
134	Rahul Jhuthawat	100
135	Manisha Devi	2728
136	Shweta Chittora	2000
137	Shobha Jain	910
138	Gajendra Kumar Jain	2172
139	Samrat Singh Mehta HUF	910
140	Pawan Jain	638
141	Shanta Jain	638
142	Bhagwat Singh Mehta	182
143	Rakesh Kumar	910

Sr. No.	Name	No. of Equity Shares
144	Sushila Jain	1938
145	Anajana Jain	150
146	Harish Kumar Jain	400
147	Neelam Jain	480
148	Ashok K. Chittora	200
149	Basanti Devi	2880
150	Ghanshyam Soni	1600
151	Nathu Lai Chittora	240
152	Rinki Jain	1440
153	Ranjana Devi	320
154	Chandra Prakash	320
155	Vipul Kumar Jain	160
156	Bheru Lal Dangi	352
157	Divya Mahnot	200
158	Rayan Jain	580
159	Pritesh Kumar Jain	480
160	Madan Lal Chittora	1920
161	Malti Devi	560
162	Vijay Kumar Nagda	960
163	Nitesh Kumar Nagda	960
164	Yashdeep Jain	480
165	Kuldeep Jain	480
166	Saroj Jain	200
167	Ashok Kumar Jain	1000
168	Rishabh Kumar Jain	110
169	Akhil Kumar Jain	230
170	Bhagwati Lal Jain	100
171	Manoj Kumar	44
172	Manak Chand Jain	400
173	Devi Chand	410
174	Gunmala Ji	45
175	Heera Lal Jain	55
176	Kamal Jain	60
177	Gaurav Jain	150
178	Rajesh Kurdia	60
179	Leela Ben	45
180	Urvashi Jain	160
181	Mayur Jayanti Lal Jain	1000
182	Chetna Jain	200
183	Mehul Jain	300
184	Balu Ram Kalal	200
185	Ankur Kulshreshtha	60
186	Sajjan Jain	20
187	Shashi Kala Jain	100
188	Tanuja Singhal	200
189	Pritesh Jain	250
190	Ranjana Jain	500

Sr. No.	Name	No. of Equity Shares
191	Sharmila Jain,	150
192	Kanak Mala Jain	500
193	Shashikant Mehta	300
194	Darshan Mehta	200
195	Nisha Kavvaliya	500
196	Anuja Jain	100
197	Neeraj Kumar	200
198	Pushpa Nagda	700
199	Meena Mogra	450
200	Madhusudan Mehtal	120
201	Sunil Mitha Lal Jain	300
202	Manju Devi Jain	245
203	Narayani Jain	38
204	Suresh Kumar Meena	50
205	Sunil Kumar Chittora	60
206	Dinesh Kumar	122
207	Kalu Lal Jain	127
208	Sanjay Jain	7862
209	Shanti Lal Jain	940
210	Damini Godawat	56
211	Kanku Devi Kothari	54
212	Kunal Kothari	69
213	Manoj Vyas	62
214	Meena Jain	67
215	Narbada Devi Chaturvedi	242
216	Santosh Kothari	69
217	Shri Ram Motors	100
218	Anita Jain	166
219	Ankita Jain	50
220	Bhagwati Devi Jain	92
221	Chancahal Devi Jain	79
222	Chosar Devi Chittora	59
223	Dayawanti Jain	84
224	Dhuri Kumar	123
225	Garima Jain	76
226	Gehri Mundaliya	116
227	Girja Devi Jain	80
228	Harshika Jain	100
229	Jaishri Devi Jain	98
230	KAilash Devi Chittora	151
231	Kanti Lal Jain	78
232	Kusum Lata Jain	194
233	Madan Lal Jain	83
234	Mahendra Jain	2853
235	Nand Lal Semaliya	150
236	Nitin Jain	85
237	Parul Jain	246

Sr. No.	Name	No. of Equity Shares
238	Rang Lal Nagda	96
239	Ratan Devi Jain	165
240	Raveena Jain	65
241	Rekha Nagda	96
242	Sanjay Seth	69
243	Shanti Devi Jain	77
244	Sohan Lal Jain	93
245	Sumitra Chittora	87
246	Sushila Jain	55
247	Monika Jain	272
248	Sonu Jain	88
249	Mahaveer Kumar Jain	400
250	Sohani Devi Jain	50
251	Satya Narayan Vaishnav	1000
252	Mahesh Jinger	100
253	Uma Devi	98
254	Purshottam Lal	49
255	Gayatri Kanwar Kachhawaha	28
256	Radha Kishan	300
257	Chanda Jain	300
258	Dimple Jain	900
259	Jayanti Prakash Tejawat	700
260	Chandra Kala Tejawat	300
261	Manju Jain	200
262	Lokesh Jain	300
263	Nilesh Jain	200
264	Rodi Lal Patel	1000
265	Gaurav Kumar Ganodiya	380
266	Prashant Jain	380
267	Gebi Lal Jain	160
268	Shyama Kanak Mal Jain	1000
269	Paritosh Kothari	100
270	Pooja Jain	80
271	Mahaveer	470
272	Prem Lata Jain	700
273	Lalita Jain	200
274	Manish Jaroli	750
275	Laxmi Devi Jain	500
276	Teena Jain	500
277	Heera Lal Dhannawat	150
278	Pooja Jain	130
279	Kamal Jain- HUF	440
280	Om Prakash	100
281	Sushila	100
282	Anil Ji Mundaliya	75
283	Naresh Kumar Devda	130
284	Arjun Lal Deora	1000

Sr. No.	Name	No. of Equity Shares
285	Kanchan Devi Jain	7654
	<b>Total</b>	<b>6,11,633</b>

Note 3

Date of Allotment: February 10, 2020

Sr. No.	Name	No. of Equity Shares
1	Ashok Kumar Jain	1,38,208
2	Manju Devi Jain	8,85,184
3	Dipesh Jain	5,58,304
4	Laxmi Lal Jain	3500
5	Mangi Lal Jain	10,252
6	Pavan Kumar Jain	4000
7	Bansilal Champalau Jain	4,51,080
8	Anil Kumar Jain	5,99,472
9	Shantilal Jain	24,960
10	Nirmal Kumar Jain	38,29,524
11	Lalitajain	6000
12	Praveen Kumar Jain	6000
13	Kanta Jain	4,03,104
14	Subhash Jain	6000
15	Sheetal Jain	7220
16	Kailash Jain	1,17,312
17	Ravindra Jain	1,26,096
18	Abhilasha Jain	4,08,952
19	Praveen Kumar Jain	1,12,492
20	Ashish Jain	6,52,088
21	Narendra Kumar Pamecha	90,968
22	Pushpa Nagda	5,35,960
23	Kavish Jain	9,67,544
24	Jenisha Jain	5,71,936
25	Vimal Jain	9600
26	Manak Chand Jain	2,90,032
27	Sohanlal	7,80,052
28	Yashpal Velchand Jain	2,34,260
29	Madhu Bala Pamecha	49,152
30	Ragini Pamecha	39,600
31	Kanchan Jain	73,780
32	Jamak Lal Jain	76,752
33	Jamnibai Bansilal Jain	3,02,304
34	Bhupendra Bansilau Jain	1,38,108
35	Akme Fincon Limited	66,816
36	Basanti Jain	4720
37	Monika Dhakar	4000
38	Ramesh Kumar Jain	4000
39	Surbhi Jain	1,70,952
40	Anand Kumar Dhakar	4000

Sr. No.	Name	No. of Equity Shares
41	Darshna Pamecha	23,712
42	Prakash Chandra Bhandari	2000
43	Karuna Bhandari	2000
44	Surbhi Pamecha	22,272
45	Akme Star Housing Finance Limited	1,74,576
46	Nirmal Kumar Jain HUF	10,21,976
47	Indra Devi Jain	77,600
48	Vinita Sureshkumar Jain	4,05,272
49	Panna Lal Jain	4000
50	Shilpa Jain	1,02,912
51	Balwant Kumar Jain	8000
52	Anchor Metal Private Limited	2,75,940
53	Sanjay Jain	1,88,688
54	Chanda Jain	9760
55	Kamal Jain- HUF	10,560
56	Kanchan Devi Jain	2,43,460
57	Priya Yashpal Jain	1,04,560
58	Indu Ramanlal Golecha	40,000
59	Alpesh Rajesh Modi	4000
60	Ajay Sharma	28,500
61	Sudhir Golecha N	40,000
62	Jinendra Kumar Jain	40,000
63	Abhishekh Kothari	20,000
64	S.S. Seema	80,000
65	M Shikar	60,000
66	P. Anitha	48,000
67	Gunavanthkumar G Vaid	52,000
68	Gothamchand A HUF	40,000
69	S Vijayalakshmi	2000
70	Hemang Dinesh Shah	40,000
71	Amit Gunchandra Mehta	80,000
72	Namratha V	40,000
73	V Darshan I	40,000
74	Chandrasekar Saravanan	20,000
75	Malin S	10,000
76	The Coronation Castles Private Limited	3,53,072
77	Bhagwati Devi Jain	68,788
78	Arham Dreams Homes Private Limited	1,79,052
79	Sadbhavna Chabitable Trust	1,20,000
80	Bharat Bansilal Jain	21,000
81	Preeti Jain	4840
82	Hitesh Kumar Jain	4840
83	Kamal Jain	4140
84	Divyansh Jain	9796
85	Nakul Purohit	2500
86	Akme Buildmart Pvt. Ltd.	34,000
87	Kalu Lal Jain	2000



Sr. No.	Name	No. of Equity Shares
88	Indu Jain	25,500
89	Arjun Lal Jain	3000
90	Nilam Kothari	8000
91	Arvind Kumar Bapna	2000
92	Shashank Karanpuria	4000
93	Mamta N Sanghvi	4000
94	Nilesh Singhvi	2000
95	Alpesh Kothari	4000
96	Pramila Kothari	4000
97	Preeti Jain	2000
98	Ninni	2000
99	Renu Shah	2000
100	Sonal Jain	2000
101	Praful Rajpurohit	6000
102	Ashok Kabra	2000
103	Twarit Jain	4000
104	Dinesh Jain	2000
105	Rajesh Shah	2000
106	Archana Jain	2000
107	Jayesh Jain	19,380
108	Neelam Jain	53,240
109	Khubi Lal Chittora	2000
110	Usha Jain	2000
111	Jay Prakash Jain	1628
112	Arvind Devilal Jain	2000
113	Amrit Singh Rajpurohit	8000
114	Seema Jain	2500
115	Piyush Jain	4000
116	Arvind Jain	6000
117	Nitin Ganpatlal Jain	2000
118	Kamla Devi Jain	2000
119	Gayatri Gupta	2000
120	Suresh Chandra Gupta	2000
121	Sohan Lal Jain	1000
122	Himmat Bai Jain	6252
123	Jagjit Singh Panesar	7500
124	Prithvi Raj	2000
125	Jhamak Lal Jain	4000
126	Ranjani S	4080
127	Chandan Mal P Jain	4000
128	Nitin Jain	2000
129	Seema Raj Purohit	8000
130	S K Agarwal HUF	4000
131	Partha Pratim Mukhopadhyay	4000
132	Pooja Jain	8000
133	Seema Khetan	4000
134	Radha Malani	4000

Sr. No.	Name	No. of Equity Shares
135	Dinesh Rathi	4000
136	Tetris Consultants-LLP	12,000
137	Pankaj Kumar Rathi HUF	4000
138	Sangita Nirai Patel	2500
139	Payal Kishan Tosniwal	4000
140	Pawan Sharma	4000
141	Arti Roy	4000
142	Ganesh Laljain	1500
143	Yashwanti Devi Pancholi	500
144	Santosh Kataria	8000
145	Bathrinath Raveendran	4000
146	Lilaben Amrutbhai Patel	2000
147	Amrutlal Punjaji Patel	2000
148	Nikhil Khandelwal	2000
149	Jayesh Jain Huf	18,656
150	Rajendra Chittora	40,000
151	Bhagwan Dutt Shukla	4000
152	Shanti Devi	4000
153	Rajni Gehlot	2000
154	Vinod Pagaria	2000
155	Lokesh Jain	2000
156	Hem Raj Kothari	25,000
	<b>Total</b>	<b>1,73,36,336</b>

Note 4

Date of Allotment: July 2, 2022

Sr. No.	Name	No. of Equity Shares
1	Sohan Lal Jain	2500
2	Ariti Roy	10,000
3	Malini	25,000
4	Ranjani S	10,200
5	Namratha V.	1,00,000
6	V Darshani	1,00,000
7	Meghraj Jain Shikar	1,50,000
8	Prakash Chandra Bhandari	5000
9	Karuna Bhandari	5000
10	Archana Jain	5000
11	Amit Gunchandra Mehta	2,00,000
12	Amrit Singh Rajpurohit	20,000
13	Praful Rajpurohit	15,000
14	Seema Raj Purohit	20,000
15	Ajaya Sharma	51,250
16	C Saravanan	50,000
17	Hitesh Kumar Jain	12,100
18	Nikhil Khandelwal	5000
19	S Vijayalakshmi	5000

Sr. No.	Name	No. of Equity Shares
20	Garima Jain	3332
21	Arvind Jain	15,000
22	Indu Ramanlal Golecha	1,00,000
23	Sangita Niraj Patel	6250
24	S S Seema	2,00,000
25	Gunavanthkumar G Vaid	1,30,000
26	Alpesh R Modi	10,000
27	Gothamchand A HUF	1,00,000
28	P Anitha	1,20,000
29	Alpesh Kothari	10,000
30	Mangi Lal Jain	25,630
31	Pavan Kumar Jain	10,000
32	Anand Kumar Dhakar	10,000
33	Himmat Bai Jain	15,630
34	Monika Dhakar	10,000
35	Laxmi Lal Jain	8750
36	Balwant Kumar Jain	20,000
37	Seema Jain	6250
38	Piyush Jain	10,000
39	Kamal Jain (HUF)	26,400
40	Preeti Jain	12,100
41	Nilam Kothari	20,000
42	Bathrinath Raveendran	10,000
43	Suresh Chandra Gupta	5000
44	Gayatri Gupta	5000
45	Shashank Karanpuria	10,000
46	Arvind Kumar Bapna	5000
47	Ashok Kabra	5000
48	Ashok Kumar Jain	1,14,400
49	Partha Pratim Mukhopadhyay	10,000
50	Pawan Sharma	10,000
51	Payal Kishan Tosniwal	10,000
52	Seema Khetan	10,000
53	Santosh Kataria	20,000
54	Rajni Gehlot	5000
55	Ramesh Kumar Jain	10,000
56	Basanti Jain	16,240
57	Dinesh Jain	5000
58	Pramila Kothari	10,000
59	Rajesh Shah	5000
60	Chandan Mal P Jain	10,000
61	Rajendra Chittora	1,00,000
62	Abhishek Kothari	50,000
63	Panna Lal Jain	10,000
64	Jayesh Jain HUF	46,640
65	Bhagwan Dutt Shukla	10,000
66	Ganesh Lal Jain	3750

Sr. No.	Name	No. of Equity Shares
67	Yashwanti Devi Pancholi	1250
68	Usha Jain	5000
69	Arvind Devlal Jain	5000
70	Twarit Jain	10,000
71	Ninni	5000
72	Preeti Jain	5000
73	Lilaben Amrutbhai Patel	5000
74	Renu Shah	5000
75	Amrutlal Punjaji Patel	5000
76	Sonal Jain	5000
77	Prithvi Raj	5000
78	Lalita Jain	15,000
79	Shanti Devi Jain	10,000
80	Vinod Pagaria	5000
81	Lokesh Jain	5000
82	Hemraj Kothari	62,500
83	Mamta N Sanghvi	10,000
84	Nakul Purohit	6250
85	Jinendra Kumar Jain	1,00,000
86	Nilesh Sanghvi	5000
87	Pankaj Kumar Rathi	10,000
88	Sudhir N	80,000
89	Nitin Ganpatlal Jain	5000
90	Dinesh Rathi	10,000
91	Radha Malani	10,000
92	S K Agarwal HUF	10,000
93	Tetris Consultants LLP	30,000
94	Subhash Jain	15,000
95	Khubi Lal	5000
96	Pooja Jain	20,000
97	Hemang Dinesh Shah	1,00,000
	<b>Total</b>	<b>27,26,422</b>

4. Following is the history of non-convertible debentures of our Company:

*Details of Allotment*

Date of allotment of Debentures	Number of non-convertible debentures allotted	Name(s) of the allottee	Face Value (in ₹)	Issue Price (in ₹)	Consideration	Nature of Transaction	Total Amount (in ₹)
June 30, 2020	100	Union Bank of India	10,00,000	10,00,000	Cash	Allotment	10,00,00,000

### Details of listing

ISIN	Script Code	Amount (in ₹)	Date of Maturity
INE916Y07016	12AFIL23	10,00,00,000	June 30, 2023

5. Till date, no Equity Shares have been issued out of capitalization of its revaluation reserves or unrealized profits by our Company.
6. Till date, no Equity Shares have been allotted by our Company pursuant to any scheme approved under Sections 391-394 of the Companies Act, 1956 or Sections 230-234 of Companies Act, 2013

#### 7. Employee Stock Option Scheme

As on the date of this Red Herring Prospectus, except as mentioned below, our Company does not have any active employee stock option plan:

##### Akme Fintrade Employee Stock Option Plan 2022 (“ESOP Scheme”)

Our Company adopted the ESOP Scheme in accordance with Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 pursuant to resolutions passed by our Board on November 14, 2022 and by our Shareholders on December 7, 2022 to grant 10,00,000 (Ten Lakhs Only) employee stock options under the ESOP Scheme. The objective of the ESOP Scheme is to reward the eligible employees for their association with the Company, their performance as well as to attract, retain and reward eligible employees to contribute to the growth and profitability if the Company.

In terms of the ESOP Scheme, minimum vesting period is one year and maximum vesting period is three years from the date of grant of options. The exercise period in respect of a vested option shall be a maximum period of one year from the date of vesting of options.

8. As on the date of this Red Herring Prospectus, no options have been granted under the ESOP Scheme, as certified by M/s. Valawat and Associates, Chartered Accountants, by way of their certificate dated June 11, 2024.
9. Our Company has not issued any Equity Shares under any employee stock option scheme or employee stock purchase scheme.
10. Our Company has not issued any Equity Shares in the year preceding the date of this Red Herring Prospectus, which may be at a price lower than the Issue Price.
11. **Build-up of Promoters’ shareholding in our Company:**

#### a) History of Equity Share capital held by the Promoters:

As on the date of this Red Herring Prospectus, our Promoters hold 1,45,46,920 Equity Shares, constituting 45.92% of the issued, subscribed and paid-up Equity Share capital of our Company. The build-up of shareholding of Promoters are as follows:

#### Nirmal Kumar Jain

Date of Allotment / Transfer and Date when made Fully Paid up	No. Equity Shares Allotted / Transferred	Face Value per Equity Share (in ₹)	Issue/ Acquisition/ Transfer Price per Equity Share (in ₹)	Consideration	Nature of Transaction	% of Pre-Issue Paid up Capital	% of Post-Issue Paid up Capital
March 31, 1997	11,100	10	10	Cash	Allotment	0.04	[●]
March 25, 1998	15,500	10	10	Cash	Allotment	0.05	[●]
March 29, 2003	2000	10	10	Cash	Allotment	Negligible	[●]
March 29, 2004	1000	10	30	Cash	Allotment	Negligible	[●]
September 29, 2010	16,700	10	60	Cash	Allotment	0.05	[●]

Date of Allotment / Transfer and Date when made Fully Paid up	No. Equity Shares Allotted / Transferred	Face Value per Equity Share (in ₹)	Issue/ Acquisition/ Transfer Price per Equity Share (in ₹)	Consideration	Nature of Transaction	% of Pre-Issue Paid up Capital	% of Post-Issue Paid up Capital
April 4, 2011	1,01,400	10	10	Cash	Transfer <sup>(1)</sup>	0.32	[●]
July 25, 2012	19,700	10	10	Cash	Transfer <sup>(2)</sup>	0.06	[●]
March 29, 2013	4,550	10	110	Cash	Allotment	0.01	[●]
August 10, 2013	4,320	10	10	Cash	Transfer <sup>(3)</sup>	0.01	[●]
March 28, 2014	1,02,450	10	10	Cash	Transfer <sup>(4)</sup>	0.32	[●]
July 3, 2014	9,100	10	110	Cash	Allotment	0.03	[●]
March 31, 2015	41,870	10	10	Cash	Transfer <sup>(5)</sup>	0.13	[●]
March 31, 2016	23,690	10	10	Cash	Transfer <sup>(6)</sup>	0.07	[●]
March 31, 2017	36,430	10	10	Cash	Transfer <sup>(7)</sup>	0.12	[●]
June 5, 2017	35,890	10	10	Cash	Transfer <sup>(8)</sup>	0.11	[●]
September 16, 2017	77,962	10	NIL	Consideration other than cash	Bonus Allotment	0.25	[●]
October 3, 2017	7122	10	10	Cash	Transfer <sup>(9)</sup>	0.02	[●]
October 31, 2017	3,95,497	10	10	Cash	Transfer <sup>(10)</sup>	1.25	[●]
December 23, 2017	(51,032)	10	10	Cash	Transfer <sup>(11)</sup>	0.16	[●]
December 23, 2017	51,100	10	10	Cash	Transfer <sup>(12)</sup>	0.16	[●]
July 28, 2018	51,032	10	10	Cash	Transfer <sup>(13)</sup>	0.16	[●]
February 10, 2020	38,29,524	10	NIL	Consideration other than cash	Bonus Allotment	12.09	[●]
October 22, 2021	9,75,065	10	NIL	Consideration other than cash	Transmission <sup>(14)</sup>	3.08	[●]
February 21, 2022	10,000	10	50	Cash	Transfer <sup>(15)</sup>	0.03	[●]
July 12, 2022	50,000	10	50	Cash	Transfer <sup>(16)</sup>	0.16	[●]
July 15, 2022	19,34,540	10	50	Cash	Transfer <sup>(17)</sup>	6.11	[●]
August 8, 2022	6,70,000	10	50	Cash	Transfer <sup>(18)</sup>	2.12	[●]
August 10, 2022	61,190	10	50	Cash	Transfer <sup>(19)</sup>	0.19	[●]
August 12, 2022	3,90,540	10	50	Cash	Transfer <sup>(20)</sup>	1.23	[●]
August 22, 2022	1,88,500	10	50	Cash	Transfer <sup>(21)</sup>	0.60	[●]
August 23, 2022	4,41,540	10	50	Cash	Transfer <sup>(22)</sup>	1.39	[●]
August 27, 2022	13,690	10	50	Cash	Transfer <sup>(23)</sup>	0.04	[●]
October 6, 2022	1,58,640	10	50	Cash	Transfer <sup>(24)</sup>	0.50	[●]

Date of Allotment / Transfer and Date when made Fully Paid up	No. Equity Shares Allotted / Transferred	Face Value per Equity Share (in ₹)	Issue/ Acquisition/ Transfer Price per Equity Share (in ₹)	Consideration	Nature of Transaction	% of Pre-Issue Paid up Capital	% of Post-Issue Paid up Capital
2022							
October 10, 2022	1,28,640	10	50	Cash	Transfer <sup>(25)</sup>	0.41	[●]
November 7, 2022	7,49,340	10	50	Cash	Transfer <sup>(26)</sup>	2.37	[●]
December 21, 2022	1,87,500	10	80	Cash	Allotment	0.59	[●]
December 27, 2022	5,03,880	10	50	Cash	Transfer <sup>(27)</sup>	1.59	[●]
February 2, 2023	1,57,620	10	50	Cash	Transfer <sup>(28)</sup>	0.50	[●]
June 7, 2023	2500	10	NIL	Consideration other than cash	Transmission	Negligible	[●]
<b>Total</b>	<b>1,14,10,090</b>					<b>36.02</b>	<b>[●]</b>

- (1) Transfer from Val Chand Patel [1600 Equity Shares], Gopal Soni [1600 Equity Shares], Narendra Choubisa [1600 Equity Shares], Jhamak Lal Jain [1800 Equity Shares], Roshan Lal Jain [1500 Equity Shares], Roshan Lal Jain [2500 Equity Shares], Prem Shankar [1500 Equity Shares], Gautam Lal Patel [2500 Equity Shares], Devi Lal Jain [1000 Equity Shares], Bheem Nath Jogi [1700 Equity Shares], Ganesh Nath Jogi [1700 Equity Shares], Shambhu Nath Jogi [1600 Equity Shares], Rekha Devi Jain [1800 Equity Shares], Hangami Bai Jain [1800 Equity Shares], Prakash Kumar Jain [1800 Equity Shares], Dinesh Kumar Jain [1800 Equity Shares], Jai Shree Jain [1800 Equity Shares], Pinki Kumari Sarawat [1600 Equity Shares], Roshan Lal Jain [1800 Equity Shares], Dinesh Kumar Jain [1600 Equity Shares], Mahipal Jain [1000 Equity Shares], Hemlata Jain [1800 Equity Shares], Hemraj Korawat [1000 Equity Shares], Gulab Nath Jogi [5000 Equity Shares], Nathu Lal Gayri [500 Equity Shares], Pushpa Devi Jain [3000 Equity Shares], Rajendra Jain [4350 Equity Shares], Shanti Lal Jain [4200 Equity Shares], Amit Jain [3500 Equity Shares], Ramesh Jain [3500 Equity Shares], Ronak Jain [3500 Equity Shares], Vishal Jain [3500 Equity Shares], Dhapu Bai Jain [7200 Equity Shares], Prem Ji Patel [10400 Equity Shares], Pema Ram Teli [3250 Equity Shares], Mukesh Kalal [1500 Equity Shares], Nathu Lal Patel [2250 Equity Shares], Sanjay Asawa [700 Equity Shares], Gulab Nath [3400 Equity Shares], Mangu Nath [3250 Equity Shares].
- (2) Transfer from Gokul Chand [8300 Equity Shares], Anil Kumar Jain [11,400 Equity Shares].
- (3) Transfer from Ram Chandra Vijayvergiya [4320 Equity Shares].
- (4) Transfer from Kastur Chand Jain [10,000 Equity Shares], Subhash Jain [2000 Equity Shares], Anita Patel [1500 Equity Shares], Valchand Patel [2000 Equity Shares], J.P. Tejawat [1000 Equity Shares], Rajendra Patil [1650 Equity Shares], Rajendra Patil [2000 Equity Shares], Vijay Patil [1000 Equity Shares], Vijay Patil [1000 Equity Shares], Renuka Rawat [1000 Equity Shares], Shanta Devi Jain [1000 Equity Shares], Dinesh Jain [1000 Equity Shares], Dinesh Jain [1500 Equity Shares], Sansar Bai Jain [4200 Equity Shares], Dali Chand Rawal [10,000 Equity Shares], Ratan Devi Rawal [8800 Equity Shares], Nitesh Rawal [5900 Equity Shares], Jagdish Rawal [7800 Equity Shares], Hemraj Jain [3400 Equity Shares], Punji Bai Jain [4600 Equity Shares], Leela Jain [8100 Equity Shares], Bhavin Jain [4800 Equity Shares], Bheru Lal Patel [2850 Equity Shares], Ramesh Jain [600 Equity Shares], Vijay Chand Jain [3500 Equity Shares], Vijay Chand Jain [250 Equity Shares], Rakesh Jain [7500 Equity Shares], Mittu Bai Jain [3500 Equity Shares].
- (5) Transfer from Vardhaman Jain, [1700 Equity Shares], Mangi Lal Malvi, [1700 Equity Shares], Jhamak Lal Devra, [1600 Equity Shares], Ramesh Devra [1700 Equity Shares], Equity Shares], Santosh Devra, [1700 Equity Shares], Shanti Lal Jain, [500 Equity Shares], Jai Shree Jain, [330 Equity Shares], Mrs. Laxmi Devi Jain, [1800 Equity Shares], Deva Chand Jain, [1800 Equity Shares], Dal Chand Jain, [500 Equity Shares], Heera Lal Jain, [500 Equity Shares], Mrs. Vijya Jain, [700 Equity Shares], Dalla Ji Patel, [500 Equity Shares], Dhuli Ram Patel, [500 Equity Shares], Gautam Lal Meena, [250 Equity Shares], Lalu Ram Patel, [1000 Equity Shares], Lalu Ram Patel, [1000 Equity Shares], Nathu Lal Jain, [2000 Equity Shares], Mrs Basanti K. Chaudhary, [1000 Equity Shares], Mrs. Vadi Bai Chittora, [1500 Equity Shares], Ramesh Malawat, [600 Equity Shares], Mrs. Geeta Devi Patel, [1500 Equity Shares], Priyanka Dargi, [500 Equity Shares], Bhanu Bapna, [1070 Equity Shares], Anita Jain, [1650 Equity Shares], Sunil Chittora, [3500 Equity Shares], Sunil Chittora, [1700 Equity Shares], Sunil Chittora, [2460 Equity Shares], Anjana Jain, [2000 Equity Shares], Anjana Jain, [4610 Equity Shares].
- (6) Laxmi Bai Jain [6000 Equity Shares], Naresh Jain [1640 Equity Shares], Arvind Kumar Jain [1820 Equity Shares], Anjali Jain [910 Equity Shares], Bebi Devi Joshi [540 Equity Shares], Meena Agrawal [2010 Equity Shares], Gayatri Devi Sharma [1760 Equity Shares], Rang Lal Jain [1730 Equity Shares], Chanchal Jain [1820 Equity Shares], Shabhu Lal Doshi [2730 Equity Shares], Roshini Devi [910 Equity Shares], Sharad Chandra Nagar [1820 Equity Shares].
- (7) Transfer from Kanchan Devi Jain [1500 Equity Shares], Amba Lal Jain [640 Equity Shares], Hitesh Singh Rathore [3870 Equity Shares], Bhagwat Singh Rathore [11,150 Equity Shares], Basanti Jain [1800 Equity Shares], Kanchan Devi Singhi

- [3340 Equity Shares], Ramba Devi Jain [4400 Equity Shares], Ramesh Jain [7700 Equity Shares], Snajay Babel [2000 Equity Shares], Lena Malvi [30 Equity Shares].
- (8) Transfer from Tek Chand Jain [5000 Equity Shares], Mohan Lal Jain [10010 Equity Shares], Shweta Chittora [10,000 Equity Shares], Pritesh Jain [1250 Equity Shares], Sharmila Jain [750 Equity Shares], Kanak Mala Jain [2500 Equity Shares], Nisha Kawaliya [2500 Equity Shares], Sunil Kumar Chittora [300 Equity Shares], Nilesh Jain [1000 Equity Shares], Lalita Jain [1000 Equity Shares], Sonak Jain [280 Equity Shares], Nirmal Kumar Jain [1300 Equity Shares].
- (9) Transfer from Tek Chand Jain [1000 Equity Shares], Mohan Lal Jain [2002 Equity Shares], Shweta Chittora [2000 Equity Shares], Pritesh Jain [250 Equity Shares], Sharmila Jain [150 Equity Shares], Kanak Mala Jain [500 Equity Shares], Nisha Kawaliya [500 Equity Shares], Sunil Kumar Chittora [60 Equity Shares], Nilesh Jain [200 Equity Shares], Lalita Jain [200 Equity Shares], Nirmal Kumar Jain [260 Equity Shares].
- (10) Transfer from Rang Lal Malvi (Jain) [2760 Equity Shares], Pankaj Jain [18,444 Equity Shares], Kalpana Bhatnagar [11,148 Equity Shares], Rekha Jain [3696 Equity Shares], Avinash Bhatnagar [5532 Equity Shares], Basant Prabha Jain [29,460 Equity Shares], Praveen Kumar Jain [1200 Equity Shares], Sanjay Chittora [16,368 Equity Shares], Sushila Jain [12,908 Equity Shares], Equity Shares], Basanti Devi [19,680 Equity Shares], Equity Shares], Ghanshyam Soni [9600 Equity Shares], Yashdeep Jain [2880 Equity Shares], Kuldeep Jain [2880 Equity Shares], Ashok Kumar Jain [6000 Equity Shares], Manhendra Jain [17,118 Equity Shares], Shyama Kanak Mal Jain [6000 Equity Shares], Bhanwar Lal Surana [4000 Equity Shares], Kavi construction [1480 Equity Shares], Aziz Khan Gadniya [2000 Equity Shares], Vinita Jain [4000 Equity Shares], Prakash Chandra [4000 Equity Shares], Kalu Lal Jain [4000 Equity Shares], Equity Shares], Dhulchand S. Jain [2000 Equity Shares], Naresh Goswami [1280 Equity Shares], Ashok Kumar Jain [2000 Equity Shares], Navin Kumar Jain [6000 Equity Shares], Jamak Lal Jain [1200 Equity Shares], Amba Lal Salvi [1280 Equity Shares], Nirmal Kumar Jain [1600 Equity Shares], Bahadur Bhawsar [4000 Equity Shares], Fakhruddin Kandawadi [8000 Equity Shares], Juned Rasa Beg [4000 Equity Shares], Nirudding Talwadi [2000 Equity Shares], Sunder Devi Jain [1200 Equity Shares], Anil Jain [587 Equity Shares], Kalu Lal Ji Chittora [10,000 Equity Shares], Laxmi Lal Malvi (Jain) [7620 Equity Shares], Pawan Jain [1200 Equity Shares], Dinesh Jain [1504 Equity Shares], Hemraj Jain [19,380 Equity Shares], Hemant Sharma [1980 Equity Shares], Anil Kothari [30,000 Equity Shares], Monika Dhakad [4260 Equity Shares], Vardi Chand Jain [10,440 Equity Shares], Anand Dhakad [17,220 Equity Shares], Manju Devi Jain [13,200 Equity Shares], Brij Lal Bhojawat [15,216 Equity Shares], Sohani Devi [600 Equity Shares], Viplav Jain [4404 Equity Shares], Deep Chand Jain [15,276 Equity Shares], Rajni Gehlot [7128 Equity Shares], Pushpa Chittora [5460 Equity Shares], Rama Bhatnagar [10,308 Equity Shares].
- (11) Transfer to Abhilasha Jain [31,352 Equity Shares], Pushpa Nagda [19,680 Equity Shares].
- (12) Transfer from Nirmal Kumar Jain HUF [51,100 Equity Shares].
- (13) Transfer from Abhilasha Jain [31,352 Equity Shares], Pushpa Nagda [19,680 Equity Shares].
- (14) Transmission from Sohan Lal [9,75,065 Equity Shares].
- (15) Transfer from Ajay Sharma [10,000 Equity Shares].
- (16) Transfer from Sadbhavana Charitable Trust [50,000 Equity Shares].
- (17) Transfer from Ashish Jain [9,75,110 Equity Shares], Kavish Jain [9,59,430 Equity Shares].
- (18) Transfer from Pushpa Nagda [6,70,000 Equity Shares].
- (19) Transfer from Abhilasha Jain [61,190 Equity Shares].
- (20) Transfer from Kavish Jain HUF [3,90,540 Equity Shares].
- (21) Transfer from Vinita Sureshkumar Jain [1,88,500 Equity Shares].
- (22) Transfer from Ashish Jain HUF [4,41,540 Equity Shares].
- (23) Transfer from Surbhi Jain [13,690 Equity Shares].
- (24) Transfer from Kailash Jain [1,46,640 Equity Shares], Vimal Jain [12,000 Equity Shares].
- (25) Transfer from Shilpa Jain [1,28,640 Equity Shares].
- (26) Transfer from Anil Kumar Jain [7,49,340 Equity Shares].
- (27) Transfer from Kanta Jain [5,03,880 Equity Shares].
- (28) Transfer from Ravindra Jain [1,57,620 Equity Shares].

### Manju Devi Jain

Date of Allotment / Transfer and Date when made Fully Paid up	No. Equity Shares Allotted / Transferred	Face Value per Equity Share (in ₹)	Issue/ Acquisition/ Transfer Price per Equity Share (in ₹)	Consideration	Nature of Transaction	% of Pre-Issue Paid up Capital	% of Post-Issue Paid up Capital
March 31, 1997	3300	10	10	Cash	Allotment	0.01	[●]
March 29, 2003	2000	10	10	Cash	Allotment	Negligible	[●]
March 29, 2004	1000	10	30	Cash	Allotment	Negligible	[●]
September 29, 2010	8300	10	60	Cash	Allotment	0.03	[●]



Date of Allotment / Transfer and Date when made Fully Paid up	No. Equity Shares Allotted / Transferred	Face Value per Equity Share (in ₹)	Issue/ Acquisition/ Transfer Price per Equity Share (in ₹)	Consideration	Nature of Transaction	% of Pre-Issue Paid up Capital	% of Post-Issue Paid up Capital
March 28, 2014	46,550	10	10	Cash	Transfer <sup>(1)</sup>	0.15	[●]
March 31, 2015	19,900	10	10	Cash	Transfer <sup>(2)</sup>	0.06	[●]
March 31, 2016	23,190	10	10	Cash	Transfer <sup>(3)</sup>	0.07	[●]
March 31, 2017	45,480	10	10	Cash	Transfer <sup>(4)</sup>	0.14	[●]
June 5, 2017	34,760	10	10	Cash	Transfer <sup>(5)</sup>	0.11	[●]
September 16, 2017	29,944	10	NIL	Consideration other than cash	Bonus Allotment	0.09	[●]
October 3, 2017	6,872	10	10	Cash	Transfer <sup>(6)</sup>	0.02	[●]
February 10, 2020	8,85,184	10	NIL	Consideration other than cash	Bonus Allotment	2.79	[●]
January 30, 2021	22,500	10	200	Cash	Allotment	0.07	[●]
March 31, 2021	32,500	10	200	Cash	Allotment	0.10	[●]
<b>Total</b>	<b>11,61,480</b>					<b>3.67</b>	<b>[●]</b>

(1) Transfer from Praveen Jain [1400 Equity Shares], Praveen Jain [1800 Equity Shares], Bhagwan Lal Nagda [1800 Equity Shares], Gautam Nagda [1800 Equity Shares], Himmat Ram Nagda [1800 Equity Shares], Narvada Nagda [1800 Equity Shares], Balu Ram Kalal [1800 Equity Shares], Modi Lal Jain [2800 Equity Shares], Kanak Mal Jain [1800 Equity Shares], Chandan Mal Jain [2200 Equity Shares], Mahipal Jain [2200 Equity Shares], Ravi Garg [3000 Equity Shares], Ravi Garg [1700 Equity Shares], Vikas Chobisa [1300 Equity Shares], Dhaneshwar Meena [1500 Equity Shares], Ganesh Lal Kalal [1300 Equity Shares], Nathu Lal Kalal [1600 Equity Shares], Shanker Joshi [1750 Equity Shares], Sunil Asawa [700 Equity Shares], Heera Lal Sharma [12,500 Equity Shares].

(2) Transfer from Lehri Devi Jain [1500 Equity Shares], Kanhaiya Lal Jain [1200 Equity Shares], Kanhaiya Lal Jain [1150 Equity Shares], Kanhaiya Lal Jain [250 Equity Shares], Kanhaiya Lal Jain [2500 Equity Shares], Kanhaiya Lal Jain [3500 Equity Shares], Kamlesh Jain [2500 Equity Shares], Karishma Jain [2500 Equity Shares], Pritum Jain [1800 Equity Shares], Pushpa Malvi [1500 Equity Shares], Rekha Devi Jain [1500 Equity Shares].

(3) Transfer from Dilip Jain [1390 Equity Shares], Hemendra Jain [1270 Equity Shares], Jayanti Lal Jain [1800 Equity Shares], Jayanti Lal Jain [690 Equity Shares], Kamla Devi Jain [1200 Equity Shares], Nathu Lal Choubisa [1820 Equity Shares], Rishab Jain [1270 Equity Shares], Sanjeev Kumar Jain [1040 Equity Shares], Vimla Devi Jain [360 Equity Shares], Vimla Devi Jain [2300 Equity Shares], Vimla Devi Jain [800 Equity Shares], Mukesh Nagda [250 Equity Shares], Mukesh Nagda [1150 Equity Shares], Chanda Jain [1050 Equity Shares], Mahaveer Jain [1100 Equity Shares], Mahaveer Jain [1200 Equity Shares], Mahak Jain [1100 Equity Shares], Sanjay Kumar [1100 Equity Shares], Granth Kumar [1100 Equity Shares], Granth Kumar [1200 Equity Shares].

(4) Transfer from Goutam Lal Patel [3130 Equity Shares], Devi Bai Jolawat [4200 Equity Shares], Heera Lal Meena [290 Equity Shares], Jamna Lal [2730 Equity Shares], Bhuri Bai Nagda [1700 Equity Shares], Banshi Lal Jain [1500 Equity Shares], Ram Krishan Das [640 Equity Shares], Seema Jain [5000 Equity Shares], Bhanwar Lal Jain [7960 Equity Shares], Bhanwar Lal Nagda [7650 Equity Shares], Bhanwari Devi Jain [970 Equity Shares], Indar Lal Jain [2000 Equity Shares], Manish Devra [1460 Equity Shares], Rajesh Kumar [6250 Equity Shares].

(5) Transfer from Bhupendra Jain [500 Equity Shares], Shashi Rathore [2280 Equity Shares], Brij Lal [12,010 Equity Shares], Manak Chand Jain [1820 Equity Shares], Ruchi Kothari [500 Equity Shares], Shanti Lal Bhagwati [1370 Equity Shares], Shweta Jain [1920 Equity Shares], Anjana Jain [1150 Equity Shares], Bheru Lal Dangi [1760 Equity Shares], Devi Chand [2050 Equity Shares], Mayur Jayanti Lal Jain [5000 Equity Shares], Ranjana Jain [2500 Equity Shares], Prashant Jain [1900 Equity Shares].

(6) Transfer from Bhupendra Jain [100 Equity Shares], Shashi Rathore [456 Equity Shares], Brij Lal [2402 Equity Shares], Manak Chand Jain [364 Equity Shares], Ruchi Kothari [100 Equity Shares], Shanti Lal Bhagwati [274 Equity Shares], Shweta Jain [384 Equity Shares], Anjana Jain [150 Equity Shares], Bheru Lal Dangi [352 Equity Shares], Devi Chand [410 Equity Shares], Mayur Jayanti Lal Jain [1000 Equity Shares], Ranjana Jain [500 Equity Shares], Prashant Jain [380 Equity Shares].

### Dipesh Jain

Date of Allotment / Transfer and Date when made Fully Paid up	No. Equity Shares Allotted / Transferred	Face Value per Equity Share (in ₹)	Issue/ Acquisition/ Transfer Price per Equity Share (in ₹)	Consideration	Nature of Transaction	% of Pre-Issue Paid up Capital	% of Post-Issue Paid up Capital
March 31, 1997	800	10	10	Cash	Allotment	Negligible	[●]

Date of Allotment / Transfer and Date when made Fully Paid up	No. Equity Shares Allotted / Transferred	Face Value per Equity Share (in ₹)	Issue/ Acquisition/ Transfer Price per Equity Share (in ₹)	Consideration	Nature of Transaction	% of Pre-Issue Paid up Capital	% of Post-Issue Paid up Capital
March 29, 2003	2000	10	10	Cash	Allotment	Negligible	[●]
March 31, 2015	20,980	10	10	Cash	Transfer <sup>(1)</sup>	0.07	[●]
March 31, 2016	13,030	10	10	Cash	Transfer <sup>(2)</sup>	0.04	[●]
March 31, 2017	44,805	10	10	Cash	Transfer <sup>(3)</sup>	0.14	[●]
June 5, 2017	33,815	10	10	Cash	Transfer <sup>(4)</sup>	0.11	[●]
September 16, 2017	16,323	10	NIL	Consideration other than cash	Bonus Allotment	0.05	[●]
October 3, 2017	6323	10	10	Cash	Transfer <sup>(5)</sup>	0.02	[●]
July 28, 2018	1500	10	10	Cash	Transfer <sup>(6)</sup>	Negligible	[●]
February 10, 2020	5,58,304	10	NIL	Consideration other than cash	Bonus Allotment	1.76	[●]
<b>Total</b>	<b>6,97,880</b>					<b>2.20</b>	<b>[●]</b>

(1) Transfer from Saroj Devi Jain [2000 Equity Shares], Jayanti Lal Jain [1600 Equity Shares], Bhanwar Lal Jain [3000 Equity Shares], Amba Lal Jain [1800 Equity Shares], Bahadur Mal Jain [2800 Equity Shares], Bhuri Lal Jain [1500 Equity Shares], Bhuri Lal Jain [5480 Equity Shares], Rang Lal Jain [2800 Equity Shares].

(2) Transfer from Bhanwar Lal Kothari [11,840 Equity Shares], Amari Devi Meena [60 Equity Shares], Heena Soni [1130 Equity Shares].

(3) Transfer from Mahaveer Kumar [2770 Equity Shares], Pyari Bai Jain [3080 Equity Shares], Santosh Kumar [1380 Equity Shares], Shanti Devi Jain [2360 Equity Shares], Sohani Bai Pancholi [2460 Equity Shares], Sumitra Devi Jain [1420 Equity Shares], Surendra Gupta Bahtnagar [4740 Equity Shares], Laxmi Devi Jain [1750 Equity Shares], Sumitra Devi Jain [1750 Equity Shares], Hemlalta Devi Jain [1750 Equity Shares], Laxmi Bai Jain [5010 Equity Shares], Gunjan Jain [1470 Equity Shares], Bhupendra Jain [970 Equity Shares], Devendra Kumar Jain [760 Equity Shares], Rodi Bai Jain [4545 Equity Shares], Dipesh Jain [8590 Equity Shares].

(4) Transfer from Rishab Jain [785 Equity Shares], Panna Lal Jain [290 Equity Shares], Bhim Raj Taletia [9780 Equity Shares], Ganesh Lal Nagda [13,640 Equity Shares], Neelam H. Jain [4550 Equity Shares], Darshan Mehta [1000 Equity Shares], Harshika Jain [500 Equity Shares], Ratan Devi Jain [825 Equity Shares], Purshottam Lal [245 Equity Shares], Lalit Kumar Jain [1000 Equity Shares], Deepesh Kumar Jain [1200 Equity Shares].

(5) Transfer from Rishab Jain [157 Equity Shares], Panna Lal Jain [58 Equity Shares], Bhim Raj Taletia [1956 Equity Shares], Ganesh Lal Nagda [2728 Equity Shares], Neelam H. Jain [910 Equity Shares], Darshan Mehta [200 Equity Shares], Harshika Jain [100 Equity Shares], Ratan Devi Jain [165 Equity Shares], Purshottam Lal [49 Equity Shares].

(6) Transfer from Praveen A. Jain [1500 Equity Shares].

#### **Nirmal Kumar Jain HUF**

Date of Allotment/ Transfer and Date when made Fully Paid up	No. Equity Shares Allotted/ Transferred	Face Value per Equity Share (in ₹)	Issue/ Acquisition/ Transfer Price per Equity Share (in ₹)	Consideration	Nature of Transaction	% of Pre-Issue Paid up Capital	% of Post-Issue Paid up Capital
March 29, 2013	2750	10	110	Cash	Allotment	Negligible	[●]
March 31, 2015	40,550	10	10	Cash	Transfer <sup>(1)</sup>	0.13	[●]
March 31, 2016	33,120	10	10	Cash	Transfer <sup>(2)</sup>	0.10	[●]
March 31, 2017	41,275	10	10	Cash	Transfer <sup>(3)</sup>	0.13	[●]
June 5, 2017	36,270	10	10	Cash	Transfer <sup>(4)</sup>	0.11	[●]
September 16,	23,539	10	NIL	Consideration	Bonus	0.07	[●]

Date of Allotment/ Transfer and Date when made Fully Paid up	No. Equity Shares Allotted/ Transferred	Face Value per Equity Share (in ₹)	Issue/ Acquisition/ Transfer Price per Equity Share (in ₹)	Consideration	Nature of Transaction	% of Pre-Issue Paid up Capital	% of Post-Issue Paid up Capital
2017				other than cash	Allotment		
October 3, 2017	7054	10	10	Cash	Transfer <sup>(5)</sup>	0.02	[●]
October 31, 2017	1,20,196	10	10	Cash	Transfer <sup>(6)</sup>	0.38	[●]
December 23, 2017	(76,744)	10	10	Cash	Transfer <sup>(7)</sup>	0.24	[●]
July 28, 2018	27,484	10	10	Cash	Transfer <sup>(8)</sup>	0.09	[●]
February 10, 2020	10,21,976	10	NIL	Consideration other than cash	Bonus Allotment	3.23	[●]
<b>Total</b>	<b>12,77,470</b>					<b>4.03</b>	<b>[●]</b>

- (1) Transfer from Anita Jain [3500 Equity Shares], Ramesh Jain [600 Equity Shares], Reena Tejawat [1700 Equity Shares], Chandrakala Tejawat [1700 Equity Shares], Ruchika Tejawat [1700 Equity Shares], Ruchika Tejawat [1500 Equity Shares], Lal Chand Jain [6800 Equity Shares], Mahaveer Jain [2800 Equity Shares], Archana Chittora [9500 Equity Shares], Vijay Chand Jain [1150 Equity Shares], Shanti Bai Nagda [1200 Equity Shares], Prakash Jain [1800 Equity Shares], Pradeep Jain [1800 Equity Shares], Mini Jain [3000 Equity Shares], Manhuri Devi [1800 Equity Shares].
- (2) Transfer from Mrs. Gandhi Bai Jain [2530 Equity Shares], Dinesh Jain [3000 Equity Shares], Heera Lal Nayak [3000 Equity Shares], Kapil Jain [570 Equity Shares], Kapil Jain [2370 Equity Shares], Kundan Mal Samota [1650 Equity Shares], Manish Jain [1000 Equity Shares], Manish Jain [1570 Equity Shares], Om Prakash Purohit [2170 Equity Shares], Rashmi Sharma [4570 Equity Shares], Rashmi Sharma [840 Equity Shares], Rashmi Sharma [890 Equity Shares], Shankar Lal Suthar [2420 Equity Shares], Shiv Lal Sharma [560 Equity Shares], Shiv Lal Sharma 880 Equity Shares], Sundar Lal Jain [1260 Equity Shares], Sundar Lal Jain [1840 Equity Shares], Vinod Paliwal [2000 Equity Shares].
- (3) Transfer from Rakesh Shah [3250 Equity Shares], Prakash Jain [200 Equity Shares], Sushila Devi Jain [1800 Equity Shares], Motichand Jain [1900 Equity Shares], Seema Jain [1600 Equity Shares], Ramesh Chandra Malawat [5000 Equity Shares], Rajendra Patil [1670 Equity Shares], Vijay Patil [835 Equity Shares], Shanker Lal Pancholia [1000 Equity Shares], Pushpa Devi Jain [1000 Equity Shares], Labh Chand Jain [1000 Equity Shares], Lal Chand Jain [11820 Equity Shares], Shanker Lal Salvi [6900 Equity Shares], Ramesh Ji Karmawat [3300 Equity Shares].
- (4) Transfer from Dhuli Bai Jain [4545 Equity Shares], Rajendra Chittora [8310 Equity Shares], Kailash Jain [13640 Equity Shares], Pawan Jain [3190 Equity Shares], Ashok K. Chittora [1000 Equity Shares], Chandra Prakash [1600 Equity Shares], Balu Ram Kalal [1000 Equity Shares], Narbada Devi Chaturvedi [1210 Equity Shares], Sushila Jain [275 Equity Shares], Mahesh Jinger [500 Equity Shares], Aziz Khan Gadhia [1000 Equity Shares].
- (5) Transfer from Dhuli Bai Jain [909 Equity Shares], Rajendra Chittora [1662 Equity Shares], Kailash Jain [2728 Equity Shares], Pawan Jain [638 Equity Shares], Ashok K. Chittora [200 Equity Shares], Chandra Prakash [320 Equity Shares], Balu Ram Kalal [200 Equity Shares], Narbada Devi Chaturvedi [242 Equity Shares], Sushila Jain [55 Equity Shares], Mahesh Jinger [100 Equity Shares].
- (6) Transfer from Mukund Jain [18,580 Equity Shares], Heera Lal Nagda [25,644 Equity Shares], Rahul Jhuthawat [600 Equity Shares], Rayan Jain [3480 Equity Shares], Pritesh Kumar Jain [2880 Equity Shares], Madan Lal Chittora [11,520 Equity Shares], Malti Devi [3360 Equity Shares], Shashi Kala Jain [600 Equity Shares], Meena Mogra [2700 Equity Shares], Monika Jain [1632 Equity Shares], Mahaveer Kumar Jain [2400 Equity Shares], Satya Narayan Vaishnav [6000 Equity Shares], Jayanti Prakash Tejawat [4200 Equity Shares], Chandra Kala Tejawat [1800 Equity Shares], Manju Jain [1200 Equity Shares], Lokesh Jain [1800 Equity Shares], Rodi Lal Patel [6000 Equity Shares], Paritosh Kothari [600 Equity Shares], Pooja Jain [480 Equity Shares], Mahaveer [2820 Equity Shares], Prem Lata Jain [4200 Equity Shares], Laxmi Devi Jain [3000 Equity Shares], Teena Jain [3000 Equity Shares], Yahswant Jain [4000 Equity Shares], Heera Lal Sigawat [600 Equity Shares], Badri Lal Ratnawat [120 Equity Shares], Praveen Patel [400 Equity Shares], Saroj Rathore [400 Equity Shares], Dhiraj Khatod [400 Equity Shares], Vineet Jain [800 Equity Shares], Suresh Talreja [280 Equity Shares], Praveen Singh Ranawat [400 Equity Shares], Om Prakash Sharma [400 Equity Shares], Mitesh Chittora [700 Equity Shares], Khmeraj Nagda [400 Equity Shares], Tarachand Lachiram Samariya [400 Equity Shares], Laxmi Lal [600 Equity Shares], Pooja Jain [400 Equity Shares], Hemlata Jain [400 Equity Shares], Neeraj Jain [400 Equity Shares], Khubi Lal Jain [600 Equity Shares].
- (7) Transfer to Nirmal Kumar Jain [51,100 Equity Shares], The Coronation Castles Private Limited [25,644 Equity Shares]
- (8) Transfer from Pankaj Jain [480 Equity Shares], Sumitra Devi [480 Equity Shares], Panna Lal Jain [880 Equity Shares], The Coronation Castles Pvt Ltd [25,644 Equity Shares]

12. All the Equity Shares held by our Promoters were fully paid-up on the respective dates of allotment of such Equity Shares.

13. None of the Equity Shares held by our Promoters are pledged.

The following is the Equity Shareholding pattern of our Company as on the date of this Red Herring Prospectus\*:

	Category (I)	Category of Share holder (II)	Nos. of Share holders (III)	No. of fully paid up equity shares held (IV)	No. of partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII)=(IV + (V)+(VI)	Share holding as a % total No. of shares (calculated as per SCRR, 1957 (VII) As a % of A+B+C2)	Number of voting rights held in each class of securities (IX)			No. of shares underlying outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	No. of locked in shares (XII)		No. of shares pledged or otherwise encumbered (XIII)		No. of equity shares held in dematerialised form (XIV)	
									No. of voting Rights					Total as a % of A+B+C	No. (a)	As a % of total shares held (b)	No. (a)		As a % of total shares held (b)
									Class (Equity)	Class (Others)	Total								
(A)	Promoter & Promoter Group		14	1,77,40,826	0	0	1,77,40,826	56.01	1,77,40,826	0	1,77,40,826	56.01	0	0	0	0	0	0	1,77,40,826
(B)	Public		815	1,39,34,170	0	0	1,39,34,170	43.99	1,39,34,170	0	1,39,34,170	43.99	0	0	0	0	0	0	1,39,23,885
(C)	Non-Promoter-Non Public		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(C1)	Shares underlying DRs		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(C2)	Shares held by Employee Trusts		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	<b>Total</b>		<b>829</b>	<b>3,16,74,996</b>	<b>0</b>	<b>0</b>	<b>3,16,74,996</b>	<b>100</b>	<b>3,16,74,996</b>	<b>0</b>	<b>3,16,74,996</b>	<b>100.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,16,64,711</b>

\*The shareholding is as per the BENPOS dated June 07, 2024.

We state that the Equity Shares held by the Promoters and the members of the Promoter Group of the Company are dematerialised. The Equity Shares which are not dematerialised are held by the public shareholders of the Company.

14. **Details of Shareholding of major equity Shareholders of our Company:**

- i. Names of Equity Shareholders of the Company holding 1% or more of the paid-up capital of the Company and the number of Equity Shares held by them as on the date of the filing of this Red Herring Prospectus\*:

S. No.	Name of Equity Shareholders	No. of Equity Shares	% of Pre- Issue Equity Share Capital	% of Post- Issue Equity Share Capital
1.	Nirmal Kumar Jain	1,14,10,090	36.02	[●]
2.	Akme Build Estate Limited	14,37,500	4.54	[●]
3.	Nirmal Kumar Jain HUF	12,77,470	4.03	[●]
4.	Manju Devi Jain	11,61,480	3.67	[●]
5.	Jenisha Jain	7,14,920	2.26	[●]
6.	Deepesh Jain	6,97,880	2.20	[●]
7.	Jamnibai Bansilal Jain	3,77,880	1.19	[●]
8.	Kanchan Devi	3,04,325	0.96	[●]
9.	Amit Gunchandra Mehta	3,00,000	0.95	[●]
10.	S S Seema	3,00,000	0.95	[●]
11.	Bansilal Champalalji Jain	2,62,100	0.83	[●]
12.	Trina Devang Vyas	2,60,000	0.82	[●]
13.	Dharit Pankaj Barbhaya	2,45,000	0.77	[●]
14.	Meghraj Jain Shikar	2,25,000	0.71	[●]
15.	Manish Jaroli	2,23,000	0.70	[●]
16.	Akme Star Housing Finance Limited	2,18,220	0.69	[●]
17.	Rajesh Girdharlal Vora	2,10,000	0.66	[●]
18.	Kanchan Auto Private Limited	2,00,000	0.63	[●]
19.	Vinita Sureshkumar Jain	1,85,365	0.59	[●]
20.	P Anitha	1,80,000	0.57	[●]
21.	Ashok Kumar Jain	1,72,760	0.55	[●]
22.	Surbhi Jain	1,69,490	0.54	[●]
23.	Arham Dream Homes Private Limited	1,52,546	0.48	[●]
24.	Vimalchand Darshani	1,50,000	0.47	[●]
25.	Vimalchand Namratha	1,50,000	0.47	[●]
26.	R A Maxx Private Limited	1,50,000	0.47	[●]
27.	Jinendra Kumar Jain	1,50,000	0.47	[●]
28.	Hemang Dinesh Shah	1,50,000	0.47	[●]
29.	The Coronation Castles Private Limited	1,40,085	0.44	[●]
30.	Anish Dhing	1,34,000	0.42	[●]
31.	Praveen Kumar Jain	1,33,740	0.42	[●]
32.	Haushang Ajit Dawda	1,27,700	0.40	[●]
33.	Manak Chand Jain	1,26,667	0.40	[●]
34.	Bhupendra Bansilalji Jain	1,25,760	0.40	[●]
35.	Bhavesh Shantilal Jain	1,21,000	0.38	[●]
36.	Ankur Balwant Bolia	1,20,000	0.38	[●]
37.	Pramila Kothari	1,15,000	0.36	[●]
38.	Gothamchand A HUF	1,15,000	0.36	[●]
39.	Rajni Gehlot	1,07,500	0.34	[●]
40.	Pranav Ramesh Kumar Jain	1,00,750	0.32	[●]

41.	Ramesh Kumar Jain	1,00,000	0.32	[●]
42.	Kamna Soni	1,00,000	0.32	[●]
43.	Alpesh Kothari	1,00,000	0.32	[●]
44.	Bobby Singh Chandel	1,00,000	0.32	[●]
45.	Jamak Lal Jain	95,940	0.30	[●]
46.	Hemraj Kothari	93,750	0.30	[●]
47.	Kanchan Jain	92,225	0.29	[●]
48.	Manju Devi Bihani	87,500	0.28	[●]
49.	Akme Fincon Limited	83,520	0.26	[●]
50.	Ajaya Sharma	76,875	0.24	[●]
51.	Chandrasekaran Saravanan	75,000	0.24	[●]
52.	Abhishek Kothari	70,000	0.22	[●]
53.	Vinitha Manish Jain	70,000	0.22	[●]
54.	Indu Ramanlal Golecha	68,500	0.22	[●]
55.	Mukesh Jain	60,625	0.19	[●]
56.	Ronak Jhuthawat	60,000	0.19	[●]
57.	Amees Dipen Parekh	60,000	0.19	[●]
58.	Padmanabh Vittal Shetty	60,000	0.19	[●]
59.	Deepa Narayan Gwalani	57,000	0.18	[●]
60.	Yash Pankaj Barbhaya	53,500	0.17	[●]
61.	Rajendra Chittora	52,508	0.17	[●]
62.	Yashwant Jain (HUF)	50,000	0.16	[●]
63.	Swati Shah	50,000	0.16	[●]
64.	Rajnikant Meghji Shah HUF	50,000	0.16	[●]
65.	Rahul Rajendra Jain	50,000	0.16	[●]
66.	Nishit H Jasani (HUF)	50,000	0.16	[●]
67.	Nidhi Aditya Somani	50,000	0.16	[●]
68.	Contactx Resource Management Private Limited	50,000	0.16	[●]
69.	Narayan Prasad Mundhra	50,000	0.16	[●]
70.	Kajal Hitesh Sanghvi	50,000	0.16	[●]
71.	Shubhangi Pandekar	50,000	0.16	[●]
72.	Hitesh Laxmilal Jain	50,000	0.16	[●]
73.	Hiren Paramananddas Shah	50,000	0.16	[●]
74.	Dinesh Jain	50,000	0.16	[●]
75.	Devkripa Constructions Private Limited	50,000	0.16	[●]
76.	Badami Dinesh Mehta	50,000	0.16	[●]
77.	Bhupendra Bansilalji Jain HUF	50,000	0.16	[●]
78.	Tetris Consultants LLP	45,000	0.14	[●]
	<b>Total</b>	<b>2,53,61,046</b>	<b>80.07</b>	<b>[●]</b>

*\*The shareholding is as per the BENPOS dated June 07, 2024.*

- ii. None of the Equity Shareholders of our Company holding 1% or more of the paid-up capital of the Company as on the date of the filing of the RHP are entitled to any Equity Shares upon exercise of warrant, option or right to convert a debenture, loan or other instrument.
- iii. Names of Equity Shareholders of the Company holding 1% or more of the paid-up capital of the Company and the number of Equity Shares held by them 2 (two) years prior to date of filing of this Red Herring Prospectus (as of June 10, 2022):

S. No.	Name of Equity Shareholders	No. of Equity Shares	% of Pre-Issue Equity Share Capital	% of Post- Issue Equity Share Capital
1.	Nirmal Kumar Jain	57,71,970	26.46	[●]
2.	Nirmal Kumar Jain HUF	12,77,470	5.86	[●]
3.	Manju Devi Jain	11,61,480	5.32	[●]
4.	Ashish Jain	9,75,110	4.47	[●]
5.	Kavish Jain	9,59,430	4.40	[●]
6.	Anil Kumar Jain	7,49,340	3.43	[●]
7.	Jenisha Jain	7,14,920	3.28	[●]
8.	Deepesh Jain	6,97,880	3.20	[●]
9.	Pushpa Nagda	6,70,000	3.07	[●]
10.	Bansilal Champalalji Jain	5,63,850	2.58	[●]
11.	Vinita Sureshkumar Jain	5,06,590	2.32	[●]
12.	Kanta Jain	5,03,880	2.31	[●]
13.	Ashish Jain HUF	4,41,540	2.02	[●]
14.	The Coronation Castles Private Limited	4,41,340	2.02	[●]
15.	Kavish Jain (HUF)	3,90,540	1.79	[●]
16.	Jamnibai Bansilal Jain	3,77,880	1.73	[●]
17.	Manak Chand Jain	3,62,540	1.66	[●]
18.	Anchor Metal Private Limited	3,44,925	1.58	[●]
19.	Kanchan Devi	3,04,325	1.39	[●]
20.	Yashpal Velchand Jain	2,92,825	1.34	[●]
21.	Sanjay Jain	2,35,860	1.08	[●]
22.	Arham Dream Homes Private Limited	2,33,190	1.07	[●]
23.	Akme Star Housing Finance Limited	2,18,220	1.00	[●]
	<b>Total</b>	<b>1,81,95,105</b>	<b>83.38</b>	[●]

iv. Names of Equity Shareholders of the Company holding 1% or more of the paid-up capital of the Company and the number of Equity Shares held by them 1 (one) year prior to date of filing of this Red Herring Prospectus (as of June 09, 2023):

S. No.	Name of Equity Shareholders	No. of Equity Shares	% of Pre-Issue Equity Share Capital	% of Post-Issue Equity Share Capital
1.	Nirmal Kumar Jain	1,14,10,090,	36.02	[●]
2.	Akme Build Estate Limited	14,37,500	4.54	[●]
3.	Nirmal Kumar Jain HUF	12,77,470	4.03	[●]
4.	Manju Devi Jain	11,61,480	3.67	[●]
5.	Anbuezhian	10,00,000	3.16	[●]
6.	Jenisha Jain	7,14,920	2.26	[●]
7.	Deepesh Jain	6,97,880	2.20	[●]
8.	Bansilal Champalalji Jain	5,63,850	1.78	[●]
9.	Jamnibai Bansilal Jain	3,77,880	1.19	[●]
10.	Anchor Metal Private Limited	3,44,925	1.09	[●]
11.	Kanchan Devi	3,04,325	0.96	[●]
12.	Amit Gunchandra Mehta	3,00,000	0.95	[●]
13.	S S Seema	3,00,000	0.95	[●]

S. No.	Name of Equity Shareholders	No. of Equity Shares	% of Pre-Issue Equity Share Capital	% of Post-Issue Equity Share Capital
14.	Dharit Pankaj Barbhaya	2,45,000	0.77	[●]
15.	Meghraj Jain Shikar	2,25,000	0.71	[●]
16.	Akme Star Housing Finance Limited	2,18,220	0.69	[●]
17.	Rajesh Girdharlal Vora	2,10,000	0.66	[●]
18.	Trina Devang Vyas	2,05,985	0.65	[●]
19.	Kanchan Auto Private Limited	2,00,000	0.63	[●]
20.	Vinita Sureshkumar Jain	1,85,365	0.59	[●]
21.	P Anitha	1,80,000	0.57	[●]
22.	Ashok Kumar Jain	1,72,760	0.55	[●]
23.	Bhupendra Bansilalji Jain	1,72,635	0.55	[●]
24.	Surbhi Jain	1,69,490	0.54	[●]
25.	Indu Ramanlal Golecha	1,66,650	0.53	[●]
26.	Namratha V	1,50,000	0.47	[●]
27.	V Darshani	1,50,000	0.47	[●]
28.	R A Maxx Private Limited	1,50,000	0.47	[●]
29.	Jinendra Kumar Jain	1,50,000	0.47	[●]
30.	Hemang Dinesh Shah	1,50,000	0.47	[●]
31.	Gothamchand A HUF	1,45,000	0.46	[●]
32.	Praveen Kumar Jain	1,40,615	0.44	[●]
33.	The Coronation Castles Private Limited	1,40,085	0.44	[●]
34.	Haushang Ajit Dawda	1,30,700	0.41	[●]
35.	Manak Chand Jain	1,26,667	0.40	[●]
36.	Pramila Kothari	1,15,000	0.36	[●]
37.	Rajni Gehlot	1,07,500	0.34	[●]
38.	Kamna Soni	1,00,000	0.32	[●]
39.	Ramesh Kumar Jain	1,00,000	0.32	[●]
40.	Alpesh Kothari	1,00,000	0.32	[●]
41.	Rajendra Chittora	1,00,000	0.32	[●]
42.	Bobby Singh Chandel	1,00,000	0.32	[●]
43.	Jamak Lal Jain	95,940	0.30	[●]
44.	Hemraj Kothari	93,750	0.30	[●]
45.	Kanchan Jain	92,225	0.29	[●]
46.	Anish Dhing	90,000	0.28	[●]
47.	Manju Devi Bihani	87,500	0.28	[●]
48.	Akme Fincon Limited	83,520	0.26	[●]
49.	Ajaya Sharma	76,875	0.24	[●]
50.	C Saravanan	75,000	0.24	[●]
51.	Abhishek Kothari	70,000	0.22	[●]
52.	Ronak Jhuthawat	60,000	0.19	[●]
53.	Amees Dipen Parekh	60,000	0.19	[●]
54.	Padmanabh Vittal Shetty	60,000	0.19	[●]
	<b>Total</b>	<b>2,53,41,802</b>	<b>80.01</b>	[●]

- v. Names of Equity Shareholders of the Company holding 1% or more of the paid-up capital of the Company and the number of Equity Shares held by them as on 10 (ten) days prior to the date of filing this Red Herring Prospectus (as of May 31, 2024):



S. No.	Name of Equity Shareholders	No. of Equity Shares	% of Pre- Issue Equity Share Capital	% of Post- Issue Equity Share Capital
1.	Nirmal Kumar Jain	1,14,10,090	36.02	[●]
2.	Akme Build Estate Limited	14,37,500	4.54	[●]
3.	Nirmal Kumar Jain HUF	12,77,470	4.03	[●]
4.	Manju Devi Jain	11,61,480	3.67	[●]
5.	Jenisha Jain	7,14,920	2.26	[●]
6.	Deepesh Jain	6,97,880	2.20	[●]
7.	Jamnibai Bansilal Jain	3,77,880	1.19	[●]
8.	Kanchan Devi	3,04,325	0.96	[●]
9.	Amit Gunchandra Mehta	3,00,000	0.95	[●]
10.	S S Seema	3,00,000	0.95	[●]
11.	Bansilal Champalalji Jain	2,62,100	0.83	[●]
12.	Trina Devang Vyas	2,60,000	0.82	[●]
13.	Dharit Pankaj Barbhaya	2,45,000	0.77	[●]
14.	Meghraj Jain Shikar	2,25,000	0.71	[●]
15.	Manish Jaroli	2,23,000	0.70	[●]
16.	Akme Star Housing Finance Limited	2,18,220	0.69	[●]
17.	Rajesh Girdharlal Vora	2,10,000	0.66	[●]
18.	Kanchan Auto Private Limited	2,00,000	0.63	[●]
19.	Vinita Sureshkumar Jain	1,85,365	0.59	[●]
20.	P Anitha	1,80,000	0.57	[●]
21.	Ashok Kumar Jain	1,72,760	0.55	[●]
22.	Surbhi Jain	1,69,490	0.54	[●]
23.	R A Maxx Private Limited	1,50,000	0.47	[●]
24.	Vimalchand Darshani	1,50,000	0.47	[●]
25.	Vimalchand Namratha	1,50,000	0.47	[●]
26.	Jinendra Kumar Jain	1,50,000	0.47	[●]
27.	Hemang Dinesh Shah	1,50,000	0.47	[●]
28.	Arham Dream Homes Private Limited	1,46,296	0.46	[●]
29.	The Coronation Castles Private Limited	1,40,085	0.44	[●]
30.	Anish Dhing	1,34,000	0.42	[●]
31.	Praveen Kumar Jain	1,33,740	0.42	[●]
32.	Haushang Ajit Dawda	1,27,700	0.40	[●]
33.	Manak Chand Jain	1,26,667	0.40	[●]
34.	Bhupendra Bansilalji Jain	1,25,760	0.40	[●]
35.	Bhavesh Shantilal Jain	1,21,000	0.38	[●]
36.	Ankur Balwant Bolia	1,20,000	0.38	[●]
37.	Gothamchand A HUF	1,15,000	0.36	[●]
38.	Pramila Kothari	1,15,000	0.36	[●]
39.	Rajni Gehlot	1,07,500	0.34	[●]
40.	Pranav Ramesh Kumar Jain	1,00,750	0.32	[●]
41.	Kamna Soni	1,00,000	0.32	[●]
42.	Ramesh Kumar Jain	1,00,000	0.32	[●]
43.	Alpesh Kothari	1,00,000	0.32	[●]

S. No.	Name of Equity Shareholders	No. of Equity Shares	% of Pre- Issue Equity Share Capital	% of Post- Issue Equity Share Capital
44.	Bobby Singh Chandel	1,00,000	0.32	[●]
45.	Jamak Lal Jain	95,940	0.30	[●]
46.	Hemraj Kothari	93,750	0.30	[●]
47.	Kanchan Jain	92,225	0.29	[●]
48.	Manju Devi Bihani	87,500	0.28	[●]
49.	Akme Fincon Limited	83,520	0.26	[●]
50.	Ajaya Sharma	76,875	0.24	[●]
51.	Chandrasekaran Saravanan	75,000	0.24	[●]
52.	Abhishek Kothari	70,000	0.22	[●]
53.	Vinitha Manish Jain	70,000	0.22	[●]
54.	Indu Ramanlal Golecha	68,500	0.22	[●]
55.	Mukesh Jain	60,625	0.19	[●]
56.	Ronak Jhuthawat	60,000	0.19	[●]
57.	Amees Dipen Parekh	60,000	0.19	[●]
58.	Padmanabh Vittal Shetty	60,000	0.19	[●]
59.	Deepa Narayan Gwalani	57,000	0.18	[●]
60.	Yash Pankaj Barbhaya	53,500	0.17	[●]
61.	Rajendra Chittora	52,508	0.17	[●]
62.	Rahul Rajendra Jain	50,000	0.16	[●]
63.	Yashwant Jain (HUF)	50,000	0.16	[●]
64.	Nishit H Jasani (HUF)	50,000	0.16	[●]
65.	Dinesh Jain	50,000	0.16	[●]
66.	Rajnikant Meghji Shah HUF	50,000	0.16	[●]
67.	Contactx Resource Management Private Limited	50,000	0.16	[●]
68.	Devkripa Constructions Private Limited	50,000	0.16	[●]
69.	Swati Shah	50,000	0.16	[●]
70.	Hitesh Laxmilal Jain	50,000	0.16	[●]
71.	Kajal Hitesh Sanghvi	50,000	0.16	[●]
72.	Shubhangi Pandekar	50,000	0.16	[●]
73.	Badami Dinesh Mehta	50,000	0.16	[●]
74.	Narayan Prasad Mundhra	50,000	0.16	[●]
75.	Nidhi Aditya Somani	50,000	0.16	[●]
76.	Hiren Paramananddas Shah	50,000	0.16	[●]
77.	Bhuperdra Bansilalji Jain (HUF)	46,875	0.15	[●]
78.	Tetris Consultations LLP	45,000	0.14	[●]
	<b>Total</b>	<b>2,53,54,796</b>	<b>80.05</b>	[●]

vi. The Company has not made any initial public offering of specified securities in the preceding 2 (two) years.

15. Except for the allotment of Equity Shares pursuant to the Issue, the Company has no proposal or intention to negotiate or consider any alteration in the capital structure of the Company by way of split or consolidation of the denomination of the shares, or to issue specified securities on a preferential basis or to issue bonus or rights or further public offer of specified securities within a period of 6 (six) months from the date of opening of the Issue. However, our Company is in expansion phase and may need additional capital to fund existing/ and or future organic and/ or inorganic expansion. Therefore, our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the Issue

appropriately in due compliance with the applicable statutory provisions.

16. As on the date of this Red Herring Prospectus, the Company has 829 (Eight Hundred Twenty Nine) equity shareholders.
17. **Details of Shareholding of our Promoters, members of Promoter Group in our Company**

The following is the Equity shareholding of our Promoters and Promoter Group as of the date of filing this Red Herring Prospectus\*:

S. No.	Name of shareholders	No. of Equity Shares held	% of Pre-Issue Equity Shares Capital	% of Post- Issue Equity Shares
<b>Promoters</b>				
1.	Nirmal Kumar Jain	1,14,10,090	36.02	[●]
2.	Manju Devi Jain	11,61,480	3.67	[●]
3.	Dipesh Jain	6,97,880	2.20	[●]
4.	Nirmal Kumar Jain (HUF)	12,77,470	4.03	[●]
<b>Promoter Group</b>				
5.	Kanchan Devi	3,04,325	0.96	[●]
6.	Shantilal Jain	31,200	0.09	[●]
7.	Jamak Lal Jain	95,940	0.30	[●]
8.	Manak Chand Jain	1,26,667	0.40	[●]
9.	Yashpal Jain	32,824	0.10	[●]
10.	Kanchan Jain	92,225	0.29	[●]
11.	Jenisha Jain	7,14,920	2.26	[●]
12.	The Coronation Castles Private Limited	1,40,085	0.44	[●]
13.	Star Housing Finance Limited	2,18,220	0.69	[●]
14.	Akme Build Estate Limited	14,37,500	4.54	[●]
	<b>Total</b>	<b>1,77,40,826</b>	<b>56.01</b>	<b>[●]</b>

\*The shareholding is as per the BENPOS dated June 7, 2024.

18. No Equity Shares were purchased or sold by the promoter group of the Company and/or by the directors of the Company and their relatives in the preceding 6 (six) months from the date of this RHP:

Date of allotment	No. of Equity Shares allotted/acquired by Promoter Group and/or Directors and their relatives	Face Value (in ₹)	Issue Price (in ₹)	Nature of acquisition	Name of Allottee/Transferee
February 7, 2024	25,000	10.00	90	Transfer	Refer Note 1
February 19, 2024	47,492	10.00	90	Transfer	Refer Note 2
February 20, 2024	25,000	10.00	90	Transfer	Refer Note 3

(1) Transfer from Arham Dream Homes Private Limited to Pranav Ramesh Kumar Jain.

(2) Transfer from Rajendra Chittora to Arham Dream Homes Private Limited.

(3) Transfer from Arham Dream Homes Private Limited to Pranav Ramesh Kumar Jain.

19. There have been no financing arrangements wherein the Promoter Group, the Directors of our Company and their relatives, have financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity during the period of 6 (six) months immediately preceding the date of filing of this Red Herring Prospectus.
20. **Promoters' contribution and lock-in**

**Details of Promoters' contribution locked in for 18 (eighteen) months:**

Pursuant to Regulations 14 and 16 of the SEBI ICDR Regulations, an aggregate of 20% of the post-Issue Equity Share capital, of our Company as on the date of this Red Herring Prospectus, shall be locked in for a period of 18 (eighteen) months from the date of Allotment as minimum Promoter's contribution ("Minimum Promoter's Contribution") and the shareholding of the Promoters in excess of 20% of the

fully diluted post-Issue Equity Share capital shall be locked in for a period of 1 (one) year from the date of Allotment.

***The Equity Shares which are being locked in for 18 (eighteen) months from the date of Allotment are as follows:***

Promoters	No. of Equity Shares Locked in <sup>(1)(2)</sup>	Face Value per Equity Share (in ₹)	Issue/ Acquisition Price per Equity Share (in ₹)	Date of Allotment/ Acquisition and when made fully paid-up	Nature of Allotment/ Transfer	Consideration (Cash/other than cash)	Percentage of post-Issue paid-up capital
Nirmal Kumar Jain	[•]	[•]	[•]	[•]	[•]	[•]	[•]
Manju Devi Jain	[•]	[•]	[•]	[•]	[•]	[•]	[•]
Dipesh Jain	[•]	[•]	[•]	[•]	[•]	[•]	[•]
Nirmal Kumar Jain HUF	[•]	[•]	[•]	[•]	[•]	[•]	[•]

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

In this connection, please note that:

- (i) The Equity Shares offered for Minimum Promoter's Contribution do not include (i) Equity Shares acquired in the 3 (three) immediately preceding years for consideration other than cash and out of revaluation of assets or capitalization of intangible assets, (ii) Equity Shares resulting from bonus issue by utilization of revaluation reserves or unrealized profits of our Company or bonus shares issued against Equity Shares, which are otherwise ineligible for computation of Minimum Promoter's Contribution
- (ii) The Minimum Promoter's Contribution does not include any Equity Shares acquired during the immediately preceding 1 (one) year at a price lower than the price at which the Equity Shares are being offered to the public in the Issue;
- (iii) Our Company has not been formed by the conversion of one or more partnership firms or a limited liability partnership firm; and
- (iv) The Equity Shares offered for Minimum Promoter's Contribution are not subject to any pledge in favour of any creditor.

***Details of Promoters' contribution locked in for 6 (six) months:***

Unless provided otherwise under applicable law, pursuant to the SEBI ICDR Regulations, the Equity Shares held by our Promoters in excess of the Minimum Promoter's Contribution) shall be locked-in for a period of 6 (six) months from the date of Allotment or such other minimum lock-in period as may be prescribed under the SEBI ICDR Regulations.

***Details of Lock-in of Equity Shares held by persons other than Promoters for 6 (six) months:***

The entire pre-issue capital held by persons other than the Promoters shall be locked-in for a period of 6 (six) months from the date of Allotment.

***Details of lock-in of Equity Shares Allotted to Anchor Investors***

50% of the Equity Shares Allotted to the Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 30 (thirty) days from the date of Allotment in the Issue and the balance 50% of the Equity Shares shall be locked-in for a period of 90 (ninety) days from the date of Allotment in the Issue, or such other period as may be prescribed under the SEBI ICDR Regulations.

21. This is a fresh issue of Equity Shares and accordingly, no selling shareholders are involved in this Issue.

22. **Equity Shareholding of Directors Key Managerial Personnel and Senior Managerial Personnel in our Company:**

S. No.	Name of Equity Shareholders	No. of Equity Shares	% of Pre-Issue Equity Share Capital	% of Post-Issue Equity Share Capital
1.	Nirmal Kumar Jain	1,14,10,090	36.02	[●]
2.	Ramesh Kumar Jain	1,00,000	0.32	[●]
3.	Rajni Gehlot	1,07,500	0.34	[●]
4.	Bobby Singh Chandel	1,00,000	0.32	[●]
5.	Rajendra Chittora	52,508	0.17	[●]
6.	Akash Jain	43,000	0.14	[●]
7.	Suresh Chandra Gupta	17,500	0.06	[●]
	<b>Total</b>	<b>1,18,30,598</b>	<b>37.35</b>	<b>[●]</b>

23. Our Company, Directors and BRLM have not entered into any buy-back or other arrangements for the purchase of the Equity Shares being offered through this Issue from any person.
24. All securities offered through this Issue shall be made fully paid up.
25. Neither the BRLM viz. Gretex Corporate Services Limited nor its associates (as defined under the SEBI (Merchant Bankers) Regulations, 1992) hold any Equity Shares of our Company as on the date of this Red Herring Prospectus. However, the associates and affiliates of BRLM and the Syndicate Members, if any may subscribe to the Issue, either in Net QIB Portion or in the Non-Institutional Portion as may be applicable to such Bidders, where the allocation is on proportionate basis and such subscription may be on their own account or on behalf of their clients.
26. No person connected with the Issue, including, but not limited to, our Company, the members of the Syndicate or our Directors, shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid, except for fees or commission for services rendered in relation to the Issue.
27. There will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from filing of this Red Herring Prospectus with SEBI until the Equity Shares have been listed on the Stock Exchanges or the application moneys are unblocked in the ASBA Accounts on account of non-listing, under-subscription, etc., as the case may be.
28. All Equity Shares of the Company held by the Promoters are in dematerialised form.
29. There are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into Equity Shares as on the date of this Red Herring Prospectus.
30. All transactions in Equity Shares by our Promoters and members of our Promoter Group between the date of filing of this Red Herring Prospectus and the date of closing of the Issue shall be reported to the Stock Exchanges within 24 hours of such transactions.
31. The Promoters and members of our Promoter Group will not receive any proceeds from the Issue.
32. At any given time, there shall be only one denomination of the Equity Shares of our Company, unless otherwise permitted by law.
33. The Articles of Association of the Company are not contrary to the Indian Securities Laws and Companies Act, 2013.

## OBJECTS OF THE ISSUE

### The Issue comprises of a Fresh Issue of Equity Shares

#### *Objects of the Issue*

Our Company proposes to utilize the Net Proceeds from the Issue towards augmenting the capital base of our Company to fulfil its future capital requirements, which are anticipated to arise as a result of the expansion of our business and assets. Further, a portion of the proceeds from the Issue will be used towards meeting Issue related expenses.

As an NBFC, we are subject to regulations relating to the capital adequacy, which determine the minimum amount of capital we must hold as a percentage of the risk-weighted assets on our portfolio and of the risk adjusted value of off-balance sheet items, as applicable. As per the capital adequacy norms issued by the RBI, our Company is required to have a regulatory minimum Capital to Risk Weighted Assets Ratio (“CRAR”) of 15% consisting of Tier I and Tier II capital. Additionally, our Company is required to maintain a Tier I capital of 10% at all time.

Set out below are the details of our CRAR and our Tier I and Tier II capital as of the dates indicated:

Particulars	As on March 31			As on December 31, 2023
	2021	2022	2023	
	<i>(₹ Lakhs, except for percentages)</i>			
Tier I Capital	11,908.59	12,677.49	19,386.62	20,518.24
Tier II Capital	1,562.09	1,208.77	754.07	702.33
<b>Total Capital</b>	13,470.68	13,886.26	20,140.69	21,220.57
<b>Risk Weighted Assets</b>	44,472.15	38,311.24	39,350.78	50,495.71
Tier I Capital Ratio (%)	26.78%	33.09%	49.27%	40.63%
Tier II Capital Ratio (%)	3.51%	3.16%	1.92%	1.39%
<b>CRAR (%)<sup>1</sup></b>	<b>30.29%</b>	<b>36.25%</b>	<b>51.19%</b>	<b>42.02%</b>

Note:

1. CRAR has been computed as per relevant RBI Guidelines. (CRAR = [Tier I Capital + Tier II capital]/Total Risk weighted Assets).

Further, a portion of the proceeds from the Issue will be used towards meeting Issue related expenses.

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

The main objects clause and the objects incidental and ancillary to the main objects clause of our Memorandum of Association enables us to undertake our existing business activities and undertake the activities for which the funds are being raised by us in the Issue.

#### *Net Proceeds*

The following table sets forth details of the Net Proceeds:

Particulars	Estimated Amount (in ₹ Lakhs) <sup>(1)</sup>
Gross proceeds from the Issue	[●]
Less: Issue related expenses <sup>(2)</sup>	[●]
Net proceeds (“Net Proceeds”)	[●]

(1) To be determined after finalisation of the Issue Price and updated in the Prospectus prior to filing with the RoC.

(2) For details, see “- Issue related expenses” on page 173.

#### *Requirement of funds and utilization of Net Proceeds*

The Net Proceeds of the Fresh Issue are proposed to be utilised for augmenting our capital base to meet future capital requirements.

## Details of the Objects

### 1. Augment the capital base of our Company

Our Company is a non-banking finance company (“NBFC”) registered with the Reserve Bank of India as a Non-systemically important non-deposit taking company which does not accept public deposits. Further, in accordance with the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, our Company is classified as an NBFC – Base layer. We are primarily engaged in rural and semi-urban centric lending solutions to look after the needs and aspirations of rural and semi-urban populace. Our portfolio includes vehicle finance and business finance (secured) to small business owners.

The Object of the Issue is augmenting the capital base of our Company to fulfill our future capital requirements, which are anticipated to arise as a result of the expansion of our business and assets. These needs encompass various areas, including but not limited to, extending loans under vehicle and business/MSME segments while adhering to relevant regulatory guidelines, repayment of high cost debts, covering operational expenses, and funding growth opportunities within the mentioned lending verticals.

Our Company’s management estimates that owing to the Company’s business plan, the risk-weighted assets of the Company will grow and therefore we will be required to raise further capital to fulfil the minimum requirement of CRAR and that is where the current high CRAR of the Company will be helpful. Further, we aim to maintain a higher CRAR focusing on factors such as targeted leverage, targeted rating, lender covenants, portfolio health and the expectation of future business.

Our Company’s Assets Under Management (“AUM”), yearly disbursements and Interest income of the Company as of and for the financial years ended March 31, 2021, March 31, 2022 and March 31, 2023 and the nine months period ended December 31, 2023, are as set out below:

*(In ₹ Lakhs)*

Particulars	As of / for the Fiscal ended on			As of/ for the 9 months period December 31, 2023
	March 31, 2021	March 31, 2022	March 31, 2023	
Loan Book (AUM)	42,100.78	35,131.79	35,416.11	37,946.28
Fresh Disbursement	5,377.60	1,954.14	7,834.00	5,752.56
Income from Operations	8617.72	6,744.13	6,951.37	5,340.49

Over the past three financial years i.e. FY 2020-21, FY 2021-22 and FY 2022-23, our Company's financial performance, including its AUM and overall business growth, has displayed inconsistency. This inconsistency can be attributed to the far-reaching effects of the COVID-19 pandemic on the NBFC sector. Concurrently, we have diligently undertaken measures to strengthen its financial position by reducing its leverage.

However, in the years preceding this period, our Company has achieved a significant growth. This is exemplified by our Company's Loan Book (AUM), which witnessed a substantial growth from Rs. 8,689.51 Lakhs as on March 31, 2016, to an impressive Rs. 47,943.31 Lakhs as on March 31, 2020. This trajectory underscores our Company's significant surge in lending activities and overall business growth during that particular timeframe.

Similarly, the Income from operations was Rs. 1,305.05 Lakhs for the Financial Year ended March 31, 2016, it grew to Rs. 10,072.54 Lakhs for the Financial Year ended March 31, 2020.

The COVID-19 pandemic exerted a significant influence on both the business environment and the economy over the past three years. The repercussions were particularly pronounced during the majority of the Fiscal years 2020-21 and 2021-22. The imposition of customer moratoriums during this period had a notable effect on monthly collection efficiencies. This widespread circumstance had far-reaching consequences nationwide, causing disruptions across various industries and impeding economic growth. Among the sectors affected, the NBFC sector also experienced disruptions due to the pandemic-induced economic challenges.

Outcome of the pandemic's impact on the NBFC sector was a reduction in the issuance of fresh loans. The presence of an unpredictable economic landscape and heightened risk elements prompted financial entities, including NBFCs, to adopt a circumspect stance in offering novel credit to borrowers.

Amid this testing phase, our Company's leadership opted for a strategic choice – emphasizing the retrieval of current loans over actively seeking out new business prospects. This strategy was adopted to mitigate potential losses and uphold our Company's fiscal solidity amidst the economic uncertainties induced by the pandemic.

This strategic shift led us to abstain from initiating new disbursements, consequently resulting in a decrease in new borrowings. Borrowings serve as a prevalent avenue for NBFCs in supporting their lending endeavours and other financial activities. Our management's choice to curtail the pace of fund-raising through borrowings was aimed at moderating the overall leverage stance and overseeing cash flows. This transformation is discernible in the fact that our Company's leverage position has transitioned from more than 4.47 as on March 31, 2019 to a level of 0.88 and 0.91 i.e., below 1.00 as on March 31, 2023 and December 31, 2023, respectively.

Although this prudent strategy did result in a reduction in the overall operational revenue, new disbursements, and AUM in the fiscal years 2021 and 2022, once the impacts of the COVID-19 pandemic abated, our Company returned to its regular business operations. Subsequently, in Fiscal 2023, our Company reinstated its typical business endeavours and facilitated Rs. 7,834.00 lakhs in fresh loan disbursements.

The Net Proceeds will be utilized to increase our Company's Tier-I capital base to meet future capital requirements which are expected to arise out of the growth of our Company's business and assets, primarily its vehicle loan and other Business/mortgage loans, and to ensure compliance with the RBI Directions viz. Master Direction DNBR.PD.007/03.10.119/2016-17.

We are expecting to significantly grow our loan portfolio in coming years which would require Tier 1 capital to comply with the applicable capital adequacy regulations. For further details, see “*Key Regulations and Policies in India*”, on page 248.

The Net Proceeds are proposed to be utilized for increasing our Company's capital base which will majorly be utilized towards the onward lending in the verticals and geographies in which our Company is operating.

Our geographical loan book is set out as below as of the dates indicated:-

Geography	Existing Business Share of AUM as on March 31,						Existing Business Share of AUM as on December 31, 2023	
	2021		2022		2023			
	(₹ Lakhs)	%	(₹ Lakhs)	%	(₹ Lakhs)	%	(₹ Lakhs)	%
Rajasthan	28,853.51	68.53%	24980.84	71.11%	24,982.34	70.54%	26,329.30	69.39%
Maharashtra	3,216.00	7.64%	2,593.98	7.38%	2,831.46	7.99%	3,681.57	9.70%
MP	4,854.00	11.53%	4,174.37	11.88%	4,454.67	12.58%	4,538.04	11.96%
Gujarat	5,026.01	11.94%	3,263.01	9.29%	3,147.64	8.89%	3,397.37	8.95%
Odisha	151.26	0.36%	119.59	0.34%	0.00	0.00%	0.00	0.00%
<b>Grand Total</b>	<b>42100.78</b>	<b>100.00%</b>	<b>35,131.79</b>	<b>100.00%</b>	<b>35,416.11</b>	<b>100.00%</b>	<b>37,946.28</b>	<b>100.00%</b>

Our Sector wise loan book is set out as below as of the dates indicated:-

Sector-wise Loan Book	Sector-wise Loan Book as on March 31,						Sector-wise Loan Book as on December 31, 2023	
	2021		2022		2023			
	(₹ Lakhs)	%	(₹ Lakhs)	%	(₹ Lakhs)	%	(₹ Lakhs)	%
Vehicle Loan	9,574.29	22.74%	7,620.69	21.69%	7,525.18	21.25%	7,879.63	20.77%
Business / Mortgage Loans	32,526.49	77.26%	27,511.10	78.31%	27,890.94	78.75%	30,066.65	79.23%
<b>Grand Total</b>	<b>42,100.78</b>	<b>100.00%</b>	<b>35,131.79</b>	<b>100.00%</b>	<b>35,416.11</b>	<b>100.00%</b>	<b>37,946.28</b>	<b>100.00%</b>

For further details about our business, see “*Our Business*” chapter beginning on page 225 of this Red Herring Prospectus.

In addition to the onward lending capital raised through the Issue may also be utilized for the other business operations activities like repayment of high-cost debts (which in turn will improve our Company's net interest



margin, covering operational expenses (that will include working capital expenses for operations of new branches), and funding growth opportunities within the mentioned lending verticals (including new geographical expansion, branding etc.)

### **Means of Finance**

The funding requirements mentioned above are based on the internal management estimates of our Company and have not been appraised by any bank, financial institution or any other external agency. They are based on current circumstances of our business. Our Company may have to revise its estimates from time to time on account of various factors beyond its control, such as market conditions, competitive environment, and interest or exchange rate fluctuations. Consequently, the funding requirements of our Company are subject to revision in the future at the discretion of the management subject to applicable law. If additional funds are required for the purposes as mentioned above, such requirement may be met through internal accruals, additional capital infusion, debt arrangements or any combination of them, subject to compliance with applicable laws.

Our Company proposes to utilise the Net Proceeds from the Issue towards the aforementioned Objects. Accordingly, we confirm that there is no need for us to make firm arrangements of finance under Regulation 7(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Issue.

### **Issue related expenses**

The total expenses of the Issue are estimated to be approximately ₹ [●] Lakhs.

The Issue related expenses primarily include fees payable to the BRLM and legal counsel, fees payable to the Statutory Auditor, brokerage and selling commission, underwriting commission, commission payable to Registered Brokers, RTAs, CDPs, SCSBs' fees, Sponsor Bank's fees, Registrar's fees, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

The estimated Issue related expenses are as follows:

<i>(₹ in Lakh)</i>				
S. No	Activity	Estimated amount <sup>(1)</sup> (₹ in Lakhs)	As a % of total estimated Issue Expenses <sup>(1)</sup>	As a % of Issue Size <sup>(1)</sup>
1.	BRLM fees and commissions (including underwriting commission)	[●]	[●]	[●]
2.	Brokerage, selling commission, bidding charges, processing fees and bidding charges for the Members of the Syndicate, Registered Brokers, SCSBs, RTA and CDPs <sup>(2)(3)(4)(5)(6)(7)(8)</sup>	[●]	[●]	[●]
3.	Advertising and marketing expenses for the Issue	[●]	[●]	[●]
4.	Other expenses			
	(i) Listing fees, SEBI filing fees, BSE & NSE processing fees, book building software fees,	[●]	[●]	[●]
	(ii) Other regulatory expenses,	[●]	[●]	[●]
	(iii) Printing and stationery expenses	[●]	[●]	[●]
	(iv) Fees payable to the legal counsel	[●]	[●]	[●]
	(v) Miscellaneous	[●]	[●]	[●]
	<b>Total Estimated Issue Expenses</b>	[●]	[●]	[●]

<sup>(1)</sup> Amounts will be finalised and incorporated in the Prospectus on determination of Issue Price.

<sup>(2)</sup> Selling commission payable to the SCSBs on the portion for Retail Individual Bidders and Non-Institutional Bidders, which are directly procured by the SCSBs, would be as follows:

<i>Portion for Retail Individual Bidders*</i>	<i>0.35% of the Amount Allotted* (plus applicable taxes)</i>
<i>Portion for Non-Institutional Bidders*</i>	<i>0.20% of the Amount Allotted* (plus applicable taxes)</i>

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

*No processing fees shall be payable by our Company to the SCSBs on the applications directly procured by them.*

*(3) Processing fees payable to the SCSBs on the portion for Retail Individual Bidders and Non-Institutional Bidders which are procured by the members of the Syndicate/sub-Syndicate/Registered Broker/RTA/ CDPs and submitted to SCSB for blocking, would be as follows:*

<i>Portion for Retail Individual Bidders</i>	<i>₹ 10 per valid application (plus applicable taxes)</i>
<i>Portion for Non-Institutional Bidders</i>	<i>₹ 10 per valid application (plus applicable taxes)</i>

*(4) The Processing fees for applications made by Retail Individual Bidders using the UPI Mechanism would be as follows:*

<i>Members of the Syndicate / RTA / CDPs</i>	<i>₹30 per valid application (plus applicable taxes)</i>
<i>Sponsor Bank</i>	<i>Up to 70,000 valid Bid cum Application Forms: Nil Above 70,000 valid Bid cum Application Forms: ₹6.5 per valid Bid cum Application Form (plus applicable taxes). The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under the SEBI circulars, the Syndicate Agreement and other applicable laws.</i>

*\*For each valid application*

*(5) Selling commission on the portion for Retail Individual Bidders and Non-Institutional Bidders which are procured by members of the Syndicate (including their sub-Syndicate Members), Registered Brokers, RTA and CDPs would be as follows:*

<i>Portion for Retail Individual Bidders</i>	<i>0.35% of the Amount Allotted* (plus applicable taxes)</i>
<i>Portion for Non-Institutional Bidders</i>	<i>0.20% of the Amount Allotted* (plus applicable taxes)</i>

*\*Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price*

*(6) Bidding charges of ₹ 30 (plus applicable taxes) shall be paid per valid Bid cum Application Form collected by the Syndicate, RTA and CDPs (excluding applications made by Retail Individual Investors using the UPI mechanism). The terminal from which the Bid has been uploaded will be taken into account in order to determine the total bidding charges. No additional bidding charges shall be payable to SCSBs on the Bid cum Application Forms directly procured and bid by them.*

*(7) Selling commission payable to the Registered Brokers on the portion for Retail Individual Investors and, Non-Institutional Investors which are directly procured by the Registered Brokers and submitted to SCSB for processing, shall be ₹ 10 per valid Bid cum Application Form (plus applicable taxes).*

*(8) The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, read with the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no.*

SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular No. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022.

*The Selling Commission payable to the Syndicate / Sub-Syndicate Members will be determined on the basis of the application form number / series, provided that the application is also bid by the respective Syndicate / Sub-Syndicate Member. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / Sub-Syndicate Member, is bid by an SCSB, the Selling Commission will be payable to the SCSB and not the Syndicate / Sub-Syndicate Member. The selling commission and bidding charges payable to Registered Brokers the RTA and CDPs will be determined on the basis of the bidding terminal ID as captured in the bid book of BSE or NSE.*

*In addition to the selling commission referred above, any additional amount(s) to be paid by our Company shall be as mutually agreed amongst the Book Running Lead Manager, their respective Syndicate Members and our Company before the opening of the Issue.*

#### **Interim use of Net Proceeds**

Pending utilization of the Net Proceeds for the purposes described above, our Company may temporarily invest the Net Proceeds only as deposits in one or more scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as amended, as may be approved by our Board or the IPO Committee.

In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

#### **Bridge Financing**

Our Company has not raised any bridge loans from any bank or financial institution as at the date of this Red Herring Prospectus, which are proposed to be repaid from the Net Proceeds

#### **Monitoring of Utilisation of Funds**

Our Company has appointed Acuite Ratings & Research Limited as the monitoring agency in accordance with Regulation 41 of the SEBI ICDR Regulations. Our Company will disclose the utilisation of the Issue Proceeds, including interim use under a separate head in our balance sheet for such Financial Years as required under applicable law, specifying the purposes for which the Net Proceeds have been utilised. Our Company will also, in its balance sheet for the applicable Financial Years, provide details, if any, in relation to all such amounts that have not been utilised, if any, of such currently unutilised Issue Proceeds.

Pursuant to Regulation 32(3) of the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Issue Proceeds. On a quarterly basis, our Company shall prepare a statement of funds utilised for purposes other than those stated in this Red Herring Prospectus and place it before the Audit Committee and make other disclosures as may be required until such time as the Issue Proceeds remain unutilised. Such disclosure shall be made only until such time that all the Issue Proceeds have been utilised in full. The statement shall be certified by the Statutory Auditor of our Company. Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilisation of the proceeds of the Issue from the Objects; and (ii) details of category wise variations in the actual utilisation of the proceeds of the Issue from the objects of the Issue as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results and explanation for such variation (if any) will be included in our Director's report, after placing the same before the Audit Committee.

#### **Variation in Objects**

In accordance with Sections 13(8) and 27 of the Companies Act, 2013 and the applicable rules, and the SEBI ICDR Regulations, our Company shall not vary the objects of the Issue without our Company being authorised to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details as required under the Companies Act. The Notice shall simultaneously be published in the newspapers, one in English and one in Hindi, the language of the jurisdiction where our Registered Office is situated. Further, our Promoters will be required to provide an exit opportunity to such Shareholders who do not agree to the above stated proposal, at a price as prescribed by SEBI, in this regard, in accordance with applicable law.

**Appraising Agency**

The Objects has not been appraised by any bank or financial institution or any other independent agency.

**Other Confirmations**

There are no material existing or anticipated transactions with our Promoters, the Promoter Group, our Directors, the Key Managerial Personnel in relation to the utilization of the Net Proceeds. No part of the Net Proceeds will be paid by us as consideration to our Promoters, our Directors or Key Managerial Personnel except in the normal course of business and in compliance with the applicable laws. Further, there is no existing or anticipated interest of such individuals and entities in the objects of the Issue as set out above.

## BASIS FOR ISSUE PRICE

The Price Band will be determined by our Company, in consultation with the BRLM, and the Issue Price will be determined by our Company in consultation with the BRLM, on the basis of the Book Building Process and the quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹ 10 each, the Issue Price is [●] times of the face value at the lower end of the Price Band, and [●] times of the face value at the higher end of the Price Band. Investors should refer to “*Risk Factors*”, “*Our Business*”, “*Restated Financial Information*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 33, 225, 293 and 361, respectively, to have an informed view before making an investment decision.

### Qualitative Factors

Some of the qualitative factors, which form the basis for the Issue Price, are:

- Proven execution capabilities with a strong rural focus;
- Well established Vehicle Finance, small businesses lending business;
- Stable and experienced management team;
- Customer centric approach and deep understanding of target customers;
- Access to Diversified Sources of Capital and Effective Asset Liability Management;
- Robust underwriting process and risk management policies;
- Hub and Spoke business model that improves efficiencies and decreases costs.

For further details, see “*Risk Factors*” and “*Our Business*” beginning on pages 33 and 225, respectively.

### Quantitative Factors

Some of the information presented in this chapter is derived from the Restated Financial Information. For further information, see “*Financial Information*” beginning on page 293.

Some of the quantitative factors which may form the basis for computing the Issue Price are as follows:

#### 1. Basic Earnings and Diluted Earnings per Equity Share (EPS) as per Indian Accounting Standard 33

##### As per Restated Financial Statements

Period	Basic and Diluted EPS (in ₹)	Weight
March 31, 2021	6.68	1
March 31, 2022	1.68	2
March 31, 2023	5.85	3
<b>Weighted Average</b>	<b>4.60</b>	
For the nine months period ended December 31, 2023*	3.87	

\*Not Annualized

Notes:

1. *Basic and diluted earnings/ (loss) per equity share: Basic and diluted earnings per equity share are computed in accordance with Indian Accounting Standard 33, notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with the requirements of SEBI ICDR Regulations.*
2. *The ratios have been computed as below:*
  - *Basic EPS is calculated as Profit/(loss) for the year/period attributable to Equity shareholders divided by the adjusted weighted average number basic equity shares outstanding during the year/period.*
  - *Diluted EPS is calculated as Profit/(loss) for the year/period attributable to Equity shareholders*

divided by the adjusted weighted average number of adjusted diluted equity shares outstanding during the year/period.

3. Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year/period adjusted by the number of equity shares issued during the year/period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year/period.
4. Weighted average is aggregate of year-wise weighted EPS divided by the aggregate of weights i.e.  $\{(EPS \times Weight) \text{ for each year}\} / \{Total \text{ of weights}\}$ .

For further details, see "Other Financial Information" on page 355.

## 2. Price/Earning ("P/E") Ratio in relation to the Price Band of ₹ [●] to ₹ [●] per Equity Share:

Particulars	P/E at Floor Price (no. of times)	P/E at Cap Price (no. of times)
Based on basic EPS for the financial year ended March 31, 2023	[●]	[●]
Based on diluted EPS for the financial year ended March 31, 2023	[●]	[●]

## 3. Industry P/E ratio

Based on the peer group information (excluding our Company) given below in this section, the highest P/E ratio is 33.52, the lowest P/E ratio is 14.73 and the average P/E ratio is 23.68.

## 4. Average Return on Net Worth as per Restated Financial Statements

Period	RONW (%)	Weight
March 31, 2021	13.57	1
March 31, 2022	3.09	2
March 31, 2023	9.25	3
<b>Weighted Average</b>	<b>7.92</b>	
For the nine months period ended December 31, 2023*	5.81	

\*Not annualized

**Note:** Return on average net worth %: Profit after tax for the period/year divided by the simple average of Net Worth of the Company as of the last day of the relevant financial year and last day of the previous financial Year.

## 5. Net Asset Value (NAV) per Equity Share

### As per Restated Financial Statements

Particulars	Amount (₹)
As on March 31, 2023	64.65
As on December 31, 2023	68.51
After the completion of the Issue	
- At the Floor Price	[●]*
- At the Cap Price	[●]*
- At the Issue Price	[●]*

\*To be computed after finalisation of the Price Band. Issue Price per Equity Share will be determined on conclusion of the Book Building Process.

Notes:

1. Net assets value per share (in ₹): Net asset value per share is calculated by dividing net worth of the Company by number of equity shares outstanding at the end of the relevant period/year.
2. Net worth is equivalent to Total Equity, and is the sum of Equity share capital and other equity

For further details, see “Other Financial Information” on page 355.

### Key financial and operational performance indicators (“KPIs”)

The tables below set forth the details of our KPIs that our Company considers have a bearing for arriving at the basis for Issue Price. All the KPIs disclosed below have been approved by a resolution of our Audit Committee dated June 11, 2024 and the Audit Committee has confirmed that verified and audited details (by our Statutory Auditors) of all the KPIs pertaining to the Company that have been disclosed to earlier investors at any point of time during the three years period prior to the date of filing of this Red Herring Prospectus have been disclosed in this section. Further, the KPIs herein have been certified by our Statutory Auditors, by their certificate dated June 11, 2024.

Bidders can refer to the below-mentioned KPIs, being a combination of financial and operational metrics, to make an assessment of our Company’s performance and make an informed decision.

Particulars	As of / For the year ended March 31, 2021	As of / For the year ended March 31, 2022	As of / For the year ended March 31, 2023	As at / For the nine months period ended December 31, 2023
Customers (in lakhs) <sup>(1)</sup>	0.45	0.34	0.32	0.33
AUM (₹ in lakhs) <sup>(2)</sup>	42,100.78	35,131.79	35,416.11	37,946.28
Net Worth (₹ in lakhs) <sup>(3)</sup>	13,026.36	13,684.44	20,478.11	21,701.25
Tangible Net Worth (₹ in lakhs) <sup>(4)</sup>	12,739.42	13,508.33	20,217.46	21,349.08
Leverage (AUM/ Net worth) <sup>(5)</sup>	3.23	2.57	1.73	1.75
AUM/ Tangible Net Worth <sup>(6)</sup>	3.3	2.6	1.75	1.78
Restated Profit After Tax for the Year / Period (₹ in lakhs) <sup>(7)</sup>	1630.49	412.07	1,580.27	1,224.66
RoA (%) <sup>(8)</sup>	3.58%	1.10%	4.05%	2.93%
ROE (%) <sup>(9)</sup>	12.52%	3.01%	7.72%	5.64%
Return on Tangible Equity <sup>(10)</sup>	13.81%	3.14%	9.37%	5.89%
Branches <sup>(11)</sup>	7	7	7	12
Employees <sup>(12)</sup>	223	142	114	125
AUM per branch (₹ in lakhs) <sup>(13)</sup>	6,014.40	5,018.83	5059.44	3,162.19
AUM per employee (₹ in lakhs) <sup>(14)</sup>	188.79	247.41	310.67	303.57
Disbursement per branch per month (₹ in lakhs) <sup>(15)</sup>	64.02	23.26	93.26	53.27
Disbursement per employee per month (₹ in lakhs) <sup>(16)</sup>	2.01	1.15	5.73	5.11
Gross NPA ratio (%) <sup>(17)</sup>	3.57%	4.90%	4.57%	3.94%
Net NPA ratio (%) <sup>(18)</sup>	2.97%	4.06%	3.45%	1.94%
Operating Expenses to Average AUM (%) <sup>(19)</sup>	2.63%	3.70%	5.18%	3.32%
Average cost of borrowing (%) <sup>(20)</sup>	13.40%	12.78%	13.56%	11.07%*
Cost to income ratio (%) <sup>(21)</sup>	30.52%	43.95%	43.61%	37.09%
Provision Coverage Ratio (%) <sup>(22)</sup>	16.94%	17.20%	24.66%	50.85%
Average yield on Gross Loan Book (%) <sup>(23)</sup>	18.69%	16.80%	17.89%	13.84%*
Net Interest Margin (%) <sup>(24)</sup>	8.02%	7.73%	10.05%	8.22%
Total Interest income (₹ in lakhs) <sup>(25)</sup>	8,416.86	6,486.94	6,310.99	5,077.23

Finance Cost (₹ in lakhs) <sup>(26)</sup>	4,804.47	3,500.04	2,765.08	2,063.86
Revenue from operation (₹ in Lakhs) <sup>(27)</sup>	8,617.72	6,744.13	6,951.37	5,340.49
EBITDA (in ₹ in lakhs) <sup>(28)</sup>	6,790.54	4,328.43	4,827.98	3,618.83
EBITDA margin (%) <sup>(29)</sup>	78.80%	64.18%	69.45%	67.76%
Debt equity Ratio (times) <sup>(30)</sup>	2.49	1.70	0.88	0.91
Total debt ((in ₹ in lakhs) <sup>(31)</sup>	31,782.23	23,006.03	17,776.31	19,518.94
Debt EBITDA Ratio <sup>(32)</sup> (times)	4.68	5.32	3.68	5.39
Capital Employed ratio (%) <sup>(33)</sup>	15.01%	11.61%	12.47%	8.69%
PAT Margin (%) <sup>(34)</sup>	18.92%	6.11%	22.73%	22.93%

\*Not annualized

Notes:

(1) Number of customers represents aggregate number of customers of our Company as of the last day of relevant period including securitized accounts.

(2) AUM represents aggregate of Gross Loan Book as of the last day of the relevant period.

(3) Net worth represents the sum of equity share capital and other equity as of the last day of the relevant period.

(4) Tangible Net worth represents the sum of equity share capital and other equity and reduced by intangible assets and net deferred tax assets as of the last day of the relevant period.

(5) Leverage is calculated as AUM as of the last day of the relevant period divided by Net worth as of the last day of the relevant period.

(6) AUM/ Tangible Net Worth ratio is calculated as AUM as of the last day of the relevant period divided by Tangible Net worth as of the last day of the relevant period

(7) Restated Profit After Tax for the Year / Period (₹ lakhs) is as per the Restated Financial Statements

(8) ROA represents profit after tax, divided by average of total assets. Total assets represent total assets as of the last day of the relevant period.

(9) ROE is calculated as restated profit after tax for the year/ period divided by total equity.

(10) Return on Tangible Equity is calculated as the restated profit after tax for the relevant period as a percentage of Average Tangible Net Worth in such period.

(11) Number of branches represents number of branches of our Company as of the last day of relevant period.

(12) Number of employees represents number of employees of our Company as of the last day of relevant period.

(13) AUM per branch represents AUM as of last day of the relevant period divided by number of branches.

(14) AUM per employee represents AUM as of the last day of the relevant period divided by number of employees.

(15) Disbursement per branch per month represents disbursements in the relevant period divided by number of branches and number of months.

(16) Disbursement per employee per month represents disbursements in the relevant period divided by number of employees and number of months.

(17) Gross NPA ratio (%) represents the Gross NPA to the Gross Loan Book as of the last day of the relevant period.

(18) Net NPA ratio (%) represents the Net NPA to the Gross Loan Book as of the last day of the relevant period.

(19) Operating Expenses to Average AUM represents our operating expenses for a period to the Average AUM for the period. Operating expenses represents the aggregate of employee benefits expense, depreciation and amortisation and other expenses.

(20) Average cost of borrowings represents finance cost as a percentage of average outstanding borrowing for the relevant year/ period.

(21) Cost to income ratio represents operating expenses (which comprises the aggregate of employee benefits expense, depreciation and amortisation and other expenses) as a percentage of total revenue less adjusted finance costs for the relevant year/ period.

(22) Provision Coverage Ratio represents total provisions held on Gross NPA as of the last day of the period, as a percentage of total Gross NPAs as of the last day of the period.

(23) Average yield on Gross Loan Book represents the ratio of interest income on loan assets for a period to the average Gross Loan Book for the period.

(24) Net Interest Margin represents our net interest income on the loans for a period to the average AUM for the period, represented as a percentage.

(25) Total Interest income represents Interest income which part of revenue from operations as per the Restated Financial Statements

(26) Finance Cost is as per the Restated Financial Statements.

(27) Revenue from operations is as per the Restated Financial Statements.

(28) EBITDA is calculated as Profit before tax for the year/period, plus Finance Costs and Depreciation and Amortisation expenses

(29) EBITDA margin is calculated as EBITDA divided by Revenue from Operations for the relevant year/ period.

(30) Debt equity Ratio is calculated Total Borrowings divided by Total Tangible Equity, where Total borrowings is Long-term Borrowings plus Short-term Borrowings, as of the last day of the period.

(31) Total debt (Total Borrowings) is the sum of Long-term Borrowings plus Short-term Borrowings (including non-convertible debentures and sub ordinate debts, where ever applicable), as of the last day of the period.

(32) Debt EBITDA Ratio Total Borrowings as of the last day of the period divided by EBITDA.

(33) Capital Employed ratio is calculated as Profit before tax as increased by finance cost divided by Capital Employed. Capital Employed means summation of total equity and total debt

(34) PAT Margin is calculated as restated profit after tax divided by restated Revenue from Operations, for the relevant year/ period.

## Comparison with Listed Industry Peers

While our peers listed in India (mentioned below), like us, operate in the same industry and may have similar offerings. Our business may be different in terms of differing business models, different verticals serviced or focus areas or different geographical presence or serving certain segments or sub-segments of our customer base.



**MAS Financial Services Limited**

Particulars	As of / For the year ended March 31, 2021	As of / For the year ended March 31, 2022	As of / For the year ended March 31, 2023	As at / For the nine months period ended December 31, 2023
Customers (in lakhs)(Nos)	7	6.75	10	NA
AUM (₹ in lakhs)	5,37,244.00	6,24,680.00	8,09,256.00	9,67,203.00
Net Worth (₹ in lakhs)	1,20,500.00	1,34,059.00	1,50,573.00	1,70,287.00
Tangible Net Worth (₹ in lakhs)	1,20,500.00	1,34,059.00	1,50,573.00	1,70,287.00
Leverage (AUM/ Net worth)	4.46	4.66	5.37	5.68
AUM/ Tangible Net Worth	4.46	4.66	5.37	5.68
Profit After Tax (₹ in lakhs)	14,350.30	15,755.00	20,096.00	17,970.00
RoA (%)	2.94%	2.80%	2.93%	2.20%
ROE (%)	12.24%	11.75%	13.35%	10.55%
Return on Tangible Equity (%)	12.24%	11.75%	13.35%	10.55%
Branches (Nos)	99	125	149	181
Employees (Nos)	719.00	946.00	1,154.00	NA
AUM per branch (₹ in lakhs)	5,426.71	4,997.44	5,431.25	5,343.66
AUM per employee (₹ in lakhs)	747.21	660.34	701.26	NA
Disbursement per branch per month (₹ in lakhs)	NA	NA	NA	NA
Disbursement per employee per month (₹ in lakhs)	NA	NA	NA	NA
Gross NPA ratio (%)	1.94%	2.28%	2.15%	2.23%
Net NPA ratio (%)	1.52%	1.70%	1.52%	1.48%
Operating Expenses to Average AUM (%)	1.86%	1.19%	1.39%	1.99%
Average cost of borrowing (%)	9.10%	8.75%	9.02%	9.86%
Cost to income ratio (%)	16.81%	20.46%	20.94%	21.50%
Provision Coverage Ratio (%)	NA	NA	NA	NA
Average yield on Gross Loan Book (%)	NA	NA	NA	NA
Net Interest Margin (%)	5.21%	4.71%	5.34%	5.22%
Total Interest income (₹ in lakhs)	48,413.00	56,111.00	80,657.00	75,555.00
Finance Cost (₹ in lakhs)	26,449.00	31,954.00	47,482.00	45,264.00
Revenue from operation (₹ in lakhs)	59,324.00	65,557.00	94,609.00	89,801.00
EBITDA (₹ in lakhs)	45,950.00	53,262.00	74,192.00	69,572.00
EBITDA margin (%)	77.46%	81.25%	78.42%	77.47%
Debt equity Ratio (times)	3.04	3.39	3.92	3.99
Total debt (₹ in lakhs)	3,94,569.00	4,70,749.00	6,15,851.00	NA
Debt EBITDA Ratio (times)	8.59	8.84	8.30	NA
Capital Employed ratio (%)	8.97%	8.80%	9.69%	7.91%
PAT Margin (%)	24.19%	24.03%	21.24%	20.01%

**Shriram Finance Limited**

Particulars	As of / For the year ended March 31, 2021	As of / For the year ended March 31, 2022	As of / For the year ended March 31, 2023	As at / For the nine months period ended December 31, 2023
Customers (in lakhs)( Nos)	21	21	73	82
AUM (₹ in lakhs)	1,17,24,283	1,27,04,086	1,85,68,286	2,14,23,347
Net Worth (₹ in lakhs)	21,54,073	25,90,455	43,20,207	46,94,991

Tangible Net Worth (₹ in lakhs)	21,56,837	25,93,219	41,89,991	45,64,775
Leverage (AUM/ Net worth) (times)	5.44	4.90	4.29	4.55
AUM/ Tangible Net Worth (times)	5.44	4.90	4.43	4.69
Profit After Tax (₹ in lakhs)	2,48,726.00	2,70,793.00	5,97,934.00	5,24,462.00
RoA (%)	1.98%	1.88%	2.89%	3.11%
ROE (%)	12.57%	11.14%	14.84%	15.38%
Return on Tangible Equity (%)	12.57%	11.40%	17.63%	11.98%
Branches (Actuals) (Nos)	1,817	1,854	2,922	3,037
Employees (Actuals) (Nos)	24,452	25,456	64,052	73,485
AUM per branch (₹ in lakhs)	6,452.56	6,852.27	6,354.65	7,054.13
AUM per employee (₹ in lakhs)	479.48	499.06	289.89	291.53
Disbursement per branch per month (₹ in lakhs)	NA	NA	NA	NA
Disbursement per employee per month (₹ in lakhs)	NA	NA	NA	NA
Gross NPA ratio (%)	7.06%	7.07%	6.21%	5.66%
Net NPA ratio (%)	4.22%	3.67%	3.19%	2.72%
Operating Expenses to Average AUM (%)	1.68%	1.67%	2.95%	2.04%
Average cost of borrowing (%)	8.91%	8.71%	9.12%	NA
Cost to income ratio (%)	21.20%	19.89%	24.57%	26.00%
NPA Provision Coverage Ratio (%)	42.05%	49.97%	50.14%	53.37%
Average yield on Gross Loan Book (%)	NA	NA	NA	NA
Net Interest Margin (%)	6.70%	6.62%	8.37%	8.77%
Total Interest income (₹ in lakhs)	17,12,814.00	18,64,626.00	28,60,736.00	24,52,239.00
Finance Cost (₹ in lakhs)	9,05,426.00	9,73,431.00	12,54,576.00	10,81,629.00
Revenue from operation (₹ in lakhs)	17,42,045.00	19,25,517.00	29,77,216.00	25,48,075.00
EBITDA (₹ in lakhs)	12,46,963.00	13,41,893.00	21,25,483.00	18,27,117.00
EBITDA margin (%)	71.58%	69.69%	71.39%	71.71%
Debt equity Ratio (times)	4.92	4.42	3.65	3.77
Total debt (₹ in lakhs)	1,07,69,572.00	1,15,70,578.00	1,59,49,041.00	1,79,63,401.00
Debt EBITDA Ratio (times)	8.64	8.62	7.50	9.83
Capital Employed ratio (%)	10.93%	11.11%	12.45%	7.88%
PAT Margin (%)	14.28%	14.06%	20.08%	20.58%

#### Cholamandalam Investment and Finance Company Limited

Particulars	As of / For the year ended March 31, 2021	As of / For the year ended March 31, 2022	As of / For the year ended March 31, 2023	As at / For the nine months period ended December 31, 2023
Customers (in lakhs)( Nos)	16	18.7	25	33.1
AUM (₹ in lakhs)	69,99,600.00	76,90,700.00	1,06,49,800.00	1,33,79,400.00
Net Worth (₹ in lakhs)	9,56,031.00	11,70,768.00	14,29,605.00	18,59,800.00
Tangible Net Worth (₹ in lakhs)	9,56,031.00	11,70,768.00	14,29,605.00	18,59,800.00
Leverage (AUM/ Net worth) (times)	8.00	7.08	7.89	7.19
AUM/ Tangible Net Worth (times)	8.00	7.08	7.89	7.19
Profit After Tax (₹ in lakhs)	1,51,491.00	2,14,671.00	2,66,620.00	2,36,466.00

RoA (%)	2.19%	2.74%	2.72%	1.99%
ROE (%)	16.90%	20.40%	20.60%	19.80%
Return on Tangible Equity (%)	17.09%	20.19%	20.51%	15.04%
Branches (Nos)	1,137	1,145	1,191	1,309
Employees (Nos)	26,363	33,077	44,922	52,408
AUM per branch (₹ in lakhs)	6,729.82	7,240.52	9,469.52	10,221.08
AUM per employee (₹ in lakhs)	290.25	250.64	251.06	255.29
Disbursement per branch per month (₹ in lakhs)	190.88	258.30	465.52	542.74
Disbursement per employee per month (₹ in lakhs)	747.72	1,179.98	2,208.35	2,782.86
Gross NPA ratio (%)	4.00%	6.80%	4.60%	3.92%
Net NPA ratio (%)	2.20%	4.80%	3.10%	2.56%
Operating Expenses to Average AUM (%)	4.14%	2.60%	2.84%	2.44%
Average cost of borrowing (%)	7.66%	8.67%	9.18%	6.78%
Cost to income ratio (%)	31.67%	35.42%	38.45%	39.54%
Provision Coverage Ratio (%)	46.00%	39.70%	33.77%	35.58%
Average yield on Gross Loan Book (%)	NA	NA	NA	NA
Net Interest Margin (%)	7.30%	7.90%	7.70%	7.40%
Total Interest income (₹ in lakhs)	9,22,416.00	9,56,681.00	12,08,218.00	12,67,959.00
Finance Cost (₹ in lakhs)	4,57,591.00	4,29,882.00	5,74,875.00	6,65,127.00
Revenue from operation (₹ in lakhs)	9,51,601.00	10,04,829.00	12,75,704.00	13,42,498.00
EBITDA (₹ in lakhs)	6,71,265.00	7,28,711.00	9,46,732.00	9,91,767.00
EBITDA margin (%)	70.54%	72.52%	74.21%	73.87%
Debt equity Ratio (times)	6.78	6.02	6.93	NA
Total debt (₹ in lakhs)	64,83,276.00	70,47,929.00	99,03,246.00	NA
Debt EBITDA Ratio (times)	9.66	9.67	10.46	NA
Capital Employed ratio (%)	8.97%	8.83%	8.34%	6.89%
PAT Margin (%)	15.92%	21.36%	20.90%	17.61%

#### Arman Financial Service Limited

Particulars	As of / For the year ended March 31, 2021	As of / For the year ended March 31, 2022	As of / For the year ended March 31, 2023	As at / For the nine months period ended December 31, 2023
Customers (in lakhs) (Nos)	3.75	4.66	6.3	7.6
AUM (₹ in lakhs)	81,440.00	1,23,320.00	1,94,300.00	2,43,700.00
Net Worth (₹ in lakhs)	12,783.31	14,095.30	22,936.28	50,440.00
Tangible Net Worth (₹ in lakhs)	12,783.31	14,095.30	22,936.28	50,440.00
Leverage (AUM/ Net worth) (times)	6.37	8.75	8.47	4.83
AUM/ Tangible Net Worth (times)	6.37	8.75	8.47	4.83
Profit After Tax (₹ in lakhs)	799.74	1,623.44	2,836.15	2,628.60
RoA (%)	2.74%	5.28%	6.34%	4.32%
ROE (%)	5.90%	15.60%	32.40%	30.51%
Return on Tangible Equity (%)	6.43%	12.08%	15.32%	7.23%
Branches (Nos)	239	291	336	394
Employees (Nos)	1,889	2,413	2,805	3,604
AUM per branch (₹ in lakhs)	340.75	423.78	578.27	618.53
AUM per employee (₹ in lakhs)	43.11	51.11	69.27	67.62

Disbursement per branch per month (₹ in lakhs)	17.75	29.32	43.82	45.91
Disbursement per employee per month (₹ in lakhs)	98.39	166.97	212.58	267.51
Gross NPA ratio (%)	NA	NA	2.70%	2.83%
Net NPA ratio (%)	NA	NA	0.20%	0.33%
Operating Expenses to Average AUM (%)	3.78%	1.92%	1.62%	1.20%
Average cost of borrowing (%)	11.97%	6.98%	8.73%	10.87%
Cost to income ratio (%)	42.70%	43.10%	32.60%	25.70%
Provision Coverage Ratio (%)	NA	NA	NA	NA
Average yield on Gross Loan Book (%)	NA	NA	NA	NA
Net Interest Margin (%)	12.20%	14.20%	15.90%	13.10%
Total Interest income (₹ in lakhs)	6,033.51	6,116.69	9,070.48	8,877.03
Finance Cost (₹ in lakhs)	1,997.74	1,789.01	3,069.78	3,498.32
Revenue from operation (₹ in lakhs)	6,060.18	6,326.14	9,439.24	9,577.33
EBITDA (₹ in lakhs)	2,947.34	3,929.00	6,841.76	6,977.96
EBITDA margin (%)	48.63%	62.11%	72.48%	72.86%
Debt equity Ratio (times)	1.24	1.30	1.44	0.72
Total debt (₹ in lakhs)	15,875.27	18,296.61	32,991.07	38,120.00
Debt EBITDA Ratio (time)	5.39	4.66	4.82	5.46
Capital Employed ratio (%)	10.40%	12.29%	12.22%	7.91%
PAT Margin (%)	13.20%	25.66%	30.05%	27.45%

#### CSL Finance Limited

Particulars	As of / For the year ended March 31, 2021	As of / For the year ended March 31, 2022	As of / For the year ended March 31, 2023	As at / For the nine months period ended December 31, 2023
Customers (Approx)	NA	NA	NA	NA
AUM (₹ in lakhs)	33,000.00	51,700.00	73,600.00	94,400.00
Net Worth (₹ in lakhs)	25,919.62	32,149.49	36,251.97	45,631.00
Tangible Net Worth (₹ in lakhs))	25,919.62	32,149.49	36,251.97	45,631.00
Leverage (AUM/ Net worth)	1.27	1.61	2.03	2.07
AUM/ Tangible Net Worth (times)	1.27	1.61	2.03	2.07
Profit After Tax (₹ in lakhs)	2,752.79	3,344.94	4,562.84	4,478.00
ROA (%)	7.92%	8.45%	6.94%	6.85%
ROE (%)	11.20%	12.48%	12.56%	13.09%
Return on Tangible Equity (%)	11.20%	11.52%	13.34%	11.27%
Branches (Nos)	18	22	26	29
Employees (Nos)	128.00	200.00	257.00	NA
AUM per branch (₹ in lakhs)	1,833.33	2,350.00	2,830.77	3,255.17
AUM per employee (₹ in lakhs)	257.81	258.50	286.38	NA
Disbursement per branch per month (₹ in lakhs)	200.61	186.02	243.18	279.31
Disbursement per employee per month (₹ in lakhs)	28.21	20.46	24.60	NA
Gross NPA ratio (%)	2.11%	1.73%	0.61%	0.40%
Net NPA ratio (%)	1.19%	0.96%	0.35%	0.23%
Operating Expenses to Average AUM (%)	6.54%	3.62%	3.97%	2.94%

Average cost of borrowing (%)	7.63%	3.46%	6.47%	NA
Cost to income ratio (%)	18.97%	23.96%	27.51%	26.45%
Provision Coverage Ratio (%)	113.07%	101.67%	205.79%	292.00%
Average yield on Gross Loan Book (%)	NA	NA	NA	NA
Net Interest Margin (%)	32.83%	13.44%	14.05%	10.81%
Total Interest income (₹ in lakhs)	5,918.04	6,766.48	10,854.00	10,466.40
Finance Cost (₹ in lakhs)	706.80	1,074.96	2,714.70	2,948.10
Revenue from operation (₹ in lakhs)	6,167.31	7,462.54	11,723.70	11,900.30
EBITDA (₹ in lakhs)	4,703.98	5,615.95	8,971.11	9,270.40
EBITDA margin (%)	76.27%	75.26%	76.52%	77.90%
Debt equity Ratio (times)	0.32	0.63	1.13	1.09
Total debt (₹ in lakhs)	8,813.26	20,955.56	41,504.80	NA
Debt EBITDA Ratio (times)	1.87	3.73	4.63	NA
Capital Employed ratio (%)	13.37%	10.45%	11.40%	NA
PAT Margin (%)	44.64%	44.82%	38.92%	37.63%

Source: Dun & Bradstreet Report. All the financial information for the industry peers mentioned above is on a consolidated basis and is sourced from the annual reports, unaudited financial results and investor presentations as available of the respective company for the relevant period/ year submitted to the Stock Exchanges.

**Note:** The financial parameters above are not reclassified by Dun & Bradstreet and taken as reported by players hence comparison should not be made with the tables in the rest of the competitive section of the “Industry Overview” section.

#### **Description on the historic use of the KPIs by our Company to analyze, track or monitor the operational and/or financial performance of our Company**

In evaluating our business, we consider and use certain KPIs, as presented above, as a supplemental measure to review and assess our financial and operating performance. The presentation of these KPIs are not intended to be considered in isolation or as a substitute for the Consolidated Financial Information. We use these KPIs to evaluate our performance. Some of these KPIs are not defined under Ind AS and are not presented in accordance with Ind AS. These KPIs have limitations as analytical tools. Further, these KPIs may differ from the similar information used by other companies and hence their comparability may be limited. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our Company’s management believes that it provides an additional tool for investors to use in evaluating our ongoing results, when taken collectively with financial measures prepared in accordance with Ind AS.

#### **Explanation for the KPIs**

<b>KPI</b>	<b>Explanation</b>
Customers (in lakhs)	Number of customers represents aggregate number of customers of our Company as of the last day of relevant period including securitized accounts.
AUM (₹ in lakhs)	AUM represents aggregate of Gross Loan Book and share of a partner bank for loan under co-origination as of the last day of the relevant period.
Net Worth (₹ in lakhs)	Net worth represents the sum of equity share capital and other equity as of the last day of the relevant period.
Tangible Net Worth (₹ in lakhs)	Tangible Net worth represents the sum of equity share capital and other equity and reduced by goodwill intangible assets and net deferred tax assets as of the last day of the relevant period.
Leverage (AUM/ Net worth)	Leverage is calculated as AUM as of the last day of the relevant period divided by Net worth as of the last day of the relevant period.
AUM/ Tangible Net Worth	AUM/ Tangible Net Worth ratio is calculated as AUM as of the last day of the relevant period divided by Tangible Net worth as of the last day of the relevant period
Restated Profit After Tax for the Year / Period (₹ in lakhs)	Restated Profit After Tax for the Year / Period (₹ lakhs) is as per the Restated Financial Statements

RoA (%)	ROA represents profit after tax, divided by average of total assets on book. Total assets represent total assets as of the last day of the relevant period.
ROE (%)	ROE is calculated as restated profit after tax for the year/ period divided by total equity.
Return on Tangible Equity	Return on Tangible Equity is calculated as the restated Profit After Tax for the relevant period as a percentage of Average Tangible Net Worth in such period.
Branches	Number of branches represents aggregate number of branches of our Company as of the last day of relevant period.
Employees	Number of employees represents aggregate number of employees of our Company as of the last day of relevant period.
AUM per branch (₹ in lakhs)	AUM per branch represents AUM as of last day of the relevant period divided by number of branches.
AUM per employee (₹ in lakhs)	AUM per employee represents AUM as of the last day of the relevant period divided by number of employees.
Disbursement per branch per month (₹ in lakhs)	Disbursement per branch per month represents disbursements in the relevant period divided by number of branches and number of months.
Disbursement per employee per month (₹ in lakhs)	Disbursement per employee per month represents disbursements in the relevant period divided by number of employees and number of months.
Gross NPA ratio (%)	Gross NPA ratio (%) represents the Gross NPA to the Gross Loan Book as of the last day of the relevant period.
Net NPA ratio (%)	Net NPA ratio (%) represents the Net NPA to the Gross Loan Book as of the last day of the relevant period.
Operating Expenses to Average AUM (%)	Operating Expenses to Average AUM represents our operating expenses for a period to the Average AUM for the period. (Operating expenses represents the aggregate of employee benefits expense, depreciation and amortisation and other expenses)
Average cost of borrowing (%)	Average cost of borrowings represents finance cost as a percentage of average outstanding borrowing for the relevant year/ period.
Cost to income ratio (%)	Cost to income ratio represents operating expenses (which comprises the aggregate of employee benefits expense, depreciation and amortisation and other expenses) as a percentage of total revenue less adjusted finance costs for the relevant year/ period.
Provision Coverage Ratio (%)	Provision Coverage Ratio represents total provisions held on Gross NPA as of the last day of the period, as a percentage of total Gross NPAs as of the last day of the period.
Average yield on Gross Loan Book (%)	Average yield on Gross Loan Book represents the ratio of interest income on loan assets for a period to the average Gross Loan Book for the period.
Net Interest Margin (%)	Net Interest Margin represents our net interest income on the loans for a period to the average AUM for the period, represented as a percentage.
Total Interest income (₹ in lakhs)	Total Interest income represents Interest income which part of revenue from operations as per the Restated Financial Statements, represents the scale of our business as well as provides information regarding operating income of our Company
Finance Cost (₹ in lakhs)	Finance Cost is as per the Restated Financial Statements
Revenue from operation (₹ in Lakhs)	Revenue from operations is as per the Restated Financial Statements
EBITDA (₹ in Lakhs)	EBITDA is calculated as Profit before tax for the year/period, plus Finance Costs and Depreciation and Amortisation expenses, provides information regarding the operational efficiency of our business.
EBITDA margin (%)	EBITDA margin is calculated as EBITDA divided by Revenue from Operations for the relevant year/ period, is an indicator of the operational profitability and financial performance of our business
Debt equity Ratio (times)	Debt equity Ratio is calculated Total Borrowings divided by Total Equity, where Total borrowings is Long-term Borrowings plus Short-term Borrowings, as of the last day of the period, is a measure of our Company's leverage over equity invested and earnings retained over time
Total debt (₹ in Lakhs)	Total debt (Total Borrowings) is the sum of Long-term Borrowings plus Short-term Borrowings (including non-convertible debentures and sub

	ordinate debts, where ever applicable), as of the last day of the period, provides information regarding the leverage and liquidity profile of our Company
Debt EBITDA Ratio(times)	Debt EBITDA Ratio Total Borrowings as of the last day of the period divided by EBITDA
Capital Employed ratio (%)	Capital Employed ratio is calculated as Profit before tax as reduced by finance cost divided by Capital Employed. Capital Employed means summation of total equity and total debt
PAT Margin (%)	PAT Margin is calculated as restated profit after tax divided by restated Revenue from Operations, for the relevant year/ period

### Comparison with Listed Industry Peers

(₹ in Crores)

Name of Company	Face Value (₹ Per Share)	Closing price on February 21, 2024 (₹)	Total Revenue, for Fiscal 2023 (in ₹ Cr)	EPS (₹)		P/E	P/B	NAV(₹ per share)	RONW (%)
				Basic	Diluted				
Akme Fintrade (India) Limited	10.00	NA	69.57	5.85	5.85	NA	NA	64.65	7.72%
<b>Peer Group</b>									
MAS Financial Services Limited	10.00	984.00	990.26	37.18	37.18	26.47	3.54	277.83	13.55%
Shriram Finance Limited	10.00	2,354.95	30,508.39	160.54	159.83	14.73	2.03	1,162.12	13.82%
Cholamandalam Investment and Finance Company Limited	2.00	1,085.40	13,105.59	32.44	32.38	33.52	6.22	174.52	18.58%
Arman Financial Service Limited	10.00	2,251.30	423.90	110.47	107.28	20.99	5.23	430.61	25.65%
CSL Finance Limited	10.00	485.75	117.53	22.02	21.40	22.70	2.78	174.85	12.59%

#### Notes:

1. Financial information for Akme Fintrade (India) Limited is derived from the Restated Financial Statements for the year ended March 31, 2023.
2. All the financial information for listed industry peers mentioned above is on consolidated basis and is sourced from the annual reports/ financial results as available of the respective company for the year ended March 31, 2023 submitted to stock exchanges
3. Basic EPS refers to the Basic EPS sourced from the financial results of the respective company for the year ended March 31, 2023.
4. P/E Ratio has been computed based on the closing market price of equity shares on BSE on February 21, 2024 divided by the Diluted EPS provided under Note 1.
5. RoNW is computed as net profit after tax (including profit attributable to non-controlling interest) divided by closing net worth. Net worth has been computed as sum of paid-up share capital and other equity
6. P/B Ratio is computed as closing market price of equity shares on BSE as on February 21, 2024 divided by NAV, as on March 31, 2023.
7. Total Equity includes equity share capital and other equity derived from our Restated Financial Statements as of the last day of the relevant year
8. Net Asset Value per Equity Share is computed as the Total Equity divided by the equity shares outstanding as on March 31, 2023.
9. Listed peers are as identified by us on the basis of similar line of business with our Company, however, not comparable with size of our Company.

Source: All the information for listed industry players mentioned above is sourced from and relied upon on the consolidated audited financial statements and results of operations of the relevant listed industry peers for Fiscals 2023, as available on the websites of the Stock Exchanges, including the annual reports of the respective

companies for the years ended March 31, 2023 submitted to Stock Exchanges. The comparison is not a recommendation to invest/ disinvest in any entity, including our Company, and should not be construed as investment advice within the meaning of any law or regulation, or used as a basis for any investment decision.

#### Weighted average cost of acquisition ("WACA"), floor price and cap price

a) The price per share of the Company based on the primary/ new issue of shares (equity/ convertible securities)

Except as stated below, our Company has not issued any Equity Shares or convertible securities during the 18 months preceding the date of this RHP, where such issuance is equal to or more than 5% of the fully diluted paid-up Equity Share capital of our Company (calculated based on the pre-issue capital before such transactions and excluding ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days:

Date of allotment	No. of equity shares allotted	Face value per Equity Share (₹)	Issue price per equity share (₹)	Nature of consideration	Reason / Nature of allotment	Total Consideration (₹ in lakhs)
December 17, 2022	24,91,625	10.00	80.00	Cash	Preferential Allotment	1,993.30
December 20, 2022	17,01,250	10.00	80.00	Cash	Preferential Allotment	1,361.00
December 21, 2022	12,61,500	10.00	80.00	Cash	Preferential Allotment	1,009.20
<b>Total</b>	<b>55,54,375</b>					<b>4,363.50</b>
<b>Weighted average cost of acquisition (WACA) Primary issuances (in ₹ per Equity Share)</b>						<b>80.00</b>

b) The price per share of the Company based on secondary sale/ acquisitions of shares (equity/ convertible securities).

There have been no secondary sale/ acquisitions of Equity Shares or any convertible securities, where the Promoter, members of the Promoter Group, or Shareholder(s) having the right to nominate Director(s) on our Board are a party to the transaction (excluding gifts), during the 18 months preceding the date of this Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of our Company (calculated based on the pre-Issue capital before such transaction/s and excluding ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

Since there is an eligible transaction of our Company reported in (a) above in accordance with paragraph (9)(K)(4)(a) of the SEBI ICDR Regulations, the price per Equity Share of our Company based on the last five primary or secondary transactions in Equity Shares (secondary transactions where the Promoter/ Promoter Group entities, Selling Shareholders or Shareholders having the right to nominate director on the Board are a party to the transaction) not older than 3 years prior to the date of filing of this RHP has not been computed.

Based on the above transactions, below are the details of the weighted average cost of acquisition, as compared to the Floor Price and Cap Price:

Types of transactions	Weighted average cost of acquisition (₹ per Equity Share)	Floor price* (i.e. INR [•])	Cap price* (i.e. INR [•])
Weighted average cost of acquisition (WACA) of Primary issuances	80.00	[•] times	[•] times
Weighted average cost of acquisition (WACA) of Secondary transactions	Not Applicable	[•] times	[•] times



As certified by Valawat & Associates, Chartered Accountants, by way of their certificate dated June 11, 2024.

*\*To be updated at Prospectus stage*

- a) *Detailed explanation for Issue Price/Cap Price being [●] times and [●] times of WACA of past five primary issuances / secondary transactions of Equity Shares (as disclosed above) along with our Company's KPIs and financial ratios for Fiscal 2023, 2022 and 2021 and in view of the external factors which may have influenced the pricing of the issue, if any.*

For details of our Company's key performance indicators and financial ratios, see "Our Business" and "Other Financial Information" on pages 225 and 355 respectively. The trading price of the Equity Shares could decline due to the factors mentioned in the section titled "Risk Factors" beginning on page 33 and any other factors that may arise in the future and you may lose all or part of your investments.

**The Issue price is [●] times of the face value of the Equity Shares.**

The Issue Price of ₹ [●] has been determined by our Company in consultation with the Book Running Lead Manager on the basis of the assessment of market demand from investors for the Equity Shares determined through the Book Building Process and is justified based on the above qualitative and quantitative parameters. The Face Value of the Equity Shares is ₹ 10 per share and the Issue Price is [●] times of the face value. Investor should read the above mentioned information along with the section titled "Risk Factors" on page 33, of this Red Herring Prospectus and the financials of our Company including important profitability and return ratios, as set out in the section titled "Financial Information" on page 293 of this Red Herring Prospectus. The trading price of the Equity Shares could decline due to the factors mentioned in section titled "Risk Factors" on page 33 of this Red Herring Prospectus and an investor may lose all or part of his investment.

## STATEMENT OF SPECIAL TAX BENEFITS

### STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO AKME FINTRADE (INDIA) LIMITED (“THE COMPANY”) AND THE SHAREHOLDERS OF THE COMPANY UNDER THE DIRECT AND INDIRECT TAX LAWS IN INDIA

To,  
**The Board of Directors,**  
**Akme Fintrade (India) Limited,**  
Akme Business Centre, 4-5, Subcity Centre,  
Savina Circle,  
Udaipur – 313002, Rajasthan

Dear Sirs,

**Re: Proposed initial public offering of equity shares of face value of ₹ 10/- each (the “Equity Shares”) of Akme Fintrade (India) Limited (the “Company”) (the “Issue”)**

**Sub.: Statement of possible Special Tax Benefits available to the Company and its equity shareholders under the direct and indirect tax laws**

We refer to the proposed initial public offering of equity shares (the “Issue”) of the Company. We enclose herewith the statement (the “Annexure”) showing the current position of special tax benefits available to the Company and to its shareholders as per the provisions of the Indian direct and indirect tax laws including the Income-tax Act, 1961, (“Act”) the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 (collectively the “GST Act”), the Customs Act, 1962 (“Customs Act”) and the Customs Tariff Act, 1975 (“Tariff Act”) (collectively the “Taxation Laws”) including the rules, regulations, circulars and notifications issued in connection with the Taxation Laws, as presently in force and applicable to the assessment year 2025-26 relevant to the financial year 2024-25 for inclusion in the Red Herring Prospectus, Prospectus for the proposed initial public offering of shares of the Company as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“ICDR Regulations”).

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the direct and indirect taxation laws including the Income-tax Act 1961. Hence, the ability of the Company or its shareholders to derive these direct and indirect tax benefits is dependent upon their fulfilling such conditions.

The benefits discussed in the enclosed Annexure are neither exhaustive nor conclusive. The contents stated in the Annexure are based on the information and explanations obtained from the Company. This statement is only intended to provide general information to guide the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultants, with respect to the specific tax implications arising out of their participation in the Issue particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail. We are neither suggesting nor are we advising the investors to invest or not to invest money based on this statement.

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

We do not express any opinion or provide any assurance whether:

- The Company or its Shareholders will continue to obtain these benefits in future;
- The conditions prescribed for availing the benefits have been/would be met;
- The revenue authorities/courts will concur with the views expressed herein.

This statement is provided solely for the purpose of assisting the Company in discharging its responsibilities under the ICDR Regulations.

We hereby give our consent to include this report and the enclosed Annexure regarding the tax benefits available to the Company and its Shareholders in the Issue Documents for the proposed initial public issue of equity shares which the Company intends to submit to the Securities and Exchange Board of India and the National Stock Exchange of India Limited and BSE Limited (the “**Stock Exchanges**”) where the equity shares of the Company are proposed to be listed, as applicable, provided that the below statement of limitation is included in the Issue Documents.

All capitalized terms not defined hereinabove shall have the same meaning as defined in the Issue Documents.

**For Valawat & Associates**  
**Chartered Accountants**  
**ICAI Firm Registration Number: 003623C**

**Sd/-**  
**CA. Jinendra Jain**  
**Partner**  
**Membership No.: 072995**  
**Place: Udaipur**  
**UDIN: 24072995BKAMRG8128**  
**Date: June 11, 2024**

**ANNEXURE TO THE STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO AKME  
FINTRADE (INDIA) LIMITED (“COMPANY”), THE SHAREHOLDERS OF THE COMPANY  
 (“SHAREHOLDERS”)**

Outlined below are the possible Special Tax Benefits available to the Company and its shareholders under the Income Tax Act, 1961 presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have different interpretation on the benefits, which an investor can avail.

**Under the Income Tax Act, 1961 (‘the Act’)**

**1. Special tax benefits available to the company under the Act**

Section 115BAA of the Act: Corporate Tax rates as per new tax regime

- Section 115BAA, as inserted vide The Taxation Laws (Amendment) Act, 2019, provides that domestic company can opt for tax rate of 22% plus surcharge @ 10% and health and education cess @ 4% (effective tax rate of 25.168%) for the financial year 2019-20 and onwards, provided the total income of the Company is computed without claiming certain specified deductions and specified brought forward losses and claiming depreciation determined in the prescribed manner.
- In case a company opts for section 115BAA, provisions of Minimum Alternate Tax (MAT) would not be applicable and earlier year MAT credit will not be available for set – off.
- The option needs to be exercised on or before the due date of filing the income tax return. Option once exercised, cannot be subsequently withdrawn for the same or any other subsequent assessment year.
- Further, if the conditions mentioned in section 115BAA are not satisfied in any financial year, the option exercised shall become invalid for assessment year in respect of such financial year and subsequent assessment years, and the other provisions of the Act shall apply as if the option under section 115BAA had not been exercised.
- The company has represented to us that they have opted section 115BAA of the Act for AY 2020-2021 and onwards.

Section 80JJAA of the Act: Deduction in respect of employment of new employees

- In accordance with and subject to the conditions specified under Section 80JJAA of the Act, a company is entitled to a deduction of an amount equal to 30% of additional employee cost incurred in the course of business in a financial year, for 3 consecutive assessment years including the assessment year relevant to the financial year in which such additional employment cost is incurred.
- Additional employee cost means the total emoluments paid or payable to additional employees employed in the financial year. The deduction under section 80JJAA would continue to be available to the company even where the company opts for the lower effective tax rate of 25.168% as per the provisions of section 115BAA of the Act (as discussed above).
- The company should be eligible to claim this deduction in case it incurs additional employee cost within the meaning of Explanation (i) to sub-section (2) of section 80JJAA of the Act and satisfies the conditions as mentioned in the said section.

**2. Special tax benefits available to the shareholders under the Act**

- Dividend income will be subject to tax in the hands of shareholders at the applicable slab rate / corporate tax rate (plus applicable surcharge and cess) or as per the applicable Double Tax Avoidance Agreements (as shall be relevant).
- In case of dividend income earned by domestic shareholders, reported under the head “Income from other sources”, shall be computed after making deduction of a sum paid by way of interest on the capital borrowed for the purpose of investment. However, no deduction shall be allowed from the dividend income, other than deduction on account of interest expense, and in any financial year such deduction shall not exceed 20% of the dividend income under section 57 of the Act.
- As per section 2(29AA) read with section 2(42A) of the Act, a listed equity share is treated as a long term capital asset if the same is held for more than 12 months immediately preceding the date of its transfer.

- Long term capital gains on transfer on shares on which Securities Transactions Tax has been paid will be subject to tax in the hands of shareholders as per the provisions of Section 112A of the Act at 10% (plus applicable surcharge and cess). The benefit of indexation of costs shall not be available.
- Short term capital gains arising on transfer of shares on which Securities Transactions Tax has been paid will be subject to tax in the hands of shareholders as per the provisions of Section 111A of the Act at 15% (plus applicable surcharge and cess).
- Non-resident shareholders including foreign portfolio investors may choose to be governed by the provisions of Double Taxation Avoidance Agreement, to the extent they are more beneficial and subject to provision of the prescribed documents.

Notes:

- These tax benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company or its shareholders may or may not choose to fulfil.
- This statement does not discuss any tax consequences in the country outside India of an investment in the shares. The shareholders / investors in the country outside India are advised to consult their own professional advisors regarding possible income-tax consequences that apply to them.
- Surcharge rate shall be maximum 15% in case of dividend income and capital gains.
- Health and Education Cess ('cess') @ 4% on the tax and surcharge as shall be applicable, is payable by all category of taxpayers.
- We understand that the Company has opted for concessional income tax rate under section 115BAA of the Act. Accordingly, surcharge shall be levied at the rate of 10% irrespective of the amount of total income.
- We understand that the Company has opted for concessional tax rate under section 115BAA of the Act. Hence, it will not be allowed to claim any of the following deductions:
  - Deduction under the provisions of section 10AA (deduction for units in Special Economic Zone);
  - Deduction under clause (iia) of sub-section (1) of section 32 (Additional depreciation);
  - Deduction under section 32AD or section 33AB or section 33ABA (Investment allowance in backward areas, Investment deposit account, site restoration fund);
  - Deduction under sub-clause (ii) or sub-clause (iia) or sub-clause (iii) of sub-section (1) or subsection (2AA) or sub-section (2AB) of section 35 (Expenditure on scientific research);
  - Deduction under section 35AD or section 35CCC (Deduction for specified business, agricultural extension project);
  - Deduction under section 35CCD (Expenditure on skill development);
  - Deduction under any provisions of Chapter VI-A other than the provisions of section 80JJAA and section 80M;
  - No set off of any loss carried forward or depreciation from any earlier assessment year, if such loss or depreciation is attributable to any of the deductions referred above;
  - No set off of any loss or allowance for unabsorbed depreciation deemed so under section 72A, if such loss or depreciation is attributable to any of the deductions referred above.
- Further, it is also clarified in section 115JB(5A) that if the Company opts for concessional income tax rate under section 115BAA, the provisions of section 115JB regarding Minimum Alternate Tax (MAT) are not applicable. Further, such Company will not be entitled to claim tax credit relating to MAT.
- The above statement of possible direct tax benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.

## **STATEMENT OF POSSIBLE SPECIAL INDIRECT TAX BENEFITS AVAILABLE TO THE COMPANY, AND TO THE SHAREHOLDERS OF THE COMPANY**

Outlined below are the possible tax benefits available to the Company and its shareholders under the Indirect tax laws in force in India. This Statement is as per the Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017 and applicable State Goods and Services Tax Act, 2017 (“GST Acts”), the Customs Act, 1962 (“Customs Act”) and the Customs Tariff Act, 1975 (“Tariff Act”), as amended by the Finance Act 2021 including the relevant rules, notifications and circulars issued there under, applicable for the Financial Year 2024-25, presently in force in India.

### **UNDER THE INDIRECT TAX**

#### **BENEFITS TO THE COMPANY UNDER VARIOUS INDIRECT TAX LAWS:**

##### **1. Special tax benefits available to the Company**

- (i) The Company has a total of Four (4) GSTIN’s operating in India.
- (ii) We understand that the Company is into a Non-Banking Finance Company Financial Services. In the purview of Sub-Section (4) of Section 17, Non-Banking Financial Companies will benefit credit of tax paid regarding services & inputs.

##### **2. Special Tax Benefits available to the Shareholders of the Company**

- (i) The shareholders of the Company are not required to discharge any GST on transaction in securities of the Company.

Securities are excluded from the definition of Goods as defined u/s 2(52) of the Central Goods and Services Tax Act, 2017 as well from the definition of Services as defined u/s 2(102) of the Central Goods and Services Tax Act, 2017.

- (ii) Apart from above, the shareholders of the Company are not eligible to special tax benefits under the provisions of the Customs Tariff Act, 1975 and / or Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, respective Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, Goods and Services Tax (Compensation to States) Act, 2017 including the relevant rules, notifications and circulars issued there under.

#### **Notes:**

1. This Statement covers only certain relevant benefits and does not cover any other benefit under any other law.
2. These tax benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Indian Indirect Tax Regulation. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company or its shareholders may or may not choose to fulfil.
3. The tax benefits discussed in the Statement are not exhaustive and are only intended to provide general information to the investors and hence, is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue.
4. The Statement is prepared on the basis of information available with the management of the Company and there is no assurance that:
  - (i) the Company or its shareholders will continue to obtain these benefits in future;
  - (ii) the conditions prescribed for availing the benefits have been/ would be met with; and
  - (iii) the revenue authorities/courts will concur with the view expressed herein.

The above views are based on the existing provisions of laws and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

## SECTION IV: ABOUT OUR COMPANY

### INDUSTRY OVERVIEW

The information contained in this section, unless otherwise specified, is derived from a report titled “NBFC Industry in India” issued in March, 2024 (the “**Dun & Bradstreet Report**”) prepared by Dun & Bradstreet Information Services India Private Limited (the “**Dun & Bradstreet**”), and exclusively commissioned and paid for by us for the purposes of understanding the industry in connection with the Issue. We appointed Dun & Bradstreet to prepare the “Dun & Bradstreet Report” on “Non-Banking Financial Services Landscape in India”. Other than the engagement described above, “Dun & Bradstreet” is independent and has no direct or indirect association with us, our Directors or Promoters. Industry publications are also prepared based on information as at specific dates and may no longer be current or reflect current trends. Accordingly, investment decisions should not be based on such information. See “*Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation – Industry and Market Data*” on page 20.

Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The recipient should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction. While preparing its report, “Dun & Bradstreet” has also sourced information from publicly available sources, including our Company’s financial statements available publicly.

- **Macroeconomic Scenario**

#### **Global Scenario**

The global economy, estimated at 3.1% in 2023, is expected to show resilience at 3.1% in 2024 before rising modestly to 3.2% in 2025. Between 2021 – 2022, global banks were carrying a historically high debt burden after COVID-19. Central banks took tight monetary measures to control inflation and spike in commodity prices. Russia’s war with Ukraine further affected the global supply chains and inflated the prices of energy and other food items. These factors coupled with war-related economic sanctions impacted the economic activities in Europe. Any further escalation in the war may further affect the rebound of the economy in Europe.

While China was facing a crisis in the real estate sector and prices of properties were declining between 2020 - 2023, with the reopening of the economy, consumer demand is picking up again. The Chinese authorities have taken a variety of measures, including additional monetary easing, tax relief for corporates, and new vaccination targets for the elderly. The government has also taken steps to help the real estate sector including cracking down on debt-ridden developers, announcing stimulus for the sector and measures to encourage the completion and delivery of unfinished real estate projects. The sector is now witnessing investments from developers and demand from buyers.

Global headline inflation is set to fall from an estimated 6.8% in CY 2023 to 5.8% in CY 2024 and to 4.4% in CY 2025. This fall is swifter than anticipated across various areas, amid the resolution of supply-related problems and tight monetary policies. Reduced inflation mirrors the diminishing impact of price shocks, particularly in energy, and their subsequent influence on core inflation. This decrease also stems from a relaxation in labour market pressure, characterized by fewer job openings, a slight uptick in unemployment, and increased labour availability, occasionally due to a significant influx of immigrants.

#### **Global GDP Growth Scenario**

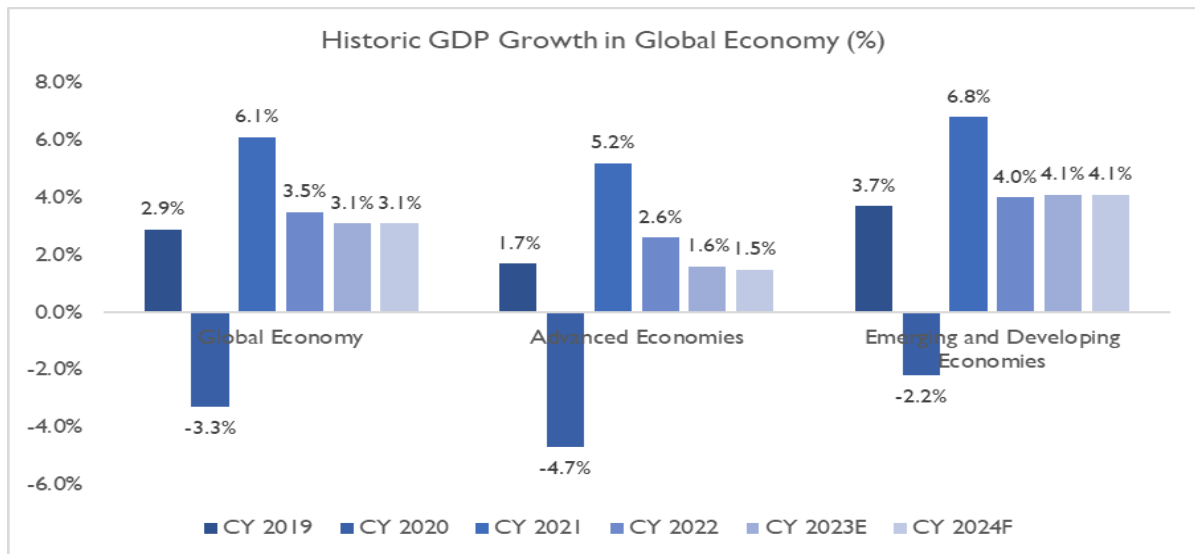
The global economy started to rise from its lowest levels after countries started to lift the lockdown in 2020 and 2021. The pandemic lockdown was a key factor as it affected economic activities resulting in a recession in the year CY 2020, as the GDP growth touched -3.3%.

In CY 2021 disruption in the supply chain affected most of the advanced economies as well as low-income developing economies. The rapid spread of Delta and the threat of new variants in mid of CY 2021 further increased uncertainty in the global economic environment.

Global economic activities experienced a sharper-than-expected slowdown in CY 2022. One of the highest inflations in decades, seen in 2022, forced most of the central banks to tighten their fiscal policies. Russia’s invasion of Ukraine affected the global food supply resulting in a further increment in the cost of living.

Further, despite initial resilience earlier in 2023, marked by a rebound in reopening and progress in curbing inflation from the previous year’s highs, the situation remained precarious. Economic activity lagged behind its

pre-pandemic trajectory, particularly in emerging markets and developing economies, leading to widening disparities among regions. Numerous factors are impeding the recovery, including the lasting impacts of the pandemic and geopolitical tensions, as well as cyclically-driven factors such as tightening monetary policies to combat inflation, the reduction of fiscal support amidst high debt levels, and the occurrence of extreme weather events. As a result, global growth declined from 3.5% in CY 2022 to 3.1% in CY 2023.



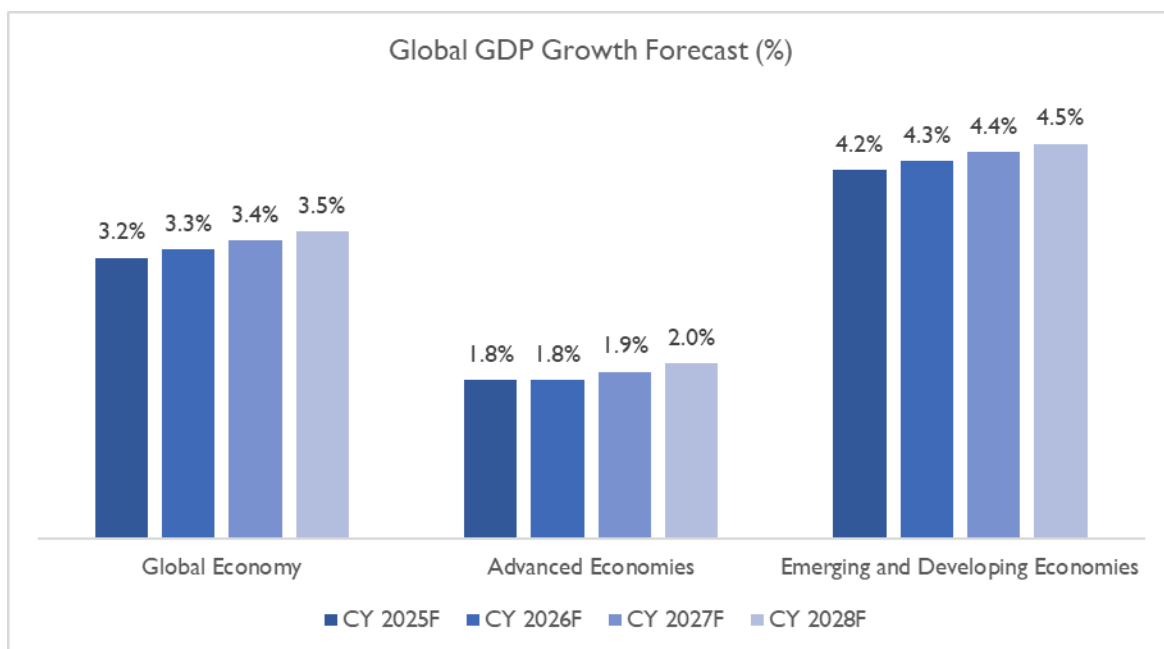
Source – IMF Global GDP Forecast Release 2024

*Note: Advanced Economies and Emerging & Developing Economies are as per the classification of the World Economic Outlook (WEO). This classification is not based on strict criteria, economic or otherwise, and it has evolved over time. It comprises of 40 countries under the Advanced Economies including the G7 (the United States, Japan, Germany, France, Italy, the United Kingdom, and Canada) and selected countries from the Euro Zone (Germany, Italy, France etc.). The group of emerging market and developing economies (156) includes all those that are not classified as Advanced Economies (India, China, Brazil, Malaysia etc.)*

In the current scenario, global GDP growth is estimated to have recorded a moderate growth of 3.1% in CY 2023 as compared to 3.5% growth in CY 2022. While high inflation and rising borrowing costs are affecting private consumption, on the other hand, fiscal consolidation is affecting government consumption.

Slowed growth in developed economies will affect the GDP growth in CY 2024 and global GDP is expected to record a flat growth of 3.1% in CY 2024. The crisis in the housing sector, bank lending, and industrial sectors are affecting the growth of global GDP. Inflation forced central banks to adopt tight monetary policies. After touching the peak in 2022, inflationary pressures slowly eased out in 2023. This environment weighs in for interest rate cuts by many monetary authorities.





Source – IMF Global GDP Forecast Release 2024, D&B Estimates

## India Scenario

### GDP Growth Scenario

India's economy is showing signs of resilience with GDP growing to estimated 7.3% in FY 2024. Although this translates into only a slight uptick in demand (compared to FY 2023- 7.2%), the GDP growth in FY 2023 represents a return to pre pandemic era growth path. Despite this moderation in growth, India continues to remain one of the fastest growing economies in the world.

Country	Real GDP Growth (2023)
India	6.3%
United Kingdom	0.5%
Italy	0.7%
Canada	1.3%
China	5.0%
Brazil	3.1%
France	1.3%
United States	2.1%
South Africa	0.9%
Germany	-0.5%
Japan	2.0%
Russia	2.2%

Source: IMF

Countries considered include - Largest Developed Economies and BRICS (Brazil, Russia, India, China, and South)  
Countries have been arranged in descending order of GDP growth

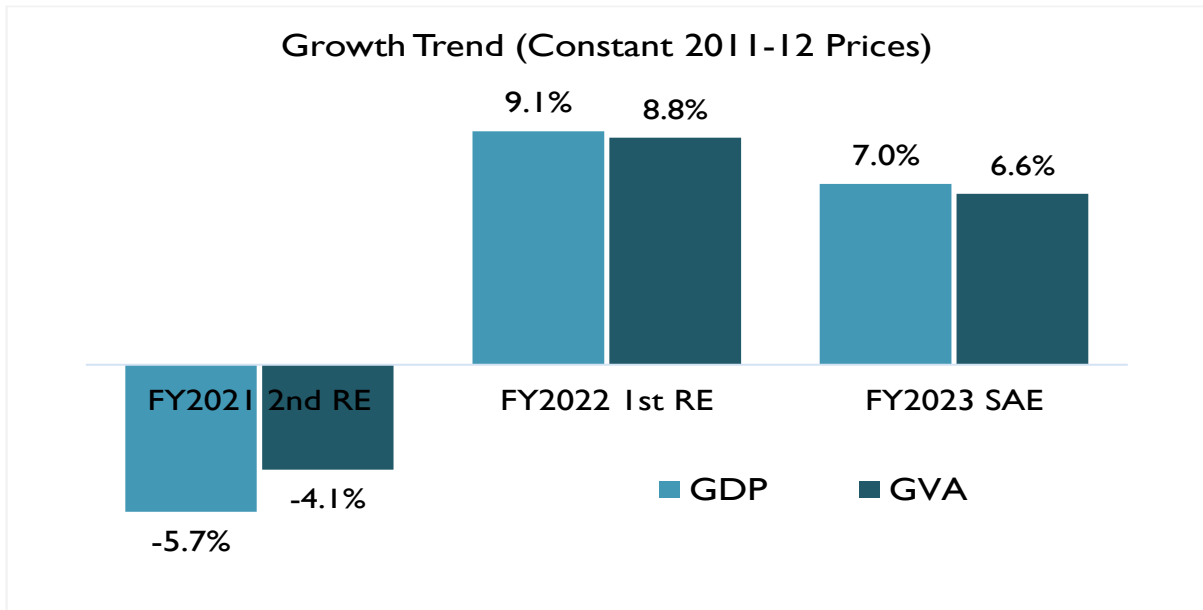
There are quite a few factors aiding India's economic recovery – notably its resilience to external shocks (ongoing Russia – Ukraine conflict) and rebound in private consumption. This rebound in private consumption is bringing back the focus on improvements in domestic demand, which together with revival in export demand is a precursor to higher industrial activity. Already the capacity utilization rates in Indian manufacturing sector are recovering as industries have stepped up their production volumes. As this momentum sustains, the country may enter a new capex cycle. The universal vaccination program by the Government has played a big part in reinstating confidence among the population, in turn helping to revive private consumption.

Realizing the need to impart external stimuli, the Government stepped up its spending on infrastructure projects which in turn had a positive impact on economic growth. The capital expenditure of central government increased by nearly 24.5% during FY 2023 as compared to the previous fiscal. The improvement was accentuated

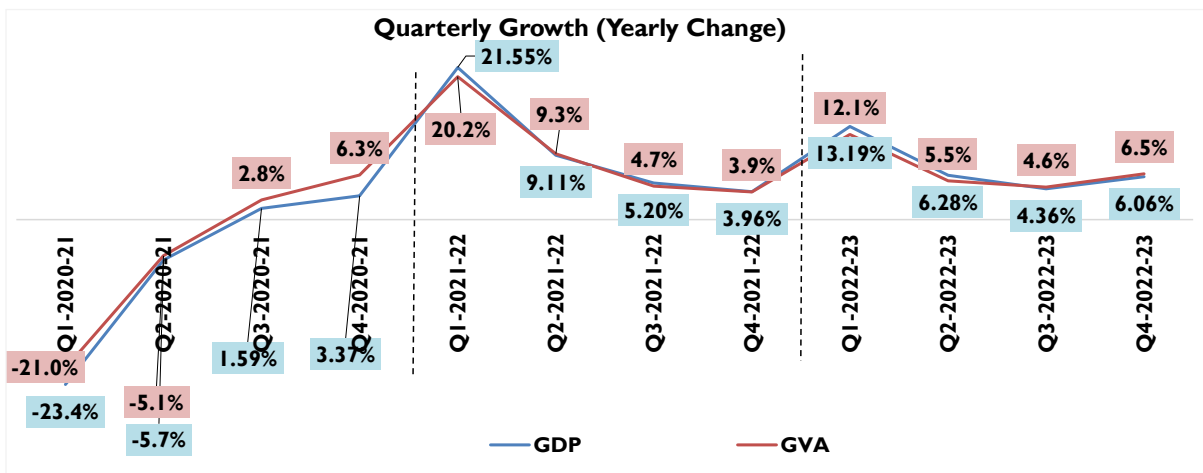
further as the Union Budget 2023-2024 announced 37.4% increase in capital expenditure (budget estimates), to the tune of Rs 10 trillion. The announcement also included 30% increase in financial assistance to states at Rs 1.3 trillion for capex. This has provided the much-needed confidence to private sector, and in turn attracted private investment.

On the lending side, the financial health of major banks has witnessed an improvement which has helped in improving the credit supply. With capacity utilization improving, there would be demand for credit from corporate sector to fund the next round of expansion plans. Banking industry is well poised to address that demand. Underlining the improving credit scenario is the credit growth to micro, small and medium enterprise (MSME) sector as the credit outstanding to the MSME sector by scheduled commercial banks in the financial year FY 2023 grew by 12.3% to Rs 22.6 trillion compared to FY 2022. The extended Emergency Credit Linked Guarantee Scheme (ECLGS) by the Union Government has played a major role in improving this credit supply.

India's GDP in FY 2023 grew by 7.2% compared to 9.1% in the previous fiscal on the back of slowing domestic as well as external demand owing to series of interest rate hikes globally to tackle high inflation. The year-on-year moderation in growth rate is also partly due to a fading impact of pandemic-induced base effects which had contributed towards higher growth in FY 2022. On quarterly basis, the country growth moderated in Q2 and Q3 of FY 2023 which highlights impact of slowing economy on the back of monetary tightening. During Q3 FY 2023, the country's GDP grew by 4.36% against 6.28% y-o-y increase in the corresponding quarter last fiscal. However, the fourth quarter of FY 2023 saw a rebound in growth rate, indicating an optimistic scenario.

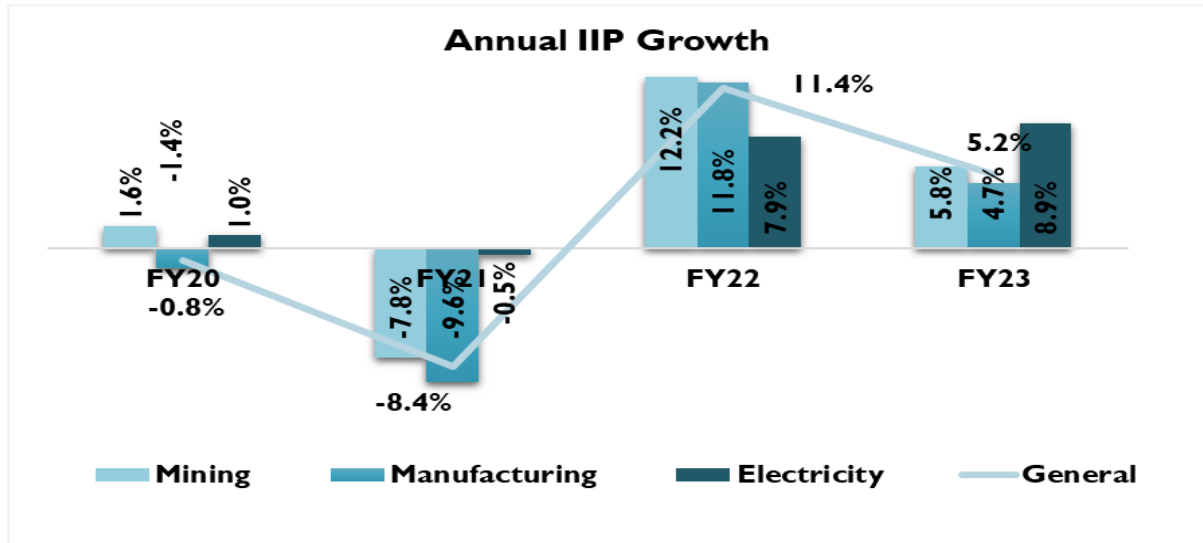


Source: Ministry of Statistics & Programme Implementation (MOSPI)  
RE stands for Revised Estimates, SAE stands for Second Advance Estimates

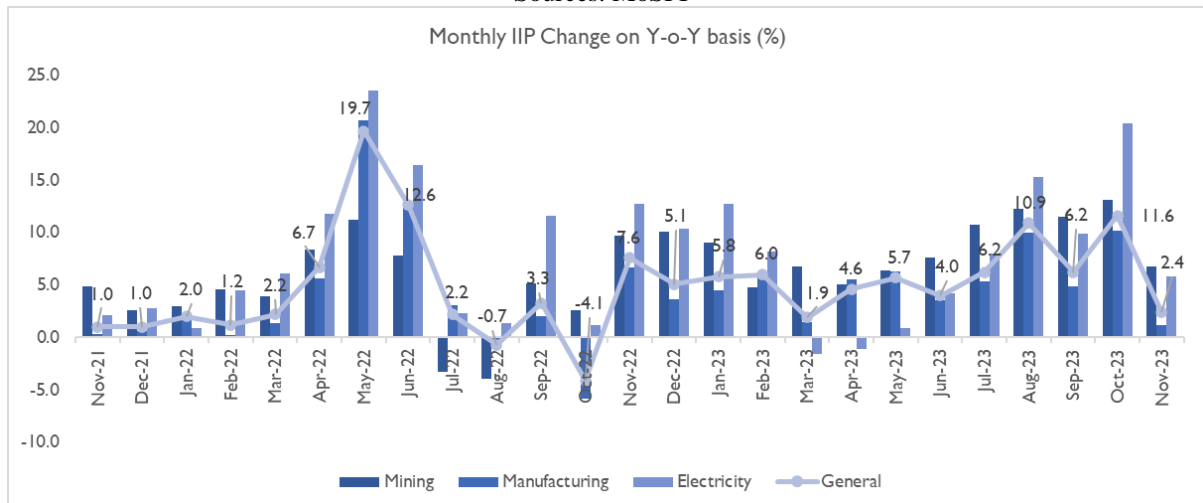


## Index of Industrial Production

- After experiencing three years of deteriorating industry growth, the country's Index of Industrial Production (IIP) index registered 11.4% y-o-y growth in FY 2022 where growth was evenly spread across all sub-segments. After the stark rise experienced in economy after the Covid-19 pandemic, growth in FY 2023 moderated to 5.2%. Electricity index registered 8.9% y-o-y growth in FY 2023 followed by the mining sector index. Classified based on usage i.e., infrastructure/construction goods, capital good, intermediate good and consumer durable outperformed over the other sector and registered healthy double-digit growth.



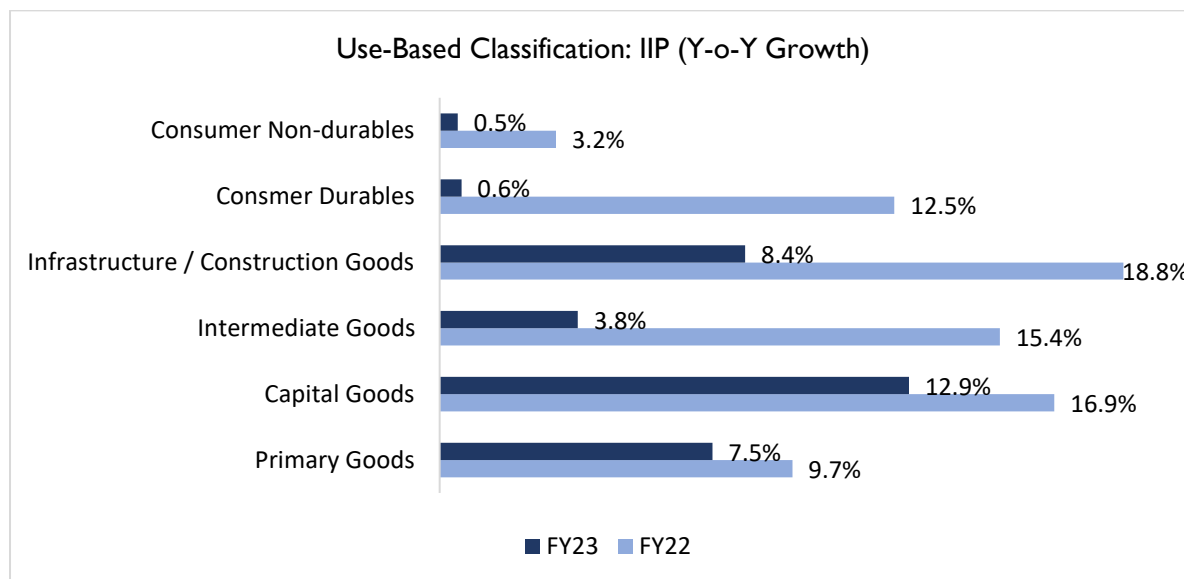
Sources: MoSPI



Source: MoSPI

Between November 2021 – November 2022, the IIP index improved steadily between Nov'21 to May'22 but moderated sharply in the subsequent four months and it measured lowest in October 2022 while it showed temporary improvement by growing at 7.3% in subsequent. However, IIP again moderated to register 5.1 % y-o-y growth in December 2022. Manufacturing activity which has 77.6% weightage in the overall index, grew by 2.6% in December 2022 while mining activity and electricity index grew by 9.8% and 10.4%, respectively.

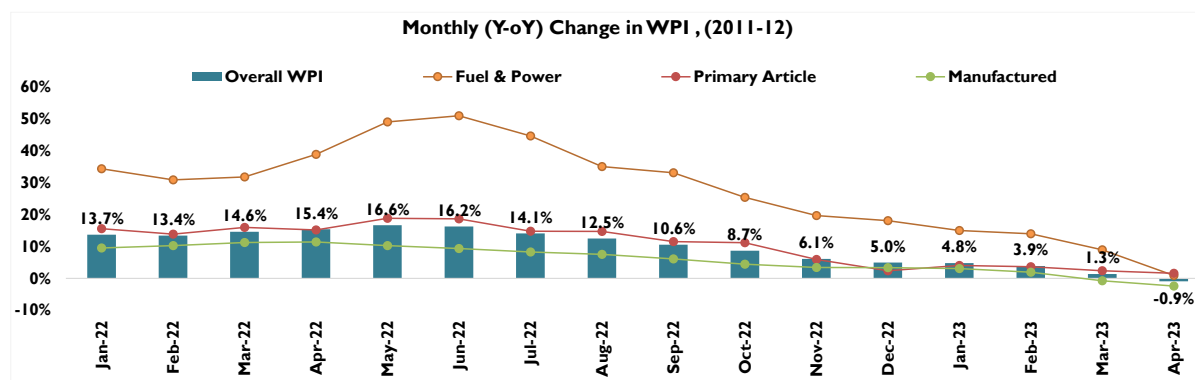
On y-o-y basis, monthly IIP growth in December 2022 was relatively higher compared to December 2021 due to low base effect where overall IIP was adversely affected by onset of third wave of pandemic. Between November 2022 – November 2023, IIP growth declined from levels of 7.6% in Nov'22 to 1.9% in Mar'23. However, the subsequent months in 2023 saw a trend of growth, with Aug'23 and Oct'23 recording a high of 10.9% and 11.6% respectively on back of growing demand and record festive sales.



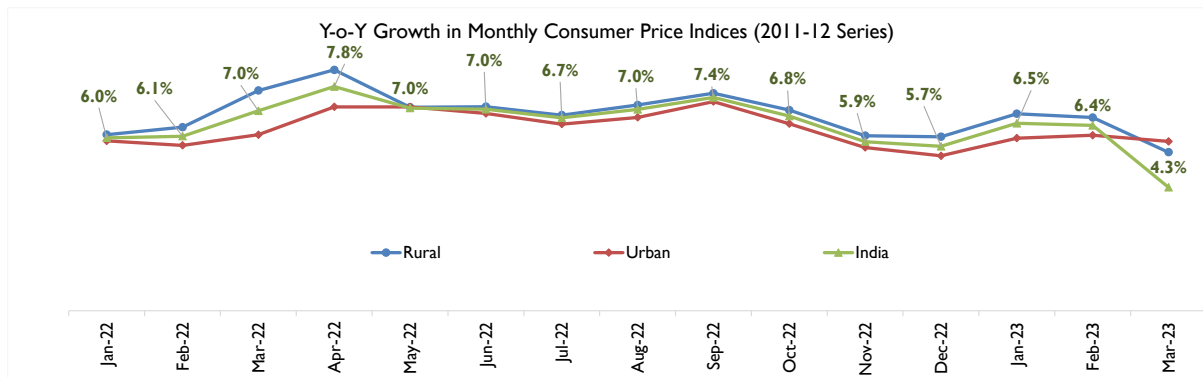
Sources: MOSPI

• **Inflation Scenario**

Wholesale Price Index (WPI) is moderating on the back of softening of prices. Compared to April 22, WPI in April 2023 dropped by -0.9%. This is primary on the back of softening of fuel & power prices. Monthly y-o-y change (April 2023 v/s April 2022) for manufactured products was -2.9%, and this too contributed to the moderation in WPI. Softening prices of mineral oils, chemicals & chemical products, textiles, crude petroleum & natural gas, textiles, and food products. contributed towards moderation in WPI inflation.



Source: MoSPI, Office of Economic Advisor



Source: CMIE Economic Outlook

Retail inflation rate (as measured by Consumer Price Index) again jumped above 6% tolerance limit of the central bank in January 2023 after observing mild moderation in the previous two month. The overall CPI grew by 6.5% in January 2023 due to spike in food inflation and CPI food index grew by 5.9% during FY 2023 against 4.2% y-o-y growth in the previous year. Within food index, Cereals and product-led food inflation reached 16.1 per cent in January 2023 from 13.8 per cent in December 2022. As a part of anti-inflationary measure, the RBI has hiked the repo rate by 225 bps since May 2022 to current 6.5% (May 2023), with latest fourth round hike announced on 8 Feb 2023. The Reserve Bank of India has estimated an average inflation rate of 6.5% for FY 2023. Since then, retail inflation appears to be softening, as it grew by 6.4% and 4.3% respectively in February and March of 2023.

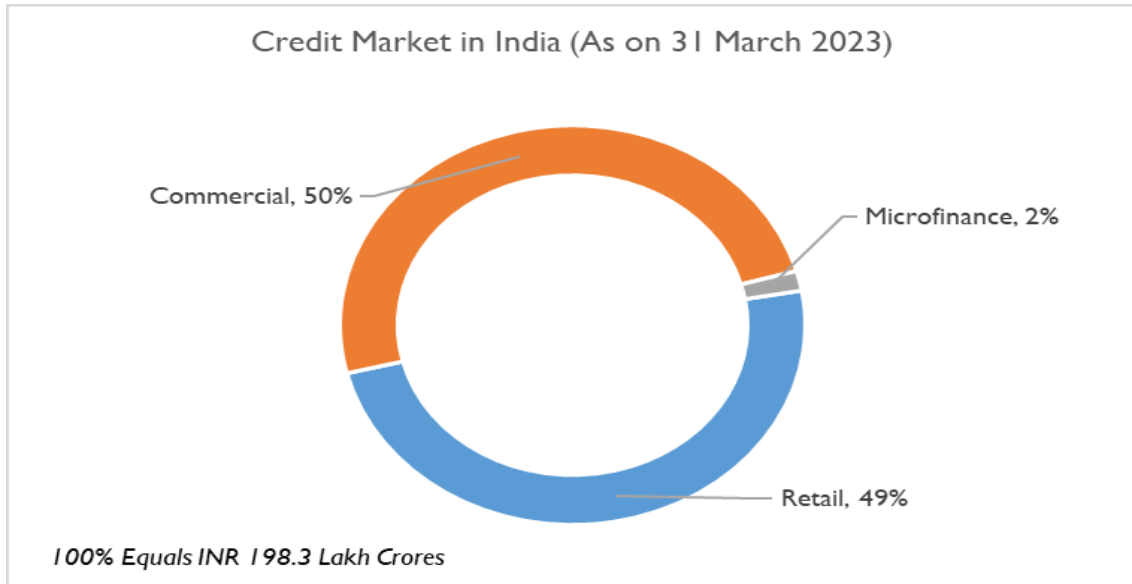
- **Economic Growth Outlook**

Amidst the difficult and uncertain external economic environment, the Indian government has delivered a balanced Union Budget which focuses on achieving an inclusive and sustainable growth while adhering to the fiscal glide path. Notwithstanding the external risk, there is a sustained momentum in economic activity supported by domestic drivers. The consumer confidence survey by the Reserve bank of India points towards rising confidence of households both for the current situation as well as the future expectations (for a one-year period).

Rural demand is likely to be boosted by good prospects for agricultural output and discretionary spending is expected to support urban consumption supporting. Resilient domestic financial markets, sturdy growth in credit and the government's thrust on capital expenditure is expected to drive momentum in investment activity. Capacity utilization in the manufacturing sector has surpassed its long period average. Thus, the stance taken by the government to not only emphasize on the top-down approach to growth i.e focusing on substantial capital outlay, but also to place focus on the bottom of the pyramid by trying to unleash the potential of the primary sector in the Union Budget should support India's growth momentum in 2023.

- **Credit Market in India**

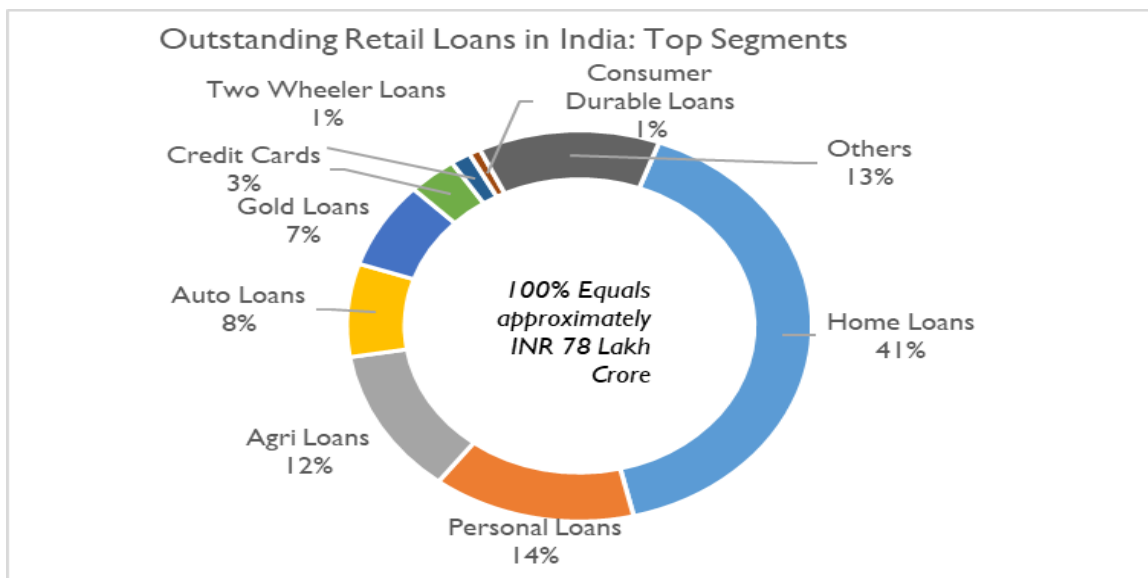
Total outstanding credit in India market is approximately INR 198 lakh crore, as on 31st March 2023, growing by 14% over previous year. Total outstanding credit has nearly doubled in the last five to six years, indicating the higher appetite for credit in the market. India's lending market is dominated by scheduled commercial banks (SCBs) while other players include Housing Finance Companies (HFCs), Non-Banking Financial Companies (NBFCs) and Micro Finance Institutions (MFIs). Among them, these lending agencies (which form a part of institutional credit source in India) offer a wide range of credit products from commercial loans to personal loans to microfinance loans.



Source: CRIF High Market Report

- Retail Loans**

Home loans is the largest segment within the retail loan segment in India, accounting for approximately 40% of total outstanding retail credit as on 31 March 2023. Personal loan & Agriculture loan, the next largest segments accounts for 14% & 12% of the total respectively. Nearly 60% of total retail credit outstanding on 31st March 2023 was accounted by nine credit products. Retail loan segment probably has the highest level of competition, with active presence from all type of financial services companies – including banks, home finance companies, NBFCs, MFI, insurance firms, and specialized boutique lending firms (including digital lending). On the other hand, commercial loan segment is clearly dominated by banks. In retail loan segment, NBFCs has an active presence in almost all segments except home loans which is dominated by banks and housing finance companies.



Source: CRIF High Market Report

Although NBFCs has made rapid inroads into all major retail loan segments (except home loans), their penetration is particularly high in consumer durable loans, followed by two-wheeler loans.

Penetration of NBFC in Indian Retail Lending Market (percentage of total outstanding loans)			
Type of Retail Loan	Banks	NBFC	Others
Personal Loans	76.1%	<b>20.0%</b>	3.2%

Two Wheeler Loans	31.7%	<b>66.9%</b>	1.4%
Auto Loans	72.6%	<b>24.5%</b>	2.9%
Business Loans	26.3%	<b>73.7%</b>	0.0%
Consumer Durable Loans	76.1%	<b>20.0%</b>	3.2%

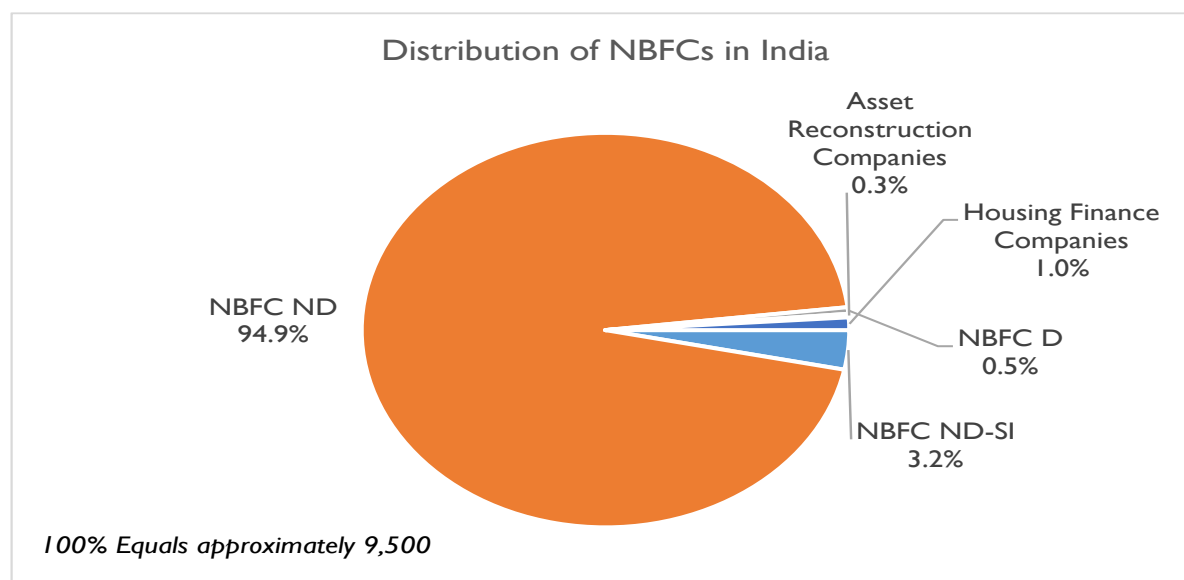
Source: CRIF High Market Report

- **Non-Banking Financial Companies**

Non-Banking Financial Companies or NBFCs forms an integral part of Indian financial services industry, often complementing the banking segment. NBFCs has played an integral role in deepening credit outreach, as well as has become an integral tool in extending credit to unorganized segments / rural households / other segments which are considered inherently risky by the formal banking sector. In that sense, NBFCs has played a key role in expanding financial inclusion in the country.

Close to 9,500 NBFCs operate in Indian financial service industry, spread across the country and catering to the financial needs of consumers in urban, semi-urban, and rural markets. These include both investment as well as lending companies, who together offers a wide range of products ranging from loans & advances, leasing, hire-purchase, to chit funds.

Based on their nature of operations, NBFCs in India are segmented into four, namely Deposit taking NBFC (NBFC D), Non-deposit taking NBFC (NBFC ND), Asset Reconstruction Companies, and Housing Finance Companies. NBFC ND is further sub-divided into two: systematically important NBFC ND, and other NBFC ND (not systematically important). Among these NBFC NDs (which are not systematically important) is the dominant segment, accounting for 95% of total NBFCs operating in India.



Source: Reserve Bank of India

- **Regulatory Landscape in Indian Financial Services Industry**

The Indian financial system is regulated by independent regulatory bodies in different fields namely banking, capital market, insurance, commodity market, and pension funds. The Government of India (GoI) also plays an important role in influencing the regulatory framework of these institutions.

Reserve Bank of India (RBI), Securities and Exchange Board of India (SEBI), Insurance Regulatory and Development Authority (IRDA), and Pension Funds Regulatory and Development Authority (PFRDA) are few of the major regulatory agencies operating in Indian financial services space. In addition, there are also few specialized agencies like SIDBI, NHA designed to focus on certain aspects of the industry (like credit to MSMEs, regulating home financing sector etc).

Regulatory Body	Role & Responsibilities
Reserve Bank of India (RBI)	Established under the RBI Act, 1934, RBI is the central bank of India; and is vested with various responsibilities under the Banking Regulation Act, 1949. Its primary functions include issuance of banknotes, banker to Government,

Regulatory Body	Role & Responsibilities
	custodian of cash reserves of commercial banks, custodian of foreign exchange reserves, controller of credit, and lender of the last resort.
Securities & Exchange Board of India (SEBI)	Established on April 12, 1992, under the SEBI Act 1992, the Securities and Exchange Board of India (SEBI) is a statutory body owned by the government of India. Its primary function is to safeguard the interests of investors in securities exchange and regulate the securities market.
Insurance Regulatory & Development Authority of India (IRDA)	Established under the Insurance Regulatory and Development Authority Act, 1999, IRDAI is an autonomous statutory body responsible for regulating and promoting the insurance and re-insurance industries in India. Headquartered in Hyderabad, it is a 10-member body consisting of Chairman, five full-time members, and four part-time members appointed by the government of India.
Pension Fund Regulatory & Development Authority (PFRDA)	Established by the government of India on August 23, 2003, by executive order, Pension Fund Regulatory and Development Authority (PFRDA) is mandated to act as a regulator and supervisor of pension in India. It is under the jurisdiction of Ministry of Finance.
National Bank for Agriculture & Rural Development (NABARD)	Established on 12 July 1982 by an Act of the Parliament, NABARD is an apex regulatory body for overall regulation of regional rural banks and apex cooperative banks in India. It falls under the jurisdiction of Ministry of Finance, Government of India. It is mandated for providing and regulating credit and other facilities for the promotion and development of agriculture, small scale industries, cottage and village industries, handicrafts, and other rural crafts and other allied economic activities in rural areas with a view to promoting integrated rural development and securing prosperity of rural areas, and for matters connected therewith or incidental thereto.
Small Industries Development Bank of India (SIDBI)	SIDBI was established under an Act of the Parliament in 1990. It is the principal financial institution engaged in promotion, financing & development of the Micro, Small and Medium Enterprises (MSMEs) sector and coordination of the functions of the various institutions engaged in similar activities.
National Housing Bank (NHB)	National Housing Bank was set up on 9 July 1988 under the National Housing Bank Act, 1987. It is the apex regulatory body for overall regulation and licensing of housing finance companies in India. It is under the jurisdiction of Ministry of Finance.
Insolvency and Bankruptcy Board of India (IBBI)	The Insolvency and Bankruptcy Board of India was established on 1st October 2016 under the Insolvency and Bankruptcy Code, 2016 (Code). It is the regulating authority for insolvency and bankruptcy proceedings in the country. It also oversees the activities of bodies such as the Insolvency Professional Agencies (IPA), Insolvency Professionals (IP) and Information Utilities (IU), Registered Valuers, and Registered Valuer Organisations.

- **Regulatory Framework in NBFC Sector**

NBFC sector has over the years, evolved considerably in terms of size, operations, technological sophistication, and entry into newer areas of financial services and products. The number of NBFCs as well as the size of the sector have grown significantly. There is an increasingly complex web of inter-linkages of the sector with banks, capital market and other financial sector entities, on both sides of the balance sheet. Over the last decade, NBFCs have witnessed phenomenal growth. From being around 12% of the balance sheet size of banks (2010), they are now more than a quarter of the size of banks. While the development of a robust non-bank intermediation channel provides a good 'spare tyre' to the economy, uncontrolled growth fuelled by lighter regulatory framework can also lead to potential systemic risks.

The Department of Non-Banking Supervision (DNBS) is delegated with the responsibility of regulation and supervision of Non-Banking Financial Companies (NBFCs) under the regulatory and supervisory framework of the Reserve bank which provides for, among other things, registration of NBFCs, prudential regulation of various categories of NBFC, issue of directions on acceptance of deposits by NBFCs and surveillance of the sector through off-site and on-site supervision. Deposit taking NBFCs and Systemically Important Non-Deposit Accepting Companies are subjected to a greater degree of regulation and supervision. The focus of regulation and supervision is threefold as mentioned below: depositor protection, consumer protection and financial stability.



- **Recent Changes in NBFC Regulations**

### **Tightening of NBFC Lending**

In October 2021, RBI had introduced a scale based regulatory framework for NBFCs. The structure consists of four layers based on size, activity and perceived riskiness – base layer, middle layer, upper layer, and top layer. In April 2022, RBI has brought amendments to the October 2021 circulars by issuing four separate circulars, especially for Upper Layer NBFCs:

- Large Exposures Framework – for addressing credit risk concentration in NBFCs and is set out to identify large exposures, refine the criteria for grouping of connected counterparties and put in place reporting norms for large exposures.
- Disclosures in Financial Statements – the new circular makes it mandatory for NBFCs to make disclosures in financial statements in accordance with the new prudential guidelines, applicable accounting standards, laws, and regulations. These additional disclosure requirements are in accordance with the scale based regulatory framework and are an addition to the disclosure requirements specified under other laws, regulations, or accounting and financial reporting standards. The new disclosure requirements shall be effective for annual financial statements for FY 2023.
- Scale-based Regulation for Capital Requirements – As per new circular, large NBFCs have to maintain an equity tier-1 capital of at least 9% of the risk-weighted assets, wherein the common equity tier-1 capital will comprise the paid-up equity share capital, share premium resulting from equity shares, capital reserves representing surplus arising out of asset sales, statutory reserves, revaluation of reserves arising out of change in the carrying amount of property consequent to its revaluation in accordance with the applicable accounting standards.
- Regulatory Restrictions on Loans and Advances – On the regulatory restrictions on loans and advances of NBFCs based on the scale-based regulation, which was first issued on October 22, 2021, it said the new guidelines will come into effect from October 1, 2022.

### **Large Exposure Framework for Upper Layer NBFCs**

In the latest rules issued in April 2022, RBI stated that the exposure of a NBFC to a single entity must not cross 20% of its available capital base and, subject to board approval, an additional 5% exposure will be allowed. For a group of connected entities, the aggregate exposure will be limited to 25% of the non-bank's capital base. The rules, however, provide more headroom for infrastructure finance companies.

In October 2021, RBI had released a set of rules to classify NBFCs based on their size and perceived risks. RBI had said the upper layer of NBFCs could have group exposure of up to 40% of the capital base. While RBI has now reduced the exposure for group entities, the single borrower exposure limit has been retained.

With these rules, the RBI has now harmonized regulations for upper layer non-banks, commercial banks, and co-operative banks, leaving minimum room for arbitrage. The rules will help avoid concentration of risk and insulate lenders from shocks owing to failure of any large borrower account. The large exposure framework was first introduced for banks in the year 2016, and subsequently revised in 2019. In 2020, the guidelines were extended to urban cooperative banks, in the wake of collapse of the Punjab and Maharashtra Cooperative Bank in 2019.

This move by RBI will help to bring NBFCs on par with banks on large exposures. This has also led to speculation that the sector may enter a phase consolidation, especially after HDFC Bank's merger announcement with Housing Development Finance Corp. in April 2022.

### **End of Dual Regulation**

Previously, there used to be tussles between the RBI and state governments over certain aspects of NBFC regulation. However, in May 2022, the Supreme Court ruled that state moneylending laws will no longer be applicable to NBFCs. Which means now only the RBI can oversee NBFCs and the order ends the dual regulation of such entities.

State governments could previously mandate the capping of interest rates and set additional norms for know-your-customer (KYC) processes. Such state regulations used to increase the cost of compliance for NBFCs. According to regulatory experts, small NBFCs often came under political pressure due to alleged interference by the states. This vulnerability will now be minimised with this recent rule. Now, with zero interference by state, NBFCs can decide the rate of interest based on their assessment of a borrower's risk profile.

### New Regulations for NBFC Base Layer

NBFCs in the Base Layer (NBFC-BL) shall be subject to the regulations as are currently applicable to Non-Deposit taking NBFCs (NBFC-ND) except the following provisions:

Minimum Net Owned Fund Requirements:

- NBFC-Peer to Peer Lending Platform (NBFC-P2P), NBFC-Account Aggregator (NBFC-AA), and NBFCs with no public funds and no customer interface shall continue to adhere to the Net Owned Fund (NOF) requirements of INR 2 crores.
- Also, no change has been proposed in the existing regulatory minimum NOF requirements for Infrastructure Debt Fund – Non-Banking Financial Companies (IDF-NBFCs), Infrastructure Finance Companies (NBFC-IFCs), Mortgage Guarantee Companies (MGCs), Housing Finance Companies (HFCs), and Standalone Primary Dealers (SPDs).
- Regulatory minimum NOF requirements for NBFC – Investment and Credit Company (NBFC-ICC), NBFC – Micro Finance Institutions (NBFC-MFI), and NBFC-Factors shall be increased to INR 10 crores.
- The glide path to achieve the revised NOF requirements for the existing NBFCs is provided in the table below:

NBFCs	Current NOF	By March 31, 2025	By March 31, 2027
NBFC-ICC	INR 2 Crores	INR 5 Crores	INR 10 Crores
NBFC-MFI	INR 5 Crores (INR 2 Crores in NE Regions)	INR 7 Crores (INR 5 Crores in NE Regions)	INR 10 Crores
NBFC-Factors	INR 5 Crores	INR 7 Crores	INR 10 Crores

### Non-Performing Asset Classification

Modifying the classification norm of the Non-Performing Asset (NPA) to the overdue period of more than 90 days for all categories of NBFCs. NBFC-BL shall follow the glide path so as to adhere to the NPA classification provided as under:

NPA Norms	Timeline
>150 Days overdue	By March 31, 2024
>120 Days overdue	By March 31, 2025
>90 Days overdue	By March 31, 2026

### Provisioning Norms for Standard Assets by Upper Layer NBFCs

In June 2022, RBI released provisioning norms for standard assets by upper layer (large) NBFCs. According to the regulations, upper layer NBFCs will have to set aside a loan amount in the range of 0.25-2% for standard assets as provisions. The rate of provision depends on different asset categories like small and micro enterprises (SMEs), real estate, and housing loans. These new norms will come into effect from October 1, 2022.

This move is aimed at regulating NBFCs, given their increasing role in the financial system. Through provisioning in advance, NBFCs can account for potential defaults and expenses in order to ascertain their financial standing.

#### • **Reclassification**

NBFC industry underwent a regulatory overhaul in October 2022, which introduced a four-tier segregation based on asset size, activity, and perceived level of risk. The four layers are named as Base Layer (NBFC BL), Middle Layer (NBFC ML), Upper Layer (NBFC UL), and Top Layer (NBFC TL).

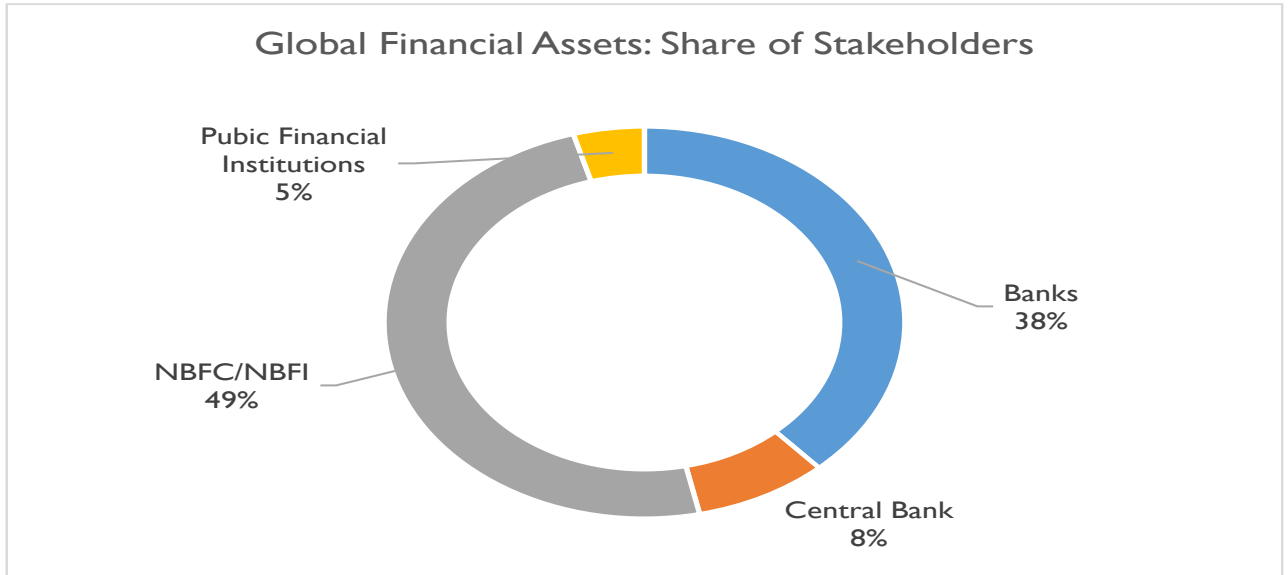
Revised Categorization	
NBFC BL	All NBFC NDs with asset size below INR 1,000 Crore
NBFC ML	NBFC NDs with asset size above INR 1,000 Crore as well as NBFC D
NBFC UL	NBFCs that are monitored by RBI based on a set of parameters and scoring methodology. As per this framework, top ten eligible NBFCs in terms of asset size will always be categorized into this segment. RBI has identified and placed 16 NBFCs in NBFC UL category.
NBFC TL	At present this level is not populated. Any NBFCs in NBFC UL category which witnesses an

increase in systematic risk will be placed in this category.

Source: RBI

- **Global NBFC Industry**

Globally, NBFC (Also referenced to as NBFI – Non-Banking Financial Intermediaries) segment began to grow in strength in the aftermath of financial crisis of 2008 which impacted the credit disbursement capability of all major global banks. NBFCs stepped into this vacuum and provided an alternative to bank financing. On the back of this enhanced role, NBFC credit in global stage increased from USD 52 Trillion in 2002 to USD 226 Trillion in 2020. By then NBFCs accounted for nearly 50% of global financial assets.

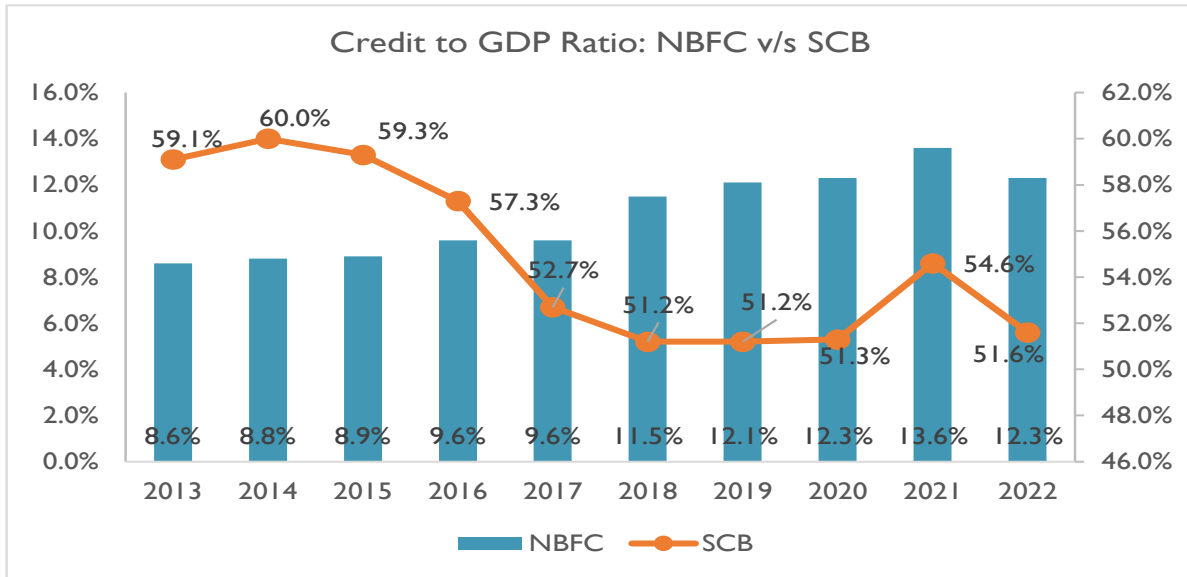


Source: RBI, Representation for 2020 pattern

- **Indian NBFC Industry**

Indian NBFC industry is a minor player in global NBFC space, and accounts for less 1% of the total NBFC asset base globally. Between 2002 and 2020, share of India's NBFC industry in global NBFC asset base have increased by 50 to 60 basis points. This reflects the aggressive credit growth achieved by Indian NBFC sector, as it supplemented the mainstream bank financing segment. During the same period, the size of India's NBFC sector as a share of the country's GDP increased from 18% to nearly 60%, underlining the importance of NBFC to the growth of Indian economy.

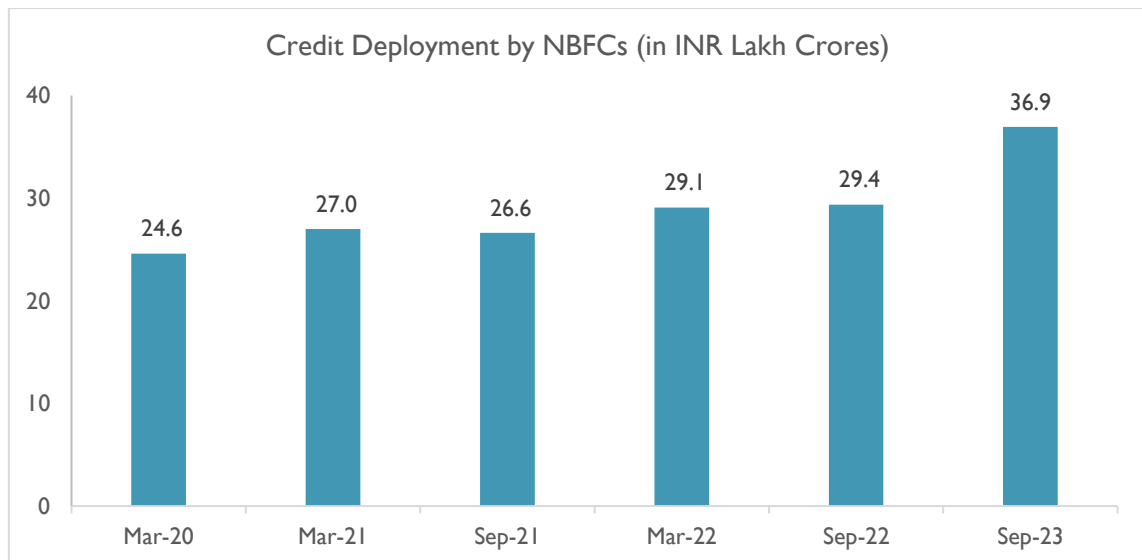
The last eight to ten years has witnessed strong growth in NBFC credit, due to a mix of favourable regulations, innovative product offering, and high credit appetite by consumers. The credit growth in NBFC sector has come at the expense of bank, with whom they are competing in the small sized retail loan segment. The significance of NBFCs can be gauged by the increasing share of NBFC credit to GDP, as against a declining trend visible in SCBs.



Source: RBI

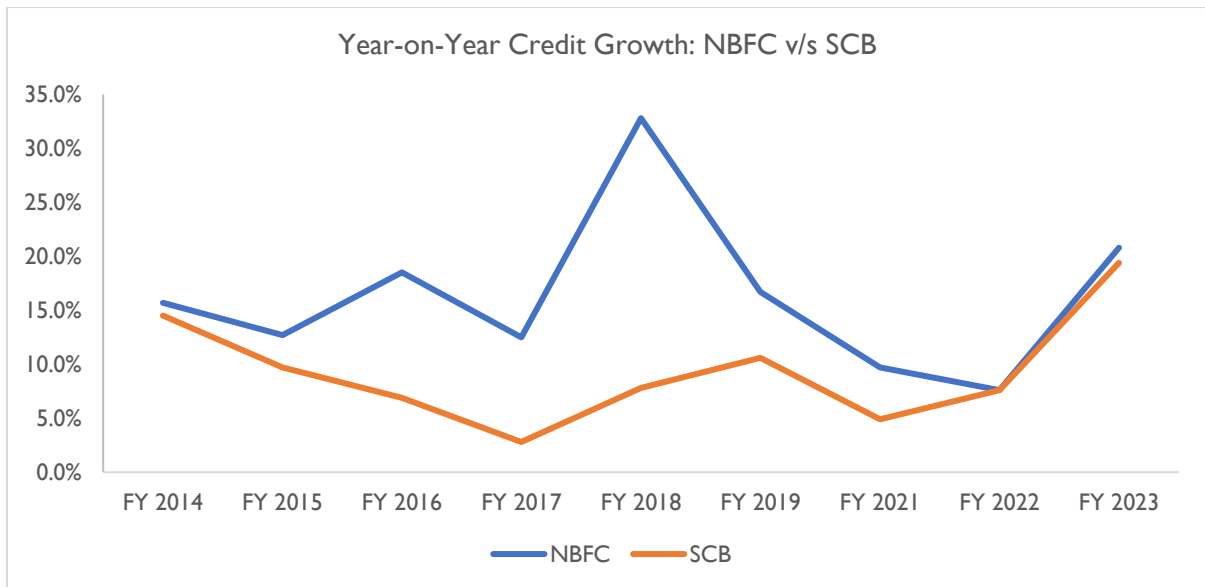
- Growth in Loan Book**

Gross loans & advances outstanding in the NBFC sector stood at INR 26.9 Lakh Crore as on 30th September 2023. There was a slight dip in credit growth in this sector during first couple of quarters of FY 2021, but since then the growth has remained strong.



Source: RBI

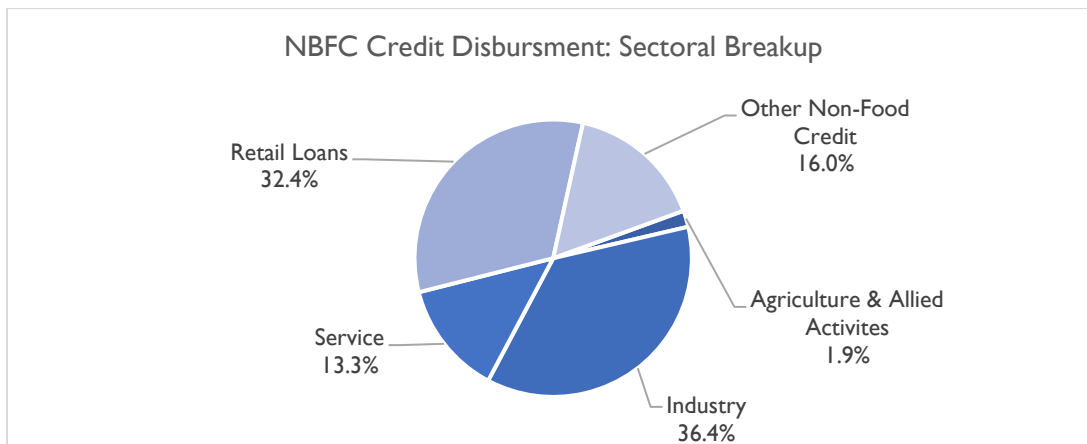
Credit disbursement in NBFC sector has grown at a faster pace than bank credit, a trend that has been continuation for the past eight to ten years. Although the overall slowdown in credit growth in last couple of years have impacted the pace of growth, NBFC sector has managed to maintain higher growth rate compared to bank credit.



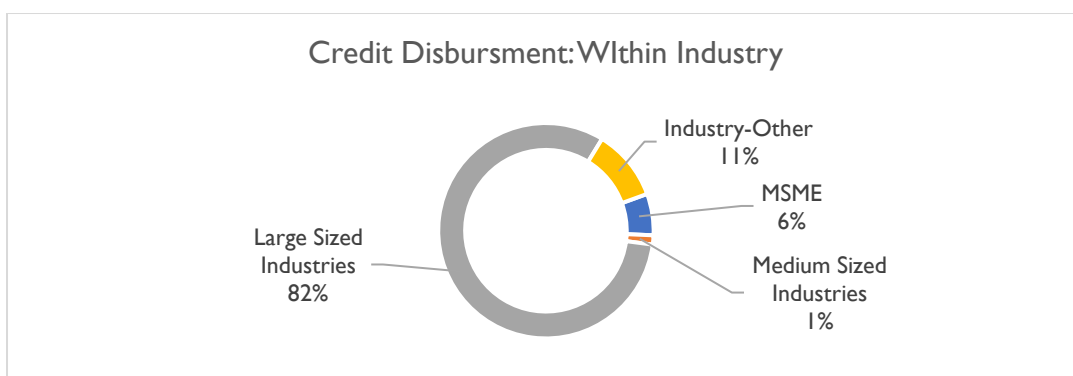
Source: RBI, Scenario as on end September 2023

- **Credit Disbursement Pattern**

Approximately 37% of total credit outstanding by the NBFC sector is concentrated in the industrial sector, making it the largest recipient of NBFC credit. Within the industry sector, nearly 82% of the outstanding credit is concentrated in large industrial segment. The MSME sector, which faces credit rationing and finds it challenging to raise credit from banking sector, continues to be under penetrated by the NBFC sector. Retail loans and loans to other non-food sector form the second and largest recipient of NBFC credit, as on September 2023.



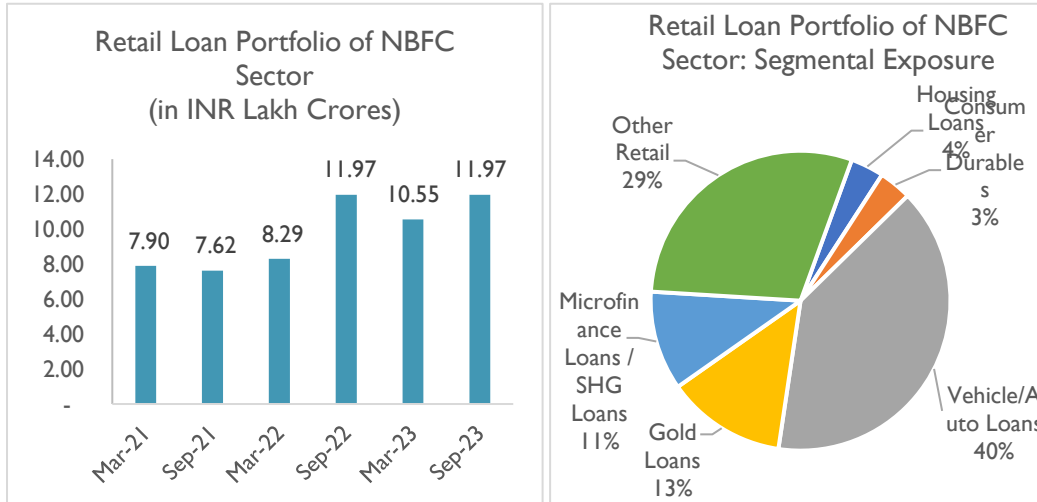
Source: RBI, Scenario as on end September 2023



Source: RBI, Scenario as on end September 2023

- **Retail Loan Disbursement Pattern**

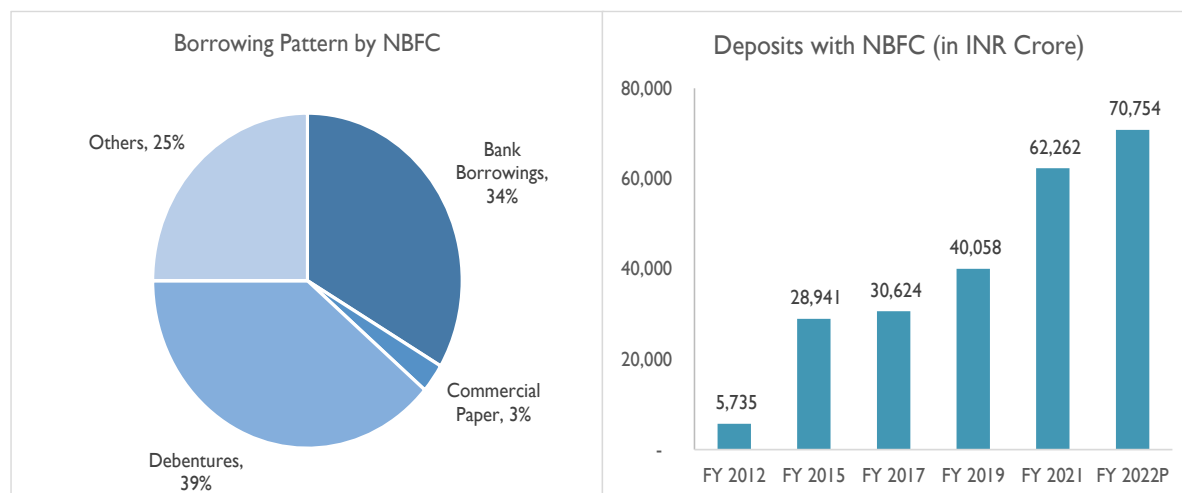
FY 2023 witnessed aggressive growth of NBFC retail credit portfolio, as the segment became the largest disburser of retail loans. By end of September 2023, the total outstanding retail credit portfolio of the NBFC sector stood at INR 11.97 Lakh crore, accounting for nearly 30% of the total loan book of the NBFC sector. Vehicle loans dominated the retail loan portfolio of NBFC industry, accounting for nearly 40% of the total loan book as of September 2023. This dominance could be attributed to the leadership of NBFC industry in the two-wheeler loan segment – where it has the majority market share.



Source: RBI, Scenario as on end September 2023

- **Funding Mobilization Pattern**

NBFCs use a mix of deposits and borrowings to mobilize funds, of which borrowings forms the lion’s share. Debentures followed by bank borrowings form the bulk of borrowed funds, while deposits include a mix of retail and corporate deposits. Given the stringent RBI norms on accepting deposits, the number of deposits taking NBFCs have dipped drastically, falling from nearly 270 in FY 2012 to 41 in FY 2022. However, this drop has not impacted the deposit volumes, indicating an increasing risk appetite among corporate and retail depositors.



Source: Reserve Bank of India, 2023

### Asset Quality

In 2020-21, NBFCs registered slight improvement in asset quality over 2019-20 due to asset classification standstill in view of the pandemic and with the help of resolution of a few accounts in the infrastructure category during the year. Gross NPA (GNPA) dropped from 6.5% in 2021 to 4.6% in 2023, while Net NPA (NNPA) witnessed an even sharper decline, from 3.4% to 1.5%

As of March 2023, GNPA and NNPA ratios of NBFCs increased to 4.6% and 1.5% respectively. NBFCs’ overall asset quality may be impacted due to their high concentration towards the industrial sector.

### Profitability and Capital Adequacy

In case of NBFCs-D, there was a deterioration in Return on Assets (RoA) and Return on Equity (RoE) in 2020-21 on account of the pandemic-induced slowdown. On the other hand, Net Interest Margins (NIM) improved during the same period, reflecting improvement in interest income along with lower expenses. The profitability of NBFCs-ND-SI in terms of RoA marginally increased in 2020-21 due to an improvement in the RoA of IFCs. The overall RoE of NBFCs-ND-SI declined. NIM was lower for all entities, reflecting subdued credit off-take.

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- **Contribution to Economic Development**

**Enhancing the Financial Market:** An NBFC caters to the urban and rural poor companies and plays a complementary role in financial inclusion. These NBFC companies bring much-needed diversity to the market by diversifying the risks, increasing liquidity in the markets thereby bringing efficiency and promoting financial stability of the financial sector. The financial market is dependent on the functions that are taken care of by these NBFC companies.

**Infrastructure Lending:** NBFCs by lending to infrastructure projects, contribute largely to the growth of a developing country like India. The amount involved in infrastructure project is quite large, the projects being risky, with no surety of returns, and profits occurring after a longer time-frame. These factors deter

banks from financing these projects. Since their inception, NBFCs have contributed more to infrastructure lending than banks.

**Promoting Inclusive Growth:** All the top NBFC in India cater to a wide variety of customers – both in urban and rural areas. They finance projects of small-scale companies, which is important for the growth in rural areas. They also provide small-ticket loans for affordable housing projects. Microfinance provided by them plays an important role to attain stable financial inclusions. All these activities by the institution with an NBFC License help promote inclusive growth in the country.

**Upliftment in the Employment Sector:** With the growth in operations of the small industries and businesses, the policies of NBFCs are uplifting the job situation. More opportunities for employment are arising with the influence of the NBFCs in the private as well as government sectors. The business activities in the private sector provide more employment opportunities and occupation practices.

**Mobilization of Assets:** With more public preferring to deposit in NBFCs because of their higher rate of interest, NBFCs allow mobilization of resources; funds, and capitals. Due to their easier norms for investing, these companies create a balance between intra-regional income and asset distribution. Turning the savings into investments, these companies contribute to economic development as compared to traditional bank practices. Proper organization of capital helps in the development of the trade and industry, leading to economic progress.

**Financing for Long-Term:** NBFC plays a key role in providing firms with funds through equity participation. As against traditional banks, NBFCs supply long-run credit to the trade and commerce industry. They facilitate to fund large infrastructure projects and boost economic development. Long-term finance permits growth with stable and soft interest rates. The economy thrives when businesses of SSIs and MSMEs flourish.

**Innovative Products:** NBFCs, by being flexible in terms of lending and investment opportunities than banks, are more proactive in innovating financial products. This facilitates their growth in an exceedingly prudent manner. They fine-tune their selling campaigns regarding their target customers. NBFC P2P is a relatively new segment in India that is already creating waves by providing considerably higher margins and facilitating loans at a lower cost.

### **Key factors fuelling the aggressive growth of NBFCs in India**

**Strong Understanding of customer needs:** NBFCs have developed deep understanding about consumer needs and demands with the help of competent market research teams that periodically take surveys. These surveys prove extremely useful in determining the financial needs of people of different age group, ethnicity, or job type. As a result, most of these NBFCs are also able to provide financial assistance to the segment of the society that finds it difficult to avail financial aid from traditional banks with rigid policies. NBFC's have strongly focused on unorganized & Under-served segments of the economy, which led the companies to create a niche for themselves through frequent interactions with their customer segments.

**Leveraging Technology for Improved Efficiency and Enhanced Experience:** Recently, several government banks have gone digital in all their transactions. However, NBFCs have been comparatively pro-active in incorporating technology with all their processes way before them. The use of technology has helped NBFCs in customize credit assessment models and optimize business processes, thereby reducing the time to market and helping improve customer experience. NBFCs are investing in data analytics and artificial intelligence to build robust relationships with their target customer segments.

**Customized Product Offerings:** All the banks provide standard interest rates and charges on their products that are subject to rules and regulations by the RBI. While there are certain RBI guidelines for NBFCs as well, but they are not as stringent as those for traditional banking institutes. This allows several NBFCs to opt for non-standard pricing models for product lines, in-line with the customer profile and inherent risk of lending. The facility to avail tailor-made financial products attracts a lot of people to choose these NBFCs over traditional money-lending institutions.

**Co – lending arrangement:** To widen the customer base, NBFC are scouting for opportunity to Co-lend and hence NBFCs are collaborating with various alternative lenders with digital platforms and even with commercial banks.

**Wider and Effective reach:** NBFCs are now reaching out to Tier-2, Tier-3 and Tier-4 markets, distributing loans across several customer touchpoints, building a connected channel experience, that provides an omnichannel seamless experience with 24/7 sales and service, as the consumers of today evolving and accessing digital media like never before, NBFCs have embarked on new and better ways to engage with the customer.



**Efficient Risk Management:** Since NBFCs also focus on lending to the sub-prime customer segment, and has regulatory disadvantage (SARFEASI, DRT, and capital adequacy requirements) in comparison to commercial bank lenders, NBFCs are ensuring enhanced governance through a proactive, robust, and agile risk management model. Therefore, most NBFCs appoint financial experts at each level of management to ensure the highest standard of security and discretion.

- **Post Pandemic Scenario**

NBFC sector in India has witnessed significant market driven and regulatory events in the last decade. Some of the noteworthy developments include the issuance of new bank licenses for universal banks, introduction of a new category of banks like small finance banks and payments banks; insolvency processes and the resolution of a few large Non-Performing Assets (NPA) situations. Before the beginning of the COVID-19 pandemic, the sector was dealing with the contagion effects associated with the collapse of a few NBFCs and co-operative banks. However, innovation and adoption of technology continued within the sector even during these challenging times.

The pandemic has motivated the industry to reconsider its operation model and client acquisition strategy. Digitization and automation have taken Centre stage. Newer digital lending products introduced by fintech players have been accepted by customers, thereby creating disruption, especially around client acquisition and retail lending products. Introduction of digital lending products largely entails self-service applications supported by back-end processing of applications on risk rating processes.

Additionally, tools that help risk-based pricing and lending decisions are expected to be the next growth enablers for NBFCs. Financial institutions in India have realized the importance of data and are investing in technology infrastructure to leverage both structured and unstructured data and transform them into analytics and subsequently, actionable insights.

Cloud technology and the use of Artificial Intelligence and machine learning tools to perform forward-looking analytics should help in effective client acquisition, better credit decisions, improved efficiency, and optimized costs.

- **Growth Forecast**

NBFCs' Assets Under Management is expected to grow in single digits (between 7-8%) in FY24 on the back of NBFCs continued focus on extending credit facilities to that segment of consumers where the penetration of bank is relatively low, the demand for credit from the retail segment will also continue to flow to NBFCs. Continuous investments in technology infrastructure and ease of access to internet will fuel the growth of NBFC in upcoming years. There would be steady demand from retail segments specially from Housing loans and Vehicle loans segments which will continue growth momentum of NBFC sector.

In the recent past, many NBFCs have improved in terms of liquidity, capital and provisioning which along with improving economic activity would enable NBFCs to comfortably position itself to capitalize the growth opportunities in the years to come, however there will be competition from banks. On Asset Quality front the recent change in NPA recognition norms by RBI to a daily due-date basis instead of the month-end will have implications. However, the increase in GNPA's because of the revised income recognition, asset classification and provisioning norms will be largely an accounting impact because given the improving economy, the credit profiles of borrowers are not expected to deteriorate. Consequently, ultimate credit losses are not expected to change significantly.

Retail loans are expected to see reasonably broad-based growth in the current and next fiscals supported by pick-up in demand and consequently underlying sales. Gold, home and unsecured loans should clock the fastest growth rates. On the other hand, wholesale credit would continue to degrow as platforms such as alternate investment funds gain currency.

Going forward, the funding access which currently is disproportionately biased towards large and parent – backed NBFCs, is expected to normalize as NBFCs are now focusing on diversifying their funding avenues like Co-lending and securitization as well as retail borrowings. Deposit accepting NBFCs are focusing on increasing share of retail deposits in their liability mix.

- **Rural Lending Scenario**

Till the nationalization of banks in late 1960s, credit demand in rural market in India was met by non-institutional actors, of which private moneylender was prominent. Poor infrastructure, and unfavourable business dynamics kept organized credit providers away from rural markets. Apart from these practical challenges, players in non-institutional credit segment were tightly integrated in rural economy which afforded them the capability to meet the random & specific credit requirements that emerged in the rural market.

However, this unorganized segment was not able to meet the burgeoning credit demand in rural market, leading to credit rationing / credit unavailability. This in turn stalled economic growth in rural markets and given the dominance of rural economy in the first couple of decades post-Independence, the overall economic growth in the country remained low.

The average debt per household in rural India is estimated to be INR 60,000. The average debt is highest among self-employed (traders / merchants / shop keepers / non farming), standing at approximately INR 88,000 while it was lowest among casual labourers (employed in non-farming sector).

Average debt level among different classes of household in Rural India	
Type of Household (By Occupation)	Average Debt (In INR)
Self-employed (Non-Farming: traders / merchants / shop keepers etc)	INR 88,500
Agriculture / Farming (Own land)	INR 80,000
Regular Wage / Salaried	INR 77,000
Daily Wage / Casual Labourer (Non-Farming Activity)	INR 30,000
Daily Wage / Casual Labourer (Farming Activity)	INR 28,000
Others	INR 27,000
<b>Average across rural household</b>	<b>INR 60,000</b>

Source: NSSO Survey, Average Debt are approximate figures – rounded to nearest upper limits (Study conducted in 2019 – 20 period).

- **Key Demand Drivers**

Credit demand in rural markets has traditionally been driven by the agriculture sector, which being the dominant economic activity in rural regions. Although informal / non-institutional credit agencies continue to service the credit demand of the agriculture sector, initiatives by the Government have led to a decline in loans from those players. Apart from fiscal support & policies, the application of priority lending norms to agriculture has also helped in the flow of credit to agriculture sector. As a result, agriculture lending came to be synonymous with rural credit and banks became the leading credit supplying agencies.

However, there exists credit needs other than agriculture credit and the current rural lending structure fails to address those needs. Some of these non-agriculture credit demands emerging from both agriculture & non-agriculture households include:

- **Medical Needs:** Only 8 – 10% of population in rural Indian has life insurance coverage while less than 20% has any sort of insurance coverage. Such a low insurance penetration means out of pocket expenditure remains the main source of funding for medical needs. The average household income in rural India is estimated to be INR 165,000 – INR 170,000 out of which bulk is spend on daily sustenance leaving little for emergency needs. As per 75<sup>th</sup> round of NSS survey, average hospitalization expense in rural India is estimated to be nearly INR 17,000. Given non-existent health insurance penetration, the healthcare expense is met mainly through out-of-pocket expenditure and has become a major financing demand in rural markets.
- **Sizable Rural Population:** Despite the pace of urbanization & rural to urban migration that has happened in India for the past two decades, 70% of the total population and approximately 65% of the total households in India is still concentrated in the rural market. This underlines the importance of rural market. The shift in economic profile meant, the share of agriculture to total economic output has gone down. Hence the impact that agriculture has on overall economic growth is lower. However, the sheer size of rural population meant it accounts for a huge pool of consumer base – albeit which is untapped. The existing institutional credit agencies primary meet the agri credit needs of this population, while non agri credit demand is not met. This presents a huge untapped opportunity.
- **Shift in demographic profile:** The demographic profile is in a transition stage with the percentage of youth population on the rise – whose consumption & aspiration pattern is completely different from their earlier generation. Demand for consumer products ranging from FMCG products (personal care), consumables to big ticket items like vehicles has witnessed an increase in rural areas. Although income levels in rural areas have improved, the growth is not enough to keep up with the aspirational changes happening. The gap is especially felt in financing of big-ticket purchases – primarily vehicles. There is a requirement for a growth in credit offering from institutional side to meet these non-agriculture credit needs.

- **Business loans:** Probably one of the biggest usages of credit in rural market is small ticket loans that are used in employment generating activities. The end usage of this credit puts it into the larger category of business loan, but unlike traditional business loans the ticket size is very smaller. Demand for these loans emerge from cottage industries, and micro & small-scale industries in the rural region – for working capital needs / expanding the operation. The lack of credit history and higher risk levels has kept these segments out of the formal credit channels, forcing them to depend on informal credit channels (led by money lenders).

**To summarize, institutional credit mechanism to meet the non-agriculture credit demand in rural India is poorly developed. The higher transaction cost, low ticket size, risk profile and lack of collaterals has made this segment unattractive for formal credit agencies. The situation underwent a change with the introduction of microfinance services through SHG-BLG program. Although microfinance has improved the credit flow to rural markets, it is still way below the progress made by banking & NBFC sectors in urban markets. Thus, there exists ample untapped opportunity in rural market for a structured credit product.**

- **Current Scenario & Sources of Credit**

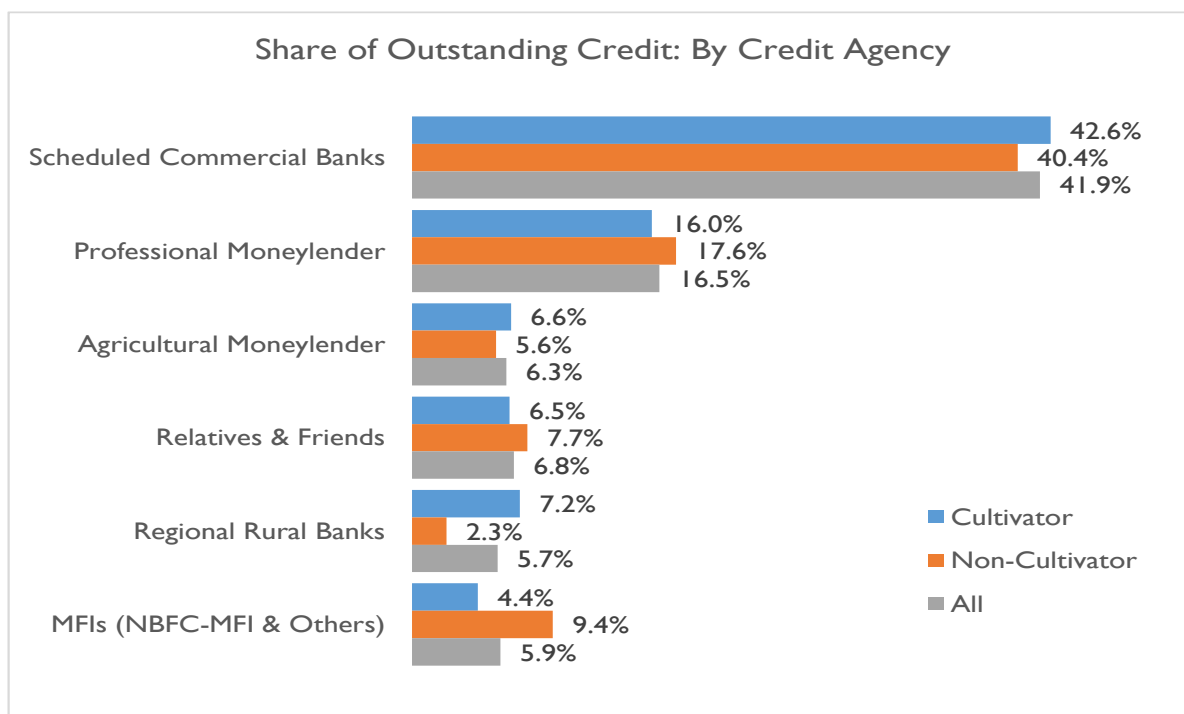
Considering the average household debt of INR 60,000, the total outstanding debt among rural households in India is estimated at INR 10 lakhs crores. Given the dominance of agriculture in rural regions, the dominance of farming household in household debt is expected. However, the higher debt level among households that classified as self-employed outside farming sector points to the increase in credit demand from small scale entrepreneurial activities. These include economic activities ranging from animal husbandry, shops & trading to small scale (cottage) industries.

Approximately 66% of outstanding cash debt in rural market is held by institutional agencies that include scheduled commercial banks, NBFC and MFIs. The remaining 34% is held by non-institutional credit agencies comprising private moneylenders and others. The proportion of non-institutional credit is slightly higher among non-cultivator households, compared to farming households.

Cash debt exposure pattern among rural households: Institutional v/s non-institutional credit agencies			
Type of Credit Agency	Cultivator Households	Non-Cultivator Households	All Households
Institutional	67.0%	63.9%	66.1%
Non-institutional	33.0%	36.1%	33.9%
Total	100.0%	100.0%	100.0%

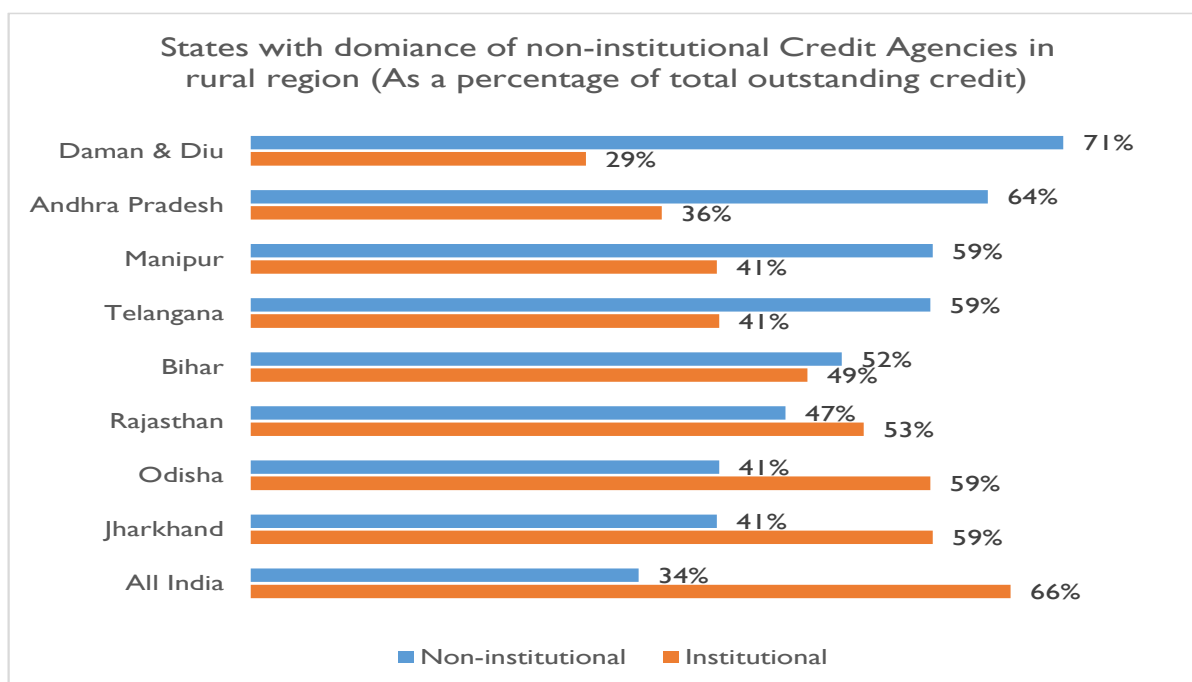
Source: NSSO Survey, All India Debt & Investment Survey 2019

Although institutional credit agencies, led by scheduled commercial banks, has increased their penetration in rural markets, the role played by non-institutional credit agencies has not diminished. Private moneylender who is the dominant segment within the non-institutional credit framework serving rural market continues to be major player – second only to banks in terms of share of total debt outstanding. Private moneylenders together with agriculture specific moneylenders accounted for nearly 23% of total outstanding debt in the rural market. Despite the aggressive growth made by microfinance entities, their share of the total outstanding credit in rural market remains in the range of 6%.



Source: NSSO Survey, All India Debt & Investment Survey 2019

From a pan India level, the share of non-institutional agencies in total outstanding rural debt has fallen below 34%. However, in certain states, this segment continues to be the dominant form of credit source to rural consumers / households. The share of non-institutional credit agencies is highest in Daman & Diu -with 71% of total outstanding debt – while it remains more than 50% in four states and between 40% and 50% in four more states.



Source: NSSO Survey, All India Debt & Investment Survey 2019

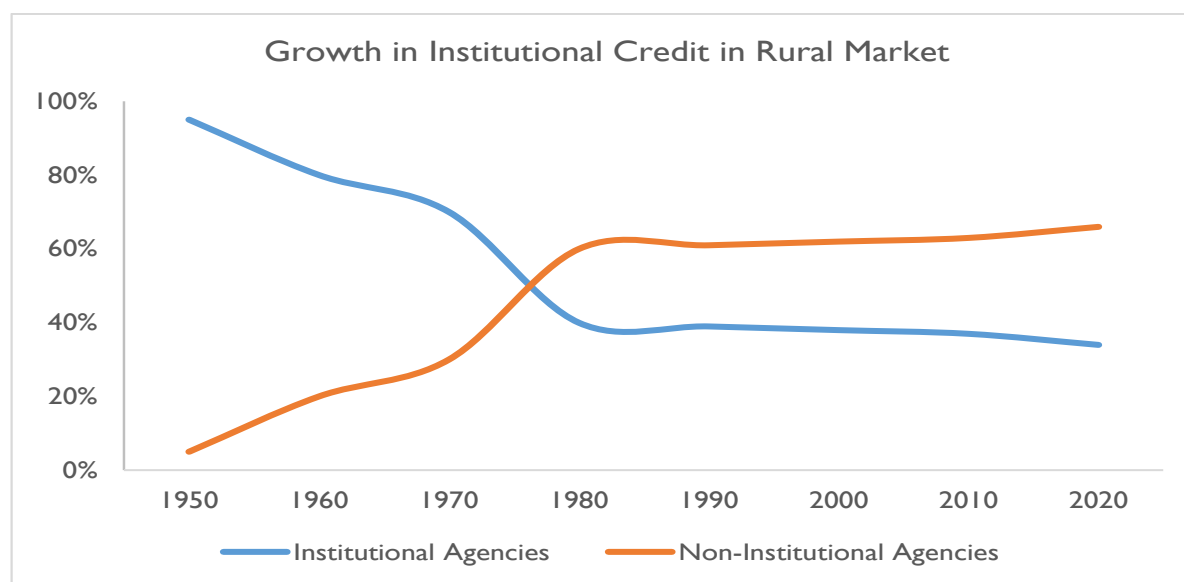
- **Strengthening of Institutional Credit Agencies**

Bank nationalization was the first step by the Government to address the credit rationing that was prevalent in the rural markets. This move led to the expansion of branch network of nationalized banks into hinterland, and gradually began to displace non institutional players. Although the business cost incurred by institutional credit

agencies (like banks) in extending credit in rural markets was high, they were able to successfully replace private moneylenders as the dominant credit agencies in rural markets.

Apart from bank nationalization, the Government and Reserve Bank of India (RBI) introduced several new players to strengthen institutional credit segment including rural cooperatives, regional rural banks, and finally NABARD (National Bank of Agriculture and Rural Development) in 1982. These measures strengthened the institutional credit supply.

**Consequently, the share of non-institutional credit agencies in total credit outstanding in rural markets began to decrease. From a high of nearly 95% in 1950 it came down to the range of 30 – 40% by early 1990s. Since then, it has remained in that range. By 2020, the share of non-institutional sources of credit dropped to an all time low of approximately 34%.**



NSSO Report, All India Debt and Investment Survey, Secondary Research

As seen in the above chart, the pace of penetration of institutional sources of credit in rural market plateaued in early 1990s, and since then the rate of growth has been marginal. This is often correlated with the economic liberalization that happened in 1991, and the autonomy that was accorded to nationalized banks to compete in the liberalized economy. As a result, the unbridled expansion into rural markets by nationalized banks came to a stop as focus was increasingly on improving profit margins. Rural markets, with its higher transaction cost, and lower ticket size were dragging down the margins and subsequently received lower priority. This is the primary reasons behind the stagnation of institutional credit sources in the 30 – 40%, for the past couple of decades.

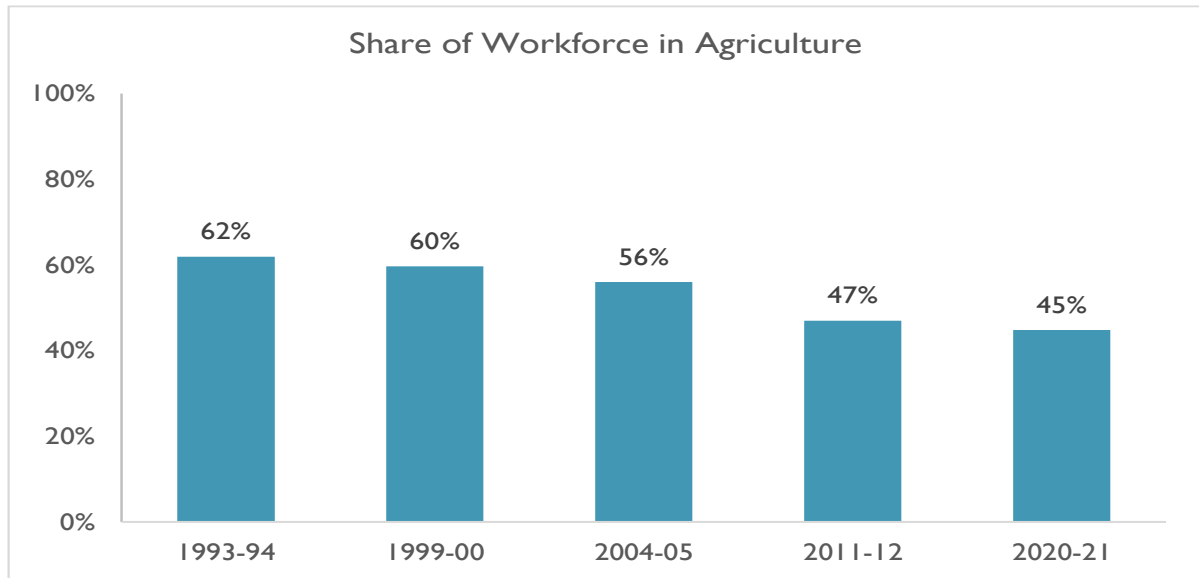
- **Rural Credit Skewed Towards Agriculture Sector**

Focused regulatory approach by the Government of India, and Reserve Bank of India (RBI) succeeded in improving the credit flow in rural market, by facilitating greater involvement of institutional credit agencies. Although several challenges, with respect to higher transaction cost and rigid lending norms, remained institutional agencies managed to increase their market share.

However, the focus was primarily on the agriculture & allied sector- which was the dominant economic activity when the Government intervention measures were introduced. The systems and structures that were put in place, including the formation of agencies like NABARD were all geared to ensure credit to agriculture sector. By 1970 – 1980's a strong institutional credit framework addressing rural credit demand was in place, and this comprised of NABARD, nationalized banks, Regional Rural Banks, and credit cooperatives. Although the pace of growth in credit extended by nationalized banks to rural sector began to slow down post 1991, the presence of alternative agencies meant the flow of credit was not disrupted.

Predictably rural credit became synonymous with agriculture & allied credit. This model worked well during 1950 to late 1980 / early 1990 model when agriculture was the predominant economic activity. The liberalization policies implemented in early 1990s changed the face of Indian economy with contribution from manufacturing and service segment picking up pace. Agriculture soon slipped below manufacturing and services in terms of economic output. The changes in economic climate as well as strides made in education and infrastructure development in rural markets led to a shift in the profile of working population. Urbanization started rural urban

migration, while younger population staying back in rural markets were exploring vocations other than agriculture. As per Census data, the number of farmers (cultivators) has been declining. Between 2001 and 2011, the number of cultivators declined by 90 lakhs.



NSSO Report, Secondary Research

**Findings from latest NSSO surveys clearly outlines the trend of declining workforce in agriculture. Although rural urban migration has contributed to this decline, that factor alone is not the trigger for this decline. Emergence of better opportunities in non-agriculture segment too have played a role in this decline. Thus, there exist a large pool of population in rural areas whose livelihood is not directly dependent on agriculture.**

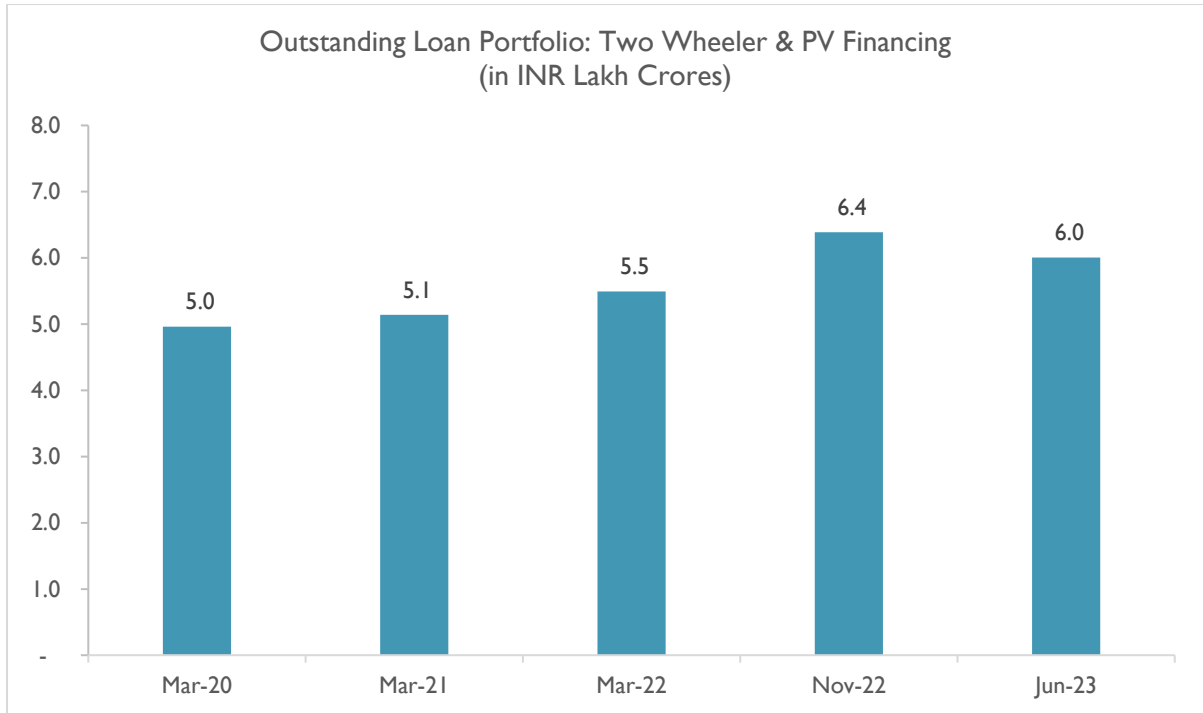
Despite this shifting trend in workforce participation in rural markets, the credit flow to rural markets from institutional sources continues to be concentrated in agriculture & allied sectors. Population / household outside of agriculture sector is thus facing credit rationing and is forced to depend on non-institutional credit sources.

- **Vehicle Lending in India**

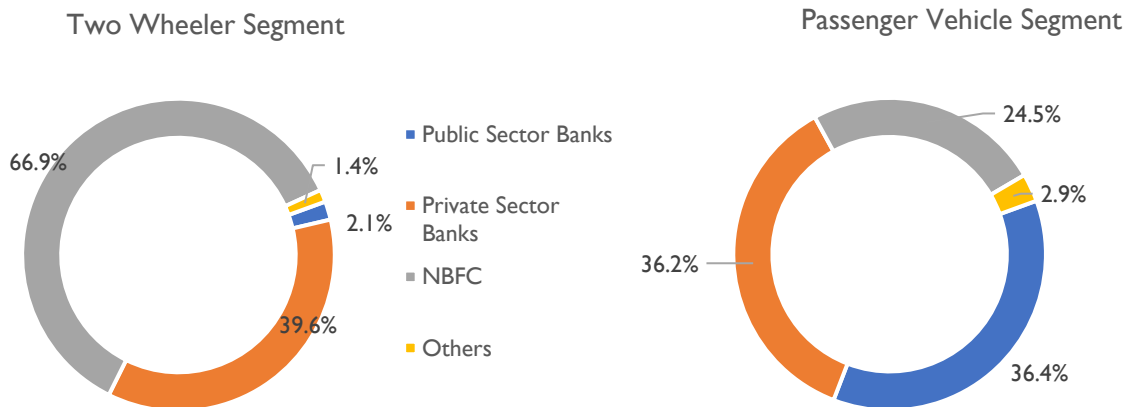
Vehicle finance is estimated to account for nearly 100% of total commercial vehicle sales and 80% of personal vehicle sales in India. In two-wheeler segment this penetration rate is estimated to be less than 50%. Banks remain a major player in overall vehicle loan market in India, but their share varies with segment. For instance, in two-wheeler loan and commercial vehicle segment NBFC have the upper hand, when compared to passenger vehicle segment.

- **Two-Wheeler & Passenger Vehicle Financing**

By June 2023, the outstanding automobile loans in India was approximately INR 6.0 Lakh Crore. Between March 2019 and June 2023, the outstanding loan portfolio increased by a compounded growth rate of nearly 6.9%. Banks dominate the passenger vehicle loan segment with nearly 73% share while two-wheeler loan segment is dominated by NBFCs with a market share of nearly 64.5%.



Source: CRIF High Mark



• **Indian Commercial Vehicle Market**

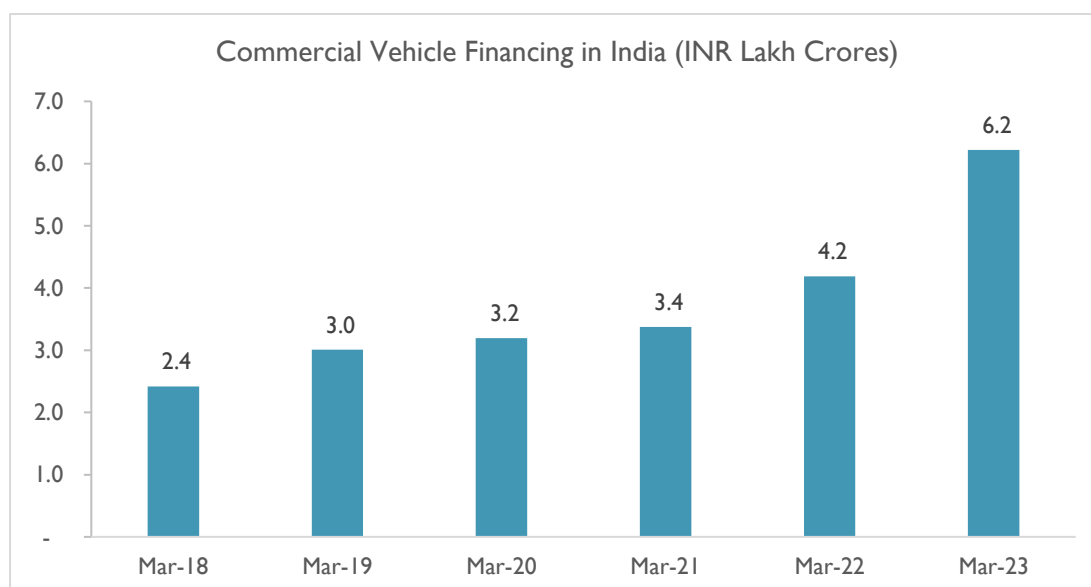
Commercial vehicle sales in India rebounded in FY 2021, after two consecutive years of contraction, to post annual sales volume of nearly 9,62,468 units in FY 2023. The industry showcased a positive growth of 30% from previous year, indicating the return to normalcy.

The strong demand revival has also benefitted the used commercial vehicle industry, which forms an integral part of Indian commercial vehicle landscape. The trucking industry in India is fragmented and unorganized, with single / multi vehicle owners forming the dominant part. It is estimated that small fleet owners – with not more than 5 to 20 trucks – account for nearly 85% of the Indian trucking market. This segment is constrained by capital, and access to bank services – thereby limiting their ability to procure new trucks. Subsequently this large unorganized segment tends to rely on used trucks to expand / refurbish their fleet – because of lower cost as well as ease of procuring vehicle financing through NBFC channels.

**Used Commercial Vehicle Demand: Key Factors**

The demand for used vehicles is expected to strengthen on the back of improvement in fleet utilization, higher price of vehicle, as well as higher fuel cost.

- Fleet utilization level in Indian trucking industry, which plunged to record lows during the covid-19 pandemic, is improving. On the back of recovery in core sectors like cement, coal & steel, the fleet utilization level improved to 88% in FY 2022 and further to 91% in FY 2023. It is expected to reach 95% in FY 2024. This increase in fleet utilization level – on the back of resumption in cargo movement – would trigger demand for commercial vehicles. However, given the dynamics of trucking industry in India the fleet expansion operations would play out differently in organized and unorganized segment. In the organized segment – comprising of large fleet operators – the expansion would be by induction of new vehicles. However, in the unorganized segment – dominated by small fleet owners – the expansion would be a mix of both new and used vehicles, due to the capital constraints.
- The supply chain disruptions that have delayed the shipping of parts have impacted the production of commercial vehicles. This in turn have increased the cost of the commercial vehicle, putting it out of bounds of smaller fleet operators. Subsequently, smaller fleet owners are gravitating more towards used commercial vehicles. Apart from lower upfront cost, the ease of procuring financing from NBFC for used commercial vehicles have also increased its attractiveness.
- The cost of vehicle is also impacted by the shift to BS VI regime. Shifting from BS IV to BS VI pushes the vehicle cost by 10 to 15%. Under this scenario, used BS III / B IV vehicles that are priced lower becomes an attractive option for smaller fleet operators.
- Despite the corrections in international crude oil prices, diesel prices in India have remained high. Since fuel cost accounts for bulk of operating cost borne by a fleet operator, higher diesel cost have pushed up the operating cost. Under such a high working capital scenario, the appetite to invest in newer vehicles is low. Used commercial vehicles with lower cost forms an attractive option.
- **Commercial Vehicle Financing**
  - Outstanding loan portfolio in India’s commercial vehicle segment was approximately INR 6.2 Lakh crores, as of March 2023. Two thirds of the outstanding credit is accounted by new vehicles while used CV financing accounts for the rest. Banks and NBFCs (including captive NBFCs) are the major players in Indian commercial vehicle financing segment. Banks accounts for more than 50% of the new commercial vehicle financing segment while NBFCs account for more than 90% of used commercial vehicle financing business in India.



CARE Ratings, Dun & Bradstreet Estimates

With fleet utilization level expected to touch 95% by end of FY 2023, the trucking & logistics industry is expected to witness fleet expansion. However, higher cost of vehicle due to shift from BS IV to BS VI would create capital constraints for smaller fleet owner / operators. With fuel cost reigning high, smaller operators will find it difficult to raise funds for capital expansion. In such a scenario, the unorganized segment would opt for lower priced used vehicles, rather than the costly new BS VI models. Subsequently, the demand for used commercial vehicle financing would go up. In addition, the lower EMI of used commercial vehicles too would be an added advantage for smaller fleet operators.



- **Two-Wheeler Demand in Rural Market**

Passenger vehicle sales in rural market is dominated by two-wheeler segment while the penetration of cars / passenger four-wheeler segment remains low. Higher ticket size of the later together with low-income level and challenges in accessing vehicle finance (for four wheelers) are the key hurdles that is preventing the sale of passenger four wheelers in rural market.

Total sale of two wheelers in rural India is in the range of 87-90 lakh units in FY 2023, accounting for slightly more than 55% of total two-wheeler sales in India. Bulk of the two wheelers sold in rural market are models with engine capacity in the range of 75 – 125 cc, which represents the lowest segment in terms of average ticket size.

Approximately 72.8 lakh two-wheeler loans were disbursed in FY 2023. Of the total two-wheeler loans disbursed in FY 2023, nearly 50% were disbursed in rural markets. The share of two-wheeler loans disbursed in rural market has been increasing steady. Between FY 2018 and FY 2023, the share of rural two-wheeler loans increased by nearly 10 percentage point.

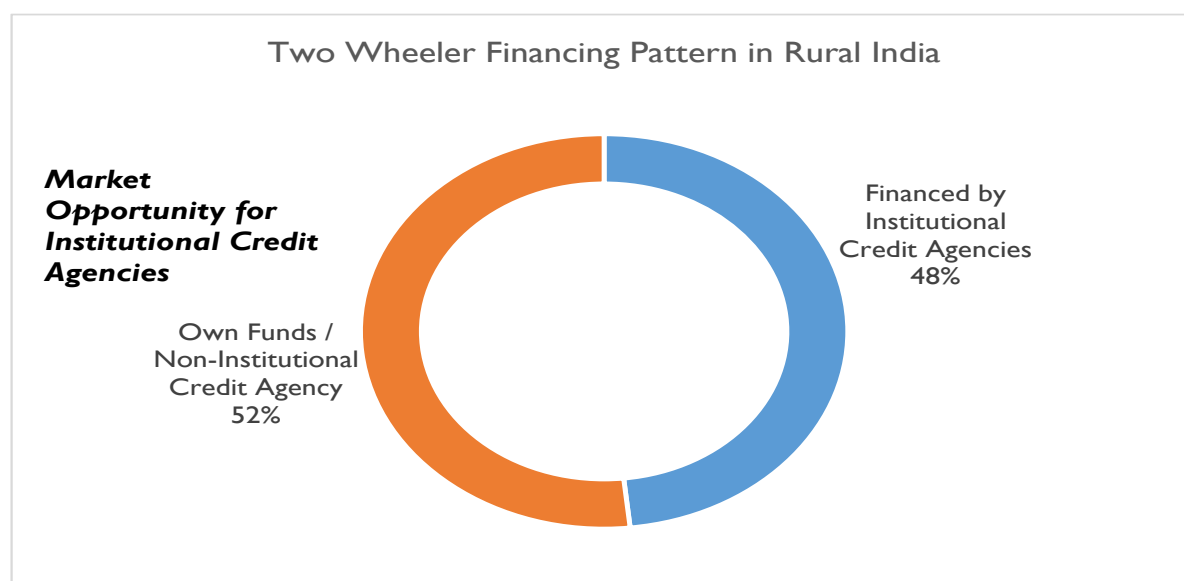
- **Used two-wheeler demand in India**

The onset of pandemic saw a shift in transportation pattern with commuters switching to private transport options. Given the budget constraints, the pickup in vehicle demand varied from region to region. In urban markets, this development benefited the sale of passenger cars while in rural markets the sale of two wheelers received a momentum.

Used two wheelers were also one of the beneficiaries of this development. Considering the lower purchasing power in rural markets, used two wheelers with a lower price tag emerged as a popular alternative to new vehicles. The pandemic has severally impacted the livelihood and earning potential in rural & semi-urban markets and this in turn has impacted the purchasing decisions – favouring lower priced used vehicle options. In addition, the price hike of newer vehicles have also helped increase the demand for used two wheelers.

- **Two-Wheeler Financing in Rural India**

- In FY 2023, the total number of two-wheeler loans disbursed in rural market was nearly 36 lakh, while the total number of two-wheelers sold in rural market is in the range of 87 to 90 lakh units. Thus, only half of the total two-wheeler sales in rural market is financed by institutional credit agencies while rest is financed either by own funds or through non-institutional credit agencies. Given the low-income levels in rural market, a large part of the two-wheeler purchases not covered by institutional lending would be financed by non-institutional / informal segment. In FY 2023, this accounted for nearly 54 lakh two wheelers sold in rural market, and this presents the untapped market potential for institutional credit agencies.



- **NBFC Presence in Vehicle Financing**

- As on March 2023, the total outstanding vehicle loan portfolio of NBFC segment was approximately INR 7.4 Lakh Crore, with nearly 75% of them being commercial vehicle loans. NBFC share in total two-wheeler loan

portfolio is nearly 65% while its share in passenger vehicle is close to 25%. In CV financing segment, the market share of NBFC is closer to 62% (including new and used CV financing).

NBFC Presence in Vehicle Financing		
Vehicle Segment	Gross Loan Portfolio	Market Share
Two-Wheeler	INR 0.50 Lakh Crores	~67%
Four-Wheeler / Passenger Vehicle	INR 1.16 Lakh Crores	~27%
Commercial Vehicles (New & Used)	INR 4.19 Lakh Crore	~62%
Total	INR 5.85 Lakh Crore	

Source: CRIF High Mark, CARE Rating, Dun & Bradstreet Estimates

- **Key Players**

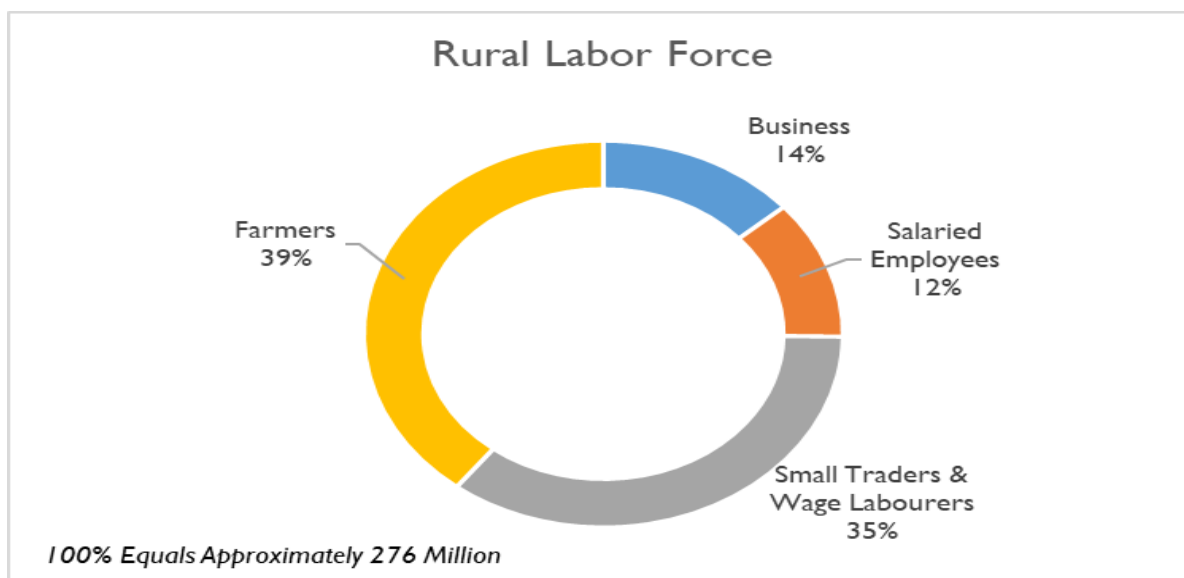
Notable Players in Indian NBFC Space: Vehicle Financing Segment	
Cholamandalam Investment & Finance Company Limited (Chola)	Chola, established in 1978, is the financial service arm of Murugappa Group. The Company's products include vehicle loans, home financing, SME loans, as well as rural specific loans. In vehicle finance, the company offers two-wheeler, four-wheeler, commercial vehicle, farm equipment and construction equipment loans. Their rural loan solution caters primarily to agribusiness segment. As per the Company's FY 2022 annual report the asset under management in vehicle finance business stood at INR 52,000 Crores.
Sundaram Transport Finance Company Limited	One of the largest players in vehicle financing space in India, with financing products in commercial vehicle (light / medium / heavy), farm equipment, construction equipment and passenger vehicle space. As per the Company's FY 2022 annual report, the total asset under management stood at INR 1.27 lakhs crores.
Bajaj Finance Limited (Bajaj Finserv)	Bajaj Finserv, founded in 2007, focuses on personal loans, consumer durable finance, home loans and gold loans. In vehicle finance, the company has presence in two-wheeler loans, and used car loans.
Mahindra & Mahindra Financial Services Limited	Established in 1991, Mahindra Finance has grown to become one of the largest agri equipment financing firms in India. Apart from farm equipment, the Company's vehicle finance portfolio also comprises of auto & utility vehicle financing, passenger vehicle financing, commercial vehicle financing, and used vehicle financing. Outside of vehicle finance, the Company also offers SME financing, and personal loans apart from investment & advisory services.

- **Market Opportunity in Rural Lending**

#### Unmet Credit Needs in Rural Market: Non-agriculture Population Segment

Analysing the trend of institutional credit flow to rural markets, and the shift in workforce pattern there exists a sizable volume of labour pool who falls outside the purview of the present model of institutional credit. This segment comprises of non-agricultural daily wage laborers, small traders, small business (cottage industry / MSME) owners, and salaried employees. Because of their employment profiles none of these workforces qualify for the credit products offered by the prevalent institutional credit agencies that are servicing rural markets. The demand from these consumer segments are retail loans which are not actively sold by institutional credit sources in rural markets. Subsequently, these consumer segment has turned towards non institutional credit agencies (like money lenders) for their financial needs.

**The total volume of rural labour force in India is approximately 27.6 crores in FY 2023, of which only 39% are engaged in farming. It is the remaining 61% of the workforce whose credit demand is not met properly by the existing institutional credit agencies that forms the potential market.**



Source: CMIE Economic Outlook Database

- **Focus Segments**

Rural lending scenario in India has undergone major transformation in the past couple of decades, culminating in the growth of institutional credit. From nearly 30% in total credit, the share of institutional credit in rural market has increased to nearly 66%. This is a result of focused Government policies, market friendly regulations, and innovations in NBFC segment the share of institutional credit in total outstanding credit in rural India has deepened.

Despite this advance, there remains few pockets where non-institutional credit (led by private moneylenders) continues to have a dominant market share. Andhra Pradesh, Bihar, Manipur, Telangana, and Rajasthan are the states where non-institutional credit plays a dominant role. It is these markets that would present attractive growth opportunity for institutional credit agencies like NBFCs and NBFC-MFIs.

From a consumer segment perspective, opportunity for deepening institutional credit in rural market would be higher among non-agriculture households which includes traders, casual labourers, and regular wage earners in rural market. Additionally, non-farm related credit demand from agri households too presents an opportunity for NBFC and NBFC-MFI segment.

Among all the credit products that has made inroads into rural markets, micro credit disbursed by MFIs and vehicle loans (primarily two-wheeler loans) by NBFCs are the most developed. As on March 2022, the total outstanding credit in microfinance sector was approximately INR 2.48 lakhs crores. Meanwhile nearly INR 23,000 Crore of two-wheeler loans were disbursed in rural markets during the same year.

Microcredit as a business model has been well accepted in rural markets, and it would continue to be a key tool in meeting the small ticket credit requirement in rural markets. On top of the organic growth, the industry would also benefit from the recent regulations that has expanded the potential customer pool as well as outlined steps to improve the transparency in the sector.

In vehicle financing segment, two-wheeler loans would continue to be the leaders – given the increasing demand as well as the well-developed network of vehicle finance players in the rural market. At present nearly 50% of the total two-wheeler sales happens in rural market. By FY 2027, two-wheeler sales in India is estimated to reach nearly 24 million units per annum. Assuming the share of rural market remains unchanged, the total volume of two wheelers sold in rural markets would be nearly 1.2 crore units per annum. These 1.2 crore would be the potential market opportunity for NBFCs planning to target the two-wheeler loan market in rural India.

Rural Lending Scenario: Emerging Opportunities	
Customer Segment	Credit needs of ~16 crore strong rural population (non-agri labour force) Non-farm related credit demand of nearly 12 crore strong agri labour force
Markets with High Growth Potential	States of Andhra Pradesh, Bihar, Telangana and Rajasthan, where the share of non-institutional credit agencies in total outstanding household debt is more than 40%

Rural Lending Scenario: Emerging Opportunities	
Credit products	<p>Microcredit: personal loans, small business loans</p> <p>Vehicle loans: Two-wheeler loans (two-wheeler sales in rural market is expected to reach 1.2 crore units per annum by FY 2027 and this presents a strong growth opportunity for two-wheeler financing companies focusing in rural markets)</p>

## OUR BUSINESS

Some of the information in this section, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section entitled “*Forward-Looking Statements*” on page 21 for a discussion of the risks and uncertainties related to those statements and also the sections entitled “*Risk Factors*”, “*Industry Overview*”, “*Financial Statements*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 33, 195, 293, 361, respectively, as well as financial and other information contained in this Red Herring Prospectus as a whole, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward looking statements.

Unless otherwise indicated, the financial information included herein is based on our Restated Financial Information included in this Red Herring Prospectus. For further information, see “*Financial Information*” on page 293. Unless the context otherwise requires, in this section, references to “the Company”, “our Company”, “we”, “us” and “our”, are to Akme Fintrade (India) Limited.

Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled “NBFC Industry in India” dated March 2024 (the “**Dun & Bradstreet Report**”) prepared and issued by Dun & Bradstreet, appointed by us exclusively commissioned and paid for by us in connection with the Issue. Forecasts, estimates, predictions and any other forward- looking statements contained in the Dun and Bradstreet Report are inherently uncertain because of changes in factors underlying their assumptions, or events that cannot be reasonably foreseen. Actual results and future events could differ materially from such forecasts, estimates, predictions or such statements. The data included herein includes excerpts from the Dun and Bradstreet Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the proposed Issue), that has been left out or changed in any manner. Unless otherwise indicated, financial, operational, industry and other related information derived from the Dun and Bradstreet Report and included herein with respect to any particular year refers to such information for the relevant calendar year. A copy of the Dun & Bradstreet Report is available on the website of our Company at [aasaanloans.com](http://aasaanloans.com) For more information, see “*Risk Factors – Industry information included in this Red Herring Prospectus has been derived from an industry report prepared by Dun and Bradstreet exclusively commissioned and paid for by us for such purpose*” on page 58. Also see, “*Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation – Industry and Market Data*” on page 20.

### Overview

We are a non-banking finance company (“NBFC”) incorporated in the year 1996 registered with the Reserve Bank of India as a Non-systemically important non-deposit taking company with over two decades of lending experience in rural and semi-urban geographies in India. We are primarily engaged in rural and semi-urban centric lending solutions to look after the needs and aspirations of rural and semi-urban populace. Our portfolio includes Vehicle Finance and Business Finance Products to small business owners. We have a long history of serving rural and semi-urban markets with high growth potential and have maintained a track record of financial performance and operational efficiency through consistently high rates of customer acquisition and retention and low cost expansion into underpenetrated areas. Therefore, we strategically focus on clients in the rural and semi-urban sector.

Our digital lending platform [www.aasaanloans.com](http://www.aasaanloans.com) is currently under development and will be rolled out in a phased manner. This digital lending platform, [www.aasaanloans.com](http://www.aasaanloans.com), has been currently deployed to a select group of users for the purpose of User Acceptance Testing (UAT), specifically focusing on Two-wheeler finance as the initial phase. Concurrently, our IT team is actively engaged in developing the product for loan against property, commercial vehicle financing, and secured business loans, which will be introduced in a phased manner. We are rigorously scrutinizing all aspects of Two-wheeler finance and subjecting them to stress testing using various parameters to ensure alignment with the anticipated credit standards before expanding the rollout to a broader audience at our branches.

As a preliminary measure, we have taken the initiative of launching the website [aasaanloans.com](http://aasaanloans.com). This distinct approach facilitates the identification of businesses with low risk and high potential, thereby offering opportunities to individuals who previously lacked access to both short-term and long-term financing options.

We have our footprints in rural and semi-urban geographies in 4 Indian states Rajasthan, Maharashtra, Madhya Pradesh and Gujarat through registered office located at Udaipur, Rajasthan, our Corporate Office located in

Mumbai, Maharashtra, 12 branches and over 25 points of presence including digital and physical branches having served over 2,00,000 customers till date.

## Financial Overview

Financial overview of our Company as on and for the nine month period ended December 31, 2023 and as on and for the fiscal year ended March 31, 2023, 2022 and 2021 is set out below:

(₹ Lakhs)

Business Vertical	As on and for the Year March 31, 2021	As on and for the Year March 31, 2022	As on and for the Year March 31, 2023	As on and for the nine months period ended December 31, 2023
Loan Book (AUM)	42,100.78	35,131.79	35,416.11	37,946.28
Net-worth	13,026.36	13,684.44	20,478.11	21,701.25
Revenue from Operations for the year/period	8,617.72	6,744.13	6,951.37	5,340.49
Profit for the year/period	1,630.49	412.07	1,580.27	1,224.66
Gross NPA (%)	3.57	4.90	4.57	3.94
Net NPA (%)	2.97	4.06	3.45	1.94

## Our Key Borrowers

1. Individuals
2. Small business owners

## Our Products

We operate two principal lines of business, namely,

1. Vehicle financing, comprising of Used Commercial Vehicle, 2 Wheeler Loans, Used 2 Wheeler Loans; and
2. Business Finance to small business owners and SME/MSME business owners.

### Vehicle Finance

Our Vehicle Finance business primarily involves providing financing for purchases of two-wheelers and three-wheelers passenger vehicles used or new commercial vehicles. Our vehicle finance operations involve a relatively larger sourcing team as compared to our other business lines as it is largely based on our experience of working with customers with limited credit history and our ability to effectively assess risks associated with financing used vehicles. As of December 31, 2023, our Vehicle Finance Credit Exposure amounted to ₹ 7,879.63 lakhs.

Our customers are predominantly transport operators, small businesses and self-employed and salaried individuals, who generally contribute between 10.00% and 30.00% of the purchase price of the asset financed, with the balance lent by us. We secure our loans through the hypothecation of each asset financed.

### Two-wheelers and Three-Wheelers

We finance the purchase of new two-wheelers and Three Wheelers, such as Scooters, motorcycles and auto rickshaws to salaried professionals and self-employed non-professionals. We are headquartered in Udaipur and have our presence in the state of Rajasthan, Madhya Pradesh, Gujarat and Maharashtra. We believe that Vehicle Finance business requires local on the ground presence. We have hired professionals with relevant experience in order to develop our vehicle finance business. We intend to leverage the relationships of our team members to make our footprints PAN India.

### Used commercial Vehicles

We finance the purchase of used commercial vehicles, including light commercial vehicles (“LCVs”), which carry goods and passengers, and heavy commercial vehicles (“HCVs”), which carry goods. For LCVs, our customers are typically medium and small fleet operators. For HCVs, our customers are typically transport operators and small businesses.

### **Business Finance to small business owners including SME and MSME**

Our lending business to small business owners including SME and MSME lending business, primarily involves us extending secured loans for business purposes to small and medium size enterprises, including businessmen, traders, manufacturers and self-employed professionals. The property securing these loans are typically completed and largely self-occupied residential and commercial property. We currently provide business loans from our branches located across four states in India, we believe that our in-depth product knowledge, relevant financial services domain knowledge, ability to structure loans to suit our customers' financial needs and our short turn-around-time for processing loan applications have positioned us as a preferred credit provider and allows us to benefit from the growing SME and MSME segment in India. Our total credit exposure as of December 31, 2023 is ₹ 37,946.28 lakhs out of which 79.23% of total credit exposure is of SME/ business loan which is ₹ 30,066.65 lakhs.

The following table sets out the product-wise revenue of our Company for the periods indicated as below:

*(₹ in lakhs)*

Business Vertical	For the Year March 31, 2021		For the Year March 31, 2022		For the Year March 31, 2023		For the nine months period ended December 31, 2023	
	Interest Income	% of Interest Income	Interest Income	% of Interest Income	Interest Income	% of Interest Income	Interest Income	% of Interest Income
Four Wheeler Loan	657.93	7.82%	501.10	7.72%	525.12	8.32%	411.21	8.10%
Business Loan	6,100.74	72.48%	4,723.87	72.82%	4,894.65	77.56%	3,863.00	76.08%
Three Wheeler Loan	79.19	0.94%	66.36	1.02%	77.97	1.24%	64.44	1.27%
Two Wheeler Loan	1,579.00	18.76%	1,195.60	18.43%	813.25	12.89%	738.58	14.55%
<b>Grand Total</b>	<b>8,416.86</b>	<b>100.00%</b>	<b>6,486.94</b>	<b>100.00%</b>	<b>6,310.99</b>	<b>100.00%</b>	<b>5,077.23</b>	<b>100.00%</b>

The following table sets out the product-wise NPA of our Company for the periods indicated as below:

*(₹ in lakhs)*

Business Vertical	As on March 31, 2021		As on March 31, 2022		As on March 31, 2023		As December 31, 2023	
	NPA	%	NPA	%	NPA	%	NPA	%
Four Wheeler Loan	185.11	12.31%	122.69	7.12%	147.69	9.12%	57.87	3.87%
Business Loan	698.79	46.46%	1,410.34	81.89%	1,107.55	68.37%	1,158.13	77.45%
Three Wheeler Loan	4.98	0.33%	2.06	0.12%	14.67	0.91%	21.57	1.44%
Two Wheeler Loan	615.15	40.90%	187.24	10.87%	349.97	21.60%	257.8	17.24%
<b>Grand Total</b>	<b>1,504.04</b>	<b>100.00%</b>	<b>1,722.33</b>	<b>100.00%</b>	<b>1,619.88</b>	<b>100.00%</b>	<b>1,495.37</b>	<b>100.00%</b>

### **Our Sources of Funds**

We have maintained a diversified funding profile through our established relationships with our lenders and investors. Our diversified base of lenders (including various banks, offshore financial institution and NBFCs) and investors has provided us and continue to provide a consistent source of funding.

The Company procures / has procured funds for lending through following ways:

1. Raising funds through issuance of Equity Shares.
2. Raising funds through borrowings in the form of loans from banks/financial institutions;
3. Raising funds through issuance of redeemable non-convertible debentures; and
4. Raising funds through subordinated debts.

The following table sets forth the details of the aggregate outstanding borrowings of the Company as on December 31, 2023:

#### Details of Secured Borrowings

(₹ in lakhs)

Type of Borrowing	Sanctioned Amount	Outstanding Amount
Term Loan	15,280.00	8,667.50
Cash Credit Limit	4,854.00	4,232.90
External Commercial Borrowings	5,600.00	4,618.54
Overdraft	18.00	0.00
<b>Total Secured Borrowings</b>	<b>25,752.00</b>	<b>17,518.94</b>

#### Details of Unsecured Borrowings

(₹ in lakhs)

Type of Borrowing	Sanctioned Amount	Outstanding Amount
Subordinated Debts	2,000.00	2,000.00
<b>Total Unsecured Borrowings</b>	<b>2,000.00</b>	<b>2,000.00</b>

#### Details of Material Borrowings

The following table sets forth the details of our outstanding borrowings availed from top 5 lenders as on December 31, 2023:

(₹ in lakhs)

Sr. No.	Name of the lender	Nature of borrowing	ROI %	Tenure (Months)	Sanctioned Amount	Outstanding amount as on December 31, 2023
1.	Bank of Baroda	Cash Credit	13.05%	Repayable on demand	4,287.00	3776.71
2.	World Business Capital	Term Loan	4.09161% + 3 Month USD SOFR	120	5,600.00	4618.54
3.	Mas Financial Services Ltd.	Term Loan	14.10%	36	950.00	343.06
		Subordinated Debts	15.30%	72	1,000.00	1,000.00
		Term Loan	14.00%	36	200.00	148.71
		Term Loan	13.50%	36	500.00	424.24
		Term Loan	13.50%	36	500.00	491.70
4.	Maanaveeya Development & Finance Pvt. Ltd.	Term Loan	14.00%	36	1,000.00	760.58
		Subordinated Debts	16.00%	72	1,000.00	1,000.00
5.	State Bank of India	Cash Credit	11.15%	Repayable on demand	400.00	329.38
		Term Loan	11.15%	67	1,500.00	1495.26
<b>Total</b>						<b>14,388.18</b>



## Our Operations

We carry out our operations in the format of “hub & spoke” business model. We conduct our retail operations through our registered office located at Udaipur, Rajasthan having 6 branches in Rajasthan and 6 branches located in the state of Maharashtra, Gujarat and Madhya Pradesh respectively. We also have points of sale at in 25 locations across India. In small business finance and vehicle finance businesses, our branches act as the primary point of sale and assist with the origination of loans, various collection processes and enhancing customer service, while our central support office provides support functions, such as loan processing and credit monitoring. We maintain clear segregation between our sourcing and credit approval teams so as to ensure independence and effectively manage operational risks. Our enterprise-wide loan management system integrates all activities and functions within our organization under a single technology and data platform, bringing efficiencies to our back-end processes and enabling us to focus our resources on delivering quality services to our customers.

We maintain long-term relationships with our lenders and as of December 31, 2023, our lenders included, amongst others, 3 public sector banks, 2 private sector banks, and 12 other financial institutions. Our distribution network included personnel in our in-house sales team. We have and expect to continue to benefit from professional expertise of our Promoters.

## Our locations

Apart from our Registered Office located at Udaipur, Rajasthan and our Corporate Office located in Mumbai, Maharashtra, we have network of 12 branches, spread across 4 states, Rajasthan, Maharashtra, Gujrat and Madhya Pradesh. Apart from our branch network we have our reach to 23 locations digitally. Though we do not have formal offices at these locations but our employees are present at these locations who manage business sourcing, collection and customer relations.

The following table sets forth our branch network:

Sr. No.	City	State
1.	Thane	Maharashtra
2.	Ahmedabad	Gujarat
3.	Mandasaur	Madhya Pradesh
4.	Jodhpur	Rajasthan
5.	Chittorgarh	Rajasthan
6.	Sabla	Rajasthan
7.	Salumber	Rajasthan
8.	Pune	Maharashtra
9.	Surat	Gujarat
10.	Reodar	Rajasthan
11.	Banswara	Rajasthan
12.	Ashta	Madhya Pradesh

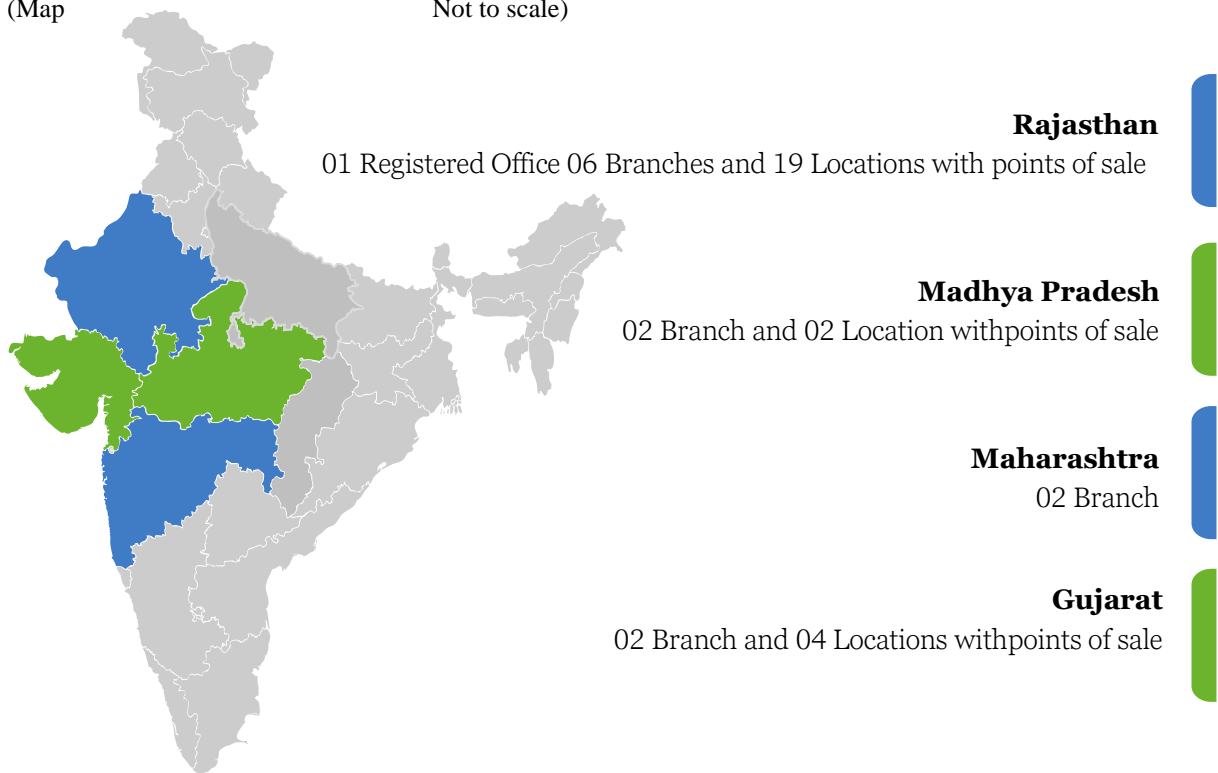
Apart from our Registered Office and branches, we also have point of sales at the following locations:

Sr. No.	Location	State
1.	Indore	Madhya Pradesh
2.	Ujjain	Madhya Pradesh
3.	Vapi	Gujarat
4.	Vyara	Gujarat
5.	Himmatnagar	Gujarat
6.	Navsari	Gujarat
7.	Anandpuri (Banswara)	Rajasthan
8.	Sagwara (Dungarpur)	Rajasthan
9.	Simalwara	Rajasthan
10.	Ganoda	Rajasthan

Sr. No.	Location	State
11.	Dungarpur	Rajasthan
12.	Akola	Rajasthan
13.	Aspur	Rajasthan
14.	Gogunda	Rajasthan
15.	Palodara	Rajasthan
16.	Jaswantpura	Rajasthan
17.	Jaipur	Rajasthan
18.	Bhinmal	Rajasthan
19.	Abu Road	Rajasthan
20.	Sajjangarh	Rajasthan
21.	Kherwara	Rajasthan
22.	Sagtada	Rajasthan
23.	Sirohi	Rajasthan
24.	Nadol	Rajasthan
25.	Rajsamand	Rajasthan

(Map

Not to scale)



The following table shows branch-wise revenue:

(₹ in lakhs)

Branch	Fiscal 2021		Fiscal 2022		Fiscal 2023		For the period ended December 31, 2023	
	Interest Income	%	Interest Income	%	Interest Income	%	Interest Income	%
Ahmedabad	677.25	8.05%	566.35	8.73%	345.06	5.47%	378.51	7.46%
Mandsaur	489.55	5.82%	370.78	5.72%	394.11	6.24%	419.41	8.26%
Thane	218.58	2.60%	119.27	1.84%	246.18	3.90%	367.15	7.23%
Chittorgarh	381.42	4.53%	266.52	4.11%	229.96	3.64%	152.62	3.01%
Jodhpur	47.16	0.56%	36.36	0.56%	41.87	0.66%	33.06	0.65%
Sabla	43.56	0.52%	27.21	0.42%	23.99	0.38%	21.47	0.42%
Salumber	59.35	0.71%	30.23	0.47%	51.86	0.82%	33.30	0.66%
Head office	6499.99	77.23%	5070.22	78.16%	4977.96	78.89%	3,567.02	70.26%
Ashta	0.00	0.00%	0.00	0.00%	0.00	0.00%	37.20	0.73%
Banswara	0.00	0.00%	0.00	0.00%	0.00	0.00%	22.08	0.43%
Reodhar	0.00	0.00%	0.00	0.00%	0.00	0.00%	6.81	0.13%
Surat	0.00	0.00%	0.00	0.00%	0.00	0.00%	16.65	0.33%
Pune	0.00	0.00%	0.00	0.00%	0.00	0.00%	21.95	0.43%
<b>Total</b>	<b>8,416.86</b>	<b>100.00%</b>	<b>6,486.94</b>	<b>100.00%</b>	<b>6,310.99</b>	<b>100.00%</b>	<b>5077.23</b>	<b>100.00%</b>

\*The branches in Pune, Maharashtra and Surat, Gujarat have started in the Fiscal 2024

### Our Co-lending arrangements

We have entered into Co-lending agreements with other financial institutions enabling us wider access to the credit market in priority sector. Amongst other lenders Bajaj Finance Limited, Capital India Finance Limited, MAS Financial Services Limited and Shriram Finance Company Limited.

### Key Financial Highlights

(₹ in lakhs)

Particulars	As on and for the year ended March 31,						As on and for the nine months period ended December 31, 2023
	2018	2019	2020	2021	2022	2023	
Total Interest income	4,406.87	8,434.41	9,845.13	8,416.86	6,486.94	6,310.99	5,077.23
Finance Cost	2,260.03	4,645.94	5,561.69	4,804.47	3,500.04	2,765.08	2,063.86
PAT	1,085.70	1,764.97	1,846.52	1,630.49	412.07	1,580.27	1,224.66
Gross NPA	579.63	892.00	1,290.27	1,504.04	1,722.33	1,619.88	1,495.35
Net NPA	513.23	644.01	1,075.95	1,249.22	1,426.02	1,220.34	734.95
AUM	33,891.02	47,405.06	47,943.31	42,100.78	35,131.79	35,416.11	37,946.28

### Key Financial Ratios

We have an experienced and dedicated management team with industry experience and who have demonstrated their ability to deliver growth and profitability, across business cycles. We believe the significant business expertise of our management team positions us well to capitalize on future growth opportunities. Each of them have extensive experience in the banking or related industry such as finance, commercial operations, strategy, audit, business development, human resources, compliance and public relations.

The following table sets out key financial and operational parameters for the relevant periods is as set-out below:

**Key financial and operational performance indicators (“KPIs”)**

Particulars	As of / For the year ended March 31, 2021	As of / For the year ended March 31, 2022	As of / For the year ended March 31, 2023	As at / For the nine months period ended December 31, 2023
Customers (in lakhs) <sup>(1)</sup>	0.45	0.34	0.32	0.33
AUM (₹ lakhs) <sup>(2)</sup>	42,100.78	35,131.79	35,416.11	37,946.28
Net Worth (₹ lakhs) <sup>(3)</sup>	13,026.36	13,684.44	20,478.11	21,701.25
Tangible Net Worth (₹ lakhs) <sup>(4)</sup>	12,739.42	13,508.33	20,217.46	21,349.08
Leverage (AUM/ Net worth) <sup>(5)</sup>	3.23	2.57	1.73	1.75
AUM/ Tangible Net Worth <sup>(6)</sup>	3.3	2.6	1.75	1.78
Restated Profit After Tax for the Year / Period (₹ lakhs) <sup>(7)</sup>	1630.49	412.07	1,580.27	1,224.66
RoA (%) <sup>(8)</sup>	3.58%	1.10%	4.05%	2.93%
ROE (%) <sup>(9)</sup>	12.52%	3.01%	7.72%	5.64%
Return on Tangible Equity <sup>(10)</sup>	13.81%	3.14%	9.37%	5.89%
Branches <sup>(11)</sup>	7	7	7	12
Employees <sup>(12)</sup>	223	142	114	125
AUM per branch (₹ lakhs) <sup>(13)</sup>	6,014.40	5,018.83	5059.44	3,162.19
AUM per employee (₹ lakhs) <sup>(14)</sup>	188.79	247.41	310.67	303.57
Disbursement per branch per month (₹ lakhs) <sup>(15)</sup>	64.02	23.26	93.26	53.27
Disbursement per employee per month (₹ lakhs) <sup>(16)</sup>	2.01	1.15	5.73	5.11
Gross NPA ratio(%) <sup>(17)</sup>	3.57%	4.90%	4.57%	3.94%
Net NPA ratio (%) <sup>(18)</sup>	2.97%	4.06%	3.45%	1.94%
Operating Expenses to Average AUM (%) <sup>(19)</sup>	2.63%	3.70%	5.18%	3.32%
Average cost of borrowing (%) <sup>(20)</sup>	13.40%	12.78%	13.56%	11.07% *
Cost to income ratio (%) <sup>(21)</sup>	30.52%	43.95%	43.61%	37.09%
Provision Coverage Ratio (%) <sup>(22)</sup>	16.94%	17.20%	24.66%	50.85%
Average yield on Gross Loan Book (%) <sup>(23)</sup>	18.69%	16.80%	17.89%	13.84% *
Net Interest Margin (%) <sup>(24)</sup>	8.02%	7.73%	10.05%	8.22% *
Total Interest income (₹ lakhs) <sup>(25)</sup>	8,416.86	6,486.94	6,310.99	5,077.23
Finance Cost (₹ lakhs) <sup>(26)</sup>	4,804.47	3,500.04	2,765.08	2,063.86
Revenue from operation (in ₹ Lakhs) <sup>(27)</sup>	8,617.72	6,744.13	6,951.37	5,340.49
EBITDA (in ₹ Lakhs) <sup>(28)</sup>	6,790.54	4,328.43	4,827.98	3,618.83
EBITDA margin (%) <sup>(29)</sup>	78.80%	64.18%	69.45%	67.76%
Debt equity Ratio (times) <sup>(30)</sup>	2.49	1.70	0.88	0.91
Total debt ((in ₹ Lakhs) <sup>(31)</sup>	31,782.23	23,006.03	17,776.31	19,518.94
Debt EBITDA Ratio <sup>(32)</sup> (times)	4.68	5.32	3.68	5.39
Capital Employed ratio (%) <sup>(33)</sup>	15.01%	11.61%	12.47%	8.69%
PAT Margin (%) <sup>(34)</sup>	18.92%	6.11%	22.73%	22.93%

\*Not annualized

Notes:

(1) Number of customers represents aggregate number of customers of our Company as of the last day of relevant period including securitized accounts.

(2) AUM represents aggregate of Gross Loan Book as of the last day of the relevant period.

(3) Net worth represents the sum of equity share capital and other equity as of the last day of the relevant period.

(4) Tangible Net worth represents the sum of equity share capital and other equity and reduced by intangible assets and net deferred tax assets as of the last day of the relevant period.

- (5) Leverage is calculated as AUM as of the last day of the relevant period divided by Net worth as of the last day of the relevant period.
- (6) AUM/ Tangible Net Worth ratio is calculated as AUM as of the last day of the relevant period divided by Tangible Net worth as of the last day of the relevant period
- (7) Restated Profit After Tax for the Year / Period (₹ lakhs) is as per the Restated Financial Statements
- (8) ROA represents profit after tax, divided by average of total assets. Total assets represent total assets as of the last day of the relevant period.
- (9) ROE is calculated as restated profit after tax for the year/ period divided by total equity.
- (10) Return on Tangible Equity is calculated as the restated profit after tax for the relevant period as a percentage of Average Tangible Net Worth in such period.
- (11) Number of branches represents number of branches of our Company as of the last day of relevant period.
- (12) Number of employees represents number of employees of our Company as of the last day of relevant period.
- (13) AUM per branch represents AUM as of last day of the relevant period divided by number of branches.
- (14) AUM per employee represents AUM as of the last day of the relevant period divided by number of employees.
- (15) Disbursement per branch per month represents disbursements in the relevant period divided by number of branches and number of months.
- (16) Disbursement per employee per month represents disbursements in the relevant period divided by number of employees and number of months.
- (17) Gross NPA ratio (%) represents the Gross NPA to the Gross Loan Book as of the last day of the relevant period.
- (18) Net NPA ratio (%) represents the Net NPA to the Gross Loan Book as of the last day of the relevant period.
- (19) Operating Expenses to Average AUM represents our operating expenses for a period to the Average AUM for the period. Operating expenses represents the aggregate of employee benefits expense, depreciation and amortisation and other expenses
- (20) Average cost of borrowings represents finance cost as a percentage of average outstanding borrowing for the relevant year/ period.
- (21) Cost to income ratio represents operating expenses (which comprises the aggregate of employee benefits expense, depreciation and amortisation and other expenses) as a percentage of total revenue less adjusted finance costs for the relevant year/ period.
- (22) Provision Coverage Ratio represents total provisions held on Gross NPA as of the last day of the period, as a percentage of total Gross NPAs as of the last day of the period.
- (23) Average yield on Gross Loan Book represents the ratio of interest income on loan assets for a period to the average Gross Loan Book for the period.
- (24) Net Interest Margin represents our net interest income on the loans for a period to the average AUM for the period, represented as a percentage.
- (25) Total Interest income represents Interest income which part of revenue from operations as per the Restated Financial Statements
- (26) Finance Cost is as per the Restated Financial Statements
- (27) Revenue from operations is as per the Restated Financial Statements
- (28) EBITDA is calculated as Profit before tax for the year/period, plus Finance Costs and Depreciation and Amortisation expenses
- (29) EBITDA margin is calculated as EBITDA divided by Revenue from Operations for the relevant year/ period.
- (30) Debt equity Ratio is calculated Total Borrowings divided by Total Tangible Equity, where Total borrowings is Long-term Borrowings plus Short-term Borrowings, as of the last day of the period
- (31) Total debt (Total Borrowings) is the sum of Long-term Borrowings plus Short-term Borrowings (including non-convertible debentures and sub ordinate debts, where ever applicable), as of the last day of the period
- (32) Debt EBITDA Ratio Total Borrowings as of the last day of the period divided by EBITDA
- (33) Capital Employed ratio is calculated as Profit before tax as increased by finance cost divided by Capital Employed. Capital Employed means summation of total equity and total debt
- (34) PAT Margin is calculated as restated profit after tax divided by restated Revenue from Operations, for the relevant year/ period.

## **Our competitive strengths:**

### **1. Proven execution capabilities with a strong rural and semi-urban focus**

Rural and semi-urban Areas in India are a highly under-served market for formal banking services in terms of access, availability, and suitability of products and services. We have a long history of serving rural and semi-urban markets with high growth potential and have maintained a track record of financial performance and operational efficiency through consistently high rates of customer acquisition and retention and low-cost expansion into underpenetrated areas. Therefore, we strategically focus on clients in the rural and semi-urban sector. Our loan portfolio in rural areas and semi-urban areas was 60.70%, 61.19 %, 60.22% and 61.21% in Fiscal Years 2021, 2022 and 2023 and the nine months period ended December 31, 2023, respectively. Dun & Bradstreet Report on page 195 of the RHP notes that, despite the pace of urbanization & rural to urban migration that has happened in India for the past two decades, 70% of the total population and approximately 65% of the total households in India is still concentrated in the rural market. This underlines the importance of rural market. The shift in economic profile meant, the share of agriculture to total economic output has gone down. Hence the impact that agriculture has on overall economic growth is lower. However, the sheer size of rural population meant it accounts for a huge pool of consumer base - albeit which is untapped. The existing institutional credit agencies primarily meet the agri credit needs of this population, while non agri credit demand is not met. This presents a huge untapped opportunity.

Dun & Bradstreet Report on page 195 of the RHP also notes that, rural and semi-urban lending scenario in India has undergone major transformation in the past couple of decades, culminating in the growth of institutional credit. From nearly 30% in total credit, the share of institutional credit in rural market has increased to nearly 66%. This is a result of focused Government policies, market friendly regulations, and innovations in NBFC segment the share of institutional credit in total outstanding credit in rural India has deepened.

### **2. Well established Vehicle Finance, small businesses lending business**

We have established a strong Market of Vehicle Finance Business and business lending which Include Small business, MSME and SME businesses.

We believe that the success and continued growth of business is underpinned by, among others,

- (i) our experience and expertise in identifying and directly sourcing potential borrowers through our knowledge of local markets and customer centric approach.
- (ii) our ability to offer customized solutions to address our customers financial requirements, and
- (iii) our ability to structure our loan products to maximize our returns, where initial fee accruals and average life of loans being less than the tenor of the loans have allowed us to enjoy relatively higher internal rates of returns.

We have achieved growth while maintaining core focus on conservative credit assessment and risk management, and ensuring, among other criteria, that we lend to borrowers with proven track record and strong cash flow, we obtain sufficient collateral. We have also built a strong Vehicle Finance Business and small business owners lending business focused on extending secured loans to small and medium size enterprises, including businessmen, traders, manufacturers and self-employed professionals. We believe that the growth of our Vehicle Finance Business and small business is attributable to our reach to rural and semi-urban areas through our network, comprising strong presence in 4 states including Rajasthan, Maharashtra, Gujarat and Madhya Pradesh including 12 branches and various other locations we are present which we believe are key markets in India for Vehicle Finance business and small business lending business. In addition, all our loans are secured against collateral, granted at competitive rate of interest, and involve monthly and quarterly loan repayment schedule. We believe that our focus on stringent cash flow-based borrower assessments and having our loans collateralized by completed and largely self-occupied residential and commercial property provides for sustainable and continued growth of our lending business. We believe that our Vehicle Finance Business and business lending businesses provide us with a strong platform for expanding into various geographies in India and new innovative products.

As at December 31, 2023, we have around 32,771 loans as of Vehicle Finance and Secured Business Loan/MSME outstanding, including small enterprises, and self-employed non-professionals for their stores, retail outlets, handicrafts manufacturers and other businesses. Our loans AUM as on nine months period ended December 31, 2023 and as on financial year ended March 31, 2023, March 31, 2022 and March 31, 2021 were ₹37,946.28, ₹35,416.11, lakhs ₹35,131.79 lakhs and ₹42,100.78 lakhs, respectively.

Out of above data Rajasthan has highest contribution which covers 69.39% as on period ended December 31, 2023.

### **3. Stable and experienced management team**

We believe that the long-standing industry experience of our Individual Promoter and our management team provides us with an understanding of the needs and behaviour of the clients particularly in rural and semi-urban Areas, the nuances of lending to these clients and issues specific to the NBFC industry in India. We believe that this expertise gives us a competitive advantage in this industry and has helped us in maintaining our resilience through industry cycles including covid period.

We have a strong, experienced and dedicated management team, including KMPs with significant industry experience and who have demonstrated their ability to deliver growth and profitability, across business cycles. Our Key Managerial Personnel includes a combination of management executives and independent members who bring in significant business experience, which positions us well to capitalize on future growth opportunities. Each of them have extensive experience in the banking or related industry such as finance, commercial operations, strategy, audit, business development, human resources, compliance and public relations.

Founder Director of the Akme Group Mr. Nirmal Kumar Jain is a first-generation entrepreneur. A Professional Chartered Accountant (CA) and Cost Accountant (ICWA) having more than two-decades business experience in the field of finance. He is the chief architect of AKME Group and Chairman and Managing Director of our Company. Under his leadership, the Company believes that it has shown growth across industry cycle.

### **4. Customer centric approach and deep understanding of target customers**

We have gained a deep understanding of our market and customer base over the years that enables us to meet the financial requirements of our existing and potential customers. We believe customers prefer a single source for multiple financial services, and accordingly offer a range of credit products and services to address a variety of financing requirements of the customer through our network. These practices helped us to achieve our endeavour of having primary lending relationship.

Our main focus is on providing our products and services to lower and middle income group segment customers in our areas of operations. We are a one-stop financial hub for our customers for its financial needs where we operate. As of December 31, 2023, March 31, 2023 and March 31, 2022 we had 32771, 32399, 33959 and 45,315 customers, respectively. Further, as on December 31, 2023, apart from our Registered Office located in Udaipur, Rajasthan and our Corporate Office located in Mumbai, Maharashtra, we have 12 branches and digitally present in 25 locations. As the majority of our customers are individuals from lower and middle income group segments, we have designed our products in a manner such that they are simple to understand, which we believe contributes to their popularity amongst customers. We believe in deep customer engagement at every stage through our relationship managers, deployed at our branches. We strategically follow hub and spoke business acquisition strategy which helps us to identify the customer needs effectively and respond with solutions.

We target customers across the sectors with special attention to rural and semi-urban centres because we believe that we not only run a socially responsible and sustainable business, but also that borrowers in these regions tend to have lower credit penetration. Further, in these markets, there is less competition, lower risk of customer migration (leading to longer, more loyal customer relationships), better credit behaviours and, in turn, lower delinquency rates. We also encourage local hiring to stay connected to our customers through personal and digital means and provide them seamless services. We believe that our track record of originating and servicing these loans, together with our extensive network, positions us favourably to compete in these segments and continue to grow our business.

### **5. Access to Diversified Sources of Capital and Effective Asset Liability Management**

Over the years, we have adopted a calibrated approach towards diversifying our fund raising sources and minimizing our costs of borrowings with prudent asset liability management and effective liquidity management.

(₹ in lakhs)

Particulars	As at March 31, 2021	As at March 31, 2022	As at March 31, 2023	As on nine months period ended December 31, 2023
Total Borrowings	31,782.23	23,006.03	17,776.31	19,518.94

We believe that our focus on building a healthy balance sheet with a balanced mix of assets, liability and equity and a positive net asset position has enabled us to overcome various negative market conditions in the past.

We believe that over the years, we have developed a diversified funding base, and have established strong relationships with our lenders. Our funding requirement is met through short and medium-term funding sources such as loans from banks and financial institutions, NCDs, and ECBs. As at December 31, 2023, our borrowings (other than debt securities and sub debts) were ₹ 17,518.94 lakhs, and subordinated liabilities were ₹ 2,000.00 lakhs.

We benefit from a large and diversified mix of lenders which has increased over the years and included lenders, comprising a range of public banks, private banks, foreign funding and financial institutions to meet our capital requirements. We have been continuously widening our lender pool with the aim of adding different types of lenders every year. We have entered into Co-lending agreements with other financial intuitions enabling us wider access to the credit market in priority sector.

#### **6. Robust underwriting process and risk management policies**

Currently our risk management division is divided into separate teams that are respectively dedicated to managing and mitigating credit risk, market risk and operational risk, and which are subject to oversight by our Risk Management Committee and our Board of Directors. Our customer due diligence procedures encompass multiple levels of checks and controls designed to assess the quality of customers and to confirm that they meet our stringent selection criteria and include comprehensive evaluation of repayment capacity and detailed cash flows analysis of the customer as well as thorough group training sessions and knowledge testing. We utilize credit bureau data to verify customer details and obtain information on past credit behaviour. Further, we employ proactive practices that involve frequent evaluations of portfolio risk levels on a periodic basis and rigorous monitoring and analysis of cash disbursements and collection, roll rates and customer retention at both branch and head office levels, which minimize the incidence of bad debts. We are further supported by our robust internal controls and processes as well as advanced technology solutions, which we believe ensure proper loan appraisals and sound portfolio management. Our internal audit team is supervised by our Audit Committee, which is responsible for monitoring and evaluating internal controls and ensuring statutory and regulatory compliance, and our Board of Directors. The technology solutions we employ include real-time integration with credit bureaus and instant credit checks, loan monitoring systems and geotagging functions. We also periodically review our standards of procedures and continuously strengthen our audit coverage to ensure that all material transactions and business initiatives are thoroughly reviewed, with the goal of ensuring that asset quality is not compromised because of growth.

#### **7. Hub and Spoke business model that improves efficiencies and decreases costs**

We carry out our operations in the format of “hub & spoke” business model. This model improves efficiencies and decreases costs. Our branches are the “hubs” and our points of sale are “spoke”. Our registered office and branches perform functions in respect of sales and credit, operations, risk containment unit, legal and technical checks and collections. Our spokes are our smaller locations having points of sale, which are in Tier 3 and Tier 4 cities. The primary focus of our smaller locations is to source new loans and provide doorstep services to our customers. Each “hub” typically supports spokes. We believe this model allows us to penetrate into underserved markets with relatively low costs and helps to optimize customer reach and turnaround times.

#### **Our Strategies:**

##### **1. Increase focus on Digitisation and expanding product portfolio**

Our digital lending platform [www.aasaanloans.com](http://www.aasaanloans.com) is currently under development and will be rolled out in a phased manner. This digital lending platform, has been currently deployed to a select group of users for the purpose of User Acceptance Testing (UAT), specifically focusing on Two-wheeler finance as the



initial phase. Concurrently, our IT team is actively engaged in developing the product for loan against property, commercial vehicle financing, and secured business loans, which will be introduced in a phased manner. We are rigorously scrutinizing all aspects of Two-wheeler finance and subjecting them to stress testing using various parameters to ensure alignment with the anticipated credit standards before expanding the rollout to a broader audience at our branches.

As a preliminary measure, we have taken the initiative of launching the website [aasaanloans.com](http://aasaanloans.com). This distinct approach facilitates the identification of businesses with low risk and high potential, thereby offering opportunities to individuals who previously lacked access to both short-term and long-term financing options.

With the new and upcoming digital platform “Aasaan Loans” we believe in assisting small businesses in growing by providing loans to those with potential and intent. Many such businesses have little or no access to capital from traditional banks and other financial institutions, or they lack either collateral or a financial data trail to obtain loans.

Following are the loan products that we are intending to offer through digital lending platform:

- a. Aasaan Mahila Udhog loan
- b. Aasaan Saral Udhog loan
- c. Aasaan Vehicle Loan
- d. Aasaan Farm equipment loan
- e. Aasaan Loan Against Property

Our business focus is to reach across to the large untapped potential of Unserved and Under-served Segments where the shortage of finance exists in the business, unbanked area and service sector besides MSME for the tenure that ranges up to 10 years.

We believe the successful implementation of our business and growth strategies depends on our continuous efforts to keeping abreast with latest technology in the industry. We intend to enter in the areas of latest upcoming new age technology. This will enable us to further strengthen our relationships with our clients requiring setting up of new infrastructure or up gradation of the existing one. This provides us an ideal opportunity to capitalize on our existing relationship with our clients and use our expertise to strengthen and quicken the process of loans.

We aim at unwavering commitment towards providing financial accessibility for above named important contributors of growth to the economy in the category of the Semi Urban and Rural Areas of India. For the ease and faster way to deliver financial services to the ultimate potential consumers the digital lending platform is formulated for determining the consumer’s creditworthiness and loan amount. Going forward, we intend to digitally accept the required application and documents from the potential customers through our website [aasaanloans.com](http://aasaanloans.com). The uploaded documents will be e-verified for faster and easier approval and funding digitally.

This approach quickens the loan process by lowering risk, reducing documentation and costs associated, and offering a simple and hassle-free experience that puts businesses on the growth path.

## **2. Deepen, strengthen, and expand geographical Presence**

We strive to be a low-cost, lean, and efficient digital lending Company having presence in four states that leverages technology and our existing distribution network to channel our products and services. Currently we operate through our registered office located at Udaipur, Rajasthan and our Corporate Office located in Mumbai, Maharashtra, 12 branches located in the States of Rajasthan, Madhya Pradesh, Gujarat and Maharashtra and our points of sale at 25 locations, we plan to further grow our business operations by mining deeper and attracting new customers in our existing markets that remain relatively untapped as well as by entering new regions PAN India where borrowers are underserved and there is lower penetration by finance companies. We believe that our diversified presence and branch network with a largely rural and semi-urban focused comprehensive end-to-end customer life cycle management framework through technology, proven risk management policies, governance, and robust operating platform provide us with significant competitive advantages in carrying out our expansion plans. We believe that our existing customers serve as a foundation of our future growth and seek to prioritize their requirements and customize our offerings to provide them with optimal solutions at their doorstep.

In addition, we generally seek to establish new branches in areas that are adjacent states to our existing markets, or which may have similar customer demographics and financing needs. In selecting a new

business location, we utilize our well-tested area selection analysis which involves a systematic methodology that considers various key parameters such as Demand for credit in the area, income levels and literacy rate of the local population, competition and market potential, economic status of the region including accessibility of internet and mobile connectivity and post offices, road access, and connectivity to important locations such as banks, schools and hospitals, as well as political, socio-economic, regulatory and other risks. We believe this allows us to identify markets where we can most easily replicate our business models.

### **3. Continue to focus on small business owners and self-employed individuals**

We plan to continue to focus on small business owners and self-employed individuals and increase our market share. For instance, in terms of credit availability generally, the Dun & Bradstreet Report notes that the Markets with High Growth Potential states are Andhra Pradesh, Bihar, Telangana and Rajasthan, where the share of non-institutional credit agencies in total outstanding household debt is more than 40%. The Dun & Bradstreet Report also notes that there are emerging opportunities for the credit Products such as personal loans, small business loans in micro credit segment and Two-wheeler loans (two wheeler sales in rural market is expected to reach 2.4 crores units per annum by FY 2027 and this presents a strong growth opportunity for two wheeler financing companies focusing in rural and semi-urban markets) In many locations, we have customers who are first time borrowers from the formal secured lending ecosystem. We believe our underwriting model, which is based on our understanding of income assessment and collateral assessment for this customer segment, with limited reliance on documented income, is a key strength which would make customers prefer us over our competitors and which we intend to reinforce to achieve Gross Term Loans growth.

### **4. Enhance our Brand Recall to Attract New Customers**

We believe that having a strong recognizable brand is a key attribute in our business, which will help us attract and retain customers, increases customer confidence and influences purchase decisions. Having a strong and recognizable brand will also assist us in recruiting and retaining employees. We intend to continue to undertake initiatives to increase the strength and recall of our 'Aasaan loans' brand to attract new customers. We seek to build our brand by engaging with existing and potential customers' through customer literacy programs, sponsor popular events in the regions we operate and advertise in newspapers, hoardings and in other advertising media. We have recently introduced our brand "Aasaan Loans" launched digital platform for operations and will continue to invest in various brand enhancement initiatives.

### **5. Leverage our Network, Domain Expertise and Data to Enhance Product Offering.**

While we intend to continue to focus on our core business of providing financing service, we believe additional products and cross-selling opportunities also help strengthen our relationship with our customers and enable higher customer retention. We plan to leverage our large branch network and deep understanding of rural and semi-urban customers, as well as harness the scale and loyalty of our customer base that we have built throughout rural and semi-urban India, to offer additional financing products to existing customers who have a positive track record of loan repayment. We expect to derive benefits from economies of scale as there is limited incremental sourcing cost for existing customers, and they are eligible to borrow higher loan amounts from us since they have progressed to higher loan cycles. We believe this strategy serves as an effective mitigation mechanism from potential interest rate volatility and would contribute to our profitability.

We seek to develop new product adjacencies based on the needs of our customers and that complement our existing loan categories. We believe that our large customer base provides significant opportunities from increased cross-selling and up-selling of products and services. We plan to continue utilizing our distribution channel to provide other financial products and services under the finance umbrella to our customers with good credit histories such as for the purchase of livelihood and productivity enhancing products including mobile handsets, bicycles and kitchen appliances.

### **6. Leverage Technology to Grow Our Business**

We intend to continue to upgrade our existing technology systems with automated, digitized and other technology enabled platforms and tools, to strengthen our financing initiatives and derive greater operational, cost and management efficiencies. We intend to enter into agreements with IT companies to assist us in setting up our IT infrastructure for our operations.

We seek to provide a differentiated technology framework, enhancing convenience for our customers and reducing operational expenditure at our branches. We intend to explore delivering services, KYC verification and online loan processing and credit approvals through our digital platform [aasaanloans.com](http://aasaanloans.com).

We believe greater adoption of our digital service delivery mechanisms will enable us to be more efficient, customer friendly and over time perform more reliable data analytics, resulting in target customer profiling, customized and tailor-made products to suit the diverse requirements of our customers and improved customer satisfaction.

### Our Credit Ratings

Details of our Credit rating are mentioned below:

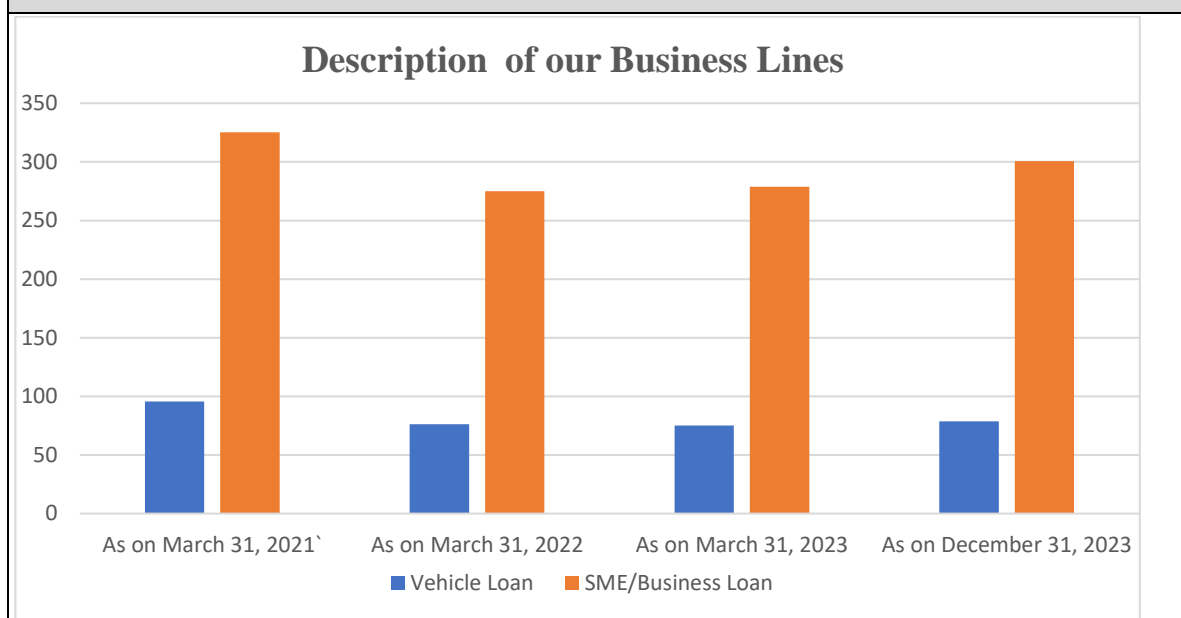
Date	Particulars	Amount (₹ in lakhs)	Rating
February 22, 2024	Total Bank Facilities	17,000.00	ACUITE BBB   Stable   Upgraded
March 8, 2023	Long term bank facilities	15,000.00	ACUITE BBB-/Stable
	Non-convertible debenture	2,000.00	ACUITE BBB-/Stable
	Long term bank facilities	11,000.00	IVR BBB-/Stable
	Non-convertible debenture	1,000.00	IVR BBB-/Stable
June 28, 2022	Bank Loan	15,000.00	ACUITE BB+   Reaffirmed
	Non-Convertible Debentures (NCD)	1,000.00	ACUITE BB+   Reaffirmed
	Non-Convertible Debentures (NCD)	1,000.00	Provisional   ACUITE BB+   Reaffirmed
December 31, 2021	Total Bank Facilities	15,000.00	ACUITE BB+/ Stable
	Total Bank Facilities	9,700.00	ACUITE BB+
	Secured Redeemable Nonconvertible Debentures	1,000.00	ACUITE BB+/ Stable
	Proposed Secured Redeemable Nonconvertible Debentures	1,000.00	ACUITE Provisional BB+/Stable
	Proposed Secured Redeemable Nonconvertible Debentures	8,000.00	ACUITE BB+
December 26, 2020	Total Bank Facilities	24,700.00	ACUITE BBB / Negative
	Secured Redeemable Nonconvertible Debentures	2,000.00	ACUITE Provisional BBB / Negative
December 12, 2020	Total Bank Facilities	24,700.00	ACUITE BBB+ / Stable (Reaffirmed)
	Fixed Deposit	300.00	ACUITE FA (Withdrawn)

### Description of our Business Lines

The table below sets forth details in relation to our product wise and state wise Credit Exposure as on the dates indicated:

Products and Services Wise				
(₹ in lakhs)				
Credit Exposure	As on March 31, 2021	As on March 31, 2022	As on March 31, 2023	As on December 31, 2023
Vehicle Loan	9,574.29	7,620.69	7,525.18	7,879.63
SME/MSME/Business Loans	32,526.49	27,511.10	27,890.94	30,066.65
<b>Total</b>	<b>42,100.78</b>	<b>35,131.79</b>	<b>35,416.11</b>	<b>37,946.28</b>

**Products and Services Wise**

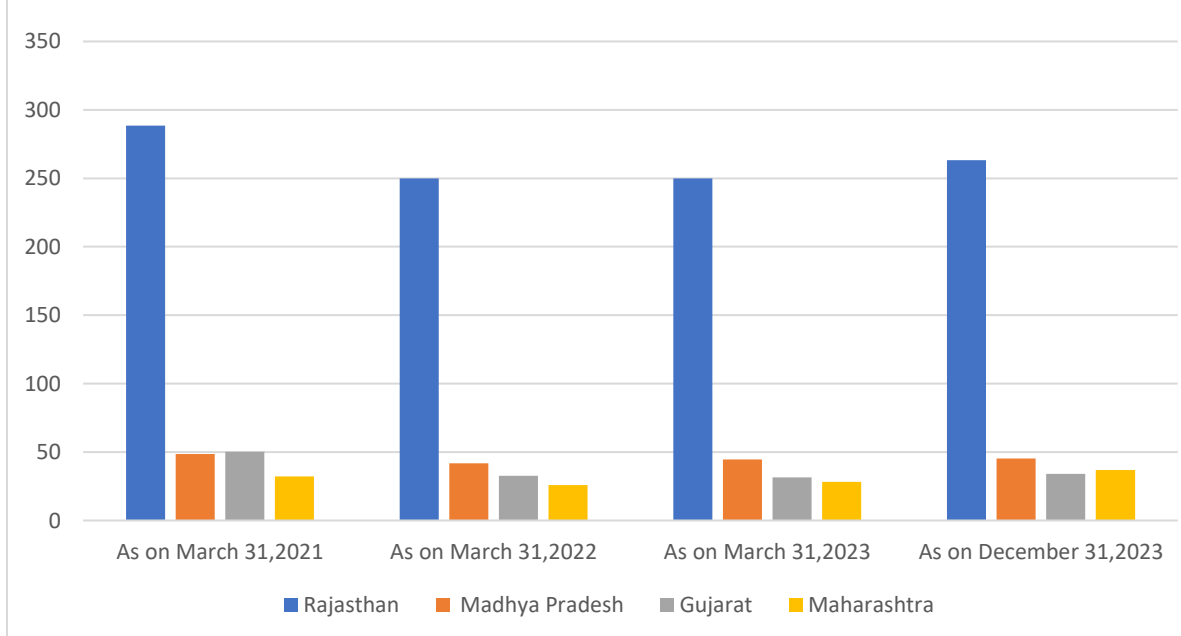


**State Wise Portfolio**

*(₹ in lakhs)*

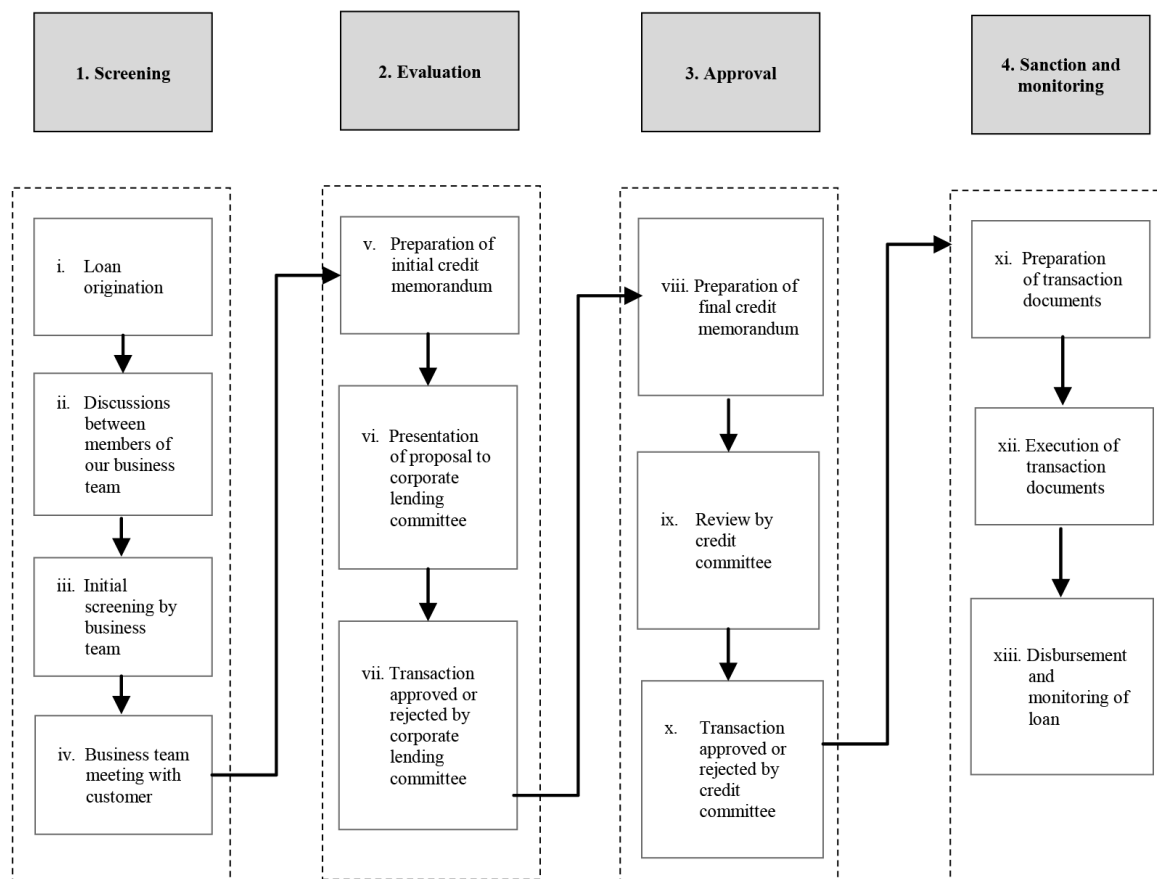
Credit Exposure-State wise	As on March 31, 2021	As on March 31, 2022	As on March 31, 2023	As on December 31, 2023
Rajasthan	28,853.51	24,980.84	24,982.34	26,329.30
Madhya Pradesh	4,854.00	4,174.37	4,454.67	4,538.04
Gujarat	5,026.01	3,263.01	3,147.64	3,397.37
Maharashtra	3,216.00	2,593.98	2,831.46	3,681.57
Odisha	151.26	119.59	0.00	0.00
<b>Total</b>	<b>42,100.78</b>	<b>35,131.79</b>	<b>35,416.11</b>	<b>37,946.28</b>

**State Wise Portfolio**



## Lending operations

Our lending operations span across four stages, namely the (i) screening stage, (ii) evaluation stage, (iii) approval stage, and (iv) sanction and monitoring stage. The following diagram sets forth further details relating to our corporate lending operations.



*Screening stage:* Our screening stage commences once a customer has been identified, and our business team conducts an initial screening of the customer’s creditworthiness. Such screening typically involves a personal discussion with the customer, credit history checks, reference checks, an analysis of the customer’s financial statements, know-your-customer verification and credit bureau checks for the borrowing entity and its directors. For loans, a credit assessment officer of our business team will conduct a visit of relevant sites and submit a report on his findings. We maintain an approved list of technical and legal experts that assist our credit assessment teams with the due diligence process when required.

*Evaluation stage:* Upon the completion of this screening, the loan application process proceeds to the evaluation stage, where our business evaluates the prospective customer’s business and financing needs and investigates the prospective customer’s track record, market reputation and ability to repay any loans extended to it. After the assessment is completed and the exposure to the prospective customer is determined to be acceptable, our business team would then formulate a debt financing structure that protects us from any identified weaknesses of the borrower and prepare a credit memorandum, setting out the details of the proposed transaction. The credit memorandum will contain an analysis of the proposed facility and its impact on our overall portfolio, as well as explicitly address areas of concern detailed in our risk framework and policy. Such credit memorandum is then presented to our corporate lending committee for approval.

*Approval stage:* After a proposed transaction is approved by our corporate lending committee, a final credit memorandum, taking into account the feedback received from the prior rounds of review, is prepared for presentation to and review by our credit committee for final approval.

*Sanction and monitoring stage:* Once approval from our credit committee is obtained, our legal team would prepare relevant loan documentation, including a loan agreement. Our business team will work with the customer to complete pre-disbursement documentation and to fulfil the covenants of the relevant loan agreement and other documentation. Once the pre-disbursement covenants and conditions are performed, and our credit lending committee approves the transaction closing memorandum, the relevant funds would be disbursed to the borrower.

After the disbursement of the funds, our business team is responsible for ensuring the fulfilment of the conditions subsequent set out in the loan documentation, including the loan agreement. Our operations team updates the fulfilment of conditions subsequent and covenants of the relevant loan agreements and documentation on our enterprise-wide loan management system, and our system automatically sends out reminders to the relevant customer relations managers of our business team on a periodic basis.

### **Asset Quality**

We maintain our asset quality by adhering to credit evaluation standards, limiting customer and asset exposure, closely monitoring our assets, and interacting with customers directly and regularly. We ensure that prudent LTV ratios are adhered to while lending. We ensure prompt collection and proper storage of post-disbursement documents. We periodically inspect, either by ourselves or by internal auditors, our customers and the assets financed on a random basis. Our staff conduct tele-verification of the customers' key details and close follow-up is undertaken to ensure timely collection and control overdues.

Our asset quality is reflected by our Company's low rates of Gross NPAs and Net NPAs. As on December 31, 2023, our Company's Gross NPAs accounted for ₹1495.35 lakhs which is 3.94% of our Company's Gross Advances, while our Company's Net NPAs accounted for ₹ 734.95 lakhs which is 1.94% of our Company's Net Advances, respectively. For details, see "Selected Statistical Information".

### **Asset Classification**

We as a non-deposit taking NBFCs, are required to, after taking into account the degree of well defined credit weakness and extent of dependence on collateral security for realization, to classify lease and hire purchase assets, loans, advances and other forms of credit into various classes. The Master Directions for asset classification are set forth below:

- i. a "standard asset" means the 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; and
- ii. a "sub-standard asset" means (a) an asset which has been classified as non-performing asset for a period not exceeding 18 months; (b) an asset 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. However, the classification of infrastructure loans as sub-standard assets is subject to the conditions stipulated in the Master Direction.
- iii. a "doubtful asset" means (a) a term loan, or (b) a lease asset, or (c) a hire purchase asset, or (d) any other asset, which remains a sub-standard asset for a period exceeding 18 months.
- iv. a "loss asset" means (a) an asset which has been identified as loss asset by an Applicable NBFC or its internal or external auditor or by the RBI during the inspection of the Applicable NBFC, to the extent it is not written off by the Applicable 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.
- v. a "non-performing asset" means: (a) an asset for which interest or principal payment has remained overdue for a period of six months or more; (b) a term loan inclusive of unpaid interest, when the instalment is overdue for a period of six months or more or on which interest amount remained overdue for a period of six months or more; (c) a demand or call loan, which remained overdue for a period of six months or more from the date of demand or call or on which interest amount remained overdue for a period of six months or more; (d) a bill which remains overdue for a period of six months or more; (e) the interest in respect of a debt or the income on receivables under the head 'other current assets' in the nature of short term loans/advances, which facility remained overdue for a period of six months or more; (f) any dues on account of sale of assets or services rendered or reimbursement of expenses incurred,

which remained overdue for a period of six months or more; (g) the lease rental and hire purchase instalment, which has become overdue for a period of twelve months or more; (h) in respect of loans, advances and other credit facilities (including bills purchased and discounted), the balance outstanding under the credit facilities (including accrued interest) made available to the same borrower/beneficiary when any of the above credit facilities becomes nonperforming asset. Provided that in the case of lease and hire purchase transactions, an Applicable NBFC is required to classify each such account on the basis of its record of recovery.

### Capital Adequacy Ratio

Our Company is subject to capital adequacy requirements set out by the RBI for NBFCs. The following table sets forth our Company's capital adequacy ratios as of the dates indicated.

*(₹ in lakhs except percentages)*

Particulars	March 31, 2021	March 31, 2022	March 31, 2023	As on nine months period ended on December 31, 2023
Total Assets	45,539.81	37,401.35	39,050.02	41,795.97
Tier I Capital	11,908.59	12,677.49	19,386.62	20,518.24
Tier II Capital	1,562.09	1,208.77	754.07	702.33
Total Capital	13,470.68	13,886.26	20,140.69	21,220.57
Risk Weighted Assets	44,472.15	38,311.24	39,357.86	50,495.71
Capital Adequacy Ratio (%) (CRAR)	30.29%	36.25%	51.19%	42.02%
CRAR - Tier I Capital (%)	26.78%	33.09%	49.27%	40.63%
CRAR - Tier II Capital (%)	3.51%	3.16%	1.92%	1.39%
Total Borrowings <sup>(1)</sup> to Total Tangible Equity <sup>(2)</sup> ratio	2.49	1.70	0.88	0.91

- (1) Total Borrowings represents the aggregate of debt securities, borrowings (other than debt securities) and collateralised borrowing principal outstanding as on the last day of the relevant period.
- (2) Total Tangible Equity represents the aggregate of Equity share capital and Other equity balance less goodwill as on the last day of the relevant period.
- (3) Total Borrowings to Equity ratio represents Total Borrowings as of the last day of the relevant period upon total equity as on the last day of the relevant period.

### Risk Management Framework

Risk management is integral to our business and as a lending institution, we face financial and non-financial risks. We have established a risk management and audit framework to identify, assess, monitor and manage various types of internal and external risks. We conduct regular training of our staff members with respect to risk related matters, as part of our risk management process. Our sales, credit, collections and operations have been segregated at all levels, to ensure that there is no co-mingling of risks. We ensure monitoring of these key risks on a continuous basis. Our risk management framework is primarily driven by our Board and its subcommittees, the Audit Committee, the Asset Liability Management Committee and the Risk Management Committee and is overseen by our full-time Chief Risk Officer, who is responsible for establishing standards for risk assessment and testing, monitoring and performing testing of the risk controls, consolidating overall risk testing results and escalating any issues to senior management and / or the Risk Management Committee. The major types of risk we face in our businesses are market risk, interest rate risk, credit risk, liquidity risk, operational risk, IT risk, reputation risk, cash management risk, collateral risk and legal risk. We have policies in place to address these risks, which are reviewed annually by senior management and approved by the Board of Directors.

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## Treasury Operations

Our treasury operations help us meet our funding requirements and manage short-term surpluses. We have multiple sources of funds in order to reduce our funding costs, protect interest margins and maintain a diverse funding portfolio. This enables us to achieve funding stability and liquidity. Our sources of funding include term loans from banks and financial institutions, cash credit from banks, redeemable non-convertible debentures on a private placement basis, issuance of Equity Shares, subordinated debts and inter-corporate borrowings.

We believe that we have developed long-term relationships with our lenders and established a track record of timely servicing of our debts. We believe that our established track record of timely debt repayment, strong brand equity, credit ratings and risk management have allowed us to secure attractive interest rates on our funding sources. Historically, we have been able to secure fixed rate long term loans of three to five years tenure to stabilize our cost of borrowings.

The following table sets forth the principal components of our secured loans as of the dates indicated:

*(₹ in lakhs except percentages)*

Particulars	As on March 31, 2021	As on March 31, 2022	As on March 31, 2023	As on nine months period ended on December 31, 2023
Secured	29,782.23	21,006.03	15,778.00	17,518.94
Unsecured	2,000.00	2,000.00	1,998.30	2,000.00
Total borrowings	31,782.23	23,006.03	17,776.31	19,518.94
Average Cost of Borrowing	13.40%	12.78%	13.56%	11.07%*

\*Not annualized

We generate profit from the difference between the interest rates on our interest-earning assets, which are the loans we extend, and interest-bearing liabilities, which are our borrowings.

Our Company's treasury department also undertakes liquidity management by seeking to maintain an optimum level of liquidity and complying with the RBI's requirements for asset and liability management. We aim to maintain a balance between interest learning liquid assets and available cash, while ensuring a smooth functioning of our business operations. We actively manage our cash and funds flow using various cash management services provided by banks. We also invest our surplus funds in fixed deposits with banks, mutual funds and government securities. All of our investments are made in accordance with the investment policy approved by our Board, which also prescribes limits on industry-wise exposure and amount on investment in any particular mutual fund scheme.

## Provisioning Policy

Our audit committee has approved a policy for making provisions against loans in default that is consistent with provisions prescribed by the RBI, as applicable to our Company. Details of our provisions are mentioned below:-

*(₹ in lakhs)*

ECL	As on March 31, 2021	As on March 31, 2022	As on March 31, 2023	As on nine months period ended December 31, 2023
Stage1	248.99	277.35	521.69	547.24
Stage2	313.10	331.41	32.39	55.09
Stage3	254.82	296.31	399.53	760.40

Details of our write offs are mentioned below:-

*(₹ in lakhs)*

Particulars	As on March 31, 2021	As on March 31, 2022	As on March 31, 2023	As on nine months period ended on December 31, 2023
Write off	612.03	974.63	310.59	138.56



For the nine months period ended December 31, 2023 and for financial year ended March 31, 2023 financial years ended March 31,2022, March 31,2021, our total provisions which comprised our provision for standard assets, our provision for non- performing assets were ₹1362.74, ₹953.61, ₹905.08 and ₹816.91 in lakhs respectively. Over the same periods, our written off amounted in to ₹138.56 lakhs, ₹310.59 lakhs, ₹974.63 lakhs and ₹612.03 lakhs ₹respectively.

### **Operational Committees**

- a) **Risk Management Committee:** The Risk Management Committee, which reports to the Board and consisting of top management members. The role of the committee includes interalia decision of various risk verticals and shall be responsible for evaluating the overall risks faced by the Company including liquidity risk.
- b) **Asset-Liability Management Committee:** The Asset Liability Management Committee consisting of the members of top management. The committee is responsible for ensuring adherence to the risk tolerance/limits set by the Board as well as implementing the liquidity risk management strategy of the Company. Our Managing Director Mr. Nirmal Kumar Jain is the Chairman of the committee. The role of the committee with respect to liquidity risk includes, inter alia, decision on desired maturity profile and mix of incremental assets and liabilities, sale of assets as a source of funding, the structure, responsibilities and controls for managing liquidity risk, and overseeing the liquidity positions of all branches.

### **Marketing**

Given the demographics and spread of our target audience, we look to connect with prospective customers largely through our local outreach activities undertaken to create visibility in our target markets. We undertake local marketing activities, local branding, and advertising through distribution of leaflets and posters and also shop to shop marketing by our branch employees in the target market. In addition, we also provide rewards to our sales force to create a stronger recall with the target audience.

We intend to continue to undertake initiatives to increase the strength and recall of our ‘Aasaan loans’ brand to attract new customers. We seek to build our brand by engaging with existing and potential customers’ through customer literacy programs, sponsor popular events in the regions we operate and advertise in newspapers, hoardings and in other advertising media.

### **Information Technology**


We are committed to providing quality services to our customers by leveraging information technology. We have implemented a loan management system, which has both loan management and accounting capabilities, allowing us to effectively manage our loan portfolio and providing us decision-making and operational support. This system covers the asset management of our business in addition to account management, core financial accounting, risk management, document management and customer service through the full life cycle of loans. We are also in discussions with a number of reputable software providers with respect to purchasing and installing additional software to enhance our loan sanction process, disaster recovery capabilities.

### **Properties**

Our Registered Office is located at Akme Business Centre (Abc), 4-5 Subcity Centre, Savin Circle, Opp. Krishi Upaz Mandi, Udaipur – 313002, Rajasthan, India which is owned by us. Further, our Corporate Office is located at 608 The Summit - Business Bay, behind Guru Nank Petrol Pump, Opp. Cinemax, Prakashwadi Andheri (East), Mumbai – 400069, Maharashtra, India which is taken on rent by us. As on date of this Red Herring Prospectus, we have a network of 12 branches, all of which are located on leased premises. Please see “Risk Factors—We do not own premises where our branch offices are located. Any termination or failure by us to renew the rent and license agreements in a favorable and timely manner, or at all, could adversely affect our business and results of operations. Moreover, many of the lease and license agreements entered into by us may not be duly registered or adequately stamped on page 49 of this Red Herring Prospectus.

### **Intellectual Property**

As on date, our Company has registered 2 (two) trademarks in India under class 36 and 37 and our Company

has applied for registration for the trademark Aasaan Loans  in India under class 36 in respect of financial services for our logo. For further information, see “Government and Other Approvals” on page 402. Also see, “Risk Factors” on page 33. “Any failure to protect or enforce our rights to own or use

trademarks and brand names and identities could have an adverse effect on our business and competitive position” on page 60.

### Insurance

We maintain insurance policies that we believe are required for our Company. Our insurance policies include burglary insurance policy, money insurance policy, building and other fixed assets insurance policy and group credit life insurance policies.

### Customers

Our customers for our vehicle finance businesses are mainly individuals whom we acquired through channels such as our sales team, other third-party intermediaries, referrals by existing customers, employee referrals and through advertisements. Our customers for our small business lending business are small and medium sized enterprises, including traders, wholesalers, distributors, retailers, self-employed professionals and small manufacturing companies.

### Cash Management Risk

Our offices collect and deposit a large amount of cash through a high volume of small transactions taking place in our network. 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 high levels of compliance with our cash management systems.

### Employees

As of December 31, 2023, we had 125 employees. As part of our customer-centric approach, we recruit employees locally, which assist us in gaining a better understanding of customers in that region and their requirements. We train our employees on a regular basis, and focus primarily on three areas through our training programs: leadership development, behavioural development and functional development. We have also implemented ESOP Schemes for our employees, along with a range of incentives and employee engagement programs.

The following table sets forth employee details as of December 31, 2023:

Function/Department	No. of Employees
Management	8
Sales and Marketing	9
Human Resources	1
Administration	3
Accounts and Finance	12
Legal and Compliance	3
Operations	30
Credit	5
Disbursement	6
Collection	15
Recovery	7
Branches	26
<b>Total</b>	<b>125</b>

### Details of statutory dues paid with respect to our Employees.

(Amount in ₹ lakhs)

Financial Year / Period	PF		ESIC		TDS
					Total Amt Paid
2020-2021	27.43	128	5.19	103	48.72
2021-2022	27.37	96	4.43	75	31.02
2022-2023	27.20	63	3.42	36	35.87
Nine Months period ended December 31, 2023	20.00	68	1.59	28	23.75

*\*The number of employees mentioned are as on the end of the financial year / period covered under the applicable laws.*

The above amounts have been paid within the stipulated time to the respective regulatory authorities and there are no outstanding dues with the regulatory authorities.

### **Competition**

The NBFC industries in India are characterized by high levels of competition. The main competitive factors are product range, ability to customize products, speed of loan approvals, price, reputation and customer relationships. We face our most significant organized competition from banks and other NBFCs in India.

### **Corporate Social Responsibility**

We have undertaken CSR initiatives in several areas including supporting sanitation, empowering women through skills development and providing education to students from economically disadvantaged backgrounds. For details of our CSR activities please see chapter “*Restated Financial Information*” beginning on page 293.

### **Disaster Recovery and Business Continuity Plan (BCP)**

We have defined how our critical business processes will continue during in the event of a facilities disruption, critical records located in the organization may be destroyed or inaccessible. In this case, the last backup of critical records in the secure place would be taken to the alternate facility. The amount of critical records, which would have to be reconstructed, will depend on when the last backup of critical records to the offsite storage location occurred.

Company’s information technology service provider would be providing all relevant support required for resuming business operations at alternate site till the resumption of activity at company’s original site. Once the data has reached a reliable state, transactions that have been accumulating since the disaster can be processed and all the critical functions can then resume. Gradually, other services of the business can also begin functioning.

Maintenance of the BCP is an often-ignored activity. Preparing and testing the plan does give an assurance that there is a means of getting back to normal operations when disaster strikes; however, unless the plan keeps pace with the changes in the business processes and the technology implementing the business, it will not prove reliable. The BCP must be reviewed periodically. It is mandatory to review it when a system is added to the production, a system in production is changed, a process that falls in the scope of the plan changes, or there is a change in the schedule of the business activities. Besides these events, a change in the contact person list can also trigger an update.

Review of the BCP may also happen with the intention of improvement, e.g., in the course of documenting the lessons learnt during the testing exercises, the organization revising its continuity goals and deciding to move up on the “availability” spectrum, or when an alternative method of doing things has been evaluated to give better results. So, maintenance of the BCP is done with the intention of both change and improvement. Every revision to the plan must be followed by a distribution to the BCP team, a training update and a testing exercise.

## KEY REGULATIONS AND POLICIES IN INDIA

*In carrying on our business as described in the section titled “Our Business” beginning on page 225 of this Red Herring Prospectus, our Company is regulated by the following legislations in India. The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to our business. The information detailed in this chapter has been obtained from the various legislations, including rules and regulations promulgated by the regulatory bodies and the bye laws of the respective local authorities that are available in the public domain. The regulations and policies set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice. For details of Government Approvals obtained by the Company in compliance with these regulations, kindly refer to the chapter titled “Government and Other Statutory Approvals” beginning on page 402 of this Red Herring Prospectus.*

**Given below is a brief description of the certain relevant legislations that are currently applicable to the business carried on by us:**

### **1. Key Regulations Applicable to Our Company**

#### ***The Reserve Bank of India Act, as amended (the “RBI Act”)***

The RBI Act defines an NBFC as: (a) a financial institution which is a company; (b) a non-banking institution which is a company and which has as its principal business the receiving of deposits, under any scheme or arrangement or in any other manner, or lending in any manner; or (c) such other non-banking institution or class of such institutions, as the RBI may, with the previous approval of the Central Government and by notification in the Official Gazette, specify.

A company categorized as an NBFC is required to have a net owned fund of ₹ 200 lakhs or such other amount, not exceeding ₹ 100 Crores, as the RBI may, by notification in the official gazette specify from time to time. Further, NBFCs are required to obtain a certificate of registration from the RBI prior to commencement of the business as an NBFC

Every NBFC is required to create a reserve fund and transfer thereto a sum not less than 20% of its net profit every year, as disclosed in the profit and loss account and before any dividend is declared. No appropriation can be made from such fund by the NBFC except for the purposes specified by the RBI from time to time and every such appropriation shall be reported to the RBI within 21 days from the date of such withdrawal.

#### ***Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023***

The RBI had issued the master directions dated October 19, 2023, as amended, which apply to all NBFCs categorised into NBFC-BL, NBFC-ML, NBFC-UL, and NBFC-TL. (“**Applicable NBFCs**”)

#### ***Applicability***

The NBFC Scale Based Regulations are applicable to all NBFCs, categorized into the following layers:

- (i) NBFC-Base Layer (“NBFC-BL”) comprising (a) non-deposit taking NBFCs with an asset size of less than ₹1,000 crore and (b) NBFCs undertaking the following activities (i) NBFC-Peer to Peer Lending Platform (NBFC-P2P), (ii) NBFC-Account Aggregator (NBFC-AA), (iii) Non-Operative Financial Holding Company (NOFHC) and (iv) NBFC not availing public funds and not having any customer interface.
- (ii) NBFC-Middle Layer (NBFC-ML) comprising (a) all deposit taking NBFCs (NBFCs-D), irrespective of asset size, (b) non-deposit taking NBFCs with asset size of ₹ 1,000 crore and above and (c) NBFCs undertaking the following activities (i) Standalone Primary Dealer (SPD), (ii) Infrastructure Debt Fund-Non-Banking Financial Company (IDF-NBFC), (iii) Core Investment Company (CIC), (iv) Housing Finance Company (HFC) and (v) Non-Banking Financial Company-Infrastructure Finance Company (NBFC-IFC).
- (iii) NBFC-Upper Layer (NBFC-UL) consisting of NBFCs that are specifically identified by the RBI as warranting enhanced regulatory requirement.
- (iv) NBFC-Top Layer (NBFC-TL) , ideally supposed to be empty which can get populated if the Reserve Bank of India is of the opinion that there is a substantial increase in the potential systemic risk from specific NBFCs in the Upper Layer. Such NBFCs will be moved from the upper layer to the top layer.

All references to NBFC-ND (non-systemically important non-deposit taking NBFC) would now be referred to as NBFC-BL, and all references to NBFC-D (deposit-taking NBFC) and NBFC-ND-SI (systemically important non-deposit taking NBFC) would be known as NBFC-ML or NBFC-UL, as applicable.

Our Company is classified as (“**NBFC-BL**”).

#### *Acquisition or Transfer of Control*

Applicable NBFCs are required to obtain prior written permission of RBI for (a) any takeover or acquisition of control, which may or may not result in change in management, (b) any change in the shareholding, including progressive increases over time, which would result in acquisition or transfer of shareholding of 26% or more (no prior approval is required if the shareholding going beyond 26% is due to buy-back of shares or reduction in capital where it has approval of a competent court but must be reported to the RBI within one month of the occurrence), and (c) any change in the management of the Applicable NBFCs, which results in change in more than 30% of the directors, excluding independent directors, provided that no prior approval shall be required in case of directors who get re-elected on retirement by rotation.

#### *Prudential Norms*

The leverage ratio of an applicable NBFC (except NBFC-MFIs, NBFC-ML and above) shall not be more than seven at any point of time.

#### *Liquidity Risk Management Framework*

Applicable NBFCs with an asset size of ₹ 100 crore and above, are required to adhere to the liquidity risk management framework prescribed under the NBFC Scale Based Regulations. The guidelines, inter alia, require the board of directors of the Applicable NBFC to formulate a liquidity risk management framework detailing entity-level liquidity risk tolerance, funding strategies, prudential limits, framework for stress testing, liquidity planning under alternative scenarios, nature and frequency of management reporting, and periodical review of assumptions used in liquidity projections. Further, as a matter of prudence, all other NBFCs are also encouraged to adopt these guidelines on liquidity management on voluntary basis.

#### *Asset Classification and Provisioning Norms*

The asset classification norms given below shall apply to applicable NBFCs (i.e. except NBFCs-ML and above and microfinance loans of NBFC-MFIs)

#### *Asset Classification*

- i. a “standard asset” means the 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;
- ii. a “sub-standard asset” means (a) an asset which has been classified as non-performing asset for a period not exceeding 18 months; (b) an asset 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. However, the classification of infrastructure loan as sub-standard assets is subject to the conditions stipulated in the Master Direction.
- iii. a “doubtful asset” means (a) a term loan, or (b) a lease asset, or (c) a hire purchase asset, or (d) any other asset, which remains a sub-standard asset for a period exceeding 18 months.
- iv. a “loss asset” means (a) an asset which has been identified as loss asset by an Applicable NBFC or its internal or external auditor or by the RBI during the inspection of the Applicable NBFC, to the extent it is not written off by the Applicable 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.
- v. a “non-performing asset” means: (a) an asset for which interest has remained overdue for a period of more than 180 days; (b) a term loan inclusive of unpaid interest, when the instalment is overdue for a period of more than 180 days or on which interest amount remained overdue for a period of more than 180 days; (c) a demand or call loan, which remained overdue for a period of more than 180 days from the date of demand or call or on which interest amount remained overdue for a period of more than 180 days; (d) a bill which remains overdue for a period of more than 180 days; (e) the interest in respect of a debt or the income on receivables under the head ‘other current assets’ in the nature of short term loans/advances, which facility remained overdue for a period of more than 180 days; (f)

any dues on account of sale of assets or services rendered or reimbursement of expenses incurred, which remained overdue for a period of more than 180 days; (g) the lease rental and hire purchase instalment, which has become overdue for a period of more than 180 days; (h) in respect of loans, advances and other credit facilities (including bills purchased and discounted), the balance outstanding under the credit facilities (including accrued interest) made available to the same borrower/beneficiary when any of the above credit facilities becomes non-performing asset. Provided that in the case of lease and hire purchase transactions, an Applicable NBFC is required to classify each such account on the basis of its record of recovery.

Further, the period of more than 180 days for NPA classification as mentioned above shall be adjusted as per glide path outlined as under:

<b>i.NPA NORMS</b>	<b>ii.TIMELINE</b>
>150 days overdue	by 31 March 2024
>120 days overdue	by 31 March 2025
>90 days overdue	by 31 March 2026

### *Provisioning Norms*

In addition to provisioning norms under applicable accounting standards, and under the Master Directions, all Applicable NBFCs (except NBFC-MFIs) are required to, after taking into account the time lag between an account becoming nonperforming, its recognition as such, the realisation of the security and the erosion over time in the value of security charged, make provision against sub-standard assets, doubtful assets and loss assets as provided hereunder:

<b>S. No.</b>	<b>Provisioning Requirement</b>									
	<b>Loans, advances and other credit facilities including bills purchased and discounted</b>									
1.	(i) Loss Assets	The entire asset is to be written off. If the assets are permitted to remain in the books for any reason, 100% of the outstanding is to be provided for.								
2.	(ii) Doubtful Assets	<p>(a) 100% provision to the extent to which the advance is not covered by the realizable value of the security to which the Applicable NBFC has a valid recourse is to be made. The realizable value is to be estimated on a realistic basis.</p> <p>(b) In addition to (a) above, depending upon the period for which the asset has remained doubtful, provision to the extent of 20% to 50% of the secured portion (i.e. estimated realizable value of the outstanding) is to be made on the following basis –</p> <table border="1" style="margin-left: 40px;"> <thead> <tr> <th>Period for which the asset has been considered as doubtful</th> <th>Per cent of provision</th> </tr> </thead> <tbody> <tr> <td>Up to one year</td> <td>20%</td> </tr> <tr> <td>One to three years</td> <td>30%</td> </tr> <tr> <td>More than three years</td> <td>50%</td> </tr> </tbody> </table>	Period for which the asset has been considered as doubtful	Per cent of provision	Up to one year	20%	One to three years	30%	More than three years	50%
Period for which the asset has been considered as doubtful	Per cent of provision									
Up to one year	20%									
One to three years	30%									
More than three years	50%									
3.	(iii) Sub-standard Assets	A general provision of 10% of total outstanding is to be made.								
	<b>Lease and hire purchase assets</b>									
	(i) Hire Purchase Assets	<p>I. In respect of hire purchase assets, the total dues (overdue and future instalments taken together) as reduced by –</p> <p>a) the finance charges not credited to the profit and loss account and carried forward as unmatured finance charges; and</p> <p>b) the depreciated value of the underlying asset, is to be provided for.</p> <p>Explanation:(i) the depreciated value of the asset is to be notionally computed as the original cost of the asset to be reduced by depreciation at the rate of 20% per</p>								

	<p>annum on a straight line method; and (ii) in the case of second hand asset, the original cost is to be the actual cost incurred for acquisition of such second hand asset.</p> <p>II. Additional provision for hire purchase and leased assets:</p> <table border="1"> <tr> <td>Where hire charges or lease rentals are overdue up to 12 months</td> <td>Nil</td> </tr> <tr> <td>Where hire charges or lease rentals are overdue for more than 12 months up to 24 months</td> <td>10% of the net book value</td> </tr> <tr> <td>Where hire charges or lease rentals are overdue for more than 24 months but up to 36 months</td> <td>40% of the net book value</td> </tr> <tr> <td>Where hire charges or lease rentals are overdue for more than 36 months but up to 48 months</td> <td>70% of the net book value</td> </tr> <tr> <td>Where hire charges or lease rentals are overdue for more than 48 months</td> <td>100% of the net book value</td> </tr> </table> <p>III. On expiry of a period of 12 months after the due date of the last instalment of hire purchase/leased asset, the entire net book value is to be fully provided for.</p>	Where hire charges or lease rentals are overdue up to 12 months	Nil	Where hire charges or lease rentals are overdue for more than 12 months up to 24 months	10% of the net book value	Where hire charges or lease rentals are overdue for more than 24 months but up to 36 months	40% of the net book value	Where hire charges or lease rentals are overdue for more than 36 months but up to 48 months	70% of the net book value	Where hire charges or lease rentals are overdue for more than 48 months	100% of the net book value
Where hire charges or lease rentals are overdue up to 12 months	Nil										
Where hire charges or lease rentals are overdue for more than 12 months up to 24 months	10% of the net book value										
Where hire charges or lease rentals are overdue for more than 24 months but up to 36 months	40% of the net book value										
Where hire charges or lease rentals are overdue for more than 36 months but up to 48 months	70% of the net book value										
Where hire charges or lease rentals are overdue for more than 48 months	100% of the net book value										

#### *Standard Asset Provisioning*

NBFC-BL are required to make provisions for standard assets at 0.25% of the outstanding, which shall not be reckoned for arriving at the net NPAs. The provision towards standard assets shall not be netted from gross advances but are required to be shown separately as 'Contingent Provisions against Standard Assets' in the balance sheet.

#### *Balance Sheet Disclosures*

- (i) Applicable NBFCs are required to separately disclose in their financial statements the provisions made, as prescribed under the NBFC Scale Based Regulations, without netting them from income or against the value of assets.
- (ii) The provisions are to be distinctly indicated under separate heads of account as: (a) Provisions for bad and doubtful debts; and (b) Provisions for depreciation in investments.
- (iii) Such provisions shall not be appropriated from the general provisions and loss reserves held, if any, by the Applicable NBFC.
- (iv) Such provisions for each year are required to be debited to the profit and loss account. The excess of provisions, if any, held under the heads general provisions and loss reserves are required to be written back without making adjustment against them.

#### *Regulation of Excessive Interest Charged by NBFCs*

- (i) The board of directors of each Applicable NBFC is required to adopt an interest rate model taking into account relevant factors such as cost of funds, margin and risk premium and determine the rate of interest to be charged for loans and advances. The rate of interest, the approach for gradations of risk and rationale for charging different rate of interest to different categories of borrowers are required to be disclosed to the borrower or customer in the application form and communicated explicitly in the sanction letter.
- (ii) The rates of interest and the approach for gradation of risks are also required to be made available on the website of the Applicable NBFCs or published in the relevant newspapers. The information published in the website or otherwise published is required to be updated whenever there is a change in the rates of interest.
- (iii) The rate of interest must be annualized rate so that the borrower is aware of the exact rates that would be charged to the account.

Although rates of interest charged by NBFCs are not regulated by the RBI, rates of interest beyond a certain level may be seen to be excessive. The board of directors of Applicable NBFCs are required to layout appropriate internal principles and procedures in determining interest rates and processing and other charges.

*iii. Accounting Standards*

Accounting Standards and guidance notes issued by the Institute of Chartered Accountants of India are required to be followed by NBFCs insofar as they are not inconsistent with any of the provisions of the Master Directions.

*iv. Fair Practices Code*

All Applicable NBFCs having customer interface are required to adopt a fair practices code in line with the guidelines prescribed under the NBFC Scale Based Regulations. The NBFC Scale Based Regulations stipulate that such fair practices code should cover, inter alia, the form and manner of processing of loan applications; loan appraisal and terms and conditions thereof; and disbursement of loans and changes in terms and conditions of loans. The NBFC Scale Based Regulations also prescribe general conditions to be observed by Applicable NBFCs in respect of loans and requires the board of directors of Applicable NBFCs to lay down a grievance redressal mechanism. Such fair practices code should preferably be in vernacular language or language understood by borrowers of the Applicable NBFCs. ***Prevention of Money Laundering Act, 2002 (“PMLA”)***

The PMLA was enacted to prevent money laundering and to provide for confiscation of property derived from, or involved, in money laundering, and for incidental matters connected therewith. Section 12 of the PMLA inter alia casts certain obligations on reporting entities (as defined under the PMLA) in relation to preservation of records and reporting of transactions.

***Master Direction (Know Your Customer) Directions, 2016 dated February 25, 2016, as amended (the “KYC Directions”)***

The KYC Directions require regulated entities (as defined in such directions) to follow certain customer identification procedures while undertaking a transaction. These directions are applicable to every entity regulated by RBI, including scheduled commercial banks, regional rural banks, local area banks, primary (urban) co-operative banks, state and central co-operative banks, all India financial institutions, NBFCs, miscellaneous non-banking companies and residuary non-banking companies, amongst others. Every entity regulated thereunder is required to adopt a ‘know your customer’ (“KYC”) policy, duly approved by its board of directors, which shall include four key elements, namely, customer acceptance policy; risk management policy; customer identification procedures; and monitoring of transactions. Regulated entities are required to ensure compliance with the KYC policy through specifying ‘senior management’ for the purposes of KYC compliance; allocation of responsibility for effective implementation of policies and procedures; independent evaluation of compliance with KYC and anti-money laundering policies and procedures, including legal and regulatory requirements; concurrent/internal audit system for compliance to verify compliance with KYC and anti-money laundering; and submission of quarterly audit notes and compliance to the audit committee of the board of directors of the regulated entity.

***Master Direction - Non-Banking Financial Company Returns (Reserve Bank) Directions, 2016, dated September 29, 2016 (“Returns Master Direction”)***

The Returns Master Direction lists detailed instructions in relation to submission of returns prescribed by the RBI for various categories of NBFCs, including their periodicity, reporting time, due date, and the purpose of filing such returns.

***Master Direction - Information Technology Framework for the NBFC Sector Directions, dated June 8, 2017 (“IT Framework Directions”)***

The IT Framework Directions have been notified with the view of benchmarking the information technology/information security framework, business continuity planning, disaster recovery management, information technology (“IT”) audit and other processes to best practices for the NBFC sector. Non-systemically important NBFCs (i.e., NBFCs with an asset size of below ₹ 50,000 lakhs) are required to comply with the IT Framework Directions by September 30, 2018. The IT Framework Directions recommends that smaller NBFCs may start with developing basic IT systems mainly for maintaining the database and formulation of a board approved IT policy.

In addition to the above IT Framework Directions, we are also required to comply with the Information Technology Act, 2000, as amended, and the rules framed thereunder.



***Master Direction - Non- Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016 dated September 29, 2016 ("Auditor's Report Directions")***

The Auditor's Report Directions set out disclosures that are to be included in every auditor's report on the accounts of an NBFC such as: (i) the validity of such NBFC's certificate of registration and whether the NBFC is entitled to

continue to hold such certificate of registration in terms of its principal business criteria as of March 31 of the applicable year; and (ii) compliance with net owned fund requirements as laid down in the Master Directions.

***Directions on Managing Risks and Code of Conduct in Outsourcing of Financial Services by NBFCs, 2017 dated November 9, 2017 ("Outsourcing Directions")***

The Outsourcing Directions specify the activities that cannot be outsourced and provide the basis for deciding materiality of outsourcing. It mandates the regulatory and supervisory requirements and risk management practices to be complied with by every NBFC before outsourcing its activities. Further, an NBFC intending to outsource any of the permitted activities under the Outsourcing Directions is required to formulate an outsourcing policy which is to be approved by its board of directors.

***Circular dated June 24, 2021 on Declaration of Dividends by NBFCs ("Dividend Circular")***

The Dividend Circular specifies, inter alia, certain minimum prudential requirements (relating to its capital adequacy, net NPA and other criteria) for an NBFC to be eligible to declare dividend, the maximum permissible dividend payout ratio, the considerations to be taken into account by the board of directors of an NBFC while considering the proposal to declare dividend (such as supervisory findings of the RBI on divergence in classification and provisioning of NPAs, qualifications in the auditors' report to the financial statements, and long term growth plans) and the manner of reporting details of dividends declared. The Dividend Circular will be applicable to NBFCs for the declaration of dividends from the profits of the financial year ending March 31, 2022 and onwards.

***Master Circular dated January 5, 2022 on Bank Finance to Non- Banking Financial Companies***

The circular lays down RBI's regulatory policy regarding financing of NBFCs by banks. The circular specifies, inter alia, certain guidelines for bank finance to NBFCs registered with RBI and bank finance to NBFCs not requiring registration. The circular further specifies activities which are not eligible for bank credits (such as certain bills discounted/rediscouted by NBFCs, investments of NBFCs both of current and long-term nature) and other prohibitions on bank finance to NBFCs. The aforesaid circular also prescribes the prudential ceilings for exposure of banks to NBFCs.

The clarifications were made applicable immediately from the date of circular except for the instructions related to specification of due date / repayment date which were made applicable from December 31, 2021 and instructions related to non-performing assets classification in case of interest payments and customer education which will be applicable from March 31, 2022 onwards.

***The Ombudsman Scheme for Non-Banking Financial Companies, 2018 (the "Ombudsman Scheme")***

The Ombudsman Scheme was introduced by the RBI with the object of enabling resolution of complaints in respect of certain services rendered by particular categories of NBFCs, to facilitate the satisfaction or settlement of such complaints, and matters connected therewith.

The Ombudsman Scheme, inter alia, establishes the office of the ombudsman, specifies the procedure for the redressal of grievances and the mechanism for appeals against the awards passed by the ombudsman.

Further, the RBI through its 'Statement on Developmental and Regulatory Policies' dated February 5, 2021, proposed the integration of the Ombudsman Scheme with the Banking Ombudsman Scheme, 2006 and the Ombudsman Scheme for Digital Transactions, 2019 under the 'One Nation One Ombudsman' approach for grievance redressal. This is intended to make the process of redress of grievances easier by enabling the customers of the banks, NBFCs and non-bank issuers of prepaid payment instruments to register their complaints under the integrated scheme, with one centralized reference point. The scheme was rolled out in June, 2021.

## 2. Other Regulations

In addition to the above, our Company is required to comply with the provisions of the Companies Act, intellectual property laws, labour laws, shops and establishment legislations in various states, various tax related legislations and other applicable statutes for its day-to-day operations.

### A. EMPLOYEE AND LABOUR RELATED LEGISLATIONS:

Our Company is governed by various legislations for the safety and protection of the labour and employees either working for or engaged by the Company. Our Company is required to ensure compliance of various labour and employment laws to conduct its business and projects. These include, but are not limited to the following:

- The Employees' Provident Funds and Miscellaneous Provisions Act, 1952;
- The Employees' State Insurance Act, 1948;
- The Contract Labour (Regulation and Abolition) Act, 1970;
- The Public Liability Insurance Act, 1991;
- The Maternity Benefit Act, 1961;
- The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
- The Equal Remuneration Act, 1976
- The Employee's Compensation Act, 1923;
- The Minimum Wages Act, 1948;
- The Payment of Wages Act, 1936;
- The Payment of Gratuity Act, 1972; and
- The Payment of Bonus Act, 1965.

The Code on Wages, 2019 (enacted by the parliament of India and assented to by the President of India on August 8, 2019) will come into force on such date as may be notified in the official gazette by the Central Government and different date may be appointed for different provisions of the Code on Wages, 2019. Once effective, it will subsume the Equal Remuneration Act, 1976, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Payment of Wages Act, 1936.

The Code on Social Security, 2020 (enacted by the Parliament of India and assented to by the President of India on September 28, 2020) will come into force on such date as may be notified in the official gazette by the Central Government and different date may be appointed for different provisions of the Code on Social Security, 2020. Once effective, it will subsume, inter alia, the Employees' Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employee's Provident Fund and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961 and the Payment of Gratuity Act, 1972.

The Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020 and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The provisions of this code will be brought into force on a date to be notified by the Central Government.

The Industrial Relations Code, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume three existing legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. The provisions of this code will be brought into force on a date to be notified by the Central Government.

#### **The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("SHWW Act") provides for the protection of women at work place and prevention of sexual harassment at work place. The SHWW Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behavior namely, physical contact and advances or a demand or request for sexual favors or making sexually coloured remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of sexual nature. The SHWW Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee which shall always be presided upon by a woman. It also provides for the manner and time period within which a complaint shall be made to the Internal Complaints Committee i.e. a written complaint is to be made within a period of 3 (three) months from the date

of the last incident. If the establishment has less than 10 (ten) employees, then the complaints from employees of such establishments as also complaints made against the employer himself shall be received by the Local Complaints Committee. The penalty for non-compliance with any provision of the SHWW Act shall be punishable with a fine extending to ₹50,000/-

## **B. SHOPS AND COMMERCIAL ESTABLISHMENTS LEGISLATION:**

The Company is governed by various shops and establishments legislations, as applicable in the States where its branch offices are located. The Company has its registered office at Udaipur, Rajasthan and branch offices at Maharashtra, Gujarat and Madhya Pradesh. These regulations regulate the conditions of work and employment in shops and commercial establishments and generally prescribe obligations in respect of inter alia registration, opening and closing hours, daily and weekly working hours, holidays, leave, health, and safety measures, and wages for overtime work. These establishments of the company will be governed by the acts, rules, and regulations of the respective states.

## **C. TAX RELATED LAWS:**

### **1. Income-tax Act, 1961**

Income-tax Act, 1961 ("**Income-tax Act**") is applicable to every company, whether domestic or foreign whose income is taxable under the provisions of this Act or Rules made there under depending upon its 'Residential Status' and 'Type of Income' involved. Every assessee, under the Income-tax Act, which includes a company, is required to comply with the provisions thereof, including those relating to tax deduction at source, advance tax, minimum alternative tax and like.

### **2. Central Goods and Services Tax Act, 2017**

The Central Goods and Services Tax Act, 2017 ("**CGST Act**") regulates the levy and collection of tax on the intra- State supply of goods and services by the Central Government or State Governments. The CGST Act amalgamates a large number of Central and State taxes into a single tax. The CGST Act mandates every supplier providing the goods or services to be registered within the State or Union Territory it falls under, within 30 days from the day on which he becomes liable for such registration. Such registrations can be amended, as well as cancelled by the proper office on receipt of application by the registered person or his legal heirs. There would be four tax rates namely 5%, 12%, 18% and 28%. The rates of GST applied are subject to variations based on the goods or services.

### **3. Integrated Goods and Services Tax Act, 2017**

Integrated Goods and Services Tax Act, 2017 ("**IGST Act**") is a Central Act enacted to levy tax on the supply of any goods and/ or services in the course of inter-State trade or commerce. IGST is levied and collected by Centre on interstate supplies. The IGST Act sets out the rules for determination of the place of supply of goods. Where the supply involves movement of goods, the place of supply shall be the location of goods at the time at which the movement of goods terminates for delivery to the recipient. The IGST Act also provides for determination of place of supply of service where both supplier and recipient are located in India or where supplier or recipient is located outside India. The provisions relating to assessment, audit, valuation, time of supply, invoice, accounts, records, adjudication, appeal etc. given under the CGST Act are applicable to IGST Act.

### **4. The Customs Act, 1962 and the Customs Tariff Act, 1975**

The provisions of the Customs Act, 1962 and Rules made there under are applicable at the time of import of goods into India from a place outside India or at the time of export of goods out of India to a place outside India. Any company requiring to import or export any goods is required to get itself registered under this Act and obtain an Importer Exporter Code number. The Customs Tariff Act, 1975 provides the rates at which duties of customs will be levied under the Customs Act, 1962.

### **5. Professional Tax**

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The professional tax is charged as per the List II of the Constitution. The professional taxes are classified under various tax slabs in India. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of

such person and employer has to obtain the registration from the assessing authority in the prescribed manner. Every person liable to pay tax under these Acts (other than a person earning salary or wages, in respect of whom the tax is payable by the employer), shall obtain a certificate of enrolment from the assessing authority.

## **D. INTELLECTUAL PROPERTY LAWS**

### **1. The Trademarks Act, 1999**

Under the Trademarks Act, 1999 ("**Trademarks Act**"), a trademark is a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others used in relation to goods and services to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. A 'mark' may consist of a device, brand, heading, label, ticket, name signature, word, letter, numeral, shape of goods, packaging or combination of colors or any combination thereof. Section 18 of the Trademarks Act requires that any person claiming to be the proprietor of a trade mark used or proposed to be used by him, must apply for registration in writing to the registrar of trademarks. The trademark, once applied for and which is accepted by the Registrar of Trademarks ("**the Registrar**"), is to be advertised in the trademarks journal by the Registrar. Oppositions, if any, are invited and, after satisfactory adjudications of the same, a certificate of registration is issued by the Registrar. The right to use the mark can be exercised either by the registered proprietor or a registered user. The present term of registration of a trademark is 10 (ten) years, which may be renewed for similar periods on payment of a prescribed renewal fee.

### **2. The Copyright Act, 1957**

The Copyright Act, 1957 ("**Copyright Act**") grants protection to the authors of literary, artistic, dramatic, musical, photographic, cinematographic or sound recording works from unauthorized uses. Various rights including ownership and economic rights are conferred on the author. These include the right to reproduce the work in any form, issue copies to the public, perform it, and offer for sale and hire. The penalty for general infringement of copyright is imprisonment of maximum 3 (three) years and a fine of up to ₹ 2 lakhs.

## **E. OTHER APPLICABLE LAWS:**

### **1. The Companies Act, 2013**

The Companies Act, 2013 ("**Companies Act**") deals with laws relating to companies and certain other associations. The Companies Act primarily regulates the formation, financing, functioning, and winding up of companies. The Companies Act prescribes regulatory mechanism regarding all relevant aspects, including organizational, financial, and managerial aspects of companies. It deals with issue, allotment and transfer of securities and various aspects relating to company management. It provides for standard of disclosure in public issues of capital, particularly in the fields of company management and projects, information about other listed companies under the same management, and management perception of risk factors.

### **2. The Consumer Protection Act, 1986**

The Consumer Protection Act, 1986 ("**Consumer Protection Act**") was enacted to provide speedy and simple redressal to consumer disputes through quasi-judicial machinery set up at district, state and national level. The provisions of the Consumer Protection Act cover products as well as services.

### **3. The Transfer of Property Act, 1882**

The Transfer of Property, 1882 ("**T.P. Act**") including immovable property, between living persons, as opposed to the transfer property by operation of law, is governed by the T.P. Act. The T.P. Act establishes the general principles relating to the transfer of property, including among other things, identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property. Transfer of property is subject to stamping and registration under the specific statutes enacted for the purposes which have been dealt with hereinafter.

The T.P. Act recognizes, among others, the following forms in which an interest in an immovable property may be transferred:

- Sale: The transfer of ownership in property for a price, paid or promised to be paid.

- Mortgage: The transfer of an interest in property for the purpose of securing the payment of a loan, existing or future debt, or performance of an engagement which gives rise to a pecuniary liability. The T.P. Act recognises several forms of mortgages over a property.
- Charges: Transactions including the creation of security over property for payment of money to another which are not classifiable as a mortgage. Charges can be created either by operation of law, e. g. decree of the court attaching to specified immovable property, or by an act of the parties.
- Leases: The transfer of a right to enjoy property for consideration paid or rendered periodically or on specified occasions.
- Leave and License: The transfer of a right to do something upon immovable property without creating interest in the property.

Further, it may be noted that with regards to the transfer of any interest in a property, the transferor transfers such interest, including any incidents, in the property which he is capable of passing and under the law, he cannot transfer a better title than he himself possesses.

#### 4. **The Sale of Goods Act, 1930**

The Indian Sale of Goods Act, 1930 provides for the setting up of contracts where the seller transfers or agrees to transfer the title (ownership) in the goods to the buyer for consideration. It is applicable all over India. Under the act, goods sold from owner to buyer must be sold for a certain price and at a given period of time.

#### 5. **The Registration Act, 1908**

The Registration Act, 1908 (“**Registration Act**”) was passed to consolidate the enactments relating to the registration of documents. The main purpose for which the Registration Act was designed was to ensure information about all deals concerning land so that correct land records could be maintained. The Registration Act is used for proper recording of transactions relating to other immovable property also. The Registration Act provides for registration of other documents also, which can give these documents more authenticity. Registering authorities have been provided in all the districts for this purpose.

#### 6. **The Indian Contract Act, 1872**

The Indian Contract Act, 1872 (“**Contract Act**”) lays down the essentials of a valid contract, it provides a framework of rules and regulations that govern the validity, execution and performance of a contract and codifies the way in which a contract may be entered into, executed, implementation of the provisions of a contract and effects of breach of a contract. The Contract Act consists of limiting factors subject to which contract may be entered into, executed and the breach enforced. The contracting parties themselves decide the rights and duties of parties and terms of agreement.

#### 7. **The Specific Relief Act, 1963**

The Specific Relief Act, 1963 (“**Specific Relief Act**”) is complimentary to the provisions of the Contract Act and the Transfer of Property Act, as the Act applies both to movable property and immovable property. The Specific Relief Act applies in cases where the Court can order specific performance of a contract. Specific relief can be granted only for purpose of enforcing individual civil rights and not for the mere purpose of enforcing a civil law. Specific performance’ means Court will order the party to perform his part of agreement, instead of imposing on him any monetary liability to pay damages to other party.

#### 8. **Competition Act, 2002**

The Competition Act, 2002 (“**Competition Act**”) aims to prevent anti-competitive practices that cause or are likely to cause an appreciable adverse effect on competition in the relevant market in India. The Competition Act regulates anti-competitive agreements, abuse of dominant position and combinations. The Competition Commission of India (“**Competition Commission**”) which became operational from May 20, 2009, has been established under the Competition Act to deal with inquiries relating to anti-competitive agreements and abuse of dominant position and regulate combinations. The Competition Act also provides that the Competition Commission has the jurisdiction to inquire into and pass orders in relation to an anti-competitive agreement, abuse of dominant position or a combination, which even though entered into, arising, or taking place outside India or signed between one or more non-Indian parties, but causes an appreciable adverse effect in the relevant market in India.

## **9. Legislations pertaining to Stamp Duty**

Stamp duty in relation to certain specified categories of instruments as specified under Entry 91 of the list, is governed by the provisions of the Indian Stamp Act, 1899 (“**Stamp Act**”) which is enacted by the Central Government. All others instruments are required to be stamped, as per the rates prescribed by the respective State Governments in the respective schedules of the respective legislations pertaining to stamp duty as applicable in the State. Stamp duty is required to be paid on all the documents that are registered and as stated above the percentage of stamp duty payable varies from one State to another. Certain State in India have enacted their own legislation in relation to stamp duty while the other State have adopted and amended the Stamp Act, as per the rates applicable in the State. On such instruments stamp duty is payable at the rates specified in Schedule I of the Stamp Act. Instruments chargeable to duty under the Stamp Act which are not duly stamped are incapable of being admitted in court as evidence of the transaction contained therein. The Stamp Act also provides for impounding of instruments which are not sufficiently stamped or not stamped at all. Unstamped and deficiently stamped instruments can be impounded by the authority and validated by payment of penalty. The amount of penalty payable on such instruments may vary from State to State.

## **F. REGULATIONS REGARDING FOREIGN INVESTMENT**

Foreign investment in India is governed by the provisions of Foreign Exchange Management Act, 1999 (“**FEMA**”), as amended, along with the rules, regulations and notifications made by the Reserve Bank of India thereunder, The Department for Promotion of Industry and Internal Trade (“**DPIIT**”), Ministry of Commerce and Industry has issued the Consolidated FDI Policy which consolidates the policy framework on Foreign Direct Investment (“**FDI Policy**”), with effect from October 15, 2020. The FDI Policy consolidates and subsumes all the press notes, press releases, and clarifications on FDI issued by DIPP till October 15, 2020.

In terms of the FDI Policy, foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the Government route, depending upon the sector in which foreign investment is sought to be made. In terms of the FDI Policy, the work of granting government approval for foreign investment under the FDI Policy and FEMA Regulations has now been entrusted to the concerned Administrative Ministries/Departments. FDI for the items or activities that cannot be brought in under the automatic route may be brought in through the approval route. Where FDI is allowed on an automatic basis without the approval of the Government, the RBI would continue to be the primary agency for the purposes of monitoring and regulating foreign investment. In cases where Government approval is obtained, no approval of the RBI is required except with respect to fixing the issuance price, although a declaration in the prescribed form, detailing the foreign investment, must be filed with the RBI once the foreign investment is made in the Indian company.

As per the sector specific guidelines of the Government of India, foreign direct investment in NBFCs, carrying on activities approved for FDI, is subject to the conditions specified in Paragraph 3.8.3.1 of the FDI Policy. Pursuant to the FDI Policy and FDI of up to 100% of the paid-up equity share capital of our Company is permitted under the automatic route in our Company.

## HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was originally incorporated as ‘Akme Fintrade (India) Private Limited’ as a private limited company under the provisions of the Companies Act, 1956, pursuant to a certificate of incorporation dated February 5, 1996 issued by the Registrar of Companies Rajasthan, Jaipur. Thereafter, our Company was converted to a public limited company, pursuant to a special resolution passed by the shareholders of our Company at the extra-ordinary general meeting held on January 05, 1997 and the name of our Company was changed to ‘Akme Fintrade (India) Limited’ and a fresh certificate of incorporation dated March 11, 1997 was issued to our Company by the Registrar of Companies, Rajasthan, Jaipur. The CIN of our Company is U67120RJ1996PLC011509.

### Corporate Profile of our Company

For information on our Company’s business profile, activities, services, managerial competence, and customers, please refer to chapters titled “*Our Management*” beginning on page 264, of this RHP.

### Changes in Registered Office

The registered office of our Company is situated at Akme Business Centre (ABC), 4-5 Subcity Centre, Savina Circle, and Opp Krishi Upaz Mandi, Udaipur Rajasthan-313002, India.

Except as disclosed below, there has been no change in the registered office of our Company since the date of our incorporation:

Date of Resolution	Details of Registered Office	Reason for change
February 5, 1996	31, Bapu Bazar, Udaipur.	-
Board Resolution dated August 18, 1996	Change in address from 31, Bapu Bazar, Udaipur to 536 37, S.M. Lodha Complex Shastri Circle, Udaipur Rajasthan India.	Administrative purpose
Board Resolution dated November 23, 2010	Change in address from 536 37, S.M. Lodha Complex Shastri Circle, Udaipur Rajasthan India to Akme Business Centre (ABC), 4-5 Subcity Centre, Savin Circle, and Opp Krishi Upaz Mandi, Udaipur, Rajasthan-313002, India with effect from December 01, 2010.	Administrative purposes

### Major events and milestones in the History of our Company

Year	Major events and milestones
1996	Incorporation of the Company.
1997	Conversion of the Company from a private limited company into public limited Company.
1999	Registration with RBI as Deposit taking NBFC
2012	Care BB rating assigned by CARE to bank facilities.
2014	New loan products introduced namely three wheeler & four wheeler loans.
2015	Achieved AUM of ₹ 8689.50 lakhs and loan disbursement of ₹7115.86 lakhs during FY 2015-16.
2016	Expanded business of operation in Maharashtra.
2017	Geographical reach to Madhya Pradesh  Achieved AUM of ₹33891.02 lakhs and loan disbursement of ₹ 26354.44 lakhs during FY 2017-18  Launch of new products namely business (secured).
2018	Geographical reach to Gujarat.
2019	ECB received from World Business Capital INC., USA  The Company was granted NBFC-ND-SI registration on achievement of asset size

Year	Major events and milestones
	₹50,000.00 lakhs. Achieved AUM of ₹47405.06 lakhs and loan disbursement of ₹29172.90 lakhs
2020	Issue of Rated, Listed, Unsubordinated, Secured, Transferable, Redeemable, Non-Convertible Debentures of ₹ 1000.00 lakhs on a private placement basis to Union Bank of India.
2021	Achieved loan portfolio of ₹42100.78 lakhs, total income of ₹ 8,679.38 lakhs and loan disbursements of ₹ 5377.60 lakhs as on March 31, 2021
2022	Digital journey initiated through launch of <a href="http://www.aasaanloans.com">www.aasaanloans.com</a>

### Main Objects of our Company

- To carry on the business of financiers, merchant bankers, financing agents, financial brokers, recovery agents, bill discounters and to undertake carry on and execute all kinds of financial operations and to carry on the business of money lenders (subject to the provisions of law) including hire purchase, leasing, financing of movable and immovable properties, machineries, motor vehicles, equipment, tools and accessories and other capital goods and commodities of all kinds either by way of pledge, mortgage, hypothecation, charge or without any securities to of section 58 A of the Companies Act, 1955 and the rules framed thereunder and the directors any person, individual, body corporate, firm, organization, authority and subject to the provision issued by the RBI from time to time as may be applicable and defined as under the Banking Regulations Act,1949 and also subject to any consent/approval or incident required to be obtained under the SEW Act provided that the Company shall not carry on any banking business within the meaning of Banking Regulation Act,1949.
- To carry on the business of investment and to underwrite, sub-underwrite, to invest in and acquire and hold, sell, buy or otherwise deal in shares, debentures, debenture stocks, bonds, units, exim scrips, obligations and securities issued or guaranteed by Indian or foreign governments. state, dominations, sovereigns, municipalities of public authorities or bodies and share, debentures, stocks, debenture stocks, bonds and securities issued or guaranteed by company, corporations, firms or person, whether incorporated or established in India or elsewhere and also to manage investment pools, syndicates on shares, stocks and securities and to render services of share registrar, transfer agents and to invest in other businesses for sharing profits and losses.
- To acquire and give on lease, let out on hire, sub-ret mortgage, pledge, hypothecate, in whole or any part of house, buildings, machineries, plants, accessories, equipments, gadgets, computers electrical equipments, all domestic goods, computer programme software, office equipments of all kinds, security system. motor vehicle, boats, spare parts, tools, instruments, tabulations, excavators, agriculture equipments, cranes and other capital goods to industrial undertakings, agriculture traders, animal and fishery farms or manufacturers, users, mine holders and to receive, earn rentals, lease money, instalments thereof in any part of India or abroad.
- To carry on and undertake the business of hire-purchase, purchasing, selling, hiring or letting on hire all kinds of plants, machinery, equipments and all kinds of movable and immovable property including land, building and shed and to assist in financing of all and every kind and description of hire-purchase in deferred payment or similar transaction and to undertake to arrange to procure raw materials or and stores, to distribute furnished products or by-products of the concerns, firms and individuals having of any type of financial assistance from the Company and to subsidies, finance or assist in subsidizing in financing the sales and maintenance of any goods, articles or commodities of all and every kind and description, upon any terms whatsoever and to purchase or otherwise deal in all forms of movable property including plant and machinery, equipment, automobiles, computers and all consumers commercial 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 or used from India or any part of the world and to provide leasing, advisory / counseling services to other entities and to provide safe and lockers for safe custody of valuable items and documents
- To engage in the business of buying. selling, exchanging, trading, Importing, exporting and dealing wholesale and retail in all kinds of consumable, edible. non-edible oil and industrial products and to carry on all kinds of commission agency, auctioneers business and to act as selling agents buying agents, carriage



and forwarding agents, distributors, dealers or stockists for goods, torte, malt products and merchandise of all kinds,

6. To invest in immovable properties, purchase, acquire on lease or in exchange or in any other lawful manner any area, land, agriculture land building structures and any estates or interest therein and any rights, over or connected with land so situated and to turn the same to account as may seem expedient and in particular by preparing building sites and by constructing, reconstructing, altering, improving, decorating furnishing and maintaining commercial buildings, offices flats, houses shops and showrooms and to equip the same or any part thereof with all or any amenities or conveniences thereon and by consolidating or connecting or sub-properties and leasing or disposing of the same and to manage land, buildings properties situated as aforesaid and collect rents or income there from and to supply tenants and occupiers and others.

- V. \*The Authorised Share Capital of the Company is ₹50,00,00,000/- (Rupees Fifty Crores Only) divided into 5,00,00,000 (Five Crore) Equity Shares of ₹10/- (Rupees Ten Only) each.

#### **Amendments to our Memorandum of Association**

The following changes have been incorporated in the Memorandum of Association of our Company, after approval of our shareholders, in the last ten years preceding the date of this Red Herring Prospectus:

<b>Sr. No.</b>	<b>Date of Shareholder's Approval</b>	<b>AGM/ EGM</b>	<b>Particulars of amendment</b>
1.	January 17, 2008	EGM	Clause V of the Memorandum of Association amended to reflect increase in authorized share capital of the Company from ₹ 1,00,00,000/- divided into 10,00,000 equity shares of ₹ 10 each to ₹ 2,00,00,000/- divided into 20,00,000 equity shares of ₹ 10 each by addition of ₹ 1,00,00,000/-
2.	July 30, 2013	AGM	Clause V of the Memorandum of Association amended to reflect increase in authorized share capital of the Company from ₹ 2,00,00,000/- divided into 20,00,000 equity shares of ₹ 10 each to ₹ 3,00,00,000/- divided into 30,00,000 equity shares of Rs, 10 each by addition of ₹ 3,00,00,000/-.
3.	December 15, 2016	EGM	Clause V of the Memorandum of Association amended to reflect increase in authorized share capital of the Company from ₹ 3,00,00,000/- divided into 30,00,000 equity shares of ₹ 10 each to 4,00,00,000/- divided into 40,00,000 equity shares of ₹ 10 each by addition of ₹ 1,00,00,000/-.
4.	March 9, 2017	EGM	Alteration of Clauses 1 to 5 of the Memorandum of Association by replacing with new Clauses 1 to 5 for deleting clauses which are inconsistent and introducing new clauses.
5.	September 7, 2017	AGM	Clause V of the Memorandum of Association amended to reflect increase in authorized share capital of the Company from ₹ 4,00,00,000/- divided into 40,00,000 equity shares of ₹ 10/- each to 6,00,00,000/- divided into 60,00,000 equity shares of ₹ 10 each by addition of ₹ 2,00,00,000/-
6.	February 3, 2020	EGM	Clause V of the Memorandum of Association amended to reflect increase in authorized share capital of the Company from ₹ 6,00,00,000/- divided into 60,00,000 equity shares of ₹ 10 each to ₹ 25,00,00,000/- divided into 2,50,00,000 equity shares of ₹ 10 each by addition of ₹ 19,00,00,000/-
7.	June 27, 2022	EGM	Clause V of the Memorandum of Association amended to reflect increase in authorized share capital of the Company from ₹25,00,00,000/- divided into 2,50,00,000 equity shares of ₹ 10 each to ₹ 35,00,00,000/- divided into 3,50,00,000 equity shares of ₹ 10 each by addition of ₹ 10,00,00,000/-
8.	December 07, 2022	EGM	Clause V of the Memorandum of Association amended to reflect increase in authorized share capital of the Company from ₹35,00,00,000/- divided into 3,50,00,000 equity shares of ₹ 10 each to ₹ 50,00,00,000/- divided into 5,00,00,000 equity shares of ₹ 10 each by addition of ₹ 15,00,00,000/-

#### **Time and cost over-runs in setting up projects and certain other adverse remarks**

As on the date of this RHP, our Company has not experienced any time/cost overrun in setting up any projects or business operations.

## Material Acquisition or disinvestments of Businesses / Undertakings

Our Company has not made any material acquisition or disinvestments of businesses / undertakings in the last 10 (ten) years.

## Details of Merger/Amalgamation

There has been no merger/amalgamation pertaining to our Company in the last 10 (ten) years.

## Revaluation of assets

Our Company has not revalued its assets in the last 10 (ten) years.

## Defaults or Rescheduling of Borrowings with Financial Institutions/Banks

There have been no defaults that have been called or rescheduling/restructuring of current borrowings by any financial institution or bank in relation to borrowings availed by our Company. However, there have been certain instances of delay in payments of principal/interest obligations in the past as mentioned in the table below:

Financial Year	Number of instances of delay in each bucket															
	2020-21				2021-22				2022-23				For the period ended December 31, 2023			
	Days															
Bank/FI Name	1-30	31-60	61-89	More than 89	1-30	31-60	61-89	More than 89	1-30	31-60	61-89	More than 89	1-30	31-60	61-89	More than 89
Au Small Finance Bank	-	-	-	-	2	5	2	-	-	-	-	-	-	-	-	-
Bandhan Bank	-	-	-	-	-	-	-	-	-	1	-	-	-	-	-	-
Bank of India	-	-	-	-	2	-	1	-	-	1	1	-	-	-	-	-
Vijaya Bank	-	-	-	-	2	-	-	-	-	1	-	-	-	-	-	-
DCB Bank	-	-	-	-	1	1	-	-	-	-	-	-	-	-	-	-
Federal Bank	-	-	-	-	1	5	-	-	-	-	-	-	-	-	-	-
Hinduja Leyland Finance	-	-	-	-	1	2	4	-	3	2	-	-	-	-	-	-
Hiranandani Financial Services	-	-	-	-	1	6	4	-	-	2	4	-	-	-	-	-
Indusind Bank	-	-	-	-	1	1	2	-	2	1	1	-	-	-	-	-
Nab Samruddhi	-	-	-	-	-	-	3	-	-	-	-	-	-	-	-	-
Northern Arc	-	-	-	-	-	-	-	-	1	1	-	-	-	-	-	-
State Bank of India	-	-	-	-	3	-	-	-	1	1	-	-	-	-	-	-
Shriram Finance Company	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
UC Inclusive	-	-	-	-	-	-	-	-	-	-	1	-	-	-	-	-
Ugro Capital	-	-	-	-	2	-	1	-	-	-	-	-	-	-	-	-
Andhra Bank	-	-	-	-	1	1	-	-	-	-	-	-	-	-	-	-

For details of borrowings availed by our Company, please see “Financial Indebtedness” on page 357.

## Launch of key products or services, entry into new geographies or exit from existing markets

For details of key products launched by our Company, entry into new geographies or exit from existing markets, see “Our Business” and “Major events and milestones in the History of our Company” beginning on pages 225 and 259.

## Special Rights

There are no special rights as regards nominee/nomination rights and information rights available to the Promoters and the Shareholders of the Company that would continue post listing.

**Our Holding Company**

We do not have any holding company as on the date of the RHP.

**Our Subsidiary**

We do not have any subsidiary as on the date of the RHP.

**Joint Ventures of our Company**

We have not entered in any joint ventures as on the date of the RHP.

**Significant financial or strategic partnerships**

Our Company does not have any significant financial or strategic partners as on the date of the RHP.

**Capacity/facility creation, location of plants**

Our Company does not have any plants.

**Shareholders Agreement and Other Agreements**

As on the date of this RHP, our Company has not entered into any Shareholders Agreements.

**Agreements with Key Managerial Personnel or or Senior Managerial Personnel a Director or Promoters or any other employee of the Company**

There are no agreements entered into by key managerial personnel or Senior Managerial Personnel or a Director or Promoters or any other employee of the Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company.

**Key terms of other subsisting material agreements**

Our Company has not entered into any other subsisting material agreements including with strategic partners, joint venture partners, and/or financial partners other than in the ordinary course of business of our Company.

The Company and its Promoters, confirm that (i) there are no other agreements and clauses / covenants which are material and which needs to be disclosed in this RHP and that there are no other clauses / covenants which are adverse / pre-judicial to the interest of the public shareholders to which they are a party; and (ii) there are no other agreements, deed of assignments, acquisition agreements, shareholders agreements, inter-se agreements, agreements of like nature other than disclosed in this RHP to which they are a party.

## OUR MANAGEMENT

The Articles of Association require our Board to have at least 3 (three) Directors and not more than 15 (fifteen) Directors. As on the date of this RHP, our Board comprises of 8 Directors, including 5 Independent Directors. The present composition of our Board and its committees is in accordance with the corporate governance requirements provided under the Companies Act 2013 and the SEBI Listing Regulations.

The following table sets forth details regarding our Board of Directors as on the date of filing of this RHP with SEBI:

### Board of Directors

Sr. No.	Name, DIN, Designation, Period of Directorship, Term, Date of Birth, Age, Nationality, Address, Occupation	Other Directorships
1.	<p><b>Mr. Nirmal Kumar Jain</b>  <b>DIN:</b> 00240441  <b>Designation:</b> Chairman and Managing Director  <b>Term:</b> For a period of 5 years from June 01, 2023 to May 30, 2028  <b>Period of Directorship:</b> Since August 25, 1996  <b>Address:</b> H.No.188, Tagore Nagar, Hiran Mangari, Sec. 4, Udaipur, Rajasthan: 313002, India  <b>Occupation:</b> Business  <b>Date of Birth:</b> May 19, 1967  <b>Nationality:</b> Indian  <b>Age:</b> 57 years</p>	Akme Automobiles Private Limited
2.	<p><b>Mr. Ramesh Kumar Jain</b>  <b>DIN:</b> 07441707  <b>Designation:</b> Executive Director  <b>Term:</b> From September 26, 2021 until September 25, 2026  <b>Period of Directorship:</b> Since February 18, 2016.  <b>Address:</b> Room No 506, Nisarg Chs, P L Lokhande Marg, Mhada Colony, Near Gautam Nagar Govandi, Shivaji Nagarmumbai, Maharashtra, India 400043  <b>Occupation:</b> Business  <b>Date of Birth:</b> March 20, 1978  <b>Nationality:</b> Indian  <b>Age:</b> 46 years</p>	<p>1. Roopji Urban Nidhi Limited                  2. Scraportal Private Limited</p>
3.	<p><b>Mr. Rajendra Chittora</b>  <b>DIN:</b> 08211508  <b>Designation:</b> Executive Director  <b>Term:</b> From September 30, 2021 to September 30, 2026  <b>Period of Directorship:</b> Since December 29, 2020  <b>Address:</b> 26, New Keshav Nagar Roop Sagar Road, Udaipur PIN:313001, Rajasthan, India.  <b>Occupation:</b> Service  <b>Date of Birth:</b> February 05, 1965  <b>Nationality:</b> Indian  <b>Age:</b> 59 years</p>	Nil

Sr. No.	Name, DIN, Designation, Period of Directorship, Term, Date of Birth, Age, Nationality, Address, Occupation	Other Directorships
4.	<p><b>Mr. Shiv Prakash Shrimali</b>  <b>DIN:</b> 09188385  <b>Designation:</b> Non-Executive and Non-Independent Director  <b>Term:</b> From December 7, 2022 and is liable to retire by rotation.  <b>Period of Directorship:</b> Since October 01, 2022  <b>Address:</b> B-20, Mahal Yojna, Behind Akshay Patra, Jagatpura, Jaipur, Rajasthan 302017, India.  <b>Occupation:</b> Retired from service  <b>Date of Birth:</b> October 01, 1959  <b>Nationality:</b> Indian  <b>Age:</b> 64 years</p>	India I-Tech Services Private Limited
5.	<p><b>Mr. Vimal Bolia Sardarsinghi</b>  <b>DIN:</b> 03056586  <b>Designation:</b> Non-Executive Independent Director  <b>Term:</b> For a period of 5 years from December 07, 2022  <b>Period of Directorship:</b> Since December 07, 2022  <b>Address:</b> 1901 Royce Rodas Enclave, Hiranandani Estate, GB Road, Thane, Thane, Maharashtra – 400607  <b>Occupation:</b> Business  <b>Date of Birth:</b> January 14, 1976  <b>Nationality:</b> Indian  <b>Age:</b> 48 years</p>	<p>1. Kanchan Auto Private Limited  2. Kanchan NX Private Limited</p>
6.	<p><b>Ms. Antima Kataria</b>  <b>DIN:</b> 09788502  <b>Designation:</b> Non-Executive Independent Director  <b>Term:</b> For a period of 5 years from December 07, 2022.  <b>Period of Directorship:</b> Since December 07, 2022  <b>Address:</b> 26, B Shakti Nagar, Road No. 1, Udaipur PIN:313001, Rajasthan, India.  <b>Occupation:</b> Service  <b>Date of Birth:</b> October 13, 1989  <b>Nationality:</b> Indian  <b>Age:</b> 34 years</p>	Nil
7.	<p><b>Sanjay Dattaray Tatke</b>  <b>DIN:</b> 09848265  <b>Designation:</b> Non-Executive Independent Director  <b>Term:</b> January 05, 2023 up to January 04, 2028  <b>Period of Directorship:</b> Since January 05, 2023  <b>Address:</b> H- 503/504, Palm Court, New Link Road, Near D Mart, Malad West, Mumbai, Maharashtra, India- 400064.  <b>Occupation:</b> Retired from service  <b>Date of Birth:</b> February 08, 1962  <b>Nationality:</b> Indian  <b>Age:</b> 62 years</p>	Nil

Sr. No.	Name, DIN, Designation, Period of Directorship, Term, Date of Birth, Age, Nationality, Address, Occupation	Other Directorships
8.	<p><b>Mr. Nishant Sharma</b>  <b>DIN:</b> 08951697  <b>Designation:</b> Non-Executive Independent Director  <b>Term:</b> January 05, 2023 up to January 04, 2028  <b>Period of Directorship:</b> Since January 05, 2023  <b>Address:</b> B-501, Raghuroop Apartment, 215C, Sardarpura, Udaipur, Rajasthan, India- 313001  <b>Occupation:</b> Business  <b>Date of Birth:</b> June 11, 1987  <b>Nationality:</b> Indian  <b>Age:</b> 36 years</p>	Dhamu Furnishing & Developers Private Limited

### Brief Profile of the Directors

**Mr. Nirmal Kumar Jain**, is the Chairman and Managing Director of our Company. He has been on the Board of Directors of our Company from August 25, 1996. He is a qualified Chartered Accountant. He has been awarded with CA Business Leader Corporate (2<sup>nd</sup> Rank) at the C.A. Corporate Leader Exxact Awards Function organized by Committee for Members in Industry of The Institute of Chartered Accountants of India on January 20, 2008 and Certificate of Appreciation for his voluntary work/sponsorship with Impetus (NGO) for charity work during the Kerala Flood Relief that was conducted from August 19, 2018 to August 25, 2018 by Impetus. He has more than 25 years of experience in the finance terrain. He has played a significant role in the growth of our Company.

**Mr. Ramesh Kumar Jain** is an Executive Director of our Company. He has been associated with our Company since 2016. He handles the Maharashtra Region Business and looks after all the activities of the Mumbai branch office of the Company. He has more than 7 years of experience.

**Mr. Rajendra Chittora** is an Executive Director of our Company. He has been associated with our Company since December 29, 2020. He holds degrees in Bachelor of Science, Mohanlal Sukhadia University, Udaipur Master of Science in Electronics, Sukhadia University, Udaipur and MBA in Business Development from Mohanlal Sukhadia University, Udaipur. He has been awarded the Long Service Award for his contribution to Tata Motorfinance for 10 years by Tata Motorfinance. He has more than 10 years of experience in the auto finance sector.

**Mr. Shiv Prakash Shrimali** is a Non-Executive and Non-Independent Director of our Company. He has been associated with our Company since October 01, 2022. He holds degrees in Bachelor of Science and Masters of Arts in History from Rajasthan University and MBA (Marketing) from Punjab Technical University (PTU) – Distance Learning. He is a certified General Insurance Agent. He has completed the Associate Examination of the Indian Institute of Bankers. He was the Chairman of the RMG Bank.

**Mr. Vimal Bolia Sardarsinghji** is a Non-Executive Independent Director of our Company. He is a qualified Chartered Accountant. He has been associated with our Company since December 07, 2022. He is presently a director of Kanchan Auto Private Limited and Kanchan NX Private Limited.

**Ms. Antima Kataria** is a Non-Executive Independent Director of our Company. She has been associated with our Company since December 07, 2022. She holds degrees in Bachelor of Commerce from B.N.P.G Girls College, Udaipur, Rajasthan, Bachelor of Law and Diploma in Labour Law from Mohanlal Sukhadia University, Udaipur, Rajasthan and is qualified as a Company Secretary from the Institute of Company Secretaries of India. She was previously employed with HSC Infraprojects Private Limited and Apco Chetak Expressway Private Limited. She is currently working as a Company Secretary at Dharni Capital Services Limited. She has 2.6 years of work experience as a Company Secretary.

**Mr. Sanjay Dattatray Tatke** is a Non-Executive Independent Director of our Company. He has been associated with our Company since January 05, 2023. He holds a degree of Bachelors in Science from Vikram University, Ujjain (1982) with Silver Medal and MBA in Marketing from B. K. School of Business Management, University of Gujarat (1984). He is a Certified Associate of Indian Institute of Bankers (1991), a Certified Lead Auditor for

ISO 9000:2000 from CMC International, United Kingdom (2002) and has completed the Strategic Planning and Leadership Program Wharton School (2013).

**Mr. Nishant Sharma** is a Non-Executive Independent Director of our Company. He has been associated with our Company since January 05, 2023. He holds a degree of Bachelor of Commerce from Mohanlal Sukhadia University, Udaipur, Rajasthan. He is a qualified Chartered Accountant. He is presently a director of Dhamu Furnishings and Developers Private Limited.

#### **Confirmations**

- i. None of the Directors of our Company are Wilful Defaulters or Fraudulent Borrowers as on the date of this RHP. None of the Directors of our Company are declared Fugitive Economic Offenders under Section 12 of the Fugitive Economic Offenders Act, 2018. Further, our Directors are not debarred from accessing the capital markets by SEBI.
- ii. None of our Directors are or have been directors in any of the listed companies which have been/ were delisted from the stock exchange(s). None of our directors are or have been directors in any of the listed companies whose shares have been/were suspended from being traded on the BSE and NSE.
- iii. None of our Directors are or have been directors in any of the listed companies in the 5 (five) years preceding the date of the RHP whose shares have been/were suspended from being traded on any of the stock exchange(s) during his / her tenure in those companies.
- iv. There is no arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the abovementioned Directors was selected as director or member of senior management.
- v. The Company has not entered into any service contracts with its Directors providing for benefits upon termination of their employment.

#### **Relationship between our Directors and any of our Directors and our Key Managerial Personnel and Senior Management Personnel**

None of our Directors are related to any of the other directors, KMPs and Senior Management Personnel as per the definition "Relative" under the Section 2(77) of Companies Act, 2013.

#### **Borrowing Powers**

In terms of Articles of Association of our Company, subject to the provisions of Section 73, 179, 180 of the Act and of the Articles of Association of the Company and subject to any restriction imposed by Reserve Bank of India, the Board of Directors of the Company, may from time to time at its discretion, by a resolution passed at a meeting of the Board, accept deposits from members either in advance of calls or otherwise, and generally accept deposits, raise loans or borrow or secure the payment of any sum of moneys to be borrowed together with the moneys already borrowed including acceptance of deposits apart from temporary loans obtained from the Company's Bankers in the ordinary course of business, exceeding the aggregate of the paid-up capital of the Company, its free reserves and securities premium (not being reserves set apart for any specific purpose) or up to such amount as may be approved by the shareholders from time to time the Board of Directors shall not borrow such moneys without the sanction of the Company in General Meeting. No debt incurred by the Company in excess of the limit imposed by the Articles of Association shall be paid or effectual unless the tender or proves that he advanced the loan in good faith and without knowledge that the limit imposed by the Articles of Association have been exceeded.

In the Annual General Meeting held on July 28, 2018, the shareholders of our Company have authorized the Board of Directors of the Company for borrowing from time to time, any sum or sums of monies, which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's banker in the ordinary course of business), may exceed the aggregate of the paid up capital of the Company and its free reserves including securities premium, that is to say, reserves not set apart for any specific purpose, provided that the total outstanding amount so borrowed shall not any time exceed the limit of ₹900 Crores.

#### **Remuneration/Compensation/ Commission paid to Directors**

Except statutory benefits upon retirement, our Directors are not entitled to any benefit upon termination of employment or retirement. However, the terms and conditions, relating to remuneration and appointment of Mr. Nirmal Kumar Jain, Mr. Ramesh Kumar Jain and Mr. Rajendra Chittora is set out in the Extra Ordinary General Meeting resolution dated December 07, 2022.

***The details of remuneration of the Managing Director:***

***Mr. Nirmal Kumar Jain, Managing Director***

<b>Particulars</b>	<b>Remuneration</b>
Basic Salary	₹ 2,40,00,000 /- per annum
Perquisites	(i) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and (ii) Leave and encashment of unavailed leave as per the rules of the Company.

In Fiscal 2024, he received an aggregate compensation of ₹ 61.25 lakhs.

***The details of remuneration of the Directors:***

***Mr. Ramesh Kumar Jain, Executive Director***

<b>Particulars</b>	<b>Remuneration</b>
Basic Salary	₹ 18,00,000 /- per annum

In Fiscal 2024, he received an aggregate compensation of ₹ 18.00 lakhs.

***Mr. Rajendra Chittora, Executive Director***

<b>Particulars</b>	<b>Remuneration</b>
Basic Salary	₹ 18,00,000 /-per annum

In Fiscal 2024, he received an aggregate compensation of ₹ 11.63 lakhs.

**Payment of sitting fees to Non-executive Non-Independent Directors of our Company**

As on the date of this Red Herring Prospectus, pursuant to a resolution passed by our Board on November 14, 2022, our Non-Executive Non-Independent Director is entitled to receive a sitting fee of up to ₹ 10,000/- each for attending meeting of our Board and ₹ 2500/- for every meeting of committees attended by members of the Committee of the Company.

Our Non-Executive Non-Independent Director Mr. Shiv Prakash Shrimali was paid ₹ 0.85 lakhs, as sitting fees in Fiscal 2024.

**Payment of sitting fees to Non-executive Independent Directors of our Company**

As on the date of this Red Herring Prospectus, pursuant to a resolution passed by our Board on November 14, 2022, our Non-Executive Independent Directors are each entitled to receive a sitting fee of up to ₹ 10,000/- each for attending meeting of our Board and ₹ 2500/- for every meeting of the various committees of our Board.

**Details of Sitting Fees paid to the Non-executive Independent Directors for Fiscal 2024**

<b>Sr. no.</b>	<b>Name of Independent Director</b>	<b>Sitting Fees paid in Financial Year ended March 31, 2024</b>
1.	Vimal Bolia Sardarsinghji	0.80
2.	Antima Kataria	1.03
3.	Sanjay Dattatray Tatke	0.80
4.	Nishant Sharma	1.03

The abovementioned remuneration and perquisites are subject to the ceiling laid down in Sections 197 and Schedule V of the Companies Act and all other applicable provisions of the Companies Act as may be amended from time to time. In case of payment of remuneration in excess of the prescribed limits, recovery of the excess amount may be waived by the Board of Directors upon the recommendation of the Nomination and Remuneration Committee and with the approval of the Central Government as per the proviso to Sections 197(1) of Companies Act, 2013.



Except as stated in this RHP, no amount or benefit has been paid by our Company within the 2 (two) preceding years or is intended to be paid or given by our Company to any of our Company's officers including our Directors and key managerial personnel

Our Company does not have any bonus or profit-sharing plan for its Directors.

There is no contingent or deferred compensation payable to our Directors.

### Shareholding of the Directors in our Company

Our Articles of Association do not require our Directors to hold any qualification shares. Except as disclosed below, none of our Directors hold any Equity Shares in our Company:

S. No.	Name of Director	No. of Equity Shares held	% of Pre-Issue Equity Capital	% of Post-Issue Equity Shares
1.	Mr. Nirmal Kumar Jain	1,14,10,090	36.02%	[●]
2.	Mr. Rajendra Chittora	52,508	0.17%	[●]
3.	Mr. Ramesh Kumar Jain	1,00,000	0.32%	[●]

### Interest of Directors

Our Directors are interested in our Company in the following manner:

- (a) All the Directors may be deemed to be interested to the extent of fees/remuneration, if any, payable to them for attending meetings of the Board or a Committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them. For further details of interest of our Directors in our Company, see "*Our Management - Remuneration/Compensation/Commission paid to Directors*" beginning on page 267 of this RHP.
- (b) All the Directors may also be deemed to be interested to the extent of Equity Shares, if any, already held by them and to the extent of any dividends payable to them and other distributions in respect of the said Equity Shares;
- (c) Except Nirmal Kumar Jain, who is our Promoter, none of our Directors have any interest in the promotion of our Company by way of being Promoters of our Company, as on the date of this Red Herring Prospectus.
- (d) Except the property situate at Plot No. 02 and 03, having Khasra No. 858, 859, 863 to 870, 871 Mi, 875, 876, 877 Mi., 2078/274 situated at Rajasvgram, Saveena Kheda, Tehsil- Girwa, Udaipur, Rajasthan, measuring 9120 sq. ft. which has been acquired by our Company from our Promoter, Nirmal Kumar Jain under a Sale Deed dated December 19, 2022, none of our directors have an interest in any property acquired by our Company or proposed to be acquired by our Company as of date of this RHP.
- (e) No sum has been paid or agreed to be paid to our Directors or to firms or companies in which they may be members, in cash or shares or otherwise by any person either to induce him/her to become, or qualify him/her as, a Director, or otherwise for services rendered by him/ her or by such firm or company, in connection with the promotion or formation of our Company.
- (f) Except as disclosed in this RHP, no amount or benefit has been paid or given within the 2 (two) preceding years or is intended to be paid or given to any of our Directors either to induce them to become or to qualify them as Directors except the normal remuneration for services rendered by them as Directors.
- (g) No loans have been availed by our Directors from our Company and none of our Directors is related to the beneficiaries of loans, advances and sundry debtors of our Company as on date of this filing of this Red Herring Prospectus.

### Changes in our Board of Directors during the last 3 (three) years

The following changes have taken place in the Board of Directors of our Company during the last 3 (three) years:

Sr. No	Name	Date of Appointment/ change	Reason
1.	Mr. Praveen Kumar Jain	August 30, 2021	Resignation from the post of Director
2.	Mrs. Pushpa Nagda	August 30, 2021	Resignation from the post of Director
3.	Mr. Rajendra Chittora	September 30, 2021	Change in designation to Executive Professional Director
4.	Mr. Amrit Singh Rajpurohit	September 30, 2021	Change in designation to Non-Executive Independent Director
5.	Mrs. Rekha Jain	September 30, 2021	Change in designation to Non-Executive Independent Director
6.	Mrs. Rekha Jain	December 31, 2021	Resignation as Non-Executive Independent Director
7.	Mr. Bansilal Champalal Jain	March 7, 2022	Resignation from the post of Non-Executive Director
8.	Mr. Shiv Prakash Shrimali	October 01, 2022	Appointment of Additional Non-Executive Director
9.	Mr. Kailash Jain	October 01, 2022	Resignation from the post of Director
10.	Mr. Shiv Prakash Shrimali	December 7, 2022	Change in designation as Non-Executive Director
11.	Mr. Vimal Bolia Sardarsinghji	December 7, 2022	Appointment as Non-Executive Independent Director
12.	Mrs. Antima Katira	December 7, 2022	Appointment as Non-Executive Independent Director
13.	Mr. Nishant Sharma	January 05, 2023	Appointment as Additional Independent Director
14.	Mr. Sanjay Dattatray Tatke	January 05, 2023	Appointment as Additional Independent Director
15.	Mr. Amrit Singh Rajpurohit	January 05, 2023	Resignation as Non-Executive Independent Director
16.	Mr. Subhash Jain	January 05, 2023	Resignation as Non-Executive Independent Director
17.	Mr. Rajesh Kumar Jain	January 05, 2023	Resignation as Non-Executive Independent Director
18.	Ms. Ragini Pamecha	January 05, 2023	Resignation as Non- Executive Director
19.	Mr. Prashant Arvind Karulkar	January 16, 2023	Appointment as Additional Non-Executive Independent Director
20.	Mr. Prashant Arvind Karulkar	July 12, 2023	Resignation as Additional Non-Executive Independent Director
21.	Mr. Nishant Sharma	September 30, 2023	Change in designation as Non-Executive Independent Director
22.	Mr. Sanjay Dattatray Tatke	September 30, 2023	Change in designation as Non-Executive Independent Director

### Corporate Governance

The provisions of the Listing Agreement to be entered into with the Stock Exchanges and the applicable regulations of SEBI Listing Regulations with respect to corporate governance will be applicable to us immediately upon the listing of our Equity Shares with the Stock Exchanges. We are in compliance with the requirements of the applicable regulations, including the Listing Agreement with the Stock Exchanges, the SEBI Listing Regulations and the SEBI ICDR Regulations, in respect of corporate governance including constitution of the Board and committees thereof. The corporate governance framework is based on an effective independent board, separation of the Board's supervisory role from the executive management team and constitution of the

Board Committees, as required under law.

Our Board of Directors is constituted in compliance with the Companies Act, Listing Agreement to be executed with Stock Exchanges, the SEBI Listing Regulations and in accordance with best practices in corporate governance, Our Board of Directors functions either as a full board, or through committees or through management which provides our Board of Directors detailed reports on its performance periodically.

Currently our Board of Directors has 8 (eight) Directors of which 3 (three) are Executive Directors, 1 (one) Non-Executive Non-Independent Director, 4 (four) are Independent Directors and with one woman Director on our Board. The Chairman and Managing Director of our Company is an Executive Director.

### **Committee of the Board in accordance with the SEBI Listing Regulations**

#### **I. Audit Committee**

The Audit Committee was constituted by our Board at its meeting held on April 17, 2013 and was last reconstituted by the meeting of our Board on January 05, 2023. The Audit Committee is in compliance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations. The existing Audit Committee of our Company comprises of the following: -

- (i) Mr. Nishant Sharma- Chairman;
- (ii) Ms. Antima Kataria- Member;
- (iii) Mr. Nirmal Kumar Jain- Member;

The Audit Committee shall meet at least four times a year with maximum interval of 120 days between two meetings of the Audit Committee.

The role of the Audit Committee shall be in accordance with section 177 of the Companies Act, 2013 and as per Regulation 18 and Part C of Schedule II of SEBI Listing Regulations. The terms of reference of the Audit Committee shall include the following:

- (1). oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (2). recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- (3). approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (4). reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - b. changes, if any, in accounting policies and practices and reasons for the same;
  - c. major accounting entries involving estimates based on the exercise of judgment by management;
  - d. significant adjustments made in the financial statements arising out of audit findings;
  - e. compliance with listing and other legal requirements relating to financial statements;
  - f. disclosure of any related party transactions (the term "related party transaction" shall have the same meaning as assigned to it under the SEBI Listing Regulations, and any amendment made to it);
  - g. modified opinion(s) in the draft audit report;
- (5). reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- (6). reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / DRHP / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue , and making appropriate recommendations to the board to take up steps in this matter;

- (7). reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (8). approval or any subsequent modification of transactions of the Company with related parties;
- (9). scrutiny of inter-corporate loans and investments;
- (10). valuation of undertakings or assets of the Company, wherever it is necessary;
- (11). evaluation of internal financial controls and risk management systems;
- (12). reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (13). reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (14). discussion with internal auditors of any significant findings and follow up there on;
- (15). reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- (16). discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (17). to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (18). to review the functioning of the whistle blower mechanism;
- (19). approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- (20). carrying out any other function as is mentioned in the terms of reference of the audit committee;
- (21). reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding ₹ 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances /investments, if applicable.
- (22). consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

The audit committee shall mandatorily review the following information:

- (1). management discussion and analysis of financial condition and results of operations;
- (2). management letters / letters of internal control weaknesses issued by the statutory auditors;
- (3). internal audit reports relating to internal control weaknesses; and
- (4). the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- (5). statement of deviations: (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI ICDR Regulations. (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI ICDR Regulations.

## **II. Nomination and Remuneration Committee**

The Nomination and Remuneration Committee was constituted vide Board Resolution dated May 26, 2014 and was last reconstituted by the meeting of our Board on January 05, 2023. The Nomination and Remuneration Committee is in compliance with Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations. The members of the Nomination and Remuneration Committee are:

- (i) Ms. Antima Kataria – Chairman;
- (ii) Mr. Nishant Sharma– Member;
- (iii) Mr. Shiv Prakash Shrimali– Member;

The Nomination and Remuneration Committee shall meet at once a year.

The terms of reference of the Nomination and Remuneration Committee shall be in accordance with Section 178 of the Companies Act 2013 and as per Regulation 19 and Part D of Schedule II of SEBI Listing Regulations as follows:

- (1). formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- (2). For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may: a. use the services of an external agencies, if required; b. consider candidates from a wide range of backgrounds, having due regard to diversity; and c. consider the time commitments of the candidates. formulation of criteria for evaluation of performance of independent directors and the board of directors;
- (3). devising a policy on diversity of board of directors;
- (4). identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
- (5). whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent director.
- (6). recommend to the board, all remuneration, in whatever form, payable to senior management.

### **III. Stakeholders Relationship Committee**

Stakeholders Relationship Committee was constituted vide the Board meeting held on May 26, 2014 and was last reconstituted by the meeting of our Board on January 05, 2023. The Stakeholders' Relationship Committee is in compliance with Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations. The members of the Stakeholders Relationship Committee are:

- (i) Ms. Antima Kataria – Chairman;
- (ii) Mr. Nishant Sharma – Member;
- (iii) Mr. Shiv Prakash Shrimali – Member.

The frequency of meetings of Stakeholders Relationship Committee is at least once in a year.

The terms of reference of the Stakeholders Relationship Committee shall be in accordance with Section 178 of the Companies Act, 2013 and as per Regulation 20 and Part D of Schedule II of the SEBI Listing Regulations and is as follows:

- (1). Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- (2). Review of measures taken for effective exercise of voting rights by shareholders.
- (3). Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- (4). Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

### **IV. Corporate Social Responsibility Committee**

The Corporate Social Responsibility Committee of our Board was constituted by a resolution of our Board at their meeting held on May 26, 2018 and was last reconstituted by the meeting of our Board on January 05, 2023. The Corporate Social Responsibility Committee is in compliance with Section 135 of the Companies Act, 2013. The constitution of the Corporate Social Responsibility Committee is as follows:

1. Mr. Nirmal Kumar Jain - Chairman
2. Ms. Antima Kataria - Member
3. Mr. Ramesh Kumar Jain - Member

The scope and functions of the Corporate Social Responsibility Committee are in accordance with Section 135 of the Companies Act.

- (1) To formulate and recommend to the Board, a corporate social responsibility policy stipulating, amongst others, the guiding principles for selection, implementation and monitoring the activities as well as formulation of the annual action plan.
- (2) The annual action plan shall include the following:-
  - a. the list of corporate social responsibility projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Companies Act
  - b. the manner of execution of such projects or programs as specified in the rules notified under the Companies Act;
  - c. the modalities of utilisation of funds and implementation schedules for the projects or programmes;
  - d. Monitoring and reporting mechanism for the projects or programmes.
  - e. Details of need and impact assessment, if required, for the projects undertaken by the company.
- (3) Recommending the amount of expenditure to be incurred, amount to be atleast 2% of the average net profit of the company in the three immediately preceding financial years.
- (4) To identify corporate social responsibility policy partners and corporate social responsibility policy programmes
- (5) To monitor the corporate social responsibility policy from time to time;
- (6) To review and recommend the amount of expenditure to be incurred for the corporate social responsibility activities and the distribution of the same to various corporate social responsibility programmes undertaken by the Company.
- (7) To delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities.
- (8) To review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes;
- (9) To perform such other duties and function as the Board may require the CSR committee to undertake to promote the corporate social responsibility activities of the company and exercise such other powers as may be conferred upon the CSR Committee in terms of the provisions of Section 135 of the Act.
- (10) To take note of the compliance made by implementing agency (if any) appointed for the corporate social responsibility of the Company;
- (11) Any such terms of reference as may be prescribed under the Companies Act.

#### **V. IPO Committee**

The IPO Committee of our Board was reconstituted by a resolution of our Board at their meeting held on January 1, 2024.

The constitution of the IPO Committee is as follows:

1. Mr. Nirmal Kumar Jain - Chairman;
2. Mr. Ramesh Kumar Jain – Member;
3. Mr. Rajendra Chittora – Member.

The scope and functions of the IPO Committee are:

- (1) to decide, negotiate and finalise the pricing, the terms of the issue of the Equity Shares and all other related matters regarding the Pre-IPO Placement, if any, including the execution of the relevant documents with the investors, in consultation with the book running lead manager appointed in relation to the Issue;
- (2) to decide in consultation with the BRLM the actual size of the Issue and taking on record the number of equity shares, having face value of ₹ 10/- per equity share, and/or reservation on a competitive basis, and/or any rounding off in the event of any oversubscription and/or any discount to be offered to retail individual bidders participating in the Issue and all the terms and conditions of the Issue, including without limitation timing, opening and closing dates of the Issue, price band, allocation/allotment to eligible persons pursuant to the Issue, including any anchor investors, and to accept any amendments, modifications, variations or alterations thereto;
- (3) to appoint, instruct and enter into agreements with the BRLM, and in consultation with BRLM appoint and enter into agreements with intermediaries, co-managers, underwriters, syndicate members, brokers, escrow collection bankers, auditors, independent chartered accountants, refund bankers, registrar, grading agency, monitoring agency, industry expert, legal counsels, depositories, custodians, credit rating agencies, printers, advertising agency(ies), and any other agencies or persons (including any successors or replacements thereof) whose appointment is required in relation to the Issue and to negotiate and finalize the terms of their appointment, including but not limited to execution of the mandate letters and issue agreement with the BRLM, and the underwriting agreement with the underwriters, and to terminate agreements or arrangements with such intermediaries;
- (4) to make any alteration, addition or variation in relation to the Issue, in consultation with the BRLM or SEBI or such other authorities as may be required, and without prejudice to the generality of the aforesaid, deciding the exact Issue structure and the exact component of issue of Equity Shares;
- (5) to finalise, settle, approve, adopt and arrange for submission of the red herring prospectus, the red herring prospectus, the Prospectus, the preliminary and final international wrap and any amendments, supplements, notices, clarifications, reply to observations, addenda or corrigenda thereto, to appropriate government and regulatory authorities, respective stock exchanges where the Equity Shares are proposed to be listed (“Stock Exchanges”), the RoC, institutions or bodies, as may be applicable;
- (6) to invite the existing shareholders of the Company to participate in the Issue, if required.
- (7) to issue advertisements in such newspapers and other media as it may deem fit and proper, in consultation with the relevant intermediaries appointed for the Issue in accordance with the SEBI ICDR Regulations, Companies Act, 2013, as amended and other applicable laws;
- (8) to decide the total number of Equity Shares to be reserved for allocation to eligible categories of investors, if any, and on permitting existing shareholders to sell any Equity Shares held by them, if required;
- (9) to open separate escrow accounts as the escrow account to receive application monies from anchor investors/underwriters in respect of the bid amounts and a bank account as the refund account for handling refunds in relation to the Issue and in respect of which a refund, if any will be made;
- (10) to open account with the bankers to the Issue to receive application monies in relation to the Issue in terms of Section 40(3) of the Companies Act, 2013, as amended;
- (11) to do all such deeds and acts as may be required to dematerialise the Equity Shares and to sign and/or modify, as the case may be, agreements and/or such other documents as may be required with the Central Depository Services (India) Limited/National Securities Depository Limited, registrar and transfer agents and such other agencies, as may be required in this connection, with power to authorise one or more officers of the Company to execute all or any such documents;
- (12) to negotiate, finalise, sign, execute and deliver or arrange the delivery of the issue agreement, syndicate agreement, cash escrow and sponsor bank agreement, underwriting agreement, agreements with the registrar to the Issue, monitoring agency and the advertising agency(ies) and all other agreements, documents, deeds, memorandum of understanding and other instruments whatsoever with the registrar to the Issue, monitoring agency, legal counsel, auditors, Stock Exchanges, BRLM and other agencies/ intermediaries in connection with Issue with the power to authorize one or more officers of the Company to execute all or any of the aforesaid documents;

- (13) to make any applications, seek clarifications, obtain approvals and seek exemptions, if necessary, from the Stock Exchange, the SEBI, the RBI, RoC and such other statutory and governmental authorities in connection with the Issue, as required by applicable law, and to accept, on behalf of the Board, such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, exemptions, permissions and sanctions as may be required, and wherever necessary, incorporate such modifications / amendments as may be required in the DRHP, RHP and the Prospectus;
- (14) to make in-principle and final applications for listing and trading of the Equity Shares on one or more Stock Exchanges, to execute and to deliver or arrange the delivery of the equity listing agreement(s) or equivalent documentation to the Stock Exchanges and to take all such other actions as may be necessary in connection with obtaining such listing;
- (15) to determine and finalize, in consultation with the BRLM , the price band for the Issue and minimum bid lot for the purpose of bidding, any revision to the price band and the final Issue price after bid closure, and to finalize the basis of allocation/allotment and to allot the Equity Shares to the successful allottees and credit Equity Shares to the demat accounts of the successful allottees in accordance with applicable laws and undertake other matters in connection with or incidental to the Issue, including determining the anchor investor portion, in accordance with the SEBI ICDR Regulations;
- (16) to issue receipts/allotment advice/confirmation of allocation notes either in physical or electronic mode representing the underlying Equity Shares in the capital of the Company with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practices and regulations, including listing on one or more stock exchange(s), with power to authorise one or more officers of the Company to sign all or any of the aforementioned documents;
- (17) to approve the code of conduct, suitable insider trading policy, whistle blower/vigil mechanism policy, risk management policy and other corporate governance requirements considered necessary by the Board or the IPO Committee or as required under applicable law;
- (18) to seek, if required, the consent and waivers of the parties with whom the Company has entered into various commercial and other agreements such as Company's lenders, joint venture partners, all concerned governmental and regulatory authorities in India or outside India, and any other consents that may be required in connection with the Issue in accordance with the applicable laws;
- (19) to determine the price at which the Equity Shares are offered, issued, allocated, transferred and/or allotted to investors in the Issue in accordance with applicable regulations in consultation with the BRLM and/or any other advisors, and determine the discount, if any, proposed to be offered to eligible categories of investors;
- (20) to settle all questions, difficulties or doubts that may arise in relation to the Issue, as it may in its absolute discretion deem fit;
- (21) to do all acts and deeds, and execute all documents, agreements, forms, certificates, undertakings, letters and instruments and make applications, as may be necessary for the purpose of or in connection with the Issue;
- (22) to authorize and approve the incurring of expenditure and payment of fees, commissions, brokerage and remuneration in connection with the Issue;
- (23) to withdraw the DRHP or RHP or to decide not to proceed with the Issue at any stage, in consultation with the BRLM and in accordance with the SEBI ICDR Regulations and applicable laws;
- (24) to determine the utilization of proceeds of the Fresh Issue, if applicable and accept and appropriate proceeds of such Fresh Issue in accordance with the Applicable Laws;
- (25) to authorise any concerned person on behalf of the Company to give such declarations, affidavits, certificates, consents and authorities as may be required from time to time in relation to the Issue or provide clarifications to the SEBI, Registrar of Companies and the relevant Stock Exchange(s) where the Equity Shares are to be listed;
- (26) to authorise and empower officers of the Company (each, an "Authorized Officer(s)"), for and on behalf of the Company, to execute and deliver, on a several basis, any agreements and arrangements as well as amendments or supplements thereto that the Authorized Officer(s) consider necessary, appropriate or advisable, in connection with the Issue, including, without limitation, engagement letter(s), memoranda of understanding, the listing agreement(s) with the Stock Exchange(s), the



registrar's agreement and memorandum of understanding, the depositories' agreements, the issue agreement with the BRLM (and other entities as appropriate), the underwriting agreement, the syndicate agreement with the BRLM and syndicate members, the cash escrow and sponsor bank agreement, confirmation of allocation notes, allotment advice, placement agents, registrar to the Issue, bankers to the Company, managers, underwriters, escrow agents, accountants, auditors, legal counsel, depositories, advertising agency(ies), syndicate members, brokers, escrow collection bankers, auditors, grading agency, monitoring agency and all such persons or agencies as may be involved in or concerned with the Issue, if any, and to make payments to or remunerate by way of fees, commission, brokerage or the like or reimburse expenses incurred in connection with the Issue by the BRLM and to do or cause to be done any and all such acts or things that the Authorized Officer(s) may deem necessary, appropriate or desirable in order to carry out the purpose and intent of the foregoing resolutions for the Issue; and any such agreements or documents so executed and delivered and acts and things done by any such Authorized Officer(s) shall be conclusive evidence of the authority of the Authorized Officer and the Company in so doing.

- (27) to do all such acts, deeds, matters and things and execute all such other documents, etc., as may be deemed necessary or desirable for such purpose, including without limitation, to finalize the basis of allocation and to allot the shares to the successful allottees as permissible in law, issue of allotment letters/confirmation of allotment notes, share certificates in accordance with the relevant rules, in consultation with the BRLM;
- (28) to approve the list of 'group companies' of the Company, identified pursuant to the materiality policy adopted by the Board, for the purpose of disclosure in the DRHP, RHP and the Prospectus;
- (29) to delegate any of its powers set out hereinabove, as may be deemed necessary and permissible under applicable laws to the officials of the Company.

#### **VI. Risk Management Committee**

The Risk Management Committee was constituted by our Board at its meeting held on April 17, 2013 and was last reconstituted by the meeting of our Board on January 1, 2024. The Risk Management Committee is in compliance the SEBI Listing Regulations. The scope and functions of the Risk Management Committee are in accordance with SEBI Listing Regulations and its terms of reference as provided in the risk management policy adopted by our Board on January 5, 2023 are set forth below:

- (i) Mr.Nirmal Kumar Jain – Chairman;
- (ii) Mr. Nishant Sharma – Member;
- (iii) Mr. Suresh Chandra Gupta– Member;
- (iv) Mr. Bobby Singh Chandel – Member;
- (v) Ms. Rajni Gehlot– Member.

#### **VII. Other Committees**

In addition to the committees mentioned in “*Committees of the Board*” on page 271, our Company has constituted such other committees as follows:

1. Asset Liability Management Committee under Corporate Governance (Reserve Bank) Directions, 2015 with Mr. Nirmal Kumar Jain, Mr. Rajendra Chittora, Mr. Ramesh Kumar Jain, Ms. Rajni Gehlot and Mr. Bobby Singh Chandel as members.
2. Loan and Investment Committee in pursuance of the provisions of the Companies Act, 2013 with Mr. Nirmal Kumar Jain, Mr. Rajendra Chittora, Mr. Ramesh Kumar Jain, Ms. Rajni Gehlot and Mr. Bobby Singh Chandel as members.
3. Share Allotment Committee in pursuance of the provisions of the Companies Act, 2013 with Mr. Nirmal Kumar Jain, Mr. Ramesh Kumar Jain, Mrs. Rajni Gehlot, Mr. Bobby Singh Chandel and Mr. Rajendra Chittora as members.
4. Loan Sanction Committee in pursuance of the provisions of the Companies Act, 2013 with Mr. Nirmal Kumar Jain, Mr. Rajendra Chittora, Mr. Ramesh Kumar Jain, Ms. Rajni Gehlot and Mr. Bobby Singh Chandel as members.

## Key Managerial Personnel

For details of the biographies of our Executive Directors, see- Brief Profile of Directors contained in the chapter titled 'Our Management' beginning on page 264 of this RHP.

Given below are the details of our Key Managerial Personnel, other than the Company's Executive Directors whose details are provided above as on the date of this RHP in terms of the SEBI ICDR Regulations, and Companies Act, 2013 as on the date of this RHP are set forth below:

- (1). **Mr. Bobby Singh Chandel** is the Chief Executive Officer of our Company. He has been appointed as CEO of the Company w.e.f. December 24, 2022. He holds a degree in Bachelors of Commerce from Khalsa College of Arts, Commerce and Science, Mumbai University. In the Financial Year 2024, he received a gross remuneration of ₹ 43.00 lakhs.
- (2). **Ms. Rajni Gehlot**, is the Chief Financial Officer of our Company. She has been appointed as the Chief Financial Officer of the Company w.e.f. May 17, 2019. She holds a degree in Masters of Commerce in Accountancy and Statistics from Mohan Lal Sukhadia University, Udaipur, Post Graduate Diploma in Business Administration from Symbiosis Centre for Distance Learning, Pune and is a qualified Chartered Accountant. In the Financial Year 2024, she received a gross remuneration of ₹12.86 lakhs.
- (3). **Mr. Manoj Kumar Choubisa**, is the Company Secretary and Compliance Officer of the Company. He was appointed as the Company Secretary of our Company w.e.f. January 01, 2024. He holds a degree in Bachelor of Commerce from Mohan Lal Sukhadia University, Udaipur. He has completed his M. Com in Business Administration from Mohan Lal Sukhadia University, Udaipur. He is an associate member of The Institute of Company Secretaries of India. He was previously employed at Aasan Affordable Housing LLP as an Accountant from May 2017 to November 2018. He has also worked at Akme Build Estate Ltd. as an Accountant and Compliance Officer from January 2019 to December 2023. In the Financial Year 2024, he received a gross remuneration of ₹1.35 lakhs. He has approximately 6.5 years of experience.

## Senior Management Personnel

- (1). **Mr. Suresh Chandra Gupta** is the Chief Risk Officer of the Company. He was appointed as the Chief Risk Officer w.e.f. January 1, 2023. He holds a degree in Bachelor of Commerce from University of Rajasthan. He is also qualified as a certificated Associate from the Indian Institute of Bankers. He was previously employed with Rajasthan Marudhara Gramin Bank from June 24, 1984 till May 31, 2019, and the last position which he held was that of a Senior Manager. He has approximately 34 years of experience in the Banking industry. In the Fiscal 2024, he received a gross remuneration of Rs. 6.25 lakhs.
- (2). **Mr. Akash Jain** is the Vice President- Finance and Treasury of the Company. He was appointed as the Vice President of Finance and Treasury w.e.f. March 1, 2024. He holds a degree of Bachelor of Science (Statistics) from Mohan Lal Sukhadia University, Udaipur. He is also qualified as a Chartered Accountant from the Institute of Chartered Accountants of India. Further, he has completed a Post Qualification Course in Information System Audit (ISA) from the Institute of Chartered Accountants of India. He was engaged as a Partner of M/s Nyati Mundra & Co., Chartered Accountants from June 1, 2009 until February 29, 2023. He has approximately 14 years of experience in the finance and Consultancy industry. In the Financial Year 2024, he received a gross remuneration of Rs. 0.75 lakhs.

Further, our Company has not entered into any service contracts, pursuant to which its KMPs are entitled to benefits upon termination of employment. Except statutory benefits upon termination of their employment in our Company or superannuation, no KMPs are entitled to any benefit upon termination of employment or superannuation.

- i. None of our KMPs and Senior Management Personnel are related to any of the other directors, KMPs and Senior Management Personnel as per the definition "Relative" under the Section 2(77) of Companies Act, 2013.
- ii. There is no arrangement or understanding with major shareholders, customers, suppliers or any others pursuant to which any of the abovementioned KMPs have been recruited as KMPs.
- iii. All the key managerial personnel mentioned above are permanent employees of our Company and none of them are related to each other or to any Director of our Company.
- iv. As on the date of filing of this RHP, our Company does not have a performance linked bonus or a profit sharing plan with the KMPs.

- v. There is no contingent or deferred compensation payable to our KMPs, which does not form part of their remuneration
- vi. No non-salary-related payments or benefits have been made to our KMPs based on targets achieved and general performance.
- vii. Attrition of KMPs in the Company is not high as compared to the industry.

#### **Shareholding of Key Management Personnel and Senior Management Personnel**

Our Articles of Association do not require our KMPs to hold any qualification shares. Except as disclosed below, none of our KMPs and SMPs hold any Equity Shares in our Company:

<b>S. No.</b>	<b>Name of KMP/SMP</b>	<b>No. of Equity Shares held</b>	<b>% of Pre-Issue Equity Shares Capital</b>	<b>% of Post-Issue Equity Shares</b>
1.	Bobby Singh Chandel	100,000	0.32%	[●]
2.	Rajni Gehlot	107,500	0.34%	[●]
3.	Akash Jain	43,000	0.14%	[●]
4.	Suresh Chandra Gupta	17,500	0.06%	[●]

#### **Employees**

As of December 31, 2023, we had 125 employees.

#### **Employee stock option and stock purchase schemes**

As on the date of this Red Herring Prospectus, except as mentioned below, our Company does not have any active employee stock option plan:

Akme Fintrade Employee Stock Option Plan 2022 (“ESOP Scheme”)

Our Company adopted the ESOP Scheme in accordance with Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 pursuant to resolutions passed by our Board on November 14, 2022 and by our Shareholders on December 7, 2022 to grant 10,00,000 (Ten Lakhs Only) employee stock options under the ESOP Scheme. The objective of the ESOP Scheme is to reward the eligible employees for their association with the Company, their performance as well as to attract, retain and reward eligible employees to contribute to the growth and profitability of the Company.

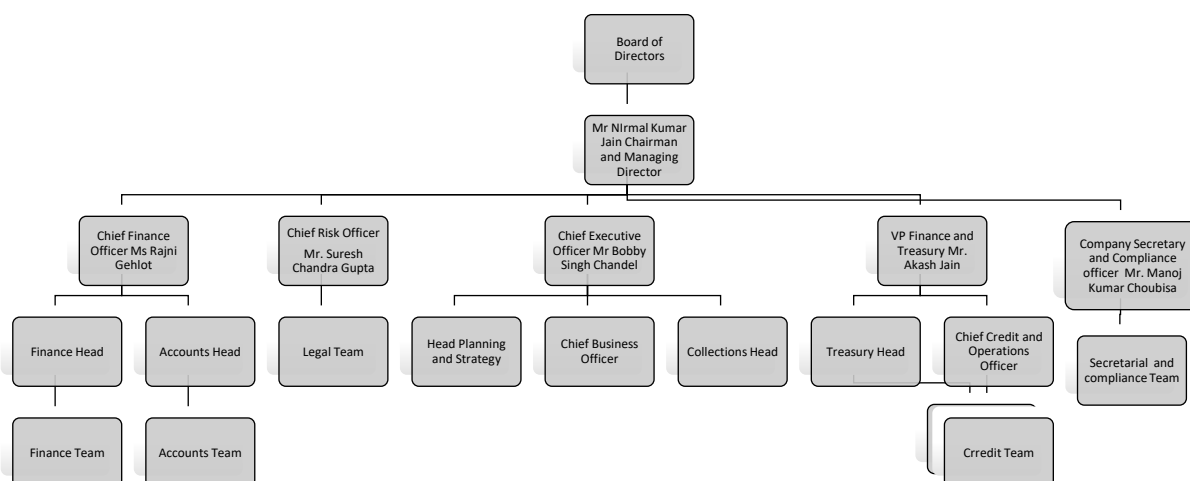
In terms of the ESOP Scheme, minimum vesting period is one year and maximum vesting period is three years from the date of grant of options. The exercise period in respect of a vested option shall be a maximum period of one year from the date of vesting of options.

As on the date of this Red Herring Prospectus, no options have been granted under the ESOP Scheme, as certified by M/s. Valawat and Associates, Chartered Accountants, by way of their certificate dated June 11, 2024.

#### **Payment or Benefit to Key Managerial Personnel of our Company**

No amount or benefit has been paid or given to any officer of our Company within the two years preceding the date of this RHP or is intended to be paid or given, other than in the ordinary course of their employment.

## Management Organizational Structure



### Changes in the Key Managerial Personnel and Senior Management Personnel of our Company in the last 3 (three) years preceding the date of this RHP

The changes in our key managerial personnel and Senior Management Personnel during the 3 (three) years immediately preceding the date of this RHP are set forth below.




Sr. No.	Name	Designation	Reason	Date of Appointment / Change in designation
1.	Mr. Dipesh Jain	Chief Executive Officer	Resignation	September 02, 2021
2.	Ms. Anjali Pancholi	Company Secretary	Resignation	March 31, 2022
3.	Ms. Shalu Banoria	Company Secretary	Appointment	September 01, 2022
4.	Mr. Nirmal Kumar Jain	Chief Executive Officer	Appointment	January 04, 2022
5.	Mr. Nirmal Kumar Jain	Chief Executive Officer	Resignation	December 24, 2022
6.	Mr. Bobby Singh Chandel	Chief Executive Officer	Appointment	December 24, 2022
7.	Ms. Shalu Banoria	Company Secretary and Compliance Officer	Resignation	March 31, 2023
8.	Ms. Jayashree P Sharma	Company Secretary and Compliance Officer	Appointment	May 29, 2023
9.	Ms. Jayashree P Sharma	Company Secretary and Compliance Officer	Resignation	December 31, 2023
10.	Mr. Manoj Kumar Choubisa	Company Secretary and Compliance Officer	Appointment	January 01, 2024

## OUR PROMOTERS AND PROMOTER GROUP

As on date of this Red Herring Prospectus, our Promoters in aggregate, hold 1,45,46,920 Equity Shares in our Company, representing 45.92% the issued, subscribed and paid-up Equity Share capital of our Company.

For details of the build-up of the Promoters' shareholding in our Company, see "*Capital Structure – History of the Equity Share capital held by our Promoters*", beginning on page 153.

The following are the details of the Promoters of our Company:

Name	Details
	<p>Mr. Nirmal Kumar Jain, aged 57 years, is the Promoter, Chairman and Managing Director of our Company. For his complete profile along with the details of his date of birth, address, educational qualification, experience in the business, positions/posts held in past, directorships held, other ventures, special achievements, his business and financial activities, please refer to the chapter titled "<i>Our Management</i>" beginning on page 264.</p> <p>PAN: ADJPJ1116G</p>
	<p>Ms. Manju Devi Jain, aged 50 years, is the Promoter of our Company.</p> <p>Date of birth: July 6, 1973            Address: 188, Tagore Nagar, Hiran Magri, Sec. 4, Udaipur, Rajasthan, 313002.            PAN: ADRPJ2998J            Educational qualifications: Under matriculation            She possesses approximately 12 years of experience in the finance industry.</p> <p>As on date of filing of this Red Herring Prospectus, Ms. Manju Devi Jain holds 11,61,480 Equity Shares representing 3.67% of the subscribed and paid-up Equity Share capital of our Company.</p>
	<p>Mr. Dipesh Jain, aged 30 years, is the Promoter of our Company.</p> <p>Date of birth: May 6, 1994            Address: 188, Tagore Nagar, Sector-4, Hiran Magri, Manwa Khera (Rural), Udaipur, Rajasthan, 313002.            PAN: ATWPJ7914R            Educational qualifications: Bachelor of Architecture (Fourth Year).</p> <p>He possesses approximately 4.5 years of experience in the architecture and real estate construction. He holds the positions/posts as a Body Corporate DP Nominee in Akme Sarvoday Dreamventures LLP and Akmedream Homes LLP and as a Director in The Coronation Castles Private Limited and Siddhatva Enclave Private Limited.</p> <p>As on date of filing of this Red Herring Prospectus, Mr. Dipesh Jain holds 6,97,880 Equity Shares representing 2.20 % of the subscribed and paid-up Equity Share capital of our Company.</p>
-	Nirmal Kumar Jain (HUF), is the Promoter of our Company.

	<p>Nirmal Kumar Jain (HUF) came into existence on December 2, 1988, Mr. Nirmal Kumar Jain is the Karta of Nirmal Kumar Jain (HUF) and its members are Ms. Manju Devi Jain and Dipesh Jain. Nirmal Kumar Jain (HUF) is not carrying on any business presently except holding of investments.</p> <p>PAN: AACHN6665A</p> <p>As on date of filing of this Red Herring Prospectus, Nirmal Kumar Jain (HUF) holds 12,77,470 Equity Shares representing 4.03% of the subscribed and paid-up Equity Share capital of our Company.</p>
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*Our Company confirms that the details of the PANs, Bank Account Numbers, Passport Numbers, Aadhar Card Numbers and driving license numbers of our Promoters have been submitted to the Stock Exchanges at the time of filing the Draft Red Herring Prospectus.*

#### **Other ventures of our Promoters**

Except as set out in this chapter under heading “Promoter Group” and the chapter titled ‘Our Management’, our Promoters are not involved with any other venture, as a shareholder/stakeholder, proprietor, partner, promoter or director.

#### **Change of control of our Company**

Our Promoters are not the original promoters of our Company. For further details, see “*Capital Structure*” beginning on page 84. However, there has not been any change in the management or control of our Company during the last 5 (five) years preceding the date of this Red Herring Prospectus. Further, Nirmal Kumar Jain had acquired 16,98,120 fully paid-up Equity Shares of the Company at a price of ₹50/- at a total consideration Rs 8,49,06,000/- from Anil Kumar Jain and others under a Share Purchase Agreement dated July 11, 2022. Further, Nirmal Kumar Jain has acquired 37,00,000 fully paid-up Equity Shares of the Company at a price of ₹50/- at total consideration of ₹18,50,00,000/- from Ashish Jain and others under a Share Purchase Agreement dated July 11, 2022.

#### **Experience in the proposed line of business**

For details of the experience of our Promoters in relation to the business of our Company, please refer to the chapter titled “*Our Management*” beginning on page 264 and to the details of the Promoters of the Company in this chapter titled “*Our Promoters and Promoter Group*” on page 281.

#### **Interest of Promoters**

1. Our Promoters are interested in our Company to the extent that they have promoted our Company.
2. Our Promoter, Mr. Nirmal Kumar Jain, who is also the Director of our Company may be interested to the extent of remuneration, commission and reimbursement of expenses payable to him as per the terms of his appointment, the Articles of Association of our Company and relevant provisions of Companies Act. For further information on our Promoters’ compensation and other details please refer to the chapter titled “*Our Management*” beginning on page 264.
3. Our Promoters may also be deemed to be interested to the extent of Equity Shares held by them and their immediate relatives in our Company and also to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares in our Company. For details regarding the shareholding of our Promoters in our Company, see the chapter titled “*Capital Structure*” beginning on page 84 of this RHP.
4. No sum has been paid or agreed to be paid to our Promoters or to a firm or company in cash or shares or otherwise by any person either to induce such person to become, or qualify them as a Director or Promoter, or otherwise for services rendered by them or by such firm or company in connection with the promotion or formation of our Company, in respect of a firm or a company in which our Promoters are interested as a member.

#### **Interest in acquisition of, land, construction of building, supply of machinery**

Except for the agreements to sale executed with our Promoter, Mr. Nirmal Kumar Jain, and Akme Build Estate Limited as mentioned below, our Promoters do not have any interest in any land or property acquired by our Company in the three years preceding the date of this Red Herring Prospectus or proposed to be acquired by

our Company or in any transaction with respect to the acquisition of land, construction of building or supply of machinery or any other contract, agreement or arrangement entered into by our Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements:

*Properties purchased from Mr. Nirmal Kumar Jain by the Company:*

Property Description	Date of the Agreement	Consideration paid
Land located at, Rajasvgram, Savinakheda, Girwa, Udaipur, Rajasthan, with Residential Plot No. 2 and 3 having Khasra No. 858, 859, 863-870, 871Mi., 875, 876, 877Mi., 2078/274 admeasuring 9120 sq. ft.	Agreement to Sale dated December 19, 2022	₹ 1,50,00,000/-

*Properties purchased from Akme Build Estate Limited by the Company:*

Property Description	Date of the Agreement	Consideration paid
Commercial Plot No. 5, Block C, Subcity Centre situated at Rajasvgram, Savina Kheda, Tehsil-Girwa, Udaipur, Rajasthan measuring 2150 Sq. Ft.	Agreement to Sale dated December 20, 2022	₹ 3,00,00,000/-
Commercial Plot No. 4, Block C, Subcity Centre having Khasra No. 64 situated at Rajasygram, Savina Kheda, Tehsil- Girwa, Udaipur, Rajasthan measuring 1050 Sq. Ft.	Agreement to Sale dated December 20, 2022	₹ 2,50,00,000/-
Commercial Plot No. 30, Block C, Subcity Centre situated at Rajasygram, SavinaKheda, Tehsil- Girwa, Udaipur, Rajasthan admeasuring 200 Sq. Ft.	Agreement to Sale dated December 20, 2022	₹ 25,00,000/-
Land located at, Rajasvgram, Goverdhan Vilas, Udaipur, Rajasthan, with Residential Plot No. 1 having Khasra No. 221, 1171/189 admeasuring 13024 sq. ft.	Agreement to Sale dated December 20, 2022	₹ 2,00,00,000/-
Commercial Plot No. 29 Block-C, Subcity Centre, Rajasvgram, Savinakheda, Girwa, Udaipur, Rajasthan, admeasuring 200 sq. ft	Agreement to Sale dated December 20, 2022	₹ 25,00,000/-
Commercial Plot No. 07, Khasra No. 2901 to 2905 and 672 to 679, 684, 686 Mi, 687 to 692, 693 Mi., 695, 696, 698 Mi., 699. 705 Mi, 1213/700, 1180/705, 1181/705, 1211/686, 1212/693, 1213/693 Mi. 1214/694, 1216/693, 1217/693, 1218/694, 1296/698 situated at Rajasvgram, Titardi and Dhol Ki Pati Udaipur, Rajasthan admeasuring 26482 Sq. ft.	Agreement to Sale dated December 20, 2022	₹ 3,00,00,000/-
Commercial Plot No. 26, Block C, Subcity Centre situated at Rajasvgram, Savina Kheda, Tehsil- Girwa, Udaipur, Rajasthan admeasuring 200 Sq. Ft.	Agreement to Sale dated December 20, 2022	₹ 25,00,000/-
Commercial Plot No. 28, Block C, Subcity Centre situated at Rajasvgram, SavinaKheda, Tehsil-Girwa, Udaipur, Rajasthan admeasuring 200 Sq. Ft.	Agreement to Sale dated December 20, 2022	₹ 25,00,000/-

#### **Payment or benefits to our Promoters in the last two years**

Except as stated otherwise in the chapter titled “*Our Management*” beginning on page 264, no benefit or amount has been given or paid to our Promoters or members of our Promoter Group within the two years immediately preceding the date of filing this Red Herring Prospectus or is intended to be paid or given to our Promoter or

members of our Promoter Group.

### Material Guarantees

Our Promoters have not given any material guarantees to third parties with respect to the Equity Shares of the Company.

### Companies or firms with which our Promoters have disassociated in the last 3 (three) years

Except as disclosed below, none of our Promoters have disassociated themselves from any companies, firms or other entities during the last 3 (three) years preceding the date of this Red Herring Prospectus:

Sr. No.	Name of Promoter	Name of Entity	Date of disassociation	Reason
1.	Mr. Nirmal Kumar Jain	Star Housing Finance Limited	December 31, 2021	Cessation as director
2.	Mr. Nirmal Kumar Jain	Aarsh Fincon Limited	July 11, 2022	Sale of shareholding
3.	Ms. Manju Devi Jain	Aarsh Fincon Limited	August 17, 2021	Cessation as director
4.	Ms. Manju Devi Jain	Aarsh Fincon Limited	July 11, 2022	Sale of shareholding
5.	Mr. Dipesh Jain	Akme Finnova Advisors LLP	March 04, 2021	Cessation as director
6.	Mr. Dipesh Jain	Gogunda Landmark LLP	August 06, 2021	Cessation as director
7.	Mr. Dipesh Jain	Akme Build Estate Limited	March 31, 2022	Cessation as director
8.	Mr. Dipesh Jain	Aarsh Fincon Limited	July 11, 2022	Sale of shareholding
9.	Nirmal Kumar Jain HUF	Aarsh Fincon Limited	July 11, 2022	Sale of shareholding

### Compliance with Regulation 5 of the SEBI ICDR Regulations are as follows:

- None of our Promoters, members of our Promoter Group are debarred from accessing the capital markets by SEBI.
- None of the Promoters of our Company is a Promoter of any other company which is debarred from accessing the capital market by SEBI.
- None of our Promoters have been categorized as a Wilful Defaulter or a Fraudulent Borrower (as defined in the SEBI ICDR Regulations).
- None of our Promoters have been declared a fugitive economic offender in accordance with the Fugitive Economic Offenders Act, 2018.

### Compliance with the Companies (Significant Beneficial Owners) Rules, 2018 and amendments thereof

Our Promoters, members of Promoter Group confirm that they are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, as amended, to the extent applicable to them, as on the date of this Red Herring Prospectus.

### Promoter Group

Our Promoter Group as defined under Regulations 2(1)(pp) of the SEBI ICDR Regulations includes the following individuals and body corporates:

#### (i) Individuals forming part of the Promoter Group

The following natural persons form part of the Promoter Group as relatives of Mr. Nirmal Kumar Jain:

Sr. Nos.	Relationship	Name
1.	Wife	Manju Devi Jain
2.	Mother-in-law	Kanchan Devi
3.	Brother	Keshavlal Sohanlal Jain



4.	Brother	Hira Lal Jain
5.	Brother	Shantilal Sohanlal Jain
6.	Brother-in-law	Jhamak Lal Jain
7.	Brother-in-law	Manak Chand Jain
8.	Brother-in-law	Yashpal Jain
9.	Sister	Kanchan Jain
10.	Sister	Kanta Jain
11.	Son	Dipesh Jain
12.	Daughter	Jenisha Jain

The following natural persons form part of the Promoter Group as relatives of Ms. Manju Devi Jain:

Sr. Nos.	Relationship	Name
1.	Husband	Nirmal Kumar Jain
2.	Mother	Kanchan Devi
3.	Brother	Jhamak Lal Jain
4.	Brother	Manak Chand Jain
5.	Brother	Yashpal Jain
6.	Brother-in-law	Keshavlal Sohanlal Jain
7.	Brother-in-law	Hira Lal Jain
8.	Brother-in-law	Shantilal Sohanlal Jain
9.	Sister-in-law	Kanta Jain
10.	Sister-in-law	Kanchan Jain
11.	Son	Dipesh Jain
12.	Daughter	Jenisha Jain

The following natural persons form part of the Promoter Group as relatives of Mr. Dipesh Jain:

Sr. Nos.	Relationship	Name
1.	Wife	Kartika Jain
2.	Father	Nirmal Kumar Jain
3.	Mother	Manju Devi Jain
4.	Father-in-law	Pushker Lal Jain
5.	Mother-in-law	Sangeeta Jain
6.	Brother-in-law	Rishabh Jain
7.	Sister	Jenisha Jain

**(ii) Body Corporate:**

Following are the Promoter Group entities:

Sl. No.	Name of Entities
1.	The Coronation Castles Private Limited
2.	Star Housing Finance Limited
3.	Siddhatva Enclave Private Limited
4.	Akme Build Estate Limited
5.	Akme Sarvoday Dreamventures LLP
6.	Akmedream Homes LLP

**(iii) Other entities forming a part of the Promoter Group**

Nil

## OUR GROUP COMPANIES

In terms of the SEBI ICDR Regulations, the term “ Group Companies ”, includes (i) such companies (other than promoter(s) and subsidiary(ies)) with which there were related party transactions during the period for which financial information is disclosed, in accordance with Ind AS 24, as disclosed in the Restated Financial Statements, including any additions or deletions in such companies, after the Relevant Period and until the date of the respective offer documents; and (ii) any other companies considered material by the board of directors.

Accordingly, such companies with which the Company had related party transactions, in accordance with Ind AS 24, during the period for which the Restated Financial Statements are disclosed in the RHP (“**Relevant Period**”) and as disclosed in the Restated Financial Statements, which are contained in RHP, shall be considered as group companies of the Company for the purpose of disclosure in the offer documents to be filed in relation to the Company’s proposed initial public offering.

Pursuant to a resolution of our Board dated January 5, 2023, our Board has considered that such companies which are a part of the Promoter Group (as defined in the SEBI ICDR Regulations) with whom our Company has entered into one or more transactions during the most recent financial year viz. Fiscal 2023, the monetary value of which individually or cumulatively exceeds 10% of the total revenue of our Company for the Relevant Period as per the Restated Financial Statements shall also be considered as group companies of the Company.

Based on the parameters outlined above, our Board has identified the following companies as the Group Companies of our Company:

1. Star Housing Finance Limited;
2. Aarsh Fincon Limited;
3. Akme Build Estate Limited,
4. Akme Automobiles Private Limited;
5. Akme Buildmart Private Limited;
6. The Coronation Castles Private Limited;
7. Arvind Multi Industries Private Limited;
8. Akme Mineral Exim Private Limited.

### **A. Details of our top five Group Companies**

*Set out below are details of our top five Group Companies based on turnover.*

#### **Star Housing Finance Limited**

##### *Corporate Information*

Star Housing Finance Limited was originally incorporated as Akme Buildhome Private Limited on March 21, 2005 under the Companies Act, 1956.

Its name was changed to Akme Star Housing Finance Private Limited and fresh certificate of incorporation consequent to change of name was issued on October 23, 2009 by Registrar of Companies, Jaipur.

Subsequently, its name was changed to Akme Star Housing Finance Limited and fresh certificate of incorporation consequent upon conversion from Private Company to Public Company was issued on November 13, 2009 by Registrar of Companies, Rajasthan.

Thereafter, its name was changed to Star Housing Finance Limited and fresh certificate of incorporation consequent on change of name was issued on May 10, 2021 by Registrar of Companies, Jaipur. The registered office is located at 603, Western Edge I, Above Metro Cash & Carry, Borivali East, Mumbai-400066, Maharashtra, India.

The CIN of Star Housing Finance Limited is L45201MH2005PLC376046.

##### *Audited Financial Information*

In accordance with SEBI ICDR Regulations, certain financial information pertaining to (i) the details of reserves (excluding revaluation reserves), (ii) sales; (iii) profit/loss after tax; (iv) earnings per share; (v) diluted earnings per shares; and (vi) net asset value in relation to SHFL for the last three financial years, extracted from its audited financial statements (as applicable) is available at the website of Star Housing Finance Limited at

<https://www.starhfl.com/investor-relations/>. This information is referred to as the “Group Company Financial Information”.

The financial information of Star Housing Finance Limited derived from its audited financial statements is as follows:

(₹ in lakhs, except per share data)

Particulars	Fiscal 2023	Fiscal 2022	Fiscal 2021
Equity share capital	3857.91	1658.22	1,567.35
Reserves and Surplus	6783.97	4751.63	3,796.60
Total Revenue	3724.31	1936.54	1,560.29
Profit/(Loss) for the year	697.99	62.22	155.66
Earnings per Share (Basic)	0.97	0.097	0.99
Earnings per Share (Diluted)	0.93	0.097	0.99
Net Asset Value per share	13.49	38.65	34.22

\*NAV for FY 2023 is calculated on the face value of Rs. 5/- each and for FY 2022 is calculated on face value of Rs. 10/- each.

The link above has been provided solely to comply with the requirements of the SEBI ICDR Regulations.

### Aarsh Fincon Limited

#### Corporate Information

Aarsh Fincon Limited was originally incorporated as Myriad Financial Services Private Limited on August 8, 1994 under the Companies Act, 1956.

Its name was changed to Akme Fincon Private Limited and fresh certificate of incorporation on consequent on change of name was issued on July 28, 2005 by Registrar of Companies, Jaipur.

Its name was changed to Akme Fincon Limited and fresh certificate of incorporation on consequent upon conversion from Private Company to Public Company was issued on March 26, 2012 by Registrar of Companies, Jaipur.

Thereafter, its name was changed to Aarsh Fincon Limited and fresh certificate of incorporation on consequent on change of name was issued on August 12, 2022 by Registrar of Companies, Jaipur. The registered office is located at Akme Business Centre (Abc), 4-5 Subcity Savina Circle, Opp. Krishi Upaz Mandi, Udaipur, Rajasthan 313002, India.

The CIN of Aarsh Fincon Limited is U67120RJ1994PLC008642.

#### Audited Financial Information

In accordance with SEBI ICDR Regulations, certain financial information pertaining to (i) the details of reserves (excluding revaluation reserves), (ii) sales; (iii) profit/loss after tax; (iv) earnings per share; (v) diluted earnings per shares; and (vi) net asset value in relation to AFL for the last three financial years, extracted from its audited financial statements (as applicable) is available at the website of Aarsh Fincon Limited at [www.aarshfincon.com](http://www.aarshfincon.com). This information is referred to as the “Group Company Financial Information”.

The financial information of Aarsh Fincon Limited derived from its audited financial statements is as follows:

(₹ in lakhs, except per share data)

Particulars	Fiscal 2023	Fiscal 2022	Fiscal 2021
Equity share capital	280.30	238.30	226.30
Reserves and Surplus	3,757.32	3,252.88	2,788.39
Total Revenue	1,390.21	1,357.27	1,379.76
Profit/(Loss) for the year	294.44	356.50	360.19
Earnings per Share (Basic)	10.91	15.55	15.92
Earnings per Share (Diluted)	10.91	15.55	15.92
Net Asset Value per share	144.05	146.50	133.22

\*Face value of each equity share is Rs. 10/- each.

The link above has been provided solely to comply with the requirements of the SEBI ICDR Regulations.

### **Akme Build Estate Limited**

#### *Corporate Information*

Akme Build Estate Limited was originally incorporated as Arham Constructions Private Limited on October 31, 1995 under the Companies Act, 1956. Its name was changed to Akme Build Estate Private Limited and fresh certificate of incorporation on consequent on change of name was issued on June 28, 2005 by Registrar of Companies, Jaipur. Its name was changed to Akme Build Estate Limited and fresh certificate of incorporation on consequent upon conversion from Private Company to Public Company was issued on March 26, 2012 by Registrar of Companies, Jaipur. The registered office is located at 39, 2<sup>nd</sup> Floor Laxmi Niwas, Panjrapole, 2<sup>nd</sup> Lane, Gulalwadi, Girgaon, Mumbai Mumbai City, Maharashtra 400004, India. The CIN of Akme Build Estate Limited is U45201MH1995PLC273481.

#### *Audited Financial Information*

In accordance with SEBI ICDR Regulations, certain financial information pertaining to (i) the details of reserves (excluding revaluation reserves), (ii) sales; (iii) profit/loss after tax; (iv) earnings per share; (v) diluted earnings per shares; and (vi) net asset value in relation to Akme Build Estate Limited for the last three financial years, extracted from its audited financial statements (as applicable) is available at the website of the Company at <https://aasaanloans.com/>. This information is referred to as the “Group Company Financial Information”.

The financial information of Akme Build Estate Limited derived from its audited financial statements is as follows:

*(₹ in lakhs, except per share data)*

<b>Particulars</b>	<b>Fiscal 2023</b>	<b>Fiscal 2022</b>	<b>Fiscal 2021</b>
Equity share capital	171.34	171.34	171.34
Reserves and Surplus	4,044.82	1,585.05	1,421.57
Total Revenue	3,246.08	3,029.67	2,060.36
Profit/(Loss) for the year	665.21	147.12	189.66
Earnings per Share (Basic)	386.96	85.86	110.69
Earnings per Share (Diluted)	386.96	85.86	110.69
Net Asset Value per share	2,460.74	1,025.09	929.68

\*Face value of each equity share is Rs. 100/- each.

The link above has been provided solely to comply with the requirements of the SEBI ICDR Regulations.

### **Akme Automobiles Private Limited**

#### *Corporate Information*

Akme Automobiles Private Limited was originally incorporated as Akme Star Insurance Consultants Private Limited on December 27, 2006 under the Companies Act, 1956. Its name was changed to Akme Automobiles Private Limited and fresh certificate of incorporation on consequent on change of name was issued on November 13, 2009 by Registrar of Companies, Jaipur. The registered office is located at Akme Business Centre (Abc), 4-5 Subcity Centre Savina Circle, Oppo. Krishi Upaz Mandi, Udaipur, Rajasthan 313002, India.

The CIN of Akme Automobiles Private Limited is U50200RJ2006PTC023534.

#### *Audited Financial Information*

In accordance with SEBI ICDR Regulations, certain financial information pertaining to (i) the details of reserves (excluding revaluation reserves), (ii) sales; (iii) profit/loss after tax; (iv) earnings per share; (v) diluted earnings per shares; and (vi) net asset value in relation to Akme Automobiles Private Limited for the last three financial years, extracted from its audited financial statements (as applicable) is available at the website of the Company at <https://aasaanloans.com/>. This information is referred to as the “Group Company Financial Information”.

The financial information of Akme Automobiles Private Limited derived from its audited financial statements is as follows:

(₹ in lakhs, except per share data)

Particulars	Fiscal 2023	Fiscal 2022	Fiscal 2021
Equity share capital	37.00	37.00	37.00
Reserves and Surplus	247.54	201.11	197.59
Total Revenue	1,650.00	1,133.23	1,542.62
Profit/(Loss) for the year	46.43	3.52	6.72
Earnings per Share (Basic)	12.55	0.95	1.82
Earnings per Share (Diluted)	12.55	0.95	1.82
Net Asset Value per share	76.90	64.35	63.40

\*Face value of each equity share is Rs. 10 each.

The link above has been provided solely to comply with the requirements of the SEBI ICDR Regulations.

### **Akme Buildmart Private Limited**

#### *Corporate Information*

Akme Buildmart Private Limited was originally incorporated on March 28, 2013 under the Companies Act, 1956. The registered office of Akme Buildmart Private Limited is located at 3<sup>rd</sup> Floor, Akme Business Center (Abc) 4-5 Subcity Savina Circle, Opp. Krishi Upaz Mandi, Udaipur, Udaipur-313002, Rajasthan, India.

The CIN of Akme Buildmart Private Limited is U45201RJ2013PTC041936.

#### *Audited Financial Information*

In accordance with SEBI ICDR Regulations, certain financial information pertaining to (i) the details of reserves (excluding revaluation reserves), (ii) sales; (iii) profit/loss after tax; (iv) earnings per share; (v) diluted earnings per shares; and (vi) net asset value in relation to Akme Buildmart Private Limited for the last three financial years, extracted from its audited financial statements (as applicable) is available at the website of the Company at <https://aasaanloans.com/>. This information is referred to as the “Group Company Financial Information”.

The financial information of Akme Buildmart Private Limited derived from its audited financial statements is as follows:

(₹ in lakhs, except per share data)

Particulars	Fiscal 2023	Fiscal 2022	Fiscal 2021
Equity share capital*	90.61	90.61	90.61
Reserves and Surplus	492.57	97.91	99.81
Total Revenue	579.97	140.75	242.17
Profit/(Loss) for the year	394.65	-1.90	1.92
Earnings per Share (Basic)	43.56	-0.20	0.21
Earnings per Share (Diluted)	43.56	-0.20	0.21
Net Asset Value per share	64.36	20.80	21.02

\*Face value of each equity share is Rs. 10/- each.

The link above has been provided solely to comply with the requirements of the SEBI ICDR Regulations.

### **B. Details of our other group companies**

#### **1. The Coronation Castles Private Limited**

The registered office of The Coronation Castles Private Limited is located at 203, Second Floor, Aakash Ganga Complex, 100 Feet Road, Savina, Udaipur, Udaipur-313001, Rajasthan, India.

#### **2. Arvind Multi Industries Private Limited**

The registered office of Arvind Multi Industries Private Limited is located at 7, Dhanawat Tower, Shastri Circle, Udaipur-31300, Rajasthan, India.

#### **3. Akme Mineral Exim Private Limited**

The registered office of Akme Mineral Exim Private Limited is located at 188, Tagore Nagar, Hiran Magri, Sector-4, Udaipur, Udaipur-313002 Rajasthan, India.

### C. Nature and Extent of Interest of our Group Companies

#### a) *In the promotion of our Company*

Our Group Companies do not have any interest in the promotion of our Company. Presently, Star Housing Finance Limited, Aarsh Fincon Limited and The Coronation Castles Private Limited hold 2,18,220, 83,520 and 1,40,085 Equity Shares of our Company, respectively.

#### b) *In the properties acquired by our Company in the past three years before filing this Red Herring Prospectus with SEBI or proposed to be acquired*

Our Group Companies are not interested in the properties acquired by our Company in the 3 (three) years preceding the filing of this Red Herring Prospectus. Except for the agreements to sale executed with Akme Build Estate Limited as stated below, our Group Companies are not interested in the properties acquired or proposed to be acquired by our Company:

*Properties purchased from Akme Build Estate Limited by the Company:*

Property Description	Date of the Agreement	Consideration paid
Commercial Plot No. 5, Block C, Subcity Centre situated at Rajasvgram, Savina Kheda, Tehsil-Girwa, Udaipur, Rajasthan measuring 2150 Sq. Ft.	Agreement to Sale dated December 20, 2022	₹ 3,00,00,000/-
Commercial Plot No. 4, Block C, Subcity Centre having Khasra No. 64 situated at Rajasygram, Savina Kheda, Tehsil- Girwa, Udaipur, Rajasthan measuring 1050 Sq. Ft.	Agreement to Sale dated December 20, 2022	₹ 2,50,00,000/-
Commercial Plot No. 30, Block C, Subcity Centre situated at Rajasygram, SavinaKheda, Tehsil- Girwa, Udaipur, Rajasthan admeasuring 200 Sq. Ft.	Agreement to Sale dated December 20, 2022	₹ 25,00,000/-
Land located at, Rajasvgram, Goverdhan Vilas, Udaipur, Rajasthan, with Residential Plot No. 1 having Khasra No. 221, 1171/189 admeasuring 13024 sq. ft.	Agreement to Sale dated December 20, 2022	₹ 2,00,00,000/-
Commercial Plot No. 29 Block-C, Subcity Centre, Rajasvgram, Savinakheda, Girwa, Udaipur, Rajasthan, admeasuring 200 sq. ft	Agreement to Sale dated December 20, 2022	₹ 25,00,000/-
Commercial Plot No. 07, Khasra No. 2901 to 2905 and 672 to 679, 684, 686 Mi, 687 to 692, 693 Mi., 695, 696, 698 Mi., 699. 705 Mi, 1213/700, 1180/705, 1181/705, 1211/686, 1212/693, 1213/693 Mi. 1214/694, 1216/693, 1217/693, 1218/694, 1296/698 situated at Rajasvgram, Titardi and Dhol Ki Pati Udaipur, Rajasthan admeasuring 26482 Sq. ft.	Agreement to Sale dated December 20, 2022	₹ 3,00,00,000/-
Commercial Plot No. 26, Block C, Subcity Centre situated at Rajasvgram, Savina Kheda, Tehsil- Girwa, Udaipur, Rajasthan admeasuring 200 Sq. Ft.	Agreement to Sale dated December 20, 2022	₹ 25,00,000/-
Commercial Plot No. 28, Block C, Subcity Centre situated at Rajasvgram, SavinaKheda, Tehsil-Girwa, Udaipur, Rajasthan admeasuring 200 Sq. Ft.	Agreement to Sale dated December 20, 2022	₹ 25,00,000/-

#### c) *In transactions for acquisition of land, construction of building and supply of machinery*

Except as stated in item (b) above, our Group Companies are not interested in any transactions for the acquisition of land, construction of building or supply of machinery.

### D. *Related Business Transactions within our Group Companies and significance on the financial performance of our Company*

Other than the arrangements/ transactions disclosed in the sections “*Our Business*” beginning on pages 225 and “*Note 41 Related Party Transaction*” on page 328 under the chapter titled “*Restated Financial*”

*Statements*” beginning on page 293, our Group Companies do not have any business interest in our Company.

**E. Common Pursuits amongst the Group Companies and our Company**

Except Aarsh Fincon Limited, which is a non-deposit accepting NBFC involved in the business of providing vehicle loans, personal loans, mortgage loans and loan against property, there are no common pursuits amongst our Group Companies and our Company.

**F. Business Interest of our Group Companies**

Except in the ordinary course of business and other than the business arrangements/ transactions disclosed in “*Note 41 Related Party Transaction*” on page 328, under the chapter titled “*Restated Financial Statements*” beginning on page 293 of this RHP, there are no other business arrangements/ transactions between our Company and Group Companies.

The Company has given on rent an owned premise of the Company to Akme Automobiles Private Limited and Aarsh Fincon Limited, the details of which are as under:

Property Description	Parties	Date of the Rent Agreement	Rent and Security Deposit	Term of the Agreement
Commercial Premises situated at 3rd floor, Akme Business Center, 4-5 Savina Subcity Center, Opp Krishi Upaz Mandi Savina Udaipur 313001	Tenant: Aarsh Fincon Limited Owner: The Company	February 8, 2024,	Rent: ₹ 70,000/- (Rupees Seventy Thousand Only)	11 (eleven) months from February 1, 2024 to December 31, 2024
Commercial Premises situated at Akme Business Center, 4-5 Savina Subcity Center, Opp Krishi Upaz Mandi Savina Udaipur 313001	Tenant: Akme Automobiles Private Limited Owner: The Company	February 8, 2024,	Rent: ₹ 1,00,000/- (Rupees One Lakh Only)	11 (eleven) months from February 1, 2024 to December 31, 2024.

**G. Litigation**

Our Group Companies are not party to any pending litigation which has a material impact on our Company.

**H. Confirmations**

Except Star Housing Finance Limited, none of our Group Companies have any securities listed on a stock exchange. Further, they have not made any public or rights issue (as defined under the SEBI ICDR Regulations) of securities in the three years preceding the date of this Red Herring Prospectus.

## DIVIDEND POLICY

The declaration and payment of dividends on our Equity Shares, if any, will be recommended by our Board of Directors and approved by our shareholders in the Annual General Meeting, at their discretion, subject to the provisions of the Articles of Association, the Companies Act, SEBI Listing Regulations, including the rules made thereunder and other relevant regulations, if any, each as amended and the requirements of RBI circular no. RBI/2021-22/59 DOR.ACC.REC.No.23/21.02.067/2021-22 on declaration of dividends by NBFC's dated June 24, 2021 ("**RBI Circular**"). Further the Board shall also have the absolute power to declare one or more interim dividend in compliance with the Act including the Rules made thereunder and other relevant regulations, if any. Our Company has adopted a formal policy on dividend distribution pursuant to a resolution of our Board dated January 05, 2023. In accordance with our dividend policy, our Board shall recommend/ declare dividend as per the provisions of the Companies Act, 2013 and the RBI Circular. Interim dividend shall be paid on declaration of the same by our Board and the final dividend will be paid on the approval of shareholders at an annual general meeting.

Our Company has not declared dividends on its Equity Shares in the last 3 (three) Fiscals.

Declaration of dividend, if any, will depend on statutory and regulatory parameters only after ensuring compliance with requisite regulations and directives as stipulated by the RBI, provisions of the Companies Act, 2013 and rules made there under, the SEBI Listing Regulations as amended and any other regulations as maybe applicable from time to time and a number of financial parameters and external factors such as the growth in loan portfolio, funding and liquidity considerations, leverage ratios, profits earned during the financial year, accumulated reserves, profitability outlook for the next two/three years, investment requirements in its subsidiaries and associate companies, expected future capital/liquidity requirements, compliance with covenants contained in any agreement entered into by the Company with its lenders/debentures trustees, if any and other factors and/or material events which the Board may consider, shareholders expectations, macro-economic conditions, taxation provisions and government policies. The Board may not recommend any dividend if one or more of the eligibility criterion for recommendation of dividend have not been fulfilled including any regulatory restriction placed on the Company for declaration of dividend or if the Board is of opinion that it would be prudent to conserve capital for growth or other exigencies which shall be stated by the Board.

Our Company may also, from time to time, pay interim dividends. Our past practices with respect to the declaration of dividends are not necessarily indicative of our future dividend declaration. For details in relation to risks involved in this regard, see "Risk Factors- *Our Company may not be able to pay dividends in the future. Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements and capital expenditures and the terms of our financing arrangements*" on page 59.



**SECTION V: FINANCIAL INFORMATION**

**RESTATED FINANCIAL STATEMENTS**

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**Independent Auditor’s Report for the Restated Financial Statements of  
Akme Fintrade (India) Limited**

To,  
The Board of Directors  
**Akme Fintrade (India) Limited**  
Akme Business Centre, 4-5,  
Subcity Centre, Savina Circle,  
Udaipur – 313002, Rajasthan

Dear Sirs,

We, Valawat & Associates, have examined the attached Restated Financial Statements of Akme Fintrade (India) Limited (the “**Company**” or the “**Issuer**”) comprising Restated Statement of Assets and Liabilities as at December 31 2023, March 31 2023, March 31, 2022 and March 31, 2021, and Restated Statement of Profit and Loss (including Other Comprehensive Income), and Restated Statement of Cash Flows and Restated Statement of Changes in Equity for the nine month period ended December 31, 2023, and for each of the years ended March 31, 2023, March 31, 2022 and March 31, 2021, Summary of significant accounting policies and other explanatory information annexed to this report for the purpose of inclusion in the Draft Red Herring Prospectus (the “**DRHP**”) proposed to be filed with the Securities and Exchange Board of India (“**SEBI**”), BSE Limited and National Stock Exchange of India Limited (collectively, the “**Stock Exchanges**”) and the relevant Registrar of Companies (“**ROC**”). These Restated Financial Statements have been prepared by the Company and approved by the Board of Directors at their meeting held on February 26, 2024.

1. These Restated Financial Statements have been prepared in accordance with the requirements of:
  - (i) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the “**Act**”)
  - (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“**ICDR Regulations**”)
  - (iii) The Guidance Note on Reports in Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India (“**ICAI**”), as amended from time to time (the “**Guidance Note**”).

**Management’s Responsibility for the Restated Financial Statements**

2. The Company’s Board of Directors is responsible for the preparation of the Restated Financial Statements for the purpose of inclusion in the DRHP. The Restated Financial Statements have been prepared by the management of the Company on the basis of preparation stated in Note 2.1 of the Restated Financial Statements. The responsibility of the Board of Directors of the Company includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Statements. The Board of Directors is also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.

**Auditors’ Responsibilities**

3. We have examined such Restated Financial Statements taking into consideration:
  - a. The terms of reference and terms of our engagement agreed with you in accordance with our engagement letter dated November 2, 2022; requesting us to carry out the assignment, in connection with the proposed IPO of equity shares of the Company
  - b. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
  - c. Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Statements; and
  - d. The requirements of Section 26 of the Act and the ICDR Regulations.

Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the proposed initial public offer of its equity shares of the Company.

4. The Company proposes to make an initial public offer of its equity shares of face value of Rs. 10 each of the Company at such premium arrived at by the book building process (referred to as the “**IPO**”), as may be decided by the Company’s Board of Directors.
5. The Restated Financial Statements have been compiled by the management from:

- a) Audited interim financial statements of the Company as at and for the nine months period ended December 31, 2023, prepared in accordance with Indian Accounting Standard 34 “Interim Financial Reporting”, specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India (referred to as “Ind-AS”), which have been approved by the Board of Directors at their meeting held on February 26, 2024.
- b) Audited financial statements of the Company as at and for the years ended March 31, 2023, March 31, 2022 and March 31, 2021 which were prepared in accordance with the Indian Accounting Standards as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India (referred to as “Ind AS”), which have been approved by the Board of Directors at their meetings held on May 29, 2023, May 30, 2022 and August 14, 2021, respectively.
6. For the purpose of our examination, we have relied on:
- a. the Special Purpose Audit report issued by us dated February 26, 2024 on the Audited interim financial statements as at and for the nine months period ended December 31, 2023 as referred in Paragraph 5 above;
- b. the Auditors’ report issued by us dated May 29, 2023 on audited financial statements as at and for the year ended March 31, 2023 as referred in Paragraph 5 above;
- c. the Auditors’ report issued by us dated May 30, 2022 on audited financial statements as at and for the year ended March 31, 2022 as referred in Paragraph 5 above;
- d. the Auditors’ report issued by us dated August 14, 2021 on audited financial statements as at and for the year ended March 31, 2021 as referred in Paragraph 5 above;
7. The audit reports on the audited financial statements issued by us includes the following emphasis of matter paragraphs on the audited financial statements as at and for the years ended March 31, 2022 and March 31, 2021:

Period	Emphasis of Matters
Financial year ended March 31, 2022	<p><b>Emphasis of Matter</b></p> <p>We draw your attention to Notes to accounts of the Financial Statement which describes to the extent to which the COVID-19 pandemic will impact the Company's results will depend on future developments, which are highly uncertain. Further, such estimates are based on current facts and circumstances and may not necessarily reflect the future uncertainties and events arising from the full impact of the COVID 19 pandemic.</p>
Financial year ended March 31, 2021	<p><b>Emphasis of Matter</b></p> <p>We draw your attention to Notes to accounts of the Financial Statement which describes to the extent to which the COVID-19 pandemic will impact the Company's results will depend on future developments, which are highly uncertain. Further, such estimates are based on current facts and circumstances and may not necessarily reflect the future uncertainties and events arising from the full impact of the COVID 19 pandemic.</p>

8. Based on our examination and according to the information and explanations given to us, we report that the Restated Financial Statements:
- a) have been prepared after incorporating adjustments for changes in accounting policies, material errors and regrouping/re-classifications retrospectively for the nine months period ended December 31, 2023 and in the Financial year ended March 31, 2023, March 31, 2022, and March 31, 2021 to reflect the same accounting treatment as per the accounting policies and groupings/classifications as at and for the nine months period ended December 31, 2023;
- b) does not contain any qualifications requiring adjustments; and
- c) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
9. The Restated Financial Statements do not reflect the effects of events that occurred subsequent to the respective dates of the reports on audited financial statements mentioned in paragraph 6 above.
10. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by the Previous Auditor nor should this report be construed as a new opinion on any of the financial statements referred to therein.
11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

12. Our report is intended solely for use of the Board of Directors for inclusion in the DRHP to be filed SEBI, Stock Exchanges and ROC in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come.

**For Valawat & Associates**  
**Chartered Accountants**  
**ICAI Firm Registration Number: 003623C**

*Sd/-*  
**CA. Jinendra Jain**  
**Partner**  
**Membership No.: 072995**  
**Place: Udaipur**  
**Date: February 26, 2024**  
**UDIN: 24072995BKAMOO2825**

**RESTATED STATEMENT OF ASSETS AND LIABILITIES**

(Amount in Rs. Lakhs)

Particulars	Note	As at			
		December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>ASSETS</b>					
<b>Financial Assets</b>					
Cash and cash equivalents	4	1,305.98	737.39	74.07	1,060.03
Bank balances other than cash and cash equivalents	5	141.72	294.77	117.73	271.56
Loans	6	36,755.98	34,556.66	34,287.11	41,283.87
Investments	7	20.40	20.40	20.34	20.34
Other financial assets	8	1,410.89	1,365.70	2,157.87	1,993.97
<b>Total Financial Assets</b>		<b>39,634.97</b>	<b>36,974.92</b>	<b>36,657.13</b>	<b>44,629.77</b>
<b>Non-financial Assets</b>					
Deferred tax assets (net)	36	251.12	149.41	98.74	198.89
Property, plant and equipment	9	1,752.64	1,782.76	549.13	606.96
Right of use asset	37	0.00	0.00	39.22	53.06
Other intangible assets	10	101.05	111.24	38.15	34.99
Other non-financial assets	11	56.18	31.69	18.98	16.15
<b>Total Non-Financial Assets</b>		<b>2,161.00</b>	<b>2,075.09</b>	<b>744.22</b>	<b>910.04</b>
<b>Total Assets</b>		<b>41,795.97</b>	<b>39,050.02</b>	<b>37,401.35</b>	<b>45,539.81</b>
<b>LIABILITIES AND EQUITY</b>					
<b>LIABILITIES</b>					
<b>Financial Liabilities</b>					
Trade payables	12	45.01	26.67	22.19	33.17
Debt securities	13	0.00	1,000.00	1,000.00	1,000.00
Borrowings (other than debt securities)	14	17,518.94	14,778.00	20,006.03	28,782.23
Subordinated Liabilities	15	2,000.00	1,998.30	2,000.00	2,000.00
Other financial liabilities	16	152.37	182.07	256.33	177.62
<b>Total Financial Liabilities</b>		<b>19,716.32</b>	<b>17,985.05</b>	<b>23,284.56</b>	<b>31,993.02</b>
<b>Non-financial Liabilities</b>					
Current tax liabilities (net)	17	189.01	440.41	227.52	363.49
Provisions	18	163.84	106.90	101.46	103.91
Other non-financial liabilities	19	25.55	39.55	103.37	53.03
<b>Total Non-Financial Liabilities</b>		<b>378.40</b>	<b>586.86</b>	<b>432.35</b>	<b>520.43</b>
<b>Total Liabilities</b>		<b>20,094.72</b>	<b>18,571.91</b>	<b>23,716.91</b>	<b>32,513.45</b>
<b>EQUITY</b>					
Equity share capital	20	3,167.50	3,167.50	2,181.65	2,181.65
Other equity	21	18,533.75	17,310.61	11,502.79	10,844.71
<b>Total Equity</b>		<b>21,701.25</b>	<b>20,478.11</b>	<b>13,684.44</b>	<b>13,026.36</b>
<b>Total Liabilities and Equity</b>		<b>41,795.97</b>	<b>39,050.02</b>	<b>37,401.35</b>	<b>45,539.81</b>
Corporate Information and Significant Accounting Policies	1-3				

The accompanying notes are integral part of the Restated Financial Statements.

As per our report of even date attached

For **Valawat & Associates**  
Chartered Accountants  
ICAI Firm registration number: 003623C

For and on behalf of the Board of Directors of  
**AKME Fintrade (India) Limited**  
CIN : U67120RJ1996PLC011509

Sd/-  
**CA. Jinendra Jain**  
*Partner*  
Membership No: 072995

Sd/-  
**Nirmal Kumar Jain**  
(MD & Chairman)  
DIN: 00240441

Sd/-  
**Ramesh Kumar Jain**  
(Director)  
DIN: 07441707

Sd/-  
**Rajni Gehlot**  
(CFO)

Sd/-  
**Bobby Singh Chandel**  
(CEO)

Place: Udaipur  
UDIN: 24072995BKAMOO2825  
Date: February 26, 2024

**RESTATED STATEMENT OF PROFIT AND LOSS**

(Amount in Rs. Lakhs)

Particulars	Note	For the Period/Year ended			
		December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>Revenue from operations</b>					
Interest income	22	5,077.23	6,310.99	6,486.94	8,416.86
Fees and commission Income	23	140.73	209.78	227.97	148.52
Gain / Loss on derecognised financial assets	24	-3.41	-6.52	-6.30	0.00
Other operating Income	25	125.94	437.12	35.53	52.33
<b>Total revenue from operations (I)</b>		<b>5,340.49</b>	<b>6,951.37</b>	<b>6,744.13</b>	<b>8,617.72</b>
Other income (II)	26	4.18	5.45	6.08	61.66
<b>Total Income (III) = (I) + (II)</b>		<b>5,344.67</b>	<b>6,956.82</b>	<b>6,750.21</b>	<b>8,679.38</b>
<b>Expenses</b>					
Finance costs	27	2,063.86	2,765.08	3,500.04	4,804.47
Impairment on financial instruments	28	547.69	359.12	1,062.80	771.47
Employee benefits expense	29	565.79	654.48	730.40	840.43
Depreciation and amortisation expense	30	38.82	58.19	69.48	65.27
Other expenses	31	612.36	1,115.24	628.58	276.95
<b>Total Expenses (IV)</b>		<b>3,828.52</b>	<b>4,952.11</b>	<b>5,991.30</b>	<b>6,758.58</b>
<b>Profit before tax (V) = (III) - (IV)</b>		<b>1,516.15</b>	<b>2,004.71</b>	<b>758.91</b>	<b>1,920.80</b>
<b>Tax expense (VI)</b>	32				
Current tax		403.52	478.82	252.59	434.09
Deferred tax (net)		-112.03	-54.38	94.25	-143.79
Tax Expense		291.49	424.44	346.84	290.30
<b>Profit for the period / year (A) = (V) - (VI)</b>		<b>1,224.66</b>	<b>1,580.27</b>	<b>412.07</b>	<b>1,630.50</b>
<b>Other comprehensive income</b>	38				
<b>Items that will not be reclassified to profit or loss</b>					
Re-measurements of the defined benefit plan (Net of Tax)		-1.52	11.04	17.53	3.49
<b>Items that will be reclassified subsequently to profit or loss</b>					
Fair value gain/(loss) on equity instruments (Net of Tax)		-	-	-	-
<b>Other comprehensive income / (deficit) for the period / year, net of Income tax</b>		<b>-1.52</b>	<b>11.04</b>	<b>17.53</b>	<b>3.49</b>
<b>Total comprehensive income</b>		<b>1,223.14</b>	<b>1,591.32</b>	<b>429.60</b>	<b>1,634.00</b>
<b>Earnings per equity share (face value Re.10 each)</b>	39				
Basic EPS (in rupees)*		3.87	5.85	1.68	6.68
Diluted EPS (in rupees)*		3.87	5.85	1.68	6.68
Corporate Information and Significant Accounting Policies	1-3				

\*Not annualised for the period ended December 31, 2023

The accompanying notes are integral part of the Restated Financial Statements.

As per our report of even date attached

For **Valawat & Associates**  
Chartered Accountants  
ICAI Firm registration number: 003623C

For and on behalf of the Board of Directors of  
**AKME Fintrade (India) Limited**  
CIN : U67120RJ1996PLC011509

Sd/-  
**CA. Jinendra Jain**  
*Partner*  
Membership No: 072995

Sd/-  
**Nirmal Kumar Jain**  
(MD & Chairman)  
DIN: 00240441

Sd/-  
**Ramesh Kumar Jain**  
(Director)  
DIN: 07441707

Sd/-  
**Rajni Gehlot**  
(CFO)

Sd/-  
**Bobby Singh Chandel**  
(CEO)

Place: Udaipur  
UDIN: 24072995BKAMOO2825  
Date: February 26, 2024

**RESTATED STATEMENT OF CASH FLOWS**

(Amount in Rs. Lakhs)

Particulars	For the Period/Year ended			
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>A. Cash Flow from Operating Activities</b>				
<b>Profit before tax</b>	<b>1,516.15</b>	<b>2,004.71</b>	<b>758.91</b>	<b>1,920.80</b>
<b>Adjustments for:</b>				
Depreciation and Amortisation Expenses	38.82	58.19	69.48	65.27
Provision for ECL	409.13	48.53	88.17	159.44
Bad debts Written-off	138.56	310.59	974.63	612.03
Interest on investment	-0.36	-0.98	-0.73	-0.73
Profit on sale of fixed assets	-2.12	-5.45	-6.08	-7.89
Net Gain on change in fair value of shares	0.00	0.00	0.00	0.00
Provision for Gratuity (Actuarial Gain or Loss)	0.00	0.00	0.00	0.00
<b>Operating cash flow before working capital changes</b>	<b>2,100.18</b>	<b>2,415.59</b>	<b>1,884.39</b>	<b>2,748.92</b>
<b>Changes in Working Capital:</b>				
<i>Adjustments for (Increase) / Decrease in operating assets:</i>				
Loans	-2,747.01	-628.67	5,933.96	5,230.51
Other non- financial assets	-24.49	-12.71	-2.83	36.89
Other financial assets	-45.19	792.17	-163.90	163.16
<i>Adjustments for Increase / (Decrease) in operating liabilities:</i>				
Trade Payables	18.34	4.48	-10.97	-14.77
Current Tax Liabilities	-251.40	212.89	-135.97	62.34
Provisions	67.22	9.15	3.44	22.90
Other financial liabilities	-29.70	-74.26	78.71	-27.38
Other non-financial liabilities	-14.00	-63.82	50.33	49.44
Cash Credit	-799.50	185.30	-1,074.34	670.76
<b>Net cash (used in) operations</b>	<b>-1,725.56</b>	<b>2,840.12</b>	<b>6,562.83</b>	<b>8,942.76</b>
Direct taxes paid (net)	-403.52	-478.82	-252.59	-434.09
<b>Net Cash from/ (used in) Operating Activities (A)</b>	<b>-2,129.08</b>	<b>2,361.30</b>	<b>6,310.24</b>	<b>8,508.68</b>
<b>B. Cash Flow from Investing Activities</b>				
Investment in Fixed Deposits	153.05	-177.04	153.83	67.51
Purchase of Fixed Assets	-8.39	-1,441.58	-20.04	-55.58
Sale of Fixed Assets	12.00	121.35	25.15	30.45
(Increase)/decrease in investment	-0.00	-0.05	0.00	219.53
Interest income on Investment	0.36	0.98	0.73	0.73
<b>Net Cash from / (used in) Investing Activities (B)</b>	<b>157.01</b>	<b>-1496.34</b>	<b>159.66</b>	<b>262.63</b>
<b>C. Cash Flow from Financing Activities</b>				
Proceeds from issue of equity shares	0.00	985.85	0.00	14.22
Proceeds from securities premium (net off utilisation)	0.00	4,216.50	0.00	270.18
Foreign Currency Monetary Gain /(Loss)	0.00	0.00	0.00	0.00
Issue of Debentures	0.00	0.00	0.00	1,000.00
Deposits	0.00	0.00	0.00	0.00
Other	-1.52	11.04	246.01	106.08
Net Repayment of Borrowings during the period/year	2,542.18	-5,415.02	-7,701.86	-9,801.37
<b>Net Cash from/(used in) Financing Activities (C)</b>	<b>2,540.66</b>	<b>-201.64</b>	<b>-7,455.85</b>	<b>-8,410.89</b>
<b>Net increase / (decrease) in Cash and Cash Equivalents (A) + (B) + (C)</b>	<b>568.60</b>	<b>663.32</b>	<b>-985.95</b>	<b>360.42</b>
<b>Cash and Cash Equivalents at the beginning of the period/ year</b>	<b>737.39</b>	<b>74.07</b>	<b>1,060.03</b>	<b>699.61</b>
<b>Cash and Cash Equivalents at the end of the period/ year</b>	<b>1,305.98</b>	<b>737.39</b>	<b>74.07</b>	<b>1,060.03</b>

Cash and cash equivalents comprises of	As at			
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Cash on hand	91.92	81.46	70.09	547.24
Balances with banks				
(i) In current accounts	110.83	455.93	3.97	512.78
ii) In other deposit accounts (original maturity less than 3 months)	1,103.23	200.00	0.00	0.00
	<b>1,305.98</b>	<b>737.39</b>	<b>74.07</b>	<b>1,060.03</b>

Notes

- The above Statement of Cash Flows has been prepared under the Indirect method set out in Indian Accounting Standard (Ind AS) 7 'Statement of Cash Flows'.
- Figures with negative mark (-) indicate cash outflow.

The accompanying notes are integral part of the Restated Financial Statements.

As per our report of even date attached

For **Valawat & Associates**  
Chartered Accountants  
ICAI Firm registration number: 003623C

For and on behalf of the Board of Directors of  
**AKME Fintrade (India) Limited**  
CIN : U67120RJ1996PLC011509

Sd/-  
**CA. Jinendra Jain**  
*Partner*  
Membership No: 072995

Sd/-  
**Nirmal Kumar Jain**  
(MD & Chairman)  
DIN: 00240441

Sd/-  
**Ramesh Kumar Jain**  
(Director)  
DIN: 07441707

Sd/-  
**Rajni Gehlot**  
(CFO)

Sd/-  
**Bobby Singh Chandel**  
(CEO)

Place: Udaipur  
UDIN: 24072995BKAMOO2825  
Date: February 26, 2024



RESTATED STATEMENT OF CHANGES IN EQUITY

(Amount in Rs. Lakhs)

<b>A Equity share capital</b>		
<b>Particulars</b>	<b>Number of shares</b>	<b>Amount</b>
<b>Equity Shares of Rs. 10 each as at April 1, 2020</b>	2,16,74,306	2,167.43
Change in equity share capital during the year		-
Add: Issued during the year	1,42,200	14.22
<b>Balance as at March 31, 2021</b>	<b>2,18,16,506</b>	<b>2,181.65</b>
<b>Equity Shares of Rs. 10 each at April 1, 2021</b>	2,18,16,506	2,181.65
Change in equity share capital during the period		
Add: Issued during the year	-	-
<b>Balance as at March 31, 2022</b>	<b>2,18,16,506</b>	<b>2,181.65</b>
<b>Equity Shares of Rs. 10 each as at April 1, 2022</b>	2,18,16,506	2,181.65
Change in equity share capital during the period		
Add: Issued during the year	71,32,068	713.21
Add: Bonus shares allotted during the year	27,26,422	272.64
<b>Balance as at March 31, 2023</b>	<b>3,16,74,996</b>	<b>3,167.50</b>
<b>Equity Shares of Rs. 10 each as at April 1, 2023</b>	<b>3,16,74,996</b>	<b>3,167.50</b>
Change in equity share capital during the period		
Add: Issued during the year	-	-
Add: Bonus shares allotted during the year	-	-
<b>Balance as at December 31, 2023</b>	<b>3,16,74,996</b>	<b>3,167.50</b>

<b>B. Other Equity</b>	<b>Reserves and Surplus</b>					<b>Other Comprehensive Income</b>		<b>Total</b>
	<b>Securities premium</b>	<b>Statutory reserve</b>	<b>Foreign Currency Monetary item Translation Difference Account</b>	<b>Re-tained earnings</b>	<b>Impairment Reserve</b>	<b>Equity Instruments through other comprehensive income</b>	<b>Others</b>	
<b>As at April 1, 2020</b>	3,564.21	1,182.64	-436.49	4,363.05	-	164.53	-	<b>8,837.94</b>
<b>Changes in equity for the year ended March 31, 2021</b>								
Equity shares issued during the year	270.18	-	-	-	-	-	-	<b>270.18</b>
Less: Bonus Shares Issued during the year	-	-	-	-	-	-	-	-
Transfer to special reserve	-	333.94	-	-333.94	-	-	-	-
Profit for the year	-	-	-	1,630.50	-	-	-	<b>1,630.50</b>
Transfer to Impairment Reserves	-	-	-	-830.84	830.84	-	-	-
Others	-	-	436.49	-169.37	-	-164.53	3.49	<b>106.08</b>
<b>As at March 31, 2021</b>	<b>3,834.39</b>	<b>1,516.58</b>	-	<b>4,659.41</b>	<b>830.84</b>	-	<b>3.49</b>	<b>10,844.71</b>
<b>As at April 1, 2021</b>	3,834.39	1,516.58	-	4,659.41	830.84	-	3.49	10,844.71
<b>Changes in equity for the year ended March 31, 2022</b>								
Equity shares issued during the year	-	-	-	-	-	-	-	-
Transfer to special reserve	-	86.56	-	-86.56	-	-	-	-
Profit for the year	-	-	-	412.07	-	-	-	<b>412.07</b>
Reversal of excess provision of income tax	-	-	-	228.48	-	-	-	<b>228.48</b>
Others	-	-	-	-	-	-	17.53	<b>17.53</b>
<b>As at March 31, 2022</b>	<b>3,834.39</b>	<b>1,603.14</b>	-	<b>5,213.40</b>	<b>830.84</b>	-	<b>21.02</b>	<b>11,502.79</b>
<b>As at April 1, 2022</b>	3,834.39	1,603.14	-	5,213.40	830.84	-	21.02	11,502.79
<b>Changes in equity for the year ended March 31, 2023</b>								
Equity shares issued during the year	4,489.14	-	-	-	-	-	-	4489.14
Less: Bonus Shares Issued during the year	-272.64	-	-	-	-	-	-	-272.64
Transfer to special reserve	-	290.37	-	-290.37	-	-	-	-
Profit for the year	-	-	-	1,580.27	-	-	-	<b>1,580.27</b>
Others	-	-	-	-	-	-	11.04	<b>11.04</b>
<b>As at March 31, 2023</b>	<b>8,050.89</b>	<b>1,893.51</b>	-	<b>6,503.31</b>	<b>830.84</b>	-	<b>32.06</b>	<b>17,310.61</b>
<b>As at April 1, 2023</b>	8,050.89	1,893.51	-	6,503.31	830.84	-	32.06	17,310.61
<b>Changes in equity for the year ended December 31, 2023</b>								
Equity shares issued during the year	-	-	-	-	-	-	-	-
Less: Bonus Shares Issued during the year	-	-	-	-	-	-	-	-
Transfer to special reserve	-	244.93	-	-244.93	-	-	-	-
Profit for the year	-	-	-	1,224.66	-	-	-	<b>1,224.66</b>

Others	-	-	-	-	-	-	-1.52	-1.52
<b>As at December 31, 2023</b>	<b>8,050.89</b>	<b>2,138.45</b>	<b>-</b>	<b>7,483.03</b>	<b>830.84</b>	<b>-</b>	<b>30.54</b>	<b>18,533.75</b>

The accompanying notes are integral part of the Restated Financial Statements.

As per our report of even date attached

For **Valawat & Associates**  
Chartered Accountants  
ICAI Firm registration number: 003623C

For and on behalf of the Board of Directors of  
**AKME Fintrade (India) Limited**  
CIN : U67120RJ1996PLC011509

Sd/-  
**CA. Jinendra Jain**  
**Partner**  
Membership No: 072995

Sd/-  
**Nirmal Kumar Jain**  
(MD & Chairman)  
DIN: 00240441

Sd/-  
**Ramesh Kumar Jain**  
(Director)  
DIN: 07441707

Sd/-  
**Rajni Gehlot**  
(CFO)

Sd/-  
**Bobby Singh Chandel**  
(CEO)

Place: Udaipur  
UDIN: 24072995BKAMOO2825  
Date: February 26, 2024

## NOTES TO RESTATED FINANCIAL STATEMENTS

### 1. Corporate Information

Akme Fintrade (India) Limited (the “Company”) is a public company domiciled in India and incorporated on February 5, 1996 under the provisions of the Companies Act, 1956. The Company has received a Certificate of Registration from the Reserve Bank of India (‘RBI’) on April 7, 1999 to commence / carry on the business of Non-Banking Financial Institution (‘NBFC’). As per RBI, vide the circular - ‘Harmonization of different categories of NBFCs’ issued on 22 February 2019 the Company has been reclassified as “NBFC-Investment and Credit Company (NBFC-ICC)”. The Company has surrendered Deposit taking license and RBI has issued new certificate as on September 5, 2019 as Non-Deposit Taking Systemically Important NBFC. As per the recent classification by RBI the Company is reclassified as Non-Deposit Taking Non-Systemically Important NBFC.

### 2. Basis of Preparation

#### 2.1 Statement of compliance

The Restated Statement of Assets and Liabilities of the Company as at December 31, 2023, March 31, 2023, March 31, 2022 and March 31, 2021 and the Restated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Statement of Changes in Equity and the Restated Statement of Cash flows for nine month period ended December 31, 2023 and each for each of the year ended March 31, 2023, March 31, 2022 and March 31, 2021 and the Summary of Significant Accounting Policies and other explanatory information (together referred to as ‘**Restated Financial Statements**’) have been prepared specifically for inclusion in the updated Draft Red Herring Prospectus (“DRHP”), Red Herring Prospectus (“RHP”) and Prospectus (“Prospectus”) (collectively referred to as “Issue Documents”) to be filed by the Company with the Securities and Exchange Board of India (“SEBI”), relevant Registrar of Companies (“ROC”), BSE Limited and National Stock Exchange of India Limited (“Stock Exchanges”) in connection with the proposed Initial Public Issue of equity shares of face value of Re 10/- each of the Company (the “Proposed IPO”).

These Restated Financial Statements have been prepared in accordance with the requirements of:

- (iv) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the “Act”)
- (v) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“ICDR Regulations”)
- (vi) The Guidance Note on Reports in Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India (“ICAI”), as amended from time to time (the “Guidance Note”).

The Restated Financial Statements have been compiled by the management from:

- a) Audited interim financial statements of the Company as at and for the nine month periods ended December 31, 2023, prepared in accordance with Indian Accounting Standard 34 “Interim Financial Reporting”, specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India (referred to as “Ind-AS”), which have been approved by the Board of Directors at their meeting held on February 26, 2024.
- b) Audited financial statements of the Company as at and for the year ended March 31, 2023, March 31, 2022 and March 31, 2021 which were prepared in accordance with Indian Accounting Standards as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India (referred to as “Ind-AS”), which have been approved by the Board of Directors at their meeting held on May 29<sup>th</sup> 2023, May 30, 2022 and August 14, 2021 respectively.

The underlying financial statements as at end of nine month period ended December 31, 2023 and for each of the years ended March 31, 2023, March 31, 2022 and March 31, 2021 mentioned above, are collectively referred as Historical Audited Financial Statements. The Restated Financial Statements have been prepared under the historical cost basis, except for certain financial assets and liabilities which are required to be measured at fair value.

#### 2.2 Presentation of Restated Financial Statements

The historical audited financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under section 133 of the Act along with other relevant provisions of the Act, the Master Direction – Non-Banking Financial Company – Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 (‘the NBFC Master Directions’) and notification for Implementation of Indian Accounting Standard vide circular RBI/2019-20/170 DOR(NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020 and RBI/2020-21/15 DOR (NBFC).CC.PD.No.116/22.10.106/2020-21 dated 24 July 2020 (‘RBI Notification for Implementation of Ind AS’) issued by RBI.

The financial statements are presented in Indian Rupee (INR) which is also the functional currency of the Company. The financial statements have been prepared on a historical cost basis, except for certain financial instruments that are measured at fair value. The financial statements are prepared on a going concern basis, as the Management is satisfied that the Company shall be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on the going concern assumption. In making this assessment, the Management has considered a wide range of information relating to present and future conditions, including future projections of profitability, cash flows and capital resources.

The Balance Sheet, the Statement of Profit and Loss and Statement of Changes in Equity are presented in the format prescribed under Division III of Schedule III to the Companies Act, 2013 as amended from time to time, for Non-Banking Financial Companies (‘NBFC’) that are required to comply with Ind AS. The statement of cash flows has been presented as per the requirements of Ind AS 7 Statement of Cash Flows.

The Company presents its Balance Sheet in order of liquidity.

The Company generally reports financial assets and financial liabilities on a gross basis in the Balance Sheet. They are offset and reported net only when Ind AS specifically permits the same or it has an unconditional legally enforceable right to offset the recognized amounts without being contingent on a future event. Similarly, the Company offsets incomes and expenses and reports the same on a net basis when permitted by Ind AS specifically unless they are material in nature.

### 2.3 Functional and presentation currency

These Restated Financial Statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amount have been rounded off to the nearest lakhs (two decimals), unless otherwise indicated.

### 2.4 Basis of Measurement

The Restated Financial Statements has been prepared on Historical cost basis except for the following items:

Items	Measurement basis
Financial Assets and Liabilities	Fair Value/Amortized Cost, as applicable
Net defined benefit (Asset)/Liability	Fair value of plan assets less present value of defined benefit obligations

### 2.5 Critical accounting estimates and judgements

The preparation of the Company's Restated Financial Statements in conformity with Ind AS requires Management to make use of estimates, judgments and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of Restated Financial Statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the Restated Financial Statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the Restated Financial Statements. Accounting estimates and judgments are used in various line items in the financial statements for e.g.:

- Business model assessment (Refer note no. 3.4(i))
- Fair value of financial instruments (Refer note no. 3.14 and 42)
- Effective Interest Rate (EIR) (Refer note no. 3.1(i))
- Impairment on financial assets (Refer note no. 3.4(i), 6 and 45(ii))
- Provisions and other contingent liabilities (Refer note no. 3.10 and 33)
- Provision for tax expenses (Refer note no. 3.6)
- Residual value and useful life of property, plant and equipment (Refer note no. 3.7(g))

## 3. Summary of Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

### 3.1 Revenue Recognition

The Company earns revenue primarily from giving loans. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

#### (i) Interest Income

The Company recognizes interest income using Effective Interest Rate (EIR) on all financial assets subsequently measured at amortized cost or fair value through other comprehensive income (FVOCI). EIR is calculated by considering all costs and incomes attributable to acquisition of a financial asset or assumption of a financial liability and it represents a rate that exactly discounts estimated future cash payments/receipts through the expected life of the financial asset/financial liability to the gross carrying amount of a financial asset or to the amortized cost of a financial liability.

The Company recognizes interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. In case of credit-impaired financial assets (as set out in note no. 3.4(i)) regarded as 'stage 3', the Company stops recognizing interest income on these accounts till the account is credit impaired. If the financial asset is no longer credit-impaired (as outlined in note no. 3.4(i)), the Company reverts to calculating interest income on a gross basis.

Delayed payment interest (penal interest) levied on customers for delay in repayments/non-payment of contractual cash flows is recognized on realization.

Interest on financial assets subsequently measured at fair value through profit or loss (FVTPL) is recognized at the contractual rate of interest.

#### (ii) Dividend Income

Dividend income on equity shares is recognized when the Company's right to receive the payment is established and it is probable that

the economic benefits associated with the dividend will flow to the Company and the amount of dividend can be measured reliably, which is generally when shareholders approve the dividend.

(iii) Other Revenue from Operations

The Company recognizes revenue from contracts with customers (other than financial assets to which Ind AS 109 'Financial Instruments' is applicable) based on a comprehensive assessment model as set out in Ind AS 115 'Revenue from contracts with customers'. The Company identifies contract(s) with a customer and its performance obligations under the contract, determines the transaction price and its allocation to the performance obligations in the contract and recognizes revenue only on satisfactory completion of performance obligations. Revenue is measured at fair value of the consideration received or receivable.

(a) Fees and Commission

The Company recognizes service and administration charges towards rendering of additional services to its loan customers on satisfactory completion of service delivery.

Fees on value added services and products are recognized on rendering of services and products to the customer.

Distribution income is earned by selling of services and products of other entities under distribution arrangements. The income so earned is recognized on successful sales on behalf of other entities subject to there being no significant uncertainty of its recovery.

Foreclosure charges are collected from loan customers for early payment/closure of loan and are recognized on realization.

(b) Net Gain on Fair Value Changes

The Company designates certain financial assets for subsequent measurement at fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI), as applicable. The Company recognizes gains/losses on fair value change of financial assets measured as FVTPL and realized gains/losses on derecognition of financial asset measured at FVTPL and FVOCI.

(c) Sale of Services

The Company, on de-recognition of financial assets where a right to service the derecognized financial assets for a fee is retained, recognizes the fair value of future service fee income over service obligations cost on net basis as service fee income in the statement of profit or loss and, correspondingly creates a service asset in Balance Sheet. Any subsequent increase in the fair value of service assets is recognized as service income and any decrease is recognized as an expense in the period in which it occurs. The embedded interest component in the service asset is recognized as interest income in line with Ind AS 109 'Financial instruments'.

Other revenues on sale of services are recognized as per Ind AS 115 'Revenue from Contracts with Customers' as articulated above in 'other revenue from operations'.

(d) Recoveries of financial assets written off

The Company recognizes income on recoveries of financial assets written off on realization or when the right to receive the same without any uncertainties of recovery is established.

(iv) Taxes

Incomes are recognized net of the Goods and Services Tax, wherever applicable.

### 3.2 Expenditures

(i) Borrowing Costs

Borrowing costs are interest and other costs incurred in connection with the borrowings of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of the asset. Other borrowings costs are recognized as an expense in the statement of profit and loss account on an accrual basis using the effective interest method. (Refer note no. 3.1(i)).

(ii) Fees and Commission Expenses

Fees and commission expenses which are not directly linked to the sourcing of financial assets, such as commission/incentive incurred on value added services and products distribution, recovery charges and fees payable for management of portfolio etc., are recognized in the Statement of Profit and Loss on an accrual basis.

(iii) Taxes

Expenses are recognized net of the Goods and Services Tax/Service Tax, except where credit for the input tax is not statutorily permitted.

### 3.3 Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### 3.4 Financial Instruments

A financial instrument is defined as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Trade receivables and payables, loan receivables, investments in securities and subsidiaries, debt securities and other borrowings, preferential and equity capital etc. are some examples of financial instruments.

Loans are recognized when funds are transferred to the customer account. Debt securities issued are initially recognized when they are originated. All the other financial instruments are recognized on the date when the Company becomes party to the contractual provisions of the financial instruments. For tradable securities, the Company recognizes the financial instruments on settlement date.

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments. Financial instruments are initially measured at their fair value, except in the case of financial assets and financial liabilities recorded at fair value through profit and loss (FVTPL), transaction costs are added to, or subtracted from this amount.

(i) Financial Assets

Financial assets include cash, or an equity instrument of another entity, or a contractual right to receive cash or another financial asset from another entity. Few examples of financial assets are loan receivables, investment in equity and debt instruments, trade receivables and cash and cash equivalents.

Business model assessment

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- a) How the performance of the business model and the financial assets held within that business model are evaluated and reported to the Company's key management personnel.
- b) The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed.
- c) How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).
- d) The expected frequency, value and timing of sales are also important aspects of the Company's assessment

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

SPPI test

As a second step of its classification process, the Company assesses the contractual terms of financial assets to identify whether they meet SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of financial asset (for example, if there are repayments of principal or amortisation of the premium/ discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Company applies judgement and considers relevant factors such as the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than the minimum exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

Accordingly, financial assets are measured as follows based on the existing business model:

(a) Financial Assets carried at amortized cost

The Company measures its financial assets at amortized cost if both the following conditions are met:

- The asset is held within a business model of collecting contractual cash flows; and
- Contractual terms of the asset give rise on specified dates to cash flows that are sole Payments of Principal and Interest (SPPI) on the principal amount outstanding.

Bank balances, Loans, Trade receivables and other financial investments that meet the above conditions are measured at amortised cost.

The business model of the Company for assets subsequently measured at amortized cost category is to hold and collect contractual cash flows. However, considering the economic viability of carrying the delinquent portfolios in the books of the Company, it may sell these portfolios to banks and/or asset reconstruction companies.

After initial measurement, such financial assets are subsequently measured at amortized cost on effective interest rate (EIR). For further details, refer note no. 3.1(i). The expected credit loss (ECL) calculation for financial assets at amortized cost is explained in

subsequent notes in this section.

(b) Financial Assets at FVOCI

The Company subsequently classifies its financial assets as FVOCI, only if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets; and
- Contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

Financial Assets included within the FVOCI category are measured at each reporting date at fair value with such changes being recognized in other comprehensive income (OCI). The interest income on these assets is recognized in profit or loss. The ECL calculation for debt instruments at FVOCI is explained in subsequent notes in this section.

Debt instruments such as long-term investments in Government securities to meet regulatory liquid asset requirement of the Company's deposit program and mortgage loans portfolio where the Company periodically resorts to partially selling the loans by way of assignment to willing buyers are classified as FVOCI.

On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified to profit or loss.

(c) Financial Assets at FVTPL

The Company classifies financial assets which are held for trading under FVTPL category. Held for trading assets are recorded and measured in the Balance Sheet at fair value. Interest and dividend incomes are recorded in interest income and dividend income, respectively according to the terms of the contract, or when the right to receive the same has been established. Gains and losses on changes in fair value of debt instruments are recognized on net basis through profit or loss.

The Company's investments into mutual funds, Government securities (trading portfolio) and certificate of deposits for trading and short term cash flow management have been classified under this category.

(d) Equity investment designated under FVOCI

All equity investments in scope of Ind AS 109 'Financial Instruments' are measured at fair value. The Company has strategic investments in equity for which it has elected to present subsequent changes in the fair value in other comprehensive income. The classification is made on initial recognition and is irrevocable.

All fair value changes of the equity instruments, excluding dividends, are recognized in OCI and are available for reclassification to profit or loss on derecognition of investments. Equity instruments at FVOCI are not subject to an impairment assessment.

#### Derecognition of Financial Assets

The Company derecognizes a financial asset (or, where applicable, a part of a financial asset) when:

- The right to receive cash flows from the asset have expired; or
- The Company has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under an assignment arrangement and the Company has transferred substantially all the risks and rewards of the asset. Once the asset is derecognized, the Company does not have any continuing involvement in the same.

The Company transfers its financial assets through the partial assignment route and accordingly derecognizes the transferred portion as it neither has any continuing involvement in the same nor does it retain any control. If the Company retains the right to service the financial asset for a fee, it recognizes either a servicing asset or a servicing liability for that servicing contract. A service liability in respect of a service is recognized at fair value if the fee to be received is not expected to compensate the Company adequately for performing the service. If the fees to be received is expected to be more than adequate compensation for the servicing, a service asset is recognized for the servicing right at an amount determined on the basis of an allocation of the carrying amount of the larger financial asset.

On derecognition of a financial asset in its entirety, the difference between:

- the carrying amount (measured at the date of derecognition) and
- the consideration received (including any new asset obtained less any new liability assumed) is recognized in profit or loss.

#### Impairment of Financial Assets

In accordance with Ind AS 109, the Company uses ECL model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL). ECL are recognized for financial assets held under amortized cost, debt instruments measured at FVOCI, and certain loan commitments.

Financial assets where no significant increase in credit risk has been observed are considered to be in 'stage 1' and for which a 12 month ECL is recognized. Financial assets that are considered to have significant increase in credit risk are considered to be in 'stage 2' and those which are in default or for which there is an objective evidence of impairment are considered to be in 'stage 3'. Lifetime ECL is recognized for stage 2 and stage 3 financial assets.

At initial recognition, allowance (or provision in the case of loan commitments) is required for ECL towards default events that are possible

in the next 12 months, or less, where the remaining life is less than 12 months.

In the event of a significant increase in credit risk, allowance (or provision) is required for ECL towards all possible default events over the expected life of the financial instrument ('lifetime ECL').

Financial assets (and the related impairment loss allowances) are written off in full, when there is no realistic prospect of recovery.

Treatment of the different stages of financial assets and the methodology of determination of ECL

(a) Credit Impaired (Stage 3)

The Company recognizes a financial asset to be credit impaired and in stage 3 by considering relevant objective evidence, primarily whether:

- Contractual payments of either principal or interest are past due for more than 90 days;
- The loan is otherwise considered to be in default.

Restructured loans (Except loan restructured under the RBI Covid 2.0 framework), where repayment terms are renegotiated as compared to the original contracted terms due to significant credit distress of the borrower, are classified as credit impaired. Such loans continue to be in stage 3 until they exhibit regular payment of renegotiated principal and interest over a minimum observation period, typically 12 months— post renegotiation, and there are no other indicators of impairment. Having satisfied the conditions of timely payment over the observation period these loans could be transferred to stage 1 or 2 and a fresh assessment of the risk of default be done for such loans.

(b) Significant Increase in Credit Risk (Stage 2)

An assessment of whether credit risk has increased significantly since initial recognition is performed at each reporting period by considering the change in the risk of default of the loan exposure. Considering the market in which company is primarily operating and the class of customers which primarily comes from rural background where financial literacy is very poor and banking and collection facilities are not present at all places, management considers that unless identified at an earlier stage, 60 days past due is considered as an indication of financial assets to have suffered a significant increase in credit risk. Based on other indications such as borrower's frequently delaying payments beyond due dates though not 60 days past due are included in stage 2 for mortgage loans.

The measurement of risk of defaults under stage 2 is computed on homogenous portfolios, generally by nature of loans, tenors, underlying collateral, geographies and borrower profiles. The default risk is assessed using PD (probability of default) derived from past behavioral trends of default across the identified homogenous portfolios. These past trends factor in the past customer behavioral trends, credit transition probabilities and macroeconomic conditions. The assessed PDs are then aligned considering future economic conditions that are determined to have a bearing on ECL.

(c) Without Significant Increase in Credit Risk since Initial Recognition (Stage 1)

ECL resulting from default events that are possible in the next 12 months are recognized for financial instruments in stage 1. The Company has ascertained default possibilities on past behavioral trends witnessed for each homogenous portfolio using application/behavioral score cards and other performance indicators, determined statistically.

(d) Measurement of ECL

The assessment of credit risk and estimation of ECL are unbiased and probability weighted. It incorporates all information that is relevant including information about past events, current conditions and reasonable forecasts of future events and economic conditions at the reporting date. In addition, the estimation of ECL takes into account the time value of money. Forward looking economic scenarios determined with reference to external forecasts of economic parameters that have demonstrated a linkage to the performance of our portfolios over a period of time have been applied to determine impact of macro-economic factors.

The Company has calculated ECL using three main components: a probability of default (PD), a loss given default (LGD) and the exposure at default (EAD). ECL is calculated by multiplying the PD, LGD and EAD and adjusted for time value of money using a rate which is a reasonable approximation of EIR.

- Determination of PD is covered above for each stage of ECL.
- EAD represents the expected balance at default, taking into account the repayment of principal and interest from the Balance Sheet date to the date of default together with any expected draw downs of committed facilities.
- LGD represents expected losses on the EAD given the event of default, taking into account, among other attributes, the mitigating effect of collateral value at the time it is expected to be realized and the time value of money.

The inputs and models used for calculating ECLs may not always capture all characteristics of the market at the date of the financial statements. To reflect this, qualitative adjustments or management overlays are occasionally made as temporary adjustments when such differences are significantly material

A more detailed description of the methodology used for ECL is covered in the 'credit risk' section of note no. 35.

(e) Write-offs

Financial assets are written off when there is a significant doubt on recoverability in the medium term. If the amount to be written



off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to the statement of profit and loss.

## (ii) Financial Liabilities

Financial liabilities include liabilities that represent a contractual obligation to deliver cash or another financial asset to another entity, or a contract that may or will be settled in the entities own equity instruments. Few examples of financial liabilities are trade payables, debt securities and other borrowings and subordinated debts.

### Initial measurement

All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade payables, other payables, debt securities and other borrowings.

### Subsequent measurement

After initial recognition, all financial liabilities are subsequently measured at amortized cost using the EIR (Refer note no. 3.1(i)). Any gains or losses arising on derecognition of liabilities are recognized in the Statement of Profit and Loss.

### Embedded derivatives

An embedded derivative is a component of a hybrid instrument that also includes a non-derivative host contract with the effect that some of the cash flows of the combined instrument vary in a way similar to a standalone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index or prices or rates, credit rating or credit index, or other variable, provided that, in the case of a non-financial variable, it is not specific to a party to the contract. A derivative that is attached to a financial instrument, but is contractually transferable independently of that instrument, or has a different counterparty from that instrument, is not an embedded derivative, but a separate financial instrument.

Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

### Derecognition measurement

The Company derecognizes a financial liability when the obligation under the liability is discharged, cancelled or expired.

## (iii) Reclassification of financial assets and liabilities

The Company does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified. The Company did not reclassify any of its significant financial assets or liabilities in the nine month ended December 31, 2023 and year ended March 31, 2023, March 31, 2022 and March 31, 2021.

## (iv) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet only if there is an enforceable legal right to offset the recognized amounts with an intention to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

## 3.5 Investment in Subsidiaries

The Company does not have any Subsidiary.

## 3.6 Taxes

### (i) Current Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) prescribed therein. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current tax relating to items recognized outside profit or loss is recognized in correlation to the underlying transaction either in OCI or directly in other equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

### (ii) Deferred Tax

Deferred tax is provided using the Balance Sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for deductible temporary differences to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be

utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets, if any, are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized either in OCI or in other equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

### **3.7 Property, Plant and Equipment**

Property, plant and equipment are carried at historical cost of acquisition less accumulated depreciation and impairment losses, consistent with the criteria specified in Ind AS 16 'Property, Plant and Equipment'.

Depreciation on property, plant and equipment

- (a) Depreciation is provided on a pro-rata basis for all tangible assets on straight line method over the useful life of assets.
- (b) Useful lives of assets are determined by the Management by an internal technical assessment except where such assessment suggests a life significantly different from those prescribed by Schedule II – Part C of the Companies Act, 2013 where the useful life is as assessed and certified by a technical expert.
- (c) Depreciation on leasehold improvements is provided on straight line method over the primary period of lease of premises or 5 years whichever is less.
- (d) Depreciation on addition to assets and assets sold during the year is being provided for on a pro rata basis with reference to the month in which such asset is added or sold as the case may be.
- (e) Assets having unit value up to Rs.5,000 is depreciated fully in the financial year of purchase of asset.
- (f) An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included under other income in the Statement of Profit and Loss when the asset is derecognized.
- (g) The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

### **3.8 Intangible assets and amortization thereof**

Intangible assets, representing software's are initially recognized at cost and subsequently carried at cost less accumulated amortization and accumulated impairment. The intangible assets are amortized using the straight-line method over a period of five years, which is the Management's estimate of its useful life. The useful lives of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

### **3.9 Impairment of non-financial assets**

An assessment is done at each Balance Sheet date to ascertain whether there is any indication that an asset may be impaired. If any such indication exists, an estimate of the recoverable amount of asset is determined. If the carrying value of relevant asset is higher than the recoverable amount, the carrying value is written down accordingly.

### **3.10 Provisions and Contingent Liabilities**

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. The Company also discloses present obligations for which a reliable estimate cannot be made. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

### **3.11 Foreign Currency Translation**

The Company's financial statements are presented in Indian Rupee, which is also the Company's functional currency.

Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

#### Conversion

Foreign currency monetary items are re-translated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

#### Exchange differences

All exchange differences are accounted in the Statement of Profit and Loss.

### 3.12 Employee benefits

#### i. Post-employment benefits

##### Defined Contribution plan

The Company's contribution to provident fund is considered as defined contribution plan and is charged as an expense as they fall due based on the amount of contribution required to be made and when the services are rendered by the employees.

##### Defined benefit plans

##### Gratuity

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'), if any. In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

#### ii. Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

### 3.13 Lease

Company has applied Ind AS 116 "Leases" for all lease contracts covered by the Ind AS. Under Ind AS 116 a contract is, or contains a lease, if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company undertook an assessment of all applicable contracts to determine if a lease exists as defined in Ind AS 116. This assessment will also be completed for each new contract or change.

#### Measurement of Lease Liability

At the time of initial recognition, the Company measures lease liability as present value of all lease payment discounted using the Company's incremental cost of borrowing rate. Subsequently, the lease liability is

- Increase by interest on lease liability
- Reduce by lease payments made

#### Measurement of Right-of-Use asset

At the time of initial recognition, the Group measures 'Right-of-Use assets' as present value of all lease payment discounted using the Group's incremental cost of borrowing rate w.r.t said lease contract. Subsequently, 'Right-of-Use assets' is measured using cost model i.e. at cost less

any accumulated depreciation and any accumulated impairment losses adjusted for any re-measurement of the lease liability specified in Ind AS 116 'Leases'. Depreciation on 'Right-of-Use assets' is provided on straight line basis over the lease period.

In contract going forward. The Company has further elected not to recognize ROU assets and lease liabilities for leases of low value assets and for short-term leases (less than 12 months).

### 3.14 Fair Value Measurement

The Company measures its qualifying financial instruments at fair value on each Balance Sheet date.

Fair value is the price that would be received against sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place in the accessible principal market or the most advantageous accessible market as applicable.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy into Level I, Level II and Level III based on the lowest level input that is significant to the fair value measurement as a whole. For a detailed information on the fair value hierarchy, refer note no. 34.

For assets and liabilities that are fair valued in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

### 3.15 Segment reporting- Identification of segments:

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Company's Chief Operating Decision Maker (CODM) to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108 Operating Segments, the CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

### 3.16 Earnings per share

The Company reports basic and diluted earnings per equity share in accordance with Ind AS 33, Earnings Per Share. Basic earnings per equity share is computed by dividing net profit / loss after tax attributable to the equity share holders for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed and disclosed by dividing the net profit/ loss after tax attributable to the equity share holders for the year after giving impact of dilutive potential equity shares for the year by the weighted average number of equity shares and dilutive potential equity shares outstanding during the year, except where the results are anti-dilutive. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period.

### 3.17 Cash flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the Company are segregated. Cash flows in foreign currencies are accounted at the actual rates of exchange prevailing at the dates of the transactions

### 3.18 Standards issued but not yet effective

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective for annual periods beginning on or after 1 April 2023. The Group applied for the first-time these amendments.

- (i) **Definition of Accounting Estimates** - Amendments to Ind AS 8: The amendments clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates. The amendments had no impact on the Group's consolidated financial statements.
- (ii) **Disclosure of Accounting Policies** - Amendments to Ind AS 1: The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. The amendments have had an impact on the Group's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Group's financial statements.

- (iii) **Deferred Tax related to Assets and Liabilities arising from a Single Transaction** - Amendments to Ind AS 12: The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases. The Group previously recognised for deferred tax on leases on a net basis. As a result of these amendments, the Group has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. Since, these balances qualify for offset as per the requirements of paragraph 74 of Ind AS 12, there is no impact in the balance sheet.

(Amount in Rs. Lakhs)

Particulars	As at			
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Cash on hand	91.92	81.46	70.09	547.24
Balances with banks	-	-	-	-
(i) In current accounts	110.83	455.93	3.97	512.78
ii) In other deposit accounts (original maturity less than 3 months)	1,103.23	200.00	-	-
	<b>1,305.98</b>	<b>737.39</b>	<b>74.07</b>	<b>1,060.03</b>

Short-term deposits are made for varying periods of up to three months, depending on the immediate cash requirements of the Company and earn interest at the respective short-term deposit rates.

(Amount in Rs. Lakhs)

Particulars	As at			
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Fixed Deposit with Banks				
-In earmarked accounts	21.43	220.60	-	-
- Held as margin money or security against borrowings	120.29	74.17	117.73	271.56
	<b>141.72</b>	<b>294.77</b>	<b>117.73</b>	<b>271.56</b>

**Note :**

(Amount in Rs. Lakhs)

Particulars	As at			
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>6. Loans (At amortised cost)</b>				
<b>A Based on nature</b>				
Gross term loans	37,946.28	35,416.11	35,131.79	42,100.78
Less: Impairment loss allowance	-1,362.74	-953.61	-905.08	-816.91
<b>Total Net</b>	<b>36,583.54</b>	<b>34,462.51</b>	<b>34,226.71</b>	<b>41,283.87</b>
Others (ICD)	172.44	94.16	60.40	-
<b>Total Loans</b>	<b>36,755.98</b>	<b>34,556.66</b>	<b>34,287.11</b>	<b>41,283.87</b>
<b>B. Based on security</b>				
Secured by tangible assets	37,946.28	35,416.11	35,131.79	42,100.78
Covered by Bank/Government Guarantees	-	-	-	-
Unsecured	-	-	-	-
<b>Total Gross</b>	<b>37,946.28</b>	<b>35,416.11</b>	<b>35,131.79</b>	<b>42,100.78</b>
Less: Impairment loss allowance	-1362.74	-953.61	-905.08	-816.91
<b>Total Net</b>	<b>36,583.54</b>	<b>34,462.51</b>	<b>34,226.71</b>	<b>41,283.87</b>
Others (ICD)				
Secured	-	-	-	-
Unsecured	172.44	94.16	60.40	-
<b>Total Loans</b>	<b>36,755.98</b>	<b>34,556.66</b>	<b>34,287.11</b>	<b>41,283.87</b>
<b>C. Based on region</b>				
<b>Loans in India</b>				
Public Sector	-	-	-	-
Others	37,946.28	35,416.11	35,131.79	42,100.78
<b>Total Gross</b>	<b>37,946.28</b>	<b>35,416.11</b>	<b>35,131.79</b>	<b>42,100.78</b>
Less: Impairment loss allowance	-1,362.74	-953.61	-905.08	-816.91
<b>Total Net</b>	<b>36,583.54</b>	<b>34,462.51</b>	<b>34,226.71</b>	<b>41,283.87</b>
Others (ICD)	172.44	94.16	60.40	-
	<b>36,755.98</b>	<b>34,556.66</b>	<b>34,287.11</b>	<b>41,283.87</b>
<b>Loans outside India</b>	-	-	-	-
Less: Impairment loss allowance	-	-	-	-
<b>Total Loans</b>	<b>36,755.98</b>	<b>34,556.66</b>	<b>34,287.11</b>	<b>41,283.87</b>

i. Loans and receivables are non-derivative financial assets which generate a fixed or variable interest income for the Company. The carrying value may be affected by changes in the credit risk of the counterparties.

ii. Loans granted by the Company are secured by equitable mortgage/registered mortgage of the property and/or undertaking to create a security and/or personal guarantees and/or hypothecation of assets and/or assignments of life insurance policies.

iii. Loans where fraud has been committed/ reported for the nine month period ended December 31, 2023: Nil and for the year ended 31<sup>st</sup> March 2023: Nil (31 March 2022: Nil; 31 March 2021: Nil;)

iv. The Company has not provided any loans or advances to promoters, directors and KMPs. The loans provided to the related parties have been separately disclosed in Related party Disclosures. (Refer Note 41)

**6.1 Analysis of changes in the gross carrying amount and the corresponding ECL allowances: (Amount in Rs. Lakhs)**

**6.1.1 Reconciliation of gross carrying amount is given below:**

**Gross Term Loans**

Particulars	31-Dec-23				31-Mar-23				31-Mar-22				31-Mar-21			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
<b>Gross carrying amount opening balance</b>	<b>32,881.96</b>	<b>914.27</b>	<b>1,619.88</b>	<b>35,416.11</b>	<b>22,279.95</b>	<b>11,129.51</b>	<b>1,722.33</b>	<b>35,131.79</b>	<b>25,632.05</b>	<b>14,964.69</b>	<b>1,504.04</b>	<b>42,100.78</b>	<b>27,559.66</b>	<b>19,093.38</b>	<b>1,290.27</b>	<b>47,943.31</b>
Asset derecognised or repaid (excluding write-off)*	(2,767.87)	(145.10)	(171.06)	(3,084.03)	-3,920.43	-3,297.99	-20.54	-7,238.97	-4,485.40	-3,465.23	-70.54	-8021.17	-8,759.81	-1,791.60	-64.20	-10,615.61
Transfers from Stage 1**	(1,390.55)	772.61	617.94	-	-726.69	427.32	299.38	-	-5,716.45	5,383.38	333.07	-	-4,161.99	4,009.98	152.02	-
Transfers from Stage 2**	376.81	(587.06)	210.25	-	7118.81	-7239.29	120.49	-	5,082.09	-5,626.30	544.20	-	6,231.47	-7,047.13	815.66	-
Transfers from Stage 3**	485.76	170.50	(656.26)	-	321.39	0.34	-321.73	-	9.13	-	-9.13	-	38.03	402.87	-440.90	-
Less: Amounts written off	(13.17)	-	(125.39)	(138.56)	-25.05	-105.62	-180.04	-310.71	-40.96	-294.21	-583.04	-918.22	-198.79	-156.92	-248.81	-604.53
New assets originated/ incremental accretions	5,697.95	54.80	-	5,752.76	7834.00	-	-	7834.00	1,799.50	167.18	3.72	1,970.40	4,923.48	454.12	-	5,377.60
<b>Gross carrying amount closing balance</b>	<b>35,270.90</b>	<b>1,180.03</b>	<b>1,495.35</b>	<b>37,946.28</b>	<b>32,881.96</b>	<b>914.27</b>	<b>1,619.88</b>	<b>35,416.11</b>	<b>22,279.95</b>	<b>11,129.51</b>	<b>1,722.33</b>	<b>35,131.79</b>	<b>25,632.05</b>	<b>14,964.69</b>	<b>1,504.04</b>	<b>42,100.78</b>

The gross carrying value includes Vehicle Loans, MSME/ Business Loans and other Loan & Advances.

\* Excludes the unmortised component of souring cost/ income which is adjusted as part of loan balances.

\*\* Represents the balance outstanding as at beginning of the year, net of repayments made during the year, if any.

The repayments are forming part of " Assets repaid (excluding write offs)".

**Inter-Corporate Deposits**

Particulars	31-Dec-23				31-Mar-23				31-Mar-22				31-Mar-21			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
<b>Gross carrying amount opening balance</b>	<b>94.16</b>	<b>-</b>	<b>-</b>	<b>94.16</b>	<b>60.40</b>	<b>-</b>	<b>-</b>	<b>60.40</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Asset derecognised or repaid (excluding write-off)	-15.86	-	-	-15.86	-2.50	-	-	-2.50	-	-	-	-	-	-	-	-
Assets partially repaid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Roll forwards to higher stages	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Roll forward from lower stages	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Roll back from higher stages	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Roll back to lower stages	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Amount written off	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
New assets originated/ incremental accretions	91.89	-	-	91.89	36.26	-	-	36.26	60.40	-	-	60.40	-	-	-	-
<b>Gross carrying amount closing balance</b>	<b>172.44</b>	<b>-</b>	<b>-</b>	<b>172.44</b>	<b>94.16</b>	<b>-</b>	<b>-</b>	<b>94.16</b>	<b>60.40</b>	<b>-</b>	<b>-</b>	<b>60.40</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**6.1.2 Reconciliation of ECL balance is given below:**

Particulars	31-Dec-23				31-Mar-23				31-Mar-22				31-Mar-21			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
<b>Impairment Loss Allowance- opening balance</b>	<b>521.69</b>	<b>32.39</b>	<b>399.53</b>	<b>953.61</b>	<b>277.35</b>	<b>331.41</b>	<b>296.31</b>	<b>905.08</b>	<b>248.99</b>	<b>313.10</b>	<b>254.82</b>	<b>816.91</b>	<b>187.38</b>	<b>255.76</b>	<b>214.32</b>	<b>657.47</b>
Net Addition during the year	25.56	22.70	360.87	409.13	244.33	-299.02	103.22	48.53	28.36	18.31	41.49	88.17	61.61	57.34	40.50	159.44
<b>Impairment Loss Allowance- closing balance</b>	<b>547.24</b>	<b>55.09</b>	<b>760.40</b>	<b>1362.74</b>	<b>521.69</b>	<b>32.39</b>	<b>399.53</b>	<b>953.61</b>	<b>277.35</b>	<b>331.41</b>	<b>296.31</b>	<b>905.08</b>	<b>248.99</b>	<b>313.10</b>	<b>254.82</b>	<b>816.91</b>

(Amount in Rs. Lakhs)

Particulars	As at			
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>7. Investments</b>				
<b>(A) At fair value through profit or loss</b>				
(i) In Mutual Funds	-	-	-	-
(ii) In Government Securities	19.20	19.20	19.14	19.14
(iii) In Certificates of Deposit	-	-	-	-
<b>Total (A) = (i + ii + iii)</b>	<b>19.20</b>	<b>19.20</b>	<b>19.14</b>	<b>19.14</b>
<b>(B) At fair value through other comprehensive income</b>				
(i) In Government Securities	-	-	-	-
(ii) In Equity Instruments				
Equity Shares (Quoted)	-	-	-	-
Equity Shares (Unquoted)	1.20	1.20	1.20	1.20
<b>Total (B) = (i + ii)</b>	<b>1.20</b>	<b>1.20</b>	<b>1.20</b>	<b>1.20</b>
<b>(C) At Amortized Cost</b>				
In Pass Through Certificates (PTC) representing securitisation of loan receivable	-	-	-	-
<b>Total (C)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>(D) Cost</b>				
Investment	-	-	-	-
<b>Total (D)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL (A + B + C + D)</b>	<b>20.40</b>	<b>20.40</b>	<b>20.34</b>	<b>20.34</b>
* Investments are made in India				

(Amount in Rs. Lakhs)

Particulars	As at			
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>8. Other financial assets</b>				
<b>Unsecured, considered good</b>				
Interest accrued but not due on Loans	297.16	263.11	206.57	327.11
Other Receivables	216.41	216.06	104.37	116.05
Security deposit (Assets)	53.64	31.24	215.25	340.56
Other Advances-current	843.68	855.29	1,631.67	1,210.25
<b>Total</b>	<b>1,410.89</b>	<b>1,365.70</b>	<b>2,157.87</b>	<b>1,993.97</b>

(Amount in Rs. Lakhs)

Particulars	As at							Total
	Land & Building	Furniture & Fixtures	Vehicles	Computers & printer	Office Equip-ment	Mobile		
<b>9. Property, plant and equipment</b>								
<b>Cost or deemed cost (gross carrying amount)</b>								
<b>As at March 31, 2020</b>	<b>453.19</b>	<b>141.29</b>	<b>113.35</b>	<b>110.12</b>	<b>61.82</b>	<b>3.33</b>	<b>883.10</b>	
Additions	0.73	0.78	23.27	0.66	0.45	1.51	27.41	
Disposals	18.29	0.23	4.05	-	-	-	22.57	
<b>As at March 31, 2021</b>	<b>435.64</b>	<b>141.84</b>	<b>132.57</b>	<b>110.78</b>	<b>62.27</b>	<b>4.84</b>	<b>887.94</b>	
Additions	-	0.69	-	-	2.38	1.54	4.61	
Disposals	19.06	-	-	-	-	-	19.06	
<b>As at March 31, 2022</b>	<b>416.58</b>	<b>142.53</b>	<b>132.57</b>	<b>110.78</b>	<b>64.65</b>	<b>6.38</b>	<b>873.48</b>	
Additions	1,327.55	1.88	24.63	1.47	-	0.47	1,355.99	
Disposals	86.05	-	0.74	-	-	-	86.79	
<b>As at March 31, 2023</b>	<b>1,658.07</b>	<b>144.41</b>	<b>156.47</b>	<b>112.25</b>	<b>64.65</b>	<b>6.84</b>	<b>2,142.68</b>	
Additions	-	0.64	-	1.64	4.50	1.62	8.39	
Disposals	-	-	38.55	-	-	-	38.55	
<b>As at December 31, 2023</b>	<b>1,658.07</b>	<b>145.04</b>	<b>117.92</b>	<b>113.89</b>	<b>69.14</b>	<b>8.46</b>	<b>2112.53</b>	
<b>Accumulated depreciation</b>								
<b>As at March 31, 2020</b>	<b>2.04</b>	<b>55.08</b>	<b>32.75</b>	<b>103.95</b>	<b>40.84</b>	<b>0.77</b>	<b>235.44</b>	
Depreciation for the year	1.83	13.42	13.87	6.35	9.61	0.47	45.55	
Depreciation on disposals	-	-	-	-	-	-	-	
<b>As at March 31, 2021</b>	<b>3.87</b>	<b>68.50</b>	<b>46.62</b>	<b>110.30</b>	<b>50.45</b>	<b>1.24</b>	<b>280.98</b>	
Depreciation for the period	1.83	13.52	14.85	0.49	11.55	1.13	43.37	
Depreciation on disposals	-	-	-	-	-	-	-	
<b>As at March 31, 2022</b>	<b>5.70</b>	<b>82.02</b>	<b>61.47</b>	<b>110.79</b>	<b>62.00</b>	<b>2.37</b>	<b>324.35</b>	
Depreciation for the period	3.04	13.56	14.99	0.22	2.51	1.25	35.57	
Depreciation on disposals	-	-	-	-	-	-	-	
<b>As at March 31, 2023</b>	<b>8.74</b>	<b>95.58</b>	<b>76.47</b>	<b>111.00</b>	<b>64.51</b>	<b>3.62</b>	<b>359.92</b>	
Depreciation for the period	4.00	10.33	12.05	0.59	0.56	1.10	28.63	
Depreciation on disposals	-	-	28.67	-	-	-	28.67	
<b>As at December 31, 2023</b>	<b>12.74</b>	<b>105.91</b>	<b>59.85</b>	<b>111.59</b>	<b>65.07</b>	<b>4.72</b>	<b>359.88</b>	

<b>Carrying amount (net)</b>							
<b>As at March 31, 2021</b>	<b>431.77</b>	<b>73.34</b>	<b>85.95</b>	<b>0.49</b>	<b>11.82</b>	<b>3.60</b>	<b>606.96</b>
<b>As at March 31, 2022</b>	<b>410.88</b>	<b>60.51</b>	<b>71.09</b>	<b>-</b>	<b>2.65</b>	<b>4.00</b>	<b>549.13</b>
<b>As at March 31, 2023</b>	<b>1,649.33</b>	<b>48.83</b>	<b>79.99</b>	<b>1.25</b>	<b>0.14</b>	<b>3.22</b>	<b>1782.76</b>
<b>As at December 31, 2023</b>	<b>1,645.33</b>	<b>39.14</b>	<b>58.07</b>	<b>2.30</b>	<b>4.07</b>	<b>3.73</b>	<b>1752.64</b>

<b>10. Other Intangible Assets</b>						
<b>Particulars</b>	<b>Jaguar Software</b>	<b>Software Development</b>	<b>Software Development (Aasaan Loan)</b>	<b>Windows License Fees</b>	<b>Total</b>	
<b>Cost or deemed cost (gross carrying amount)</b>						
<b>As at March 31, 2020</b>	-	<b>18.93</b>	-		<b>3.57</b>	<b>22.50</b>
Additions	27.51	0.66	-		-	28.17
Disposals	-	-	-		-	-
<b>As at March 31, 2021</b>	<b>27.51</b>	<b>19.59</b>	-		<b>3.57</b>	<b>50.67</b>
Additions	15.44	-	-		-	15.44
Disposals	-	-	-		-	-
<b>As at March 31, 2022</b>	<b>42.95</b>	<b>19.59</b>	-		<b>3.57</b>	<b>66.11</b>
Additions	-	-	85.59		-	85.59
Disposals	-	-	-		-	-
<b>As at March 31, 2023</b>	<b>42.95</b>	<b>19.59</b>	<b>85.59</b>		<b>3.57</b>	<b>151.70</b>
Additions	-	-	-		-	-
Disposals	-	-	-		-	-
<b>As at December 31, 2023</b>	<b>42.59</b>	<b>19.59</b>	<b>85.59</b>		<b>3.57</b>	<b>151.70</b>
<b>Accumulated depreciation</b>						
<b>As at April 1, 2020</b>	-	<b>6.67</b>	-		<b>3.14</b>	<b>9.81</b>
Depreciation for the year	4.10	1.35	-		0.42	5.87
Depreciation on disposals	-	-	-		-	-
<b>As at March 31, 2021</b>	<b>4.10</b>	<b>8.01</b>	-		<b>3.57</b>	<b>15.68</b>
Depreciation for the period	8.35	3.92	-		-	12.27
Depreciation on disposals	-	-	-		-	-
<b>As at March 31, 2022</b>	<b>12.45</b>	<b>11.93</b>	-		<b>3.57</b>	<b>27.95</b>
Depreciation for the period	8.59	3.92	-		-	12.51
Depreciation on disposals	-	-	-		-	-
<b>As at March 31, 2023</b>	<b>21.04</b>	<b>15.85</b>	-		<b>3.57</b>	<b>40.46</b>
Depreciation for the period	6.44	3.74	-		-	10.18
Depreciation on disposals	-	-	-		-	-
<b>As at December 31, 2023</b>	<b>27.48</b>	<b>19.59</b>	-		<b>3.57</b>	<b>50.64</b>
<b>Carrying amount (net)</b>						
<b>As at March 31, 2021</b>	<b>23.41</b>	<b>11.58</b>	-		-	<b>34.99</b>
<b>As at March 31, 2022</b>	<b>30.49</b>	<b>7.66</b>	-		-	<b>38.15</b>
<b>As at March 31, 2023</b>	<b>21.91</b>	<b>3.74</b>	<b>85.59</b>		-	<b>111.24</b>
<b>As at December 31, 2023</b>	<b>15.46</b>	-	<b>85.59</b>		-	<b>101.05</b>

Note: There is no revaluation of Property, plant and equipment and other intangible assets during the period under restatement.

(Amount in Rs. Lakhs)

<b>11 Other Non-Financial Assets</b>				
<b>Particulars</b>	<b>As at</b>			
	<b>December 31, 2023</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>	<b>March 31, 2021</b>
Prepaid Expenses	-	-	1.03	5.30
Prepaid Rent	-	-	-	-
Other Advances	-	-	-	0.05
Duties and taxes	56.18	31.69	17.95	10.80
<b>Total</b>	<b>56.18</b>	<b>31.69</b>	<b>18.98</b>	<b>16.15</b>

(Amount in Rs. Lakhs)

<b>12 Payables</b>				
<b>12.1 Trade payables</b>				
<b>Particulars</b>	<b>As at</b>			
	<b>December 31, 2023</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>	<b>March 31, 2021</b>
total outstanding dues of micro and small enterprises	21.25	1.13	0.17	-
total outstanding dues of creditors other than micro and small enterprises	23.76	25.54	22.02	33.17
<b>Total</b>	<b>45.01</b>	<b>26.67</b>	<b>22.19</b>	<b>33.17</b>
To related parties			-	-



Others	45.01	26.67	22.19	33.17
<b>Total</b>	<b>45.01</b>	<b>26.67</b>	<b>22.19</b>	<b>33.17</b>

**Trade payables (Ageing Schedule)**

The following schedules reflect ageing of trade payables with respect to the date of transactions.

**As at December 31, 2023:**

Particulars	Unbilled	Not Due	<1 year	1-2 Years	2-3 Years	> 3 years	Total
(i) MSME	-	-	21.25	-	-	-	21.25
(ii) Others	-	-	7.46	16.30	-	-	23.76
(iii) Disputed Dues-MSME	-	-	-	-	-	-	-
(iv) Disputed Dues-Others	-	-	-	-	-	-	-
<b>Grand Total</b>	-	-	<b>28.71</b>	<b>16.30</b>	-	-	<b>45.01</b>

**As at March 31, 2023:**

Particulars	Unbilled	Not Due	<1 year	1-2 Years	2-3 Years	> 3 years	Total
(i) MSME	-	-	1.13	-	-	-	1.13
(ii) Others	-	-	23.57	1.60	-	0.37	25.54
(iii) Disputed Dues-MSME	-	-	-	-	-	-	-
(iv) Disputed Dues-Others	-	-	-	-	-	-	-
<b>Grand Total</b>	-	-	<b>24.70</b>	<b>1.60</b>	-	<b>0.37</b>	<b>26.67</b>

**As at March 31, 2022:**

Particulars	Unbilled	Not Due	< 1 year	1-2 Years	2-3 Years	> 3 years	Total
(i) MSME	-	-	0.17	-	-	-	0.17
(ii) Others	-	-	14.71	6.44	0.50	0.36	22.02
(iii) Disputed Dues-MSME	-	-	-	-	-	-	-
(iv) Disputed Dues-Others	-	-	-	-	-	-	-
<b>Grand Total</b>	-	-	<b>14.89</b>	<b>6.44</b>	<b>0.50</b>	<b>0.36</b>	<b>22.19</b>

**As at March 31, 2021:**

Particulars	Unbilled	Not Due	< 1 year	1-2 Years	2-3 Years	> 3 years	Total
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	-	28.63	3.03	1.50	-	33.17
(iii) Disputed Dues-MSME	-	-	-	-	-	-	-
(iv) Disputed Dues-Others	-	-	-	-	-	-	-
<b>Grand Total</b>	-	-	<b>28.63</b>	<b>3.03</b>	<b>1.50</b>	-	<b>33.17</b>

Based on information received from the suppliers, the management has identified the enterprises which have provided services to the Company and which qualify under the definition of micro, medium and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act"). Such determination / identification for the purpose of presentation under this disclosure has been done on the basis of information received and available with the Company which has been solely relied upon by the auditors.

(Amount in Rs. Lakhs)

Particulars	As at			
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>13. Debt securities-At amortised cost (refer note 13.1)</b>				
<b>Secured debentures</b> :-1,000 (March 31, 2023 - 1000, March 31, 2022 - 1000, March 31, 2021 - 1000), 12.00% redeemable, non-convertible debentures of Rs. 1 million each	-	1,000.00	1,000.00	1,000.00
<b>Total</b>	-	<b>1,000.00</b>	<b>1,000.00</b>	<b>1,000.00</b>
Debts securities in India	-	1,000.00	1,000.00	1,000.00
Debts securities outside India	-	-	-	-
<b>Total</b>	-	<b>1,000.00</b>	<b>1,000.00</b>	<b>1,000.00</b>

**13.1 Details of terms of redemption/repayment and security provided in respect of debt securities and borrowings**

Particulars	Repayment Terms	Tenure	Earliest instalment date	As at			
				December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>Secured debentures</b> :-1,000 (March 31, 2023 - 1000, March 31, 2022 - 1000, March 31, 2021 - 1000), 12.00% redeemable, non-convertible debentures of Rs. 1 million each	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Quarterly	36 months	June 30, 2023	-	1,000.00	1,000.00	1,000.00
				-	<b>1000.00</b>	<b>1000.00</b>	<b>1000.00</b>

The secured redeemable non-convertible debentures issued by the Company are secured by exclusive charge on hypothecation of specific loan receivables aggregating to a security cover of up to 110% as per the terms of issue.

The coupon rate for secured redeemable non-convertible debentures is 12% payable quarterly.

These secured redeemable non-convertible debentures were repaid as bullet payment on 30th June 2023.

(Amount in Rs. Lakhs)

<b>14. Borrowings (other than debt securities) (refer note 14.1)</b>	
Particulars	As at

	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>At amortised cost</b>				
<b>Term loans (secured)</b>				
From banks	1,505.40	1,171.54	3,582.02	6,508.15
From other parties	7,162.09	3,373.29	6,115.26	10,864.06
<b>Loans repayable on demand (secured)</b>				
Cash Credit and working capital demand loans from banks	4,232.91	5,032.41	4,847.11	5,921.45
External Commercial Borrowings (secured)	4,618.54	5,134.33	5,427.78	5,488.59
<b>Term loans from others parties (unsecured)</b>				
Other (ICD-Borrowing)	-	66.43	33.86	-
<b>Total</b>	<b>17,518.94</b>	<b>14,778.00</b>	<b>20,006.03</b>	<b>28,782.23</b>
Borrowings in India	12,900.40	9,643.67	14,578.26	23,293.64
Borrowings outside India	4,618.54	5,134.33	5,427.78	5,488.59
<b>Total</b>	<b>17,518.94</b>	<b>14,778.00</b>	<b>20,006.03</b>	<b>28,782.23</b>
Loans repayable on demand include cash credit and working capital demand loans from banks which are secured by specific charge on identified receivables. Please refer note 14.1 for details of borrowings.				
As on the date of restated financial statements, the Company is regular in repayment of borrowings (including debt securities).				
The Company has used the borrowings from banks and financial institutions for the specified purpose as per agreement with the lender.				
The quarterly returns/statements of current assets filed by the Company with banks or financial institutions in relation to secured borrowings wherever applicable, are in agreement with the books of accounts.				

<b>14.1 Details of terms of redemption/repayment and security provided in respect of debt securities and borrowings</b>							
Particulars	Repayment Terms	Tenure	Rate of Interest	As at			
				December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>Term loans from banks</b>							
Andhra Bank	16 Quarterly instalments	54 months	11.95%	-	-	-	243.33
AU Small Finance Bank Ltd.	36 Monthly instalments	36 months	12.00%	-	-	-	-
AU Small Finance Bank Ltd.	36 Monthly instalments	36 months	12.00%	-	-	-	54.08
AU Small Finance Bank Ltd.	36 Monthly installments	36 months	12.00%	-	-	-	55.15
AU Small Finance Bank Ltd.	36 Monthly installments	36 months	12.75%	-	-	-	217.72
AU Small Finance Bank Ltd.	30 Monthly installments	30 months	13.75%	-	-	-	353.99
AU Small Finance Bank Ltd.	24 Monthly installments	24 months	13.50%	-	10.36	109.7	197.18
Bandhan Bank Limited	12 Quarterly installments	36 months	11.25%	-	-	-	77.25
Bandhan Bank Limited	36 Monthly installments	36 months	12.75%	-	-	247.5	581.58
Bank of India	20 Quarterly installments	60 months	11.50%	-	-	260.93	394.2
Bank of India	20 Quarterly installments	60 months	9.00%	-	794.95	993.8	-
Development corporation Bank	33 Monthly installments	36 months	11.00%	-	-	-	1.71
Development corporation Bank	33 Quarterly installments	36 months	10.89%	-	-	-	83.82
Federal Bank Limited	12 Monthly installments	36 months	11.10%	-	-	-	138.3
Fincare small Bank Ltd.	24 Monthly instalments	24 months	12.50%	-	-	-	5.41
Fincare small Bank Ltd.	24 Monthly installments	24 months	14.00%	-	-	-	4.95
IDFC First Bank Ltd.	33 Monthly installments	36 months	13.00%	-	-	-	-
IDFC First Bank Ltd.	33 Monthly installments	42 months	14.25%	-	-	-	-
Indusind Bank Ltd.	36 Monthly installments	36 months	11.50%	-	-	-	163.98
Indusind Bank Ltd.	36 Monthly installments	36 months	11.50%	-	-	21.94	393.5
Indusind Bank Ltd.	36 Monthly installments	36 months	11.50%	-	16.28	199.7	359.33
State Bank of India (SBBJ)	20 Quarterly installments	66 months	10.50%	-	-	337.18	549.07
State Bank of India	20 Quarterly installments	60 months	10.50%	-	-	176.93	373.78
State Bank of India	20 Quarterly installments	48 months	10.50%	-	186.27	470.92	468.63
State Bank of India	12 Quarterly instalments	36 months	11.75%	-	151.19	752.27	1,187.10
State Bank of India	24 Monthly instalments	24 months	8.10%	-	-	11.15	41.6
State Bank of India	60 Monthly instalments	60 months	11.15%	1495.26	-	-	-
Bank of Baroda (Vijaya Bank)	14 Quarterly installments	48 months	11.00%	-	-	-	100.06
S.I.D.B.I.	9 Monthly installments	9 months	6.85%	-	-	-	239.15
Rajasthan Marudhara Gramin Bank	Payable on demand	Payable on demand	5.75%	-	-	-	223.28
Rajasthan Marudhara Gramin Bank	Payable on demand	Payable on demand	5.75%	-	-	-	-
Rajasthan Marudhara Gramin Bank	Payable on demand	Payable on demand	5.75%	-	-	-	-
HDFC Bank Nexa Car Loan	Monthly installments			4.57	6.04	-	-
Rmgb Bolero Car Loan	Monthly installments			5.57	6.43	-	-
				<b>1505.4</b>	<b>1,171.54</b>	<b>3,582.02</b>	<b>6,508.15</b>
All the above loans are secured by an exclusive first charge on book debts with security cover ranging from 1.05 to 1.33 times of the outstanding amount at any point in time.							

14.1 Details of terms of redemption/repayment and security provided in respect of debt securities and borrowings							
Particulars	Repayment Terms	Tenure	Rate of Interest	As at			
				Dec-31 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>Term loans from others</b>							
Northern Arc Capital Limited	36 Monthly installments	36 months	13.00%	-	-	-	-
Northern Arc Capital Limited	36 Monthly installments	36 months	13.00%	-	-	-	126.08
Northern Arc Capital Limited	39 Monthly installments	39 months	13.00%	-	-	112.93	359.17
Northern Arc Capital Limited	36 Monthly installments	36 months	14.25%	-	-	280.56	448.07
MAS Financial Services Limited	36 Monthly installments	36 months	13.00%	-	-	-	-
MAS Financial Services Limited	36 Monthly installments	36 months	13.00%	-	-	-	27.56
MAS Financial Services Limited	36 Monthly installments	36 months	13.00%	-	-	-	221.13
MAS Financial Services Limited	36 Monthly installments	36 months	13.65%	-	-	-	303.44
MAS Financial Services Limited	36 Monthly installments	36 months	14.20%	-	-	-	132.17
MAS Financial Services Limited	36 Monthly installments	36 months	14.20%	-	-	-	132.18
MAS Financial Services Limited	36 Monthly installments	36 months	14.20%	-	-	-	154.24
MAS Financial Services Limited	36 Monthly installments	36 months	14.10%	-	-	-	123.81
MAS Financial Services Limited	36 Monthly installments	36 months	14.10%	-	-	-	124.04
MAS Financial Services Limited	36 Monthly installments	36 months	14.10%	-	-	-	164.78
MAS Financial Services Limited	36 Monthly installments	36 months	14.10%	171.53	290.28	448.62	-
MAS Financial Services Limited	36 Monthly installments	36 months	14.10%	171.53	290.28	448.62	-
MAS Financial Services Limited	36 Monthly installments	36 months	14.00%	148.71			
MAS Financial Services Limited	36 Monthly installments	36 months	13.50%	424.24			
MAS Financial Services Limited	36 Monthly installments	36 months	13.50%	491.70			
Maanaveeya Development & Finance Private Limited	36 Monthly installments	36 months	14.00%	760.58	958.65	-	-
Maanaveeya Development & Finance Private Limited	12 Quarterly instaments	36 months	12.75%	-	-	-	329.92
Maanaveeya Development & Finance Private Limited	36 Monthly installments	36 months	14.35%	-	-	374.98	777.82
Maanaveeya Development & Finance Private Limited	12 Monthly installments	12 months	14.00%	-	-	869.11	595.41
Tata Capital Financial Services Limited	36 Monthly installments	36 months	11.00%	-	-	-	-
Mahindra and Mahindra Financial Services Limited	36 Monthly installments	36 months	13.00%	-	-	-	0.09
Hinduja Leyland Finance Limited-1	36 Monthly installments	36 months	11.10%	-	-	-	-
Hinduja Leyland Finance Limited	36 Monthly installments	36 months	12.25%	-	-	-	221.84
Hinduja Leyland Finance Limited	36 Monthly installments	36 months	13.25%	-	-	34.18	389.54
Hinduja Leyland Finance Limited	36 Monthly installments	36 months	14.00%	-	-	116.75	868.71
Hinduja Leyland Finance Limited	36 Monthly installments	36 months	15.00%	-	-	264.19	708.59
Hinduja Leyland Finance Limited	36 Monthly installments	36 months		-	-	385.1	-
Hinduja Leyland Finance Limited-7	36 Monthly installments	36 months	12.50%	169.19	256.54	-	-
Hinduja Leyland Finance Limited-8	36 Monthly installments	36 months	12.50%	169.19	256.54	-	-
Hinduja Leyland Finance Limited-9	36 Monthly installments	36 months	12.50%	96.68	119.09	-	-
Hinduja Leyland Finance Limited-10	48 Monthly installments	48 months	13.25%	721.53	-	-	-
Avanse Financial Services Limited	36 Monthly installments	36 months	12.60%	-	-	-	52.13
Avanse Financial Services Limited	36 Monthly installments	36 months	13.00%	-	-	-	231.93
Avanse Financial Services Limited	12 Quarterly installments	36 months	13.00%	-	-	-	88.81
Moneywise Financial services Pvt Ltd	12 Quarterly installments	36 months	13.90%	-	-	264.81	416.16
Muthoot Capital Service Ltd	36 Monthly installments	24 months	13.00%	-	-	-	123.78
Nabsamruddhi Finance Limited	12 Quarterly installments	36 months	12.25%	-	-	-	257.05
Capri Global Capital Limited	36 Monthly installments	36 months	13.50%	-	-	16.41	438.72
Capri Global Capital Limited	36 Monthly installments	36 months	13.50%	-	-	94.88	-
Capri Global Capital Limited	36 Monthly installments	36 months	13.50%	-	-	30	-
Capri Global Capital Limited	36 Monthly installments	36 months	15.00%	494.55			
Shriram Transport Finance Company Limited	36 Monthly installments	36 months	14.00%	-	-	-	171.81
Shriram Transport Finance Company Limited	36 Monthly installments	36 months	15.00%	-	-	-	655.3
Shriram Transport Finance Company Limited	36 Monthly installments	36 months	15.00%	325.87	585.18	918.28	-
Shriram Transport Finance Company Limited	36 Monthly installments	36 months	15.00%	402.96	486.64	-	-
Shriram Transport Finance Company Limited	36 Monthly installments	36 months	14.50%	476.49			
Nabkisan Finance Limited	6 Half Yearly installments	36 months	12.50%	-	-	-	228.65
Incred (Visu Leasing and Finance Private LTD)	24 Monthly installments	24 months	13.00%	-	-	-	-
Profectus Capital Private Limited	24 Monthly installments	24 months	14.00%	-	-	-	1.67
Manappuram Finance Limited	36 Monthly installments	36 months	14.00%	-	23.09	149.43	270.39
Nabsamruddhi Finance Limited	24 Monthly installments	24 months	14.00%	65.29	96.35	-	-
Vivriti Capital Private Limited	36 Monthly installments	36 months	14.25%	-	-	48.84	201.75
Vivriti Capital Private Limited	36 Monthly installments	36 months	14.25%	-	-	66.16	216.99
Vivriti Capital Private Limited	36 Monthly installments	36 months	14.25%	-	-	81.86	230.72
Vivriti Capital Private Limited	13 Monthly installments	13 months	14.50%	-	-	112.5	-
Vivriti Capital Private Limited	13 Monthly installments	13 months	14.50%	-	-	90	-

UGRO Capital Limited	24 Monthly installments	24 months	13.75%	-	-	69.84	140.14
Hiranandani Financial Services Pvt Ltd	36 Monthly installments	36 months	14.00%	-	-	203.15	394.43
Eclear Leasing and Finance Private Limited	36 Monthly installments	36 months	15.50%	-	-	88.46	154.17
Eclear Leasing and Finance Private Limited	18 Monthly installments	18 months	15.25%	-	-	-	61.15
UC Inclusive Credit Pvt. Ltd.	30 Monthly installments	30 months	15.50%	-	-	151.63	268.6
Star Housing Finance Ltd.	36 Monthly installments	36 months	15.00%	-	-	358.24	-
Car Loans - (BMW, Toyota, Axis & SBI)	Monthly installments			6.01	10.63	35.73	51.12
Shine Star Build Cap Pvt. Ltd.	24 Monthly installments	24 Months	15.00%	1554.40	-	-	-
Srajan Capital Limited	36 Monthly installments	36 months	15.00%	461.65	-	-	-
Capital India Finance Ltd.-4	48 Monthly installments	48 months	14.50%	50			
<b>Total</b>				<b>7162.10</b>	<b>3,373.29</b>	<b>6,115.26</b>	<b>10,864.06</b>

Loans from Others-(External Commercial Borrowing)								
Particulars	Repayment Terms	Tenure	Rate of Interest	As at				
				Dec-31 2023	March 31, 2023	March 31, 2022	March 31, 2021	
World Business Capital - ECB	Repayable in 32 Quarterly installments	120 months	4.09161% + 3 month SOFR	4,618.54	5,134.33	5,427.78	5,488.59	
<b>Total</b>				<b>4,618.54</b>	<b>5,134.33</b>	<b>5,427.78</b>	<b>5,488.59</b>	
· All the above loans are secured by an exclusive first charge on book debts with security cover ranging from 1 to 1.2 times of the outstanding amount at any point in time.								
· Debt Securities and borrowings other than debt securities has been guaranteed by the promoter, Mr. Nirmal Kumar Jain.								

#### 14.2 Details of terms of redemption/repayment and security provided in respect of debt securities and borrowings

(Amount in Rs. Lakhs)

As at December 31, 2023						
Terms of repayment	Indian rupee loan from Banks		Indian rupee loan from Financial Institutions & Others		External Commercial Borrowing	
Tenure (From the date of Balance sheet)	Rate of Interest	Amount	Rate of Interest	Amount	Rate of Interest	Amount
Due within 3 years	9.00% - 13.50%	5,113.31	12.50% -15.50%	7,155.64	4.09161% + 3 month SOFR	2,490.30
Due within 3-5 years	9.00% - 13.50%	600.00	12.50% -15.50%	6.45	4.09161% + 3 month SOFR	1,676.20
Above 5 years	9.00% - 13.50%	25.00	-	-	4.09161% + 3 month SOFR	453.04
<b>Total</b>		<b>5,738.31</b>		<b>7,162.09</b>		<b>4,618.54</b>
As at March 31, 2023						
Terms of repayment	Indian rupee loan from Banks		Indian rupee loan from Financial Institutions & Others		External Commercial Borrowing	
Tenure (From the date of Balance sheet)	Rate of Interest	Amount	Rate of Interest	Amount	Rate of Interest	Amount
Due within 3 years	9.00% - 13.50%	4,905.83	12.50% - 15.50%	3,439.72	L+3.83%	2,466.36
Due within 3-5 years	9.00% - 13.50%	1,298.11	-	-	L+3.83%	1,644.24
Above 5 years	-	-	-	-	L+3.83%	1,023.73
<b>Total</b>		<b>6,203.95</b>		<b>3,439.72</b>		<b>5,134.33</b>
As at March 31, 2022						
Terms of repayment	Indian rupee loan from Banks		Indian rupee loan from Financial Institutions & Others		External Commercial Borrowing	
Tenure (From the date of Balance sheet)	Rate of Interest	Amount	Rate of Interest	Amount	Rate of Interest	Amount
Due within 3 years	9.00% - 13.50%	8,035.33	12.50% - 15.50%	6,149.12	L+3.83%	2,277.60
Due within 3-5 years	9.00% - 13.50%	393.80	-	-	L+3.83%	1,518.40
Above 5 years	-	-	-	-	L+3.83%	1,631.78
<b>Total</b>		<b>8,429.13</b>		<b>6,149.12</b>		<b>5,427.78</b>
As at March 31, 2021						
Terms of repayment	Indian rupee loan from Banks		Indian rupee loan from Financial Institutions & Others		External Commercial Borrowing	
Tenure (From the date of Balance sheet)	Rate of Interest	Amount	Rate of Interest	Amount	Rate of Interest	Amount
Due within 3 years	9.00% - 13.50%	12,429.58	12.50% - 15.50%	10,864.06	L+3.83%	1,835.50
Due within 3-5 years	-	-	-	-	L+3.83%	1,468.40
Above 5 years	-	-	-	-	L+3.83%	2,184.69
<b>Total</b>		<b>12,429.58</b>		<b>10,864.06</b>		<b>5,488.59</b>

(Amount in Rs. Lakhs)

15. Subordinated Liabilities				
Particulars	As at			
	December 31,2023	March 31, 2023	March 31, 2022	March 31, 2021

Mas Sub Debt @ 15.30% for 72 Months, Bullet payment of principal in 72nd month (year 2024)	1,000.00	999.62	1,000.00	1,000.00
Maanaveeya Development Sub Debt @ 16% for 72 Months, to be repaid in equal instalment of Rs. 500.00 Lakhs in 66th month (year 2024) & 72nd month (year 2025)	1,000.00	998.68	1,000.00	1,000.00
<b>Total</b>	<b>2,000.00</b>	<b>1,998.30</b>	<b>2,000.00</b>	<b>2,000.00</b>

(Amount in Rs. Lakhs)

<b>16. Other financial liabilities</b>				
Particulars	As at			
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Interest accrued but not due on borrowings	53.95	43.55	36.18	7.11
Security Deposit	45.12	93.87	76.26	119.67
Other liabilities	53.30	44.66	143.89	50.84
<b>Total</b>	<b>152.37</b>	<b>182.07</b>	<b>256.33</b>	<b>177.62</b>

(Amount in Rs. Lakhs)

<b>17. Current tax liabilities (net)</b>				
Particulars	As at			
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Provision for tax (net)	189.01	440.41	227.52	363.49
<b>Total</b>	<b>189.01</b>	<b>440.41</b>	<b>227.52</b>	<b>363.49</b>

(Amount in Rs. Lakhs)

<b>18. Provisions</b>				
Particulars	As at			
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Provision for Expenses	29.65	2.75	1.75	1.75
Provision for Gratuity	134.20	104.15	99.71	102.16
<b>Total</b>	<b>163.85</b>	<b>106.90</b>	<b>101.46</b>	<b>103.91</b>

(Amount in Rs. Lakhs)

<b>19. Other non-financial liabilities</b>				
Particulars	As at			
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Statutory dues payable	25.55	39.55	103.37	53.03
<b>Total</b>	<b>25.55</b>	<b>39.55</b>	<b>103.37</b>	<b>53.03</b>

(Amount in Rs. Lakhs)

<b>20. Equity share capital</b>				
Particulars	As at			
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>Authorised</b>				
5,00,00,000 shares (March 31, 2023- 3,50,00,000) of Rs. 10 each	5,000.00	3,500.00	2,500.00	2,500.00
(March 31, 2022 - 2,50,00,000, March 31, 2021 - 2,50,00,000) of Rs. 10 each				
<b>Issued, subscribed and paid up</b>				
3,16,74,996 shares (March 31, 2023- 3,16,74,996) of Rs. 10 each	3,167.50	3,167.50	2,181.65	2,181.65
(March 31, 2022 - 2,18,16,506, March 31, 2021 - 2,18,16,506) of Rs. 10 each				
<b>Total</b>	<b>3,167.50</b>	<b>3,167.50</b>	<b>2,181.65</b>	<b>2,181.65</b>

(Amount in Rs. Lakhs)

<b>20.A Reconciliation of shares outstanding at the beginning and at the end of the reporting period</b>								
Particulars	As at December 31, 2023		As at March 31, 2023		As at March 31, 2022		As at March 31, 2021	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the year	31674996	3,167.50	21816506	2,181.65	21816506	2,181.65	21674306	2,167.43
Add: Share issued during the year	-	-	7132068	713.21	-	-	142200	14.22
Add: Bonus issued during the year-	-	-	2726422	272.64	-	-	-	-
Outstanding at the end of the year	<b>31674996</b>	<b>3167.50</b>	<b>31674996</b>	<b>3,167.50</b>	<b>21816506</b>	<b>2,181.65</b>	<b>21816506</b>	<b>2,181.65</b>

**Terms/rights attached to Equity Shares:**

The Company has a single class of equity shares. Accordingly all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend to the extent the shares are paid up, as declared from time to time. Dividends are paid in Indian Rupees. Dividend proposed by the board of directors, if any, is subject to the approval of the shareholders at the General Meeting, except in the case of interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders, to the extent the shares are paid up.

<b>20.B Promoter Holdings</b>					
<b>As at December 31, 2023</b>					
Name of the Promoter	Number of Shares at the beginning of the period	Movement during the period	Number of Shares at the end of the period	% of Total Shares	% of Change
<b>Fully paid up shares</b>					
(i) Nirmal Kumar Jain HUF	12,77,470	-	-	4.03%	-
(ii) Deepesh Jain	6,97,880	-	-	2.20%	-
(iii) Nirmal Kumar Jain	1,14,07,590	-	-	36.01%	-
(iv) Manju Devi Jain	11,61,480	-	-	3.67%	-
<b>Grand Total</b>	<b>1,45,44,420</b>	<b>-</b>	<b>-</b>	<b>45.91%</b>	<b>-</b>
<b>As at March 31, 2023</b>					
Name of the Promoter	Number of Shares at the beginning of the period	Movement during the period	Number of Shares at the end of the period	% of Total Shares	% of Change
<b>Fully paid up shares</b>					
(i) Nirmal Kumar Jain HUF	12,77,470	-	12,77,470	4.03%	-
(ii) Deepesh Jain	6,97,880	-	6,97,880	2.20%	-
(iii) Nirmal Kumar Jain	57,71,970	56,35,620	1,14,07,590	36.01%	9.55%
(iv) Manju Devi Jain	11,61,480	-	11,61,480	3.67%	-
<b>Grand Total</b>	<b>89,08,800</b>	<b>56,35,620</b>	<b>1,45,44,420</b>	<b>45.91%</b>	<b>-</b>
<b>As at March 31, 2022</b>					
Name of the Promoter	Number of Shares at the beginning of the period	Movement during the period	Number of Shares at the end of the period	% of Total Shares	% of Change
<b>Fully paid up shares</b>					
(i) Nirmal Kumar Jain	47,86,905	9,85,065	57,71,970	26.46%	4.52%
(ii) Bansi Lal Champa Lal Jain	5,63,850	-	5,63,850	2.58%	-
<b>Grand Total</b>	<b>53,50,755</b>	<b>9,85,065</b>	<b>63,35,820</b>	<b>29.04%</b>	<b>-</b>
<b>As at March 31, 2021</b>					
Name of the Promoter	Number of Shares at the beginning of the period	Movement during the period	Number of Shares at the end of the period	% of Total Shares	% of Change
<b>Fully paid up shares</b>					
(i) Nirmal Kumar Jain	47,86,905	-	47,86,905	21.94%	-
(ii) Bansi Lal Champa Lal Jain	5,63,850	-	5,63,850	2.58%	-
<b>Grand Total</b>	<b>53,50,755</b>	<b>-</b>	<b>53,50,755</b>	<b>24.53%</b>	<b>-</b>

<b>20.C Details of shareholders holding more than 5% shares in the Company</b>								
Name of Shareholders	As at December 31, 2023		As at March 31, 2023		As at March 31, 2022		As at March 31, 2021	
	Number of shares	% of total shares in class	Number of shares	% of total shares in class	Number of shares	% of total shares in class	Number of shares	% of total shares in class
Nirmal Kumar Jain	1,14,10,090	36.02%	1,14,07,590	36.01%	57,71,970	26.46%	47,86,905	21.94%
Kavish Jain	-	-	-	-	-	-	12,09,430	5.54%
Ashish Jain	-	-	-	-	11,25,110	5.16%	12,65,110	5.80%
Nirmal Kumar Jain H.U.F.	-	-	-	-	12,77,470	5.86%	12,77,470	5.86%
Manju Devi Jain	-	-	-	-	11,61,480	5.32%	11,61,480	5.32%

(Amount in Rs. Lakhs)

<b>21. Other Equity</b>				
Particulars	As at			
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Statutory reserve	2,138.45	1,893.51	1,603.14	1,516.58
Securities premium	8,050.89	8,050.89	3,834.39	3,834.39
Retained earnings	7,483.03	6,503.31	5,213.40	4,659.41
Impairment Reserve	830.84	830.84	830.84	830.84
Foreign Currency Monetary Item Translation Difference Account created during the year	-	-	-	-
<b>Total (A)</b>	<b>18,503.21</b>	<b>17,278.55</b>	<b>11,481.77</b>	<b>10,841.22</b>
Equity Instruments through other comprehensive income	-	-	-	-
Other (Actuarial Gain (Loss) on Gratuity)	30.54	32.06	21.02	3.49
<b>Total (B)</b>	<b>30.54</b>	<b>32.06</b>	<b>21.02</b>	<b>3.49</b>
<b>Total (A) + (B)</b>	<b>18533.75</b>	<b>17,310.61</b>	<b>11,502.79</b>	<b>10,844.71</b>
(i) Statutory Reserve				
<b>Opening balance</b>	1,893.51	1,603.14	1,516.58	1,182.64
Amount transferred from surplus in the statement of profit and loss	244.93	290.37	86.56	333.94

<b>Closing Balance</b>	<b>2,138.45</b>	<b>1,893.51</b>	<b>1,603.14</b>	<b>1,516.58</b>
As per Section 45-IC of the Reserve Bank of India Act, 1934, the Company is required to create a reserve fund at the rate of 20% of the net profit after tax of the Company every year.				
<b>(ii) Securities Premium</b>				
<b>Opening balance</b>	8,050.89	3,834.39	3,834.39	3,564.21
Premium on shares issued during the period / year	-	4,489.14	-	270.18
Less : Utilised during the period / year for share issue expenses	-	-272.64	-	-
<b>Closing balance</b>	<b>8050.89</b>	<b>8,050.89</b>	<b>3,834.39</b>	<b>3,834.39</b>
<b>(iii) Retained Earnings</b>				
<b>Opening balance</b>	6,503.31	5,213.40	4,659.41	4,363.05
Net Profit for the period / year	1,224.66	1580.27	412.07	1,630.50
Less: Transfer to Statutory reserve	-244.93	-290.37	-86.56	-333.94
Less: Bonus Shares Issued during the year	-	-	-	-
Transfer to Impairment Reserves	-	-	-	-830.84
Others	-	-	-	-169.37
excess provision of income tax	-	-	228.48	-
<b>Closing balance</b>	<b>7,483.03</b>	<b>6,503.31</b>	<b>5,213.40</b>	<b>4,659.41</b>
<b>(iv) Impairment Reserve</b>				
<b>Opening balance</b>	830.84	830.84	830.84	-
Amount transferred from surplus in the statement of profit and loss	-	-	-	830.84
<b>Closing balance</b>	<b>830.84</b>	<b>830.84</b>	<b>830.84</b>	<b>830.84</b>
<b>(v) Foreign Currency Monetary Item Translation Difference Account created during the year</b>				
<b>Opening balance</b>	-	-	-	-436.49
Foreign currency translation difference amount	-	-	-	436.49
<b>Closing balance</b>	-	-	-	-
<b>(vi) Equity Instruments through other comprehensive income</b>				
<b>Opening balance</b>	-	-	-	164.53
Other Comprehensive income	-	-	-	-164.53
<b>Closing Balance</b>	-	-	-	-
<b>(vii) Other (Actuarial Gain (Loss) on Gratuity)</b>				
<b>Opening Balance</b>	32.06	21.02	3.49	-
Actuarial Gain (Loss) on Gratuity	-1.52	11.04	17.53	3.49
<b>Closing Balance</b>	<b>30.54</b>	<b>32.06</b>	<b>21.02</b>	<b>3.49</b>

(Amount in Rs. Lakhs)

<b>22. Interest Income</b>				
<b>Particulars</b>	<b>For the Period ended</b>			
	<b>December 31, 2023</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>	<b>March 31, 2021</b>
Interest on term loans	5,047.17	6,281.60	6,455.78	8,368.06
Interest income from investments	0.36	0.98	0.73	0.73
Other interest income	29.70	28.42	30.43	48.07
<b>Total</b>	<b>5,077.23</b>	<b>6,310.99</b>	<b>6,486.94</b>	<b>8,416.86</b>

(Amount in Rs. Lakhs)

<b>23. Fee and Commission Income</b>				
<b>Particulars</b>	<b>For the Period ended</b>			
	<b>December 31, 2023</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>	<b>March 31, 2021</b>
Commission Income	12.84	46.82	35.40	0.78
Service Charges and other Fee income on Loan Transactions	127.89	162.96	192.57	147.74
<b>Total</b>	<b>140.73</b>	<b>209.78</b>	<b>227.97</b>	<b>148.52</b>

(Amount in Rs. Lakhs)

<b>24. Net gain on de-recognition of financial instruments under amortised cost category</b>				
Particulars	For the Period ended			
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Gain / Loss on derecognised financial assets	-3.41	-6.52	-6.30	-
<b>Total</b>	<b>-3.41</b>	<b>-6.52</b>	<b>-6.30</b>	<b>-</b>

(Amount in Rs. Lakhs)

<b>25. Other operating Income</b>				
Particulars	For the Period ended			
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
W/off Loans Recovered	125.94	437.12	35.53	52.33
<b>Total</b>	<b>125.94</b>	<b>437.12</b>	<b>35.53</b>	<b>52.33</b>

(Amount in Rs. Lakhs)

<b>26. Other Income</b>				
Particulars	For the Period ended			
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Profit on sale of Investment	-	-	-	52.56
Profit on Sale of Asset	2.12	5.45	6.08	7.89
Dividend Income	-	-	-	1.22
Other Misc Income	2.06	-	-	-
<b>Total</b>	<b>4.18</b>	<b>5.45</b>	<b>6.08</b>	<b>61.67</b>

(Amount in Rs. Lakhs)

<b>27. Finance costs</b>				
Particulars	For the Period ended			
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Finance costs on financial liabilities measured at amortised cost				
Interest on borrowings				
- Interest on term loans	1,521.03	1,978.65	2,693.62	4,081.88
- Interest on cash credit and working capital demand loan	475.66	710.16	652.41	634.41
Other borrowing cost (incl. Bank Charges)	55.21	32.86	59.70	32.16
Interest on Others	9.80	39.91	21.34	21.97
Interest on ICD	2.16	3.51	72.97	34.04
<b>Total</b>	<b>2,063.86</b>	<b>2765.08</b>	<b>3,500.04</b>	<b>4,804.46</b>

(Amount in Rs. Lakhs)

<b>28. Impairment on financial instruments</b>				
Particulars	For the Period ended			
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
On financial assets measured at amortised cost				
- Loans	409.13	48.53	88.17	159.44
Bad Debts written off against Loans	138.56	310.59	918.22	604.53
Other write offs	0.00	0.00	56.41	7.50
<b>Total</b>	<b>547.69</b>	<b>359.12</b>	<b>1,062.80</b>	<b>771.47</b>

(Amount in Rs. Lakhs)

<b>29. Employee benefits expenses</b>				
Particulars	For the Period ended			
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Salaries, allowances and benefits	531.42	624.88	699.24	803.96
Contribution to provident and other funds	34.37	29.60	31.16	36.46
<b>Total</b>	<b>565.79</b>	<b>654.48</b>	<b>730.40</b>	<b>840.42</b>

(Amount in Rs. Lakhs)

<b>30. Depreciation and Amortization</b>				
Particulars	For the Period ended			
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Depreciation of property, plant and equipment	28.64	35.57	43.37	45.55
Amortisation of intangible assets	10.18	12.51	12.27	5.87
Amortisation of Right to use Assets	0.00	10.11	13.84	13.84
<b>Total</b>	<b>38.82</b>	<b>58.19</b>	<b>69.48</b>	<b>65.27</b>



(Amount in Rs. Lakhs)

Particulars	For the Period ended			
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>31. Other Expenses</b>				
Advertisement & Business Promotion	12.09	12.33	12.55	15.34
Annual Maintenance Charges	14.01	18.08	5.38	3.68
Audit Remuneration (Refer note 31.1)	1.67	2.75	1.75	1.75
Books & Periodicals Expenses	0.01	0.06	0.02	0.04
Commission	43.08	36.53	38.98	21.20
Computer & Software maintenance	14.37	12.93	6.53	8.04
Conveyance	2.63	2.93	3.64	6.87
Credit Rating Charges	6.73	8.28	11.51	9.00
CIBIL Expense	1.65	0.05	9.26	4.02
CSR Expenditure (Refer note 31.2)	25.71	36.68	50.00	46.00
Donation	0.00	0.06	4.74	1.08
Electricity & Water	7.35	8.67	6.95	7.93
Fees & Subscription	0.47	1.97	0.13	1.19
Franking/ Stamping Expenses	6.17	4.82	12.60	22.83
Foreign Exchange Loss	65.78	457.63	200.37	-158.40
Godown Rent for seized vehicles	3.15	0.81	7.17	3.93
Income tax/ Interest	1.43	22.35	8.98	42.48
Hedging Expense	14.47	17.81	5.65	9.17
Insurance Expenses	7.03	1.67	5.27	5.73
Legal Expenses	38.81	38.96	25.87	15.61
Mandate processing charges (NACH)	0.22	1.16	4.64	3.79
Misc. Expenses	2.22	1.99	0.14	0.42
Office Expenses	13.95	19.09	24.69	19.51
Office Rent	23.11	27.18	39.65	21.60
Postage & Courier	5.12	2.45	1.53	2.03
Printing & Stationery	7.43	7.25	5.44	5.75
Professional Consultancy Fee	205.88	242.16	44.36	51.30
Repairs & Maintenance	5.59	8.52	3.47	4.51
ROC fees	1.35	32.27	0.97	0.60
Seizing exp	6.79	8.94	37.88	48.88
Recovery Expenses	34.15	25.91	21.71	21.20
Telephone and Internet Charges	5.65	5.15	3.71	4.32
Travelling Expenses	31.15	42.28	18.99	13.09
Vehicle Insurance & RTO Expenses	-	0.34	2.57	12.34
Field Investigation Charges	0.41	0.09	0.99	-
Demat Expenses	-	0.34	0.39	0.14
Accommodation Exp	2.64	3.37	0.09	-
LEI- Renewal Exp	-	-	0.03	-
Security Charges	0.09	1.41	-	-
<b>Total</b>	<b>612.36</b>	<b>1,115.24</b>	<b>628.58</b>	<b>276.95</b>

(Amount in Rs. Lakhs)

Particulars	For the Period ended			
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>31.1 Payment to Auditors</b>				
Audit Fees	1.67	2.75	1.75	1.75
<b>Total</b>	<b>1.67</b>	<b>2.75</b>	<b>1.75</b>	<b>1.75</b>

(Amount in Rs. Lakhs)

Particulars	For the Period ended			
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>31.2 Payment to Corporate social responsibility ("CSR")</b>				
<b>Details of expenditure on corporate social responsibility ("CSR")</b>				
(a) Amount required to be spent by the Company during the period/year	30.68	36.33	48.53	45.42
(b) Amount set off in current year from the excess spend from the preceding financials year	2.40	2.05	0.58	0.00
(c) Total CSR obligation in the current financial year	28.28	34.28	47.95	0.00
(b) Amount of expenditure incurred during the period/year	25.71	36.68	50.00	46.00
(e) Excess / Short amount spent for the period/year	-2.57	2.40	2.05	0.58
(f) Amount available for set off in succeeding financial year	0.00	2.40	2.05	0.58
(g) Nature of CSR activities	Contribution towards projects in the domain of education	Contribution towards projects in the domain of education and healthcare	Contribution towards projects in the domain of education and healthcare	Contribution towards projects in the domain of education

(Amount in Rs. Lakhs)

32. Income tax	Particulars	For the Period ended			
		December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>i . Current tax</b>					
	In respect of current year	403.52	478.82	252.59	434.09
	In respect of prior years	-	-	-	-
		<b>403.52</b>	<b>478.82</b>	<b>252.59</b>	<b>434.09</b>
<b>ii. Deferred tax</b>					
	Attributable to– Origination and reversal of temporary differences	-112.03	-54.38	94.25	-143.79
	<b>Tax expense (i)+(ii)</b>	<b>291.49</b>	<b>424.44</b>	<b>346.84</b>	<b>290.30</b>

(Amount in Rs. Lakhs)

33. Reconciliation of total tax expense	Particulars	For the Period ended			
		December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
	Profit before tax	1,516.15	2,004.71	758.91	1,920.80
	Applicable tax rate	25.63%	25.63%	25.17%	25.17%
	<b>Computed tax expense</b>	<b>388.59</b>	<b>513.81</b>	<b>191.00</b>	<b>483.41</b>
<b>Tax effect of :</b>					
Tax Impact of:					
	Income not subject to tax	-	-	-	-71.01
	Non-deductible expenses	19.73	32.73	35.69	84.64
	IND-AS impact on Deductible Expenses	28.30	3.11	51.74	-25.90
	Deduction under section 36 (1) (vii)	-24.40	-25.21	-13.29	-26.30
	Other Deduction	-8.70	-45.62	-12.55	-11.06
	Incremental Deferred Tax Liabilities/(Assets) on account of Financial Assets and other items	-	-	-	0.31
	Tax at effective Income Tax rate of 26.61% (Nine month Period ended Dec 2023), 23.88% FY 2022-23, 25.51% FY 2021-22 - 33.28%, FY 2020-21 - 22.60%,	<b>403.52</b>	<b>478.82</b>	<b>252.59</b>	<b>434.09</b>

(Amount in Rs. Lakhs)

34. Contingent liabilities and commitments	Particulars	As at			
		December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>(A) Contingent Liabilities</b>					
	Corporate Guarantee to financial institution	1203.57	2,038.43	366.68	565.13
<b>(B) Commitments</b>					
	Total	<b>1203.57</b>	<b>2,038.43</b>	<b>366.68</b>	<b>565.13</b>
<p><b>34.1</b> The Company's pending litigations comprise of claims against the Company by the customers and proceedings pending with other authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in the financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.</p>					
<b>34.2 Income Tax Related matters</b>		<b>26.58</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

(Amount in Rs. Lakhs)

35. Disclosure under Micro, Small and Medium Enterprises Development Act, 2006	Particulars	As at			
		December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Under Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with management and confirmation sought from suppliers on registration with specified authority under MSMED, principal amount, interest accrued and remaining unpaid and interest paid during the year/period to such enterprise is Nil.					
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year/ period					
	Principal	-	-	-	-
	Interest	-	-	-	-
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year/period:					
		-	-	-	-

The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year/ period) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year/period; and	-	-	-	-
The amount of further interest remaining due and payable even in the succeeding years/ periods, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-	-

(Amount in Rs. Lakhs)

36. Deferred tax assets / (liability):	Particulars	As at			
		December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>Opening Balance (Deferred Tax Assets)</b>		<b>149.41</b>	<b>98.74</b>	<b>198.89</b>	<b>56.27</b>
Deferred Tax Assets:					
Unamortised Processing Fee		-	-	-	-
Impairment of Financial Assets		343.00	240.02	227.81	238.29
Difference between tax depreciation and depreciation/amortization charged for the financial reporting		-	-	-	-
Others		-	-	1.16	156.76
Gross deferred Tax Asset (A)		<b>343.00</b>	<b>240.02</b>	<b>228.97</b>	<b>395.05</b>
Deferred Tax Liabilities:					
Unamortised Processing Fee		4.21	13.95	17.97	12.02
Difference Between WDV of fixed Assets and as per Co. Act, 2013 and Income tax Act, 1961		31.74	23.82	17.11	36.99
Unamortised Borrowing Cost		90.22	75.35	94.54	152.21
Provision for Gratuity		-33.78	-26.21	-5.28	-6.23
<b>Gross Deferred Tax Liabilities (B)</b>		<b>92.39</b>	<b>86.91</b>	<b>124.34</b>	<b>194.99</b>
Net Deferred Tax Asset/ (Liability)		250.61	153.12	104.63	200.06
<b>Amount (debited)/ Credited in Profit and Loss account</b>		<b>101.21</b>	<b>54.38</b>	<b>-94.25</b>	<b>143.79</b>
<b>Deferred tax recognised on other comprehensive income</b>					
Provision for Gratuity (Actuarial Gain (Loss))		0.51	-3.71	-5.90	-1.18
Deferred Tax Assets Recognised in Balance Sheet		0.51	-3.71	-5.90	-1.18
<b>Total Deferred Tax Assets Recognised in Balance Sheet</b>		<b>251.12</b>	<b>149.41</b>	<b>98.74</b>	<b>198.89</b>

(Amount in Rs. Lakhs)

37. i) Movement in carrying value of right of use assets				
Particulars	As at			
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Opening balance	-	39.22	53.06	66.9
Less: Depreciation	-	10.11	13.84	13.84
Less: Derecognition of Right to use assets	-	29.11	-	-
<b>Closing balance</b>	<b>-</b>	<b>-</b>	<b>39.22</b>	<b>53.06</b>
<b>ii) Amounts recognised in statement of profit and loss</b>				
Depreciation on Right of use asset	-	10.11	13.84	13.84

(Amount in Rs. Lakhs)

38. Other Comprehensive Income				
Particulars	For the Period ended			
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>i) Items that will not be reclassified to profit or loss</b>				
Re-measurements of the defined benefit plan (Net of Tax)	-1.52	11.04	17.53	3.49
<b>ii) Items that will be reclassified subsequently to profit or loss</b>				
Fair value gain/(loss) on equity instruments (Net of Tax)	-	-	-	-
<b>Total Other Comprehensive Income</b>	<b>-1.52</b>	<b>11.04</b>	<b>17.53</b>	<b>3.49</b>

(Amount in Rs. Lakhs except per share data)

39. Earnings per share	Particulars	For the Period ended			
		December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
	Profit after tax	1,224.66	1580.27	412.07	1,630.50
	Weighted Average Number of Equity Shares for calculation of earnings per share	3,16,74,996	2,69,93,886	2,45,42,928	2,44,12,871
	Basic EPS*	3.87	5.85	1.68	6.68
	Diluted EPS*	3.87	5.85	1.68	6.68

#### 40. Segment Information

An operating segment is a component of the Company that emerges in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Company's management to make decisions about resources to be allocated to the segments and assess their performance. The MD is considered to be the chief operating decision maker ('CODM') within the purview of Ind AS 108 operating segments.

The CODM considers the entire business of the Company on a holistic basis for making operating decisions and thus there are no segregated operating segments. The Company is engaged into the business of providing Mortgage loans and Vehicle loans. The CODM of the Company reviews the operating results of the Company as a whole and therefore not more than one reportable segment is required to be disclosed by the Company as envisaged by Ind AS 108 operating segments. Accordingly, amounts appearing in these financial statements relate to the business of providing Mortgage loans and Vehicle loans.

The Company does not have any separate geographic segment other than India. As such there are no separate reportable segments as per IND AS 108 operating segments.

#### 41. Related Party Disclosures

Key Managerial Person	· Nirmal Kumar Jain (Managing Director& CEO)
	· Bobby Singh Chandel (CEO)(appointed w.e.f 24.12.2022)
	· Rajni Gehlot (CFO)
	· Anjali Pacholi (Company Secretary upto 31/03/2022)
	· ShaluBanoria (Company Secretary upto 31/09/2022)
	· Jay shree Sharma (Company Secretary upto 31/12/23)
Relatives of Key Managerial Person	· Manju Devi Jain (Wife of Managing Director)
	· Dipesh Jain (Son of Managing Director)
	· Jenisha Jain (Daughter of Managing Director)
	· Kartika Jain (Daughter-in-Law of Managing Director)
	· Hira Lal Jain (Brother of Managing Director)
Other Directors and Related Parties	· Ramesh Kumar Jain (Executive Director)
	· Kiran Jain (wife of Ramesh Kumar Jain)
	· Chirag Jain (son of Ramesh Kumar Jain)
	· Rajendra Chittora (Executive Director)
	· Dhruv Chittora (son of Rajendra Chittora)
	· Archana Chittora (wife of Rajendra Chittora)
	· Megha Chittora ( daughter of Rajendra Chittora)
	· Pushpa Nagda (Executive Director upto 30/08/2021)
	· Abhilasha Jain (daughter of Pushpa Nagda)
	· Surbhi Jain (daughter-in-law of Pushpa Nagda)
	· Vinita Jain (daughter-in-law of Pushpa Nagda)
	· Pankaj Jain (son-in-law of Pushpa Nagda)
	· Praveen Kumar Jain (Executive Director upto 30/08/2021)
	· Indu Jain (wife of Praveen Kumar Jain)
	· Sheetal Jain (daughter of Praveen Kumar Jain)
	· Divyansh Jain (son of Praveen Kumar Jain)
	· Chanda Jain (daughter-in-law of Bansilal Jain (Executive director upto 07/03/2022))
	· Geeta S. Jain (daughter of Bansilal Jain (Executive director upto 07/03/2022))
	· Kanta M. Jain (daughter of Bansilal Jain (Executive director upto 07/03/2022))
	· Akme Automobiles Private Limited
· AkmeBuildmart Private Limited	
· Akme Build Estate Ltd.	
· Arham Green Private Limited	
· Arham Dream Homes Private Limited	
· Hiramam Builders and Developers Private Limited	
· Hiramam Developers Private Limited	
· Hiramam Construction	
· Star Housing Finance Limited	
· AkmeSarvoday Dream Venture LLP	
· The Coronation Castles Private Limited	

	· Akme Automobiles Private Limited
	· AarshFincon Limited
	· Akme Mineral Exim Private Limited
	· Arvind Multi Industries Private Limited
	· Laxmi Marble and Steel Corporation

(Amount in Rs. Lakhs)

Sr. No.	Name of the Related Party	Nature of Transactions	For the Period ended			
			December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
1	Nirmal Kumar Jain	Salary	46.25	60.00	60.00	57.00
2	Manju Devi Jain	Salary	31.50	42.00	42.00	39.9
3	Dipesh Jain	Salary	12.11	13.60	24.00	23.00
4	Jenisha Jain	Salary	11.60	12.00	11.78	12.00
5	Kartika Jain	Salary	5.81	-	4.80	4.80
6	Pushpa Nagda	Salary	-	-	-	39.90
7	Abhilasha Jain	Salary	-	-	1.00	2.00
8	Surbhi Jain	Salary	-	-	-	9.60
9	Vinita Jain	Salary	-	-	-	9.60
12	Pankaj Jain	Salary	-	-	4.55	7.65
13	Praveen Kumar Jain	Salary	-	-	5.50	13.2
15	Sheetal Jain	Salary	-	-	1.75	4.20
16	Divyansh Jain	Salary	-	-	1.20	4.80
17	Ramesh Jain-Mumbai	Salary	12.75	12.00	10.95	5.20
18	Kiran Jain-Mumbai	Salary	3.00	9.00	8.05	3.35
19	Chirag Jain	Salary	5.48	4.09	-	-
20	Rajendra Chittora	Salary	8.84	7.76	6.07	1.55
21	Archana Chittora	Salary	4.41	4.05	4.81	1.20
22	Dhruv Chittora	Salary	-	3.89	1.94	0.58
23	Megha Chittora	Salary	4.05	3.65	4.21	1.05
24	Chanda W/o Bhupendra Jain	Salary	-	-	-	3.60
25	Geeta S. Jain	Salary	-	-	-	3.00
26	Kanta M. Jain	Salary	-	-	-	3.00
27	Bobby Singh chandel	Salary	32.5	10.5	-	-
28	Rajni Gehlot	Salary	9.45	12.34	12.22	10.13
29	Anjali Pacholi	Salary	-	-	3.36	3.39
30	ShaluBanoria	Salary	-	1.33	-	-
31	Jayshree Sharma	Salary	2.71	-	-	-

**Loans & Advances**

(Amount in Rs. Lakhs)

Sr. No.	Name	Nature of Transactions	December 31, 2023			FY 2022-23			FY 2021-22			FY 2020-21		
			AR*	AP*	OS*	AR*	AP*	OS*	AR*	AP*	OS*	AR*	AP*	OS*
1	Akme Automobiles Private Limited	Loan & Advances	30.00	15.86	82.28	-	38.52	96.42	0.1	7.92	57.89	111	28.05	50.08
2	Akme Buildmart Private Limited	Loan & Advances	0.00	0.00	0.00	43	54.64	0	10	1.34	-11.64	105.93	62.02	-2.98
3	Akme Build Estate Private Limited	Loan & Advances	363.38	14.82	64.45	0	414.62	413.01	409.05	407.44	-1.62	-	-	-
4	Akme Mineral Exim Private Limited	Loan & Advances	-	-	-	-	-	-	4.61	0.04	-	-	1.63	4.57
5	Arsh Fincon Limited	Loan & Advances	2.21	21.56	0.00	18.27	19.52	-19.35	29.14	26.09	-20.6	49.53	23.05	-17.55
6	Akme Sarvodaya Dreamventure LLP	Loan & Advances	-3.51	0.00	0.00	3.51	0	-3.51	165.97	78.63	-	141.78	229.12	87.34
7	Arvind Multi Industries Private Limited	Loan & Advances	21.15	0.91	0.00	3.21	3.44	20.24	22.92	23.14	20	9.31	5.64	19.79
8	Hiraman Construction	Loan & Advances	23.42	1.01	0.00	3.38	3.93	22.41	23.4	24.41	21.86	2.7	3.55	20.85
9	Hira Lal Jain	Loan & Advances	-	-	-	85.15	-	-	-	9.12	85.15	-	9.92	76.04
10	Jenisha Jain	Loan & Advances	-	-	-	-	-	-	22.53	1.62	-	25	45.9	20.9
11	Laxmi Marble and Steel Corporation	Loan & Advances	-	-	-	-	-	-	60	19.16	0	32.32	13.96	40.84
12	Manju Devi Jain	Loan & Advances	-	-	-	-	-	-	2.28	39.58	-	66.13	34.59	-37.3
13	Star housing Finance Limited	Loan & Advances	0.00	47.07	0.00	194.73	145.16	-47.07	484.25	484.94	2.5	854.81	718.94	1.81
14	The Coronation Castles Private Limited	Loan & Advances	-	90.16	90.16	-	-	-	65	65	-	281.02	150	-
<b>TOTAL</b>			<b>436.65</b>	<b>191.39</b>	<b>236.89</b>	<b>351.25</b>	<b>679.83</b>	<b>482.15</b>	<b>1299.25</b>	<b>1188.43</b>	<b>153.54</b>	<b>1679.53</b>	<b>1326.37</b>	<b>264.39</b>

\*AR- Amount Received, AP- Amount Paid, OS- Outstanding Balance

**Interest Income**

(Amount in Rs. Lakhs)

S. No.	Name	Nature of Transactions	December 31,2023	March 31, 2023	March 31, 2022	March 31, 2021
1	Akme Automobile Pvt. Ltd.	Loan & Advances	12.00	8.4	-	-
2	Akme Build Estate Private Limited	Loan & Advances	14.82	63.00	-	-
3	Star housing Finance Ltd.	Loan & Advances	-	-	-	5.99
4	The Coronation Castles Pvt. Ltd.	Loan & Advances	6.16	-	-	14.69
5	Arvind Multi Industries Pvt. Ltd.	Loan & Advances	0.91	3.21	5.66	8.21
6	Hiraman Construction Heera Lal Jain	Loan & Advances	1.01	3.38	2.56	3.55
7	Laxmi Marble and Steel Corporation	Loan & Advances	-	-	4.12	9.08
8	Hira Lal Jain	Loan & Advances	-	-	9.12	9.92
9	Manju Devi Jain	Loan & Advances	-	-	2.28	11.04
10	Jenisha Jain	Loan & Advances	-	-	1.62	3.41

**Interest Expenses**

(Amount in Rs. Lakhs)

S. No.	Name	Nature of Transactions	December 31,2023	March 31, 2023	March 31, 2022	March 31, 2021
1	Star housing Finance Ltd.	Loan & Advances	-	0.55	70.23	31.49
2	Arsh Fincon Ltd.	Loan & Advances	2.21	2.67	2.46	-

**Other Transactions**

(Amount in Rs. Lakhs)

S. No.	Party Name	Nature of Transactions	December 31,2023	March 31, 2023	March 31, 2022	March 31, 2021
1	Nirmal Kumar Jain	Purchase of property	0.00	151.10	0.00	0.00
2	Akme Build Estate Private Limited	Purchase of property	0.00	1,150.00	0.00	0.00

## 42. Capital

The Company maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of the regulator, Reserve Bank of India (RBI). The adequacy of the Company's capital is monitored using, among other measures, the regulations issued by RBI.

The Company has complied in full with all its externally imposed capital requirements over the reporting period.

### Capital management

The primary capital management objective is to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders, or issue capital securities. No changes have been made to the objectives, policies, and processes from the previous years with regard to capital management. However, they are under constant review by the Board.

### i Net Debt to Equity Ratio

Consistent with the others in industry, the Company monitors the capital on the basis of gearing ratio (Net Debt divided by Equity). Under the terms of the major borrowing facilities, the Company is required to maintain the gearing ratio in line with the RBI guidelines or in a slightly more conservative manner. The actual gearing stipulated differs between the various lending agreements. The Company has complied with this covenant throughout the period.

(Amount in Rs. Lakhs)

Particulars	As at			
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Equity	21,701.25	20,478.11	13,684.44	13,026.36
Debt Securities	-	1,000.00	1,000.00	1,000.00
Borrowings other than Debt Securities	19,518.94	16,776.31	22,006.03	30,782.23
Cash and Cash equivalents	1,305.98	737.39	74.07	1,060.03
Net Debt	18,212.96	17,038.92	22,931.96	30,722.20
Net Debt to Equity Ratio	0.84	0.83	1.68	2.36

### ii Regulatory capital

The Company has to mandatorily comply with the capital adequacy requirements stipulated by Reserve Bank of India from time to time. Capital adequacy ratio or capital-to-risk weighted assets ratio (CRAR) is computed by dividing company's Tier I and Tier II capital by risk weighted assets.

Tier I capital comprised of share capital, share premium, retained earnings including current year profit and Tier II capital comprises of provision on standard assets. Risk weighted assets represents the weighted sum of company's credit exposures based on their risk.

(Amount in Rs. Lakhs)

Particulars	As at			
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Tier I Capital	20518.24	19386.62	12677.49	11908.59
Tier II Capital	702.33	754.07	1208.77	1562.09
Total Capital	21220.57	20140.69	13886.26	13470.68
CRAR%	42.02%	51.19	36.25	30.29
CRAR - Tier I Capital%	40.63%	49.27	33.09	26.78
CRAR - Tier II Capital%	1.39%	1.92	3.16	3.51
Amount of subordinated debt raised as Tier-II capital	2000	2000	2000	2000
Amount raised by issue of perpetual debt instruments	-	-	-	-

Tier I capital consists of shareholders' equity and retained earnings. Tier II Capital consists of sub-debts, general provision and loss reserve against stage 1 assets. Credit enhancement relating to securitisation has been adjusted against Tier I and Tier II capital in accordance with RBI circular DOR (NBFC), CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020. Tier I and Tier II capital has been reported on the basis of Ind AS financial information. Risk weighted assets represents the weighted sum of company's credit exposures based on their risk as prescribed by RBI guidelines.

## 43 Fair Value Measurement

### Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value and (b) measured at amortised cost and for which fair value disclosures are provided in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standards.

The following methodologies and assumptions were used to estimate the fair values of the financial assets or liabilities

The fair value of loans have estimated by discounting expected future cash flows using discount rate equal to the rate near to the reporting date of the comparable product.

The fair value of debt securities, borrowings other than debt securities and subordinated liabilities have estimated by discounting expected future cash flows discounting rates.

The fair values of Debt Securities and Borrowings other than Debt securities are estimated by discounted cash flow models that incorporate interest cost estimates considering all significant characteristics of the borrowing. They are classified as Level 3 fair values in the fair value hierarchy due to the use of unobservable inputs

The fair value of investment in Government securities are derived from rate equal to the rate near to the reporting date of the comparable product. The fair value of Derivatives are determined using inputs that are directly or indirectly observable in market place.

## FINANCIAL INSTRUMENT FAIR VALUE MEASUREMENT

Financial instruments by category

The carrying value and fair value of financial instruments by categories as at 31.12.2023 were as follows:

(Amount in Rs. Lakhs)

Particulars	Carrying Amount	Fair value			Total
		Level 1	Level 2	Level 3	
Financial assets not measured at fair value*					
Cash and cash equivalents	1,305.98	1305.98	-	-	1,305.98
Bank balance other than above	141.72	141.72	-	-	141.72
Loans	36,755.98	-	-	36,755.98	36,755.98
Investments	20.40	-	19.20	1.20	20.40
Other financial assets	1,410.89	-	-	1410.89	1410.89
<b>Total</b>	<b>39,634.97</b>	<b>1,447.70</b>	<b>19.20</b>	<b>38168.07</b>	<b>39,634.97</b>
Financial liabilities not measured at fair value*					
Debt Securities	-	-	-	-	-
Borrowings	17,518.94	-	-	17,518.94	17,518.97
Subordinated Debts	2000.00	-	-	2000.00	2000.00
Other financial liabilities	197.38	-	-	197.38	197.38
<b>Total</b>	<b>19716.32</b>	<b>-</b>	<b>-</b>	<b>19716.32</b>	<b>19716.32</b>

The carrying value and fair value of financial instruments by categories as at 31.03.2023 were as follows:

(Amount in Rs. Lakhs)

Particulars	Carrying Amount	Fair value			Total
		Level 1	Level 2	Level 3	
Financial assets not measured at fair value*					
Cash and cash equivalents	737.39	737.39	-	-	737.39
Bank balance other than above	294.77	294.77	-	-	294.77
Loans	34556.66	-	-	34556.66	34556.66
Investments	20.40	-	19.20	1.20	20.40
Other financial assets	1365.70	-	-	1365.70	1365.70
<b>Total</b>	<b>36974.92</b>	<b>1032.16</b>	<b>19.20</b>	<b>35923.56</b>	<b>36974.92</b>
Financial liabilities not measured at fair value*					
Debt Securities	1000.00	-	-	1000.00	1000.00
Borrowings	14778.00	-	-	14778.00	14778.00
Subordinated Debts	1998.30	-	-	1998.30	1998.30
Other financial liabilities	208.74	-	-	208.74	208.74
<b>Total</b>	<b>17985.04</b>	<b>-</b>	<b>-</b>	<b>17985.05</b>	<b>17985.05</b>

The carrying value and fair value of financial instruments by categories as at 31.03.2022 were as follows:

(Amount in Rs. Lakhs)

Particulars	Carrying Amount	Fair value			Total
		Level 1	Level 2	Level 3	
Financial assets not measured at fair value*					
Cash and cash equivalents	74.07	74.07	-	-	74.07
Bank balance other than above	117.73	117.73	-	-	117.73
Loans	34287.11	-	-	34287.11	34287.11
Investments	20.34	-	19.14	1.2	20.34
Other financial assets	2157.87	-	-	2157.87	2157.87
<b>Total</b>	<b>36657.13</b>	<b>191.80</b>	<b>19.14</b>	<b>36446.18</b>	<b>36657.11</b>
Financial liabilities not measured at fair value*					
Debt Securities	1000	-	-	1000	1000
Borrowings	20006.03	-	-	20006.03	20006.03
Subordinated Debts	2000	-	-	2000	2000
Other financial liabilities	278.52	-	-	278.52	278.52
<b>Total</b>	<b>23284.55</b>	<b>-</b>	<b>-</b>	<b>23284.55</b>	<b>23284.55</b>

The carrying value and fair value of financial instruments by categories as at 31.03.2021 were as follows:

(Amount in Rs. Lakhs)

Particulars	Carrying Amount	Fair value			Total
		Level 1	Level 2	Level 3	
Financial assets not measured at fair value*					
Cash and cash equivalents	1060.03	1060.03	-	-	1060.03
Bank balance other than above	271.56	271.56	-	-	271.56
Loans	41283.87	-	-	41283.87	41283.87
Investments	20.34	-	19.14	1.20	20.34
Other financial assets	1993.97	-	-	1993.97	1993.97
<b>Total</b>	<b>44629.77</b>	<b>1,331.59</b>	<b>19.14</b>	<b>43279.04</b>	<b>44629.77</b>
Financial liabilities not measured at fair value*					



Debt Securities	1000	-	-	1000	1000
Borrowings	28782.23	-	-	28782.23	28782.23
Subordinated Debts	2000	-	-	2000	2000
Other financial liabilities	210.79	-	-	210.79	210.79
<b>Total</b>	<b>31993.02</b>	-	-	<b>31993.02</b>	<b>31993.02</b>

\*The Company has not disclosed the fair values for financial instruments which are short term in nature because their carrying amounts are a reasonable approximation of fair value.

## **b. Measurement of Fair Value**

### **Valuation methodologies of financial instruments not measured at fair value**

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the financial statements. These fair values were calculated for disclosure purpose only.

#### **Short Term financial assets and liabilities**

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and cash equivalent, other financial assets (excluding security deposit), trade payables and other financial liability.

#### **Loans and advances to customers**

In case of retail loans and term loans with floating rates, the interest rate represents the market rate. Consequently, the carrying amount represents the fair value.

##### **Term Loan with fixed rate**

The fair values estimated by discounted cash flow model that incorporates assumptions for credit risk, probability of default and loss given default estimates. As per management assumptions, the fair value of the loans & advances has been at par with the carrying value of the portfolio considering the fact that the competitive interest rates in the operational area of the Company and the portfolio in which the Company has exposure are more or less as per prevailing market rates.

##### **Investments**

The fair values estimated by discounted cash flow model that incorporates assumptions for credit risk, probability of default and loss given default estimates.

##### **Borrowings**

In case of borrowings with floating rates, the interest rate represents the market rate. Consequently, the carrying amount represents the fair value.

#### **Transfer between Levels I and II**

There has been no transfer in between level I and level II.

## **44. Employee benefits-post employment benefit plans**

### **A Defined contribution plans**

The Company makes provident fund and employee state insurance scheme contributions which are defined contribution plans, for Qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the pay roll costs to fund the benefits. The Company recognised Rs. 10.39 Lakhs (March 2023 Rs. 15.02 Lakhs, March 31, 2022 Rs. 27.37 Lakhs and March 31, 2021 Rs. 27.69 Lakhs) for provident fund contribution and Rs. 1.31 Lakhs (March 31 2023 - Rs. 2.09 Lakhs, March 31, 2022 - Rs. 4.43 Lakhs and March 31, 2021 - Rs. 5.22 Lakhs) for employee state insurance scheme contributions in the statement of profit and loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

### **B Defined benefit plans**

#### **Gratuity**

The Company operates a defined benefit plan (the Gratuity plan) covering eligible employees. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age/resignation date.

The defined benefit plans expose the Company to risks such as Actuarial risk, Investment risk, Liquidity risk, Market risk, Legislative risk.

These are discussed as follows:

**Actuarial risk:** It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

**Adverse salary growth experience:** Salary hikes that are higher than the assumed salary escalation will result in to an increase in obligation at a rate that is higher than expected.

**Variability in mortality rates:** If actual mortality rates are higher than assumed mortality rate assumption then the gratuity benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption then the Gratuity Benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

**Investment risk:** For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is in dependent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

**Liquidity risk:** Employee with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the Company there can be strain on the cash flows.

**Market risk:** Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in defined benefit obligation of the plan benefits and vice versa. This assumption depends on the yields on the government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

**Legislative risk:** Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the labour laws, thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the defined benefit obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

### Funding

The Company has not funded their gratuity liability. Gratuity provision has been made based on the actuarial valuation.

### Reconciliation of net defined benefit (asset) liability

The following table shows are conciliation from the opening balances to the closing balances for the net defined benefit asset (liability) and its components:

Particulars	(Amount in Rs. Lakhs)			
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Present value of obligations	123.71	104.15	99.71	102.16
Fair value of plan assets	-	-	-	-
<b>Asset/(Liability) recognized in the balance sheet</b>	<b>123.71</b>	<b>104.15</b>	<b>99.71</b>	<b>102.16</b>

(Amount in Rs. Lakhs except %)				
<b>B Defined benefit plans</b>				
Reconciliation of present value of defined benefit obligation	As at			
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Balance at the beginning of the period/ year	104.15	99.71	102.16	82.09
Benefits paid	-	-	-	-
Current service cost	11.68	11.96	13.56	18.78
Interest cost	5.86	7.23	7.41	5.95
Actuarial (gain)/loss recognized in other comprehensive income	2.03	-14.75	-23.42	-4.67
changes in demographic assumptions	-	-	-	-
changes in financial assumptions	-	-	-	-
experience adjustments	-	-	-	-
<b>Balance at the end of the period/ year</b>	<b>123.71</b>	<b>104.15</b>	<b>99.71</b>	<b>102.16</b>
<b>Expense recognized in profit and loss</b>				
Current service cost	11.68	11.96	13.56	18.78
Net Interest cost	5.86	7.23	7.41	5.95
	<b>17.54</b>	<b>19.19</b>	<b>20.97</b>	<b>24.74</b>
<b>Remeasurements recognized in other comprehensive income</b>				
Actuarial (gain) loss on defined benefit obligation	2.03	-14.75	-23.42	-4.67
Return on plan assets excluding interest income	-	-	-	-
	<b>2.03</b>	<b>-14.75</b>	<b>-23.42</b>	<b>-4.67</b>
<b>Changes in the fair value of plan assets</b>				
Fair value of plan assets as at the beginning of the period/ year	----- N.A. -----			
Expected return on plan assets				
Contributions				
Direct Contributions towards direct benefit payments				
Benefits paid and Charges deducted from the fund				
Direct Benefit Payments				
Actuarial gain/(loss) on plan assets				
<b>Fair value of plan assets as at the end of the period/ year</b>				
<b>Net defined benefit (asset) liability</b>	<b>123.71</b>	<b>104.15</b>	<b>99.71</b>	<b>102.16</b>
<b>Actuarial assumptions</b>				

Discount rate	7.25%	7.50%	7.25%	7.25%
Future salary growth	5.00%	5.00%	5.00%	5.00%
Attrition rate	5.00%	5.00%	5.00%	5.00%
<b>Sensitivity Analysis</b>				

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Particulars	December 31, 2023	March 31, 2023	As at	
			March 31, 2022	March 31, 2021
Discount rate				
-1% increase	7.00%	-6.99	-8.00	-8.55
-1% decrease	8.00%	8.07	9.36	10.05
Future salary growth				
-1% increase	7.00%	7.36	9.00	-9.58
-1% decrease	6.00%	-6.39	-7.77	-8.22
Attrition rate				
-1% increase	1.00%	1.27	1.27	1.11
-1% decrease	1.00%	-1.48	-1.51	-1.39

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

Particulars	As at			
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Average Duration of Defined Benefit Obligations (in Years)	13	16	16	18
Projected undiscounted expected benefit outgo (mid-year cash flows) (in lakhs)				
Year 1	14.87	12.81	9.77	9.13
Year 2	19.11	4.57	2.90	3.18
Year 3	16.60	17.06	3.88	2.61
Year 4	1.70	14.67	15.85	3.57
Year 5	1.72	1.23	1.92	14.36
Next 5 Years	69.69	53.79	65.39	69.31
Expected benefit payments for the next annual reporting year (in Rs. Lakhs)	15.76	12.81	9.77	9.13

**45 Maturity Analysis of assets and liabilities**

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

(Amount in Rs. Lakhs)

Particulars	As at											
	December 31, 2023			March 31, 2023			March 31, 2022			March 31, 2021		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
<b>ASSETS</b>												
<b>Financial assets</b>												
Cash and cash equivalents	91.92	-	91.92	737.39	-	739.39	74.07	-	74.07	1060.03	-	1060.03
Bank Balance other than Cash and cash equivalents	1214.06	141.72	1355.78	235.80	58.97	294.77	117.73	-	117.73	271.56	-	271.56
Loans	8,784.58	27,971.40	36,755.98	10,223.08	24,333.59	34,556.67	12,939.79	21,347.32	34,287.11	19,979.87	21,304.00	41,283.87
Investments	20.4	-	20.4	20.40	-	20.40	-	20.34	20.34	-	20.34	20.34
Other Financial Assets	1,140.84	270.05	1,410.89	1,123.03	242.67	1,365.70	192.87	1,965.00	2,157.87	1,565.97	428.00	1,993.97
	<b>11251.80</b>	<b>28383.17</b>	<b>39,634.97</b>	<b>12,339.70</b>	<b>24,635.22</b>	<b>36,974.92</b>	<b>13324.46</b>	<b>23332.66</b>	<b>36657.12</b>	<b>22877.43</b>	<b>21752.34</b>	<b>44629.77</b>
<b>Non-financial assets</b>												
Deferred tax assets (net)	-	251.12	251.12	-	149.41	149.41	-	98.74	98.74	-	198.89	198.89
Property, plant and equipment	-	1,752.64	1,752.64	-	1,782.76	1,782.76	-	549.13	549.13	-	606.96	606.96
Right to Use Assets	-	-	-	-	-	-	-	39.22	39.22	-	53.06	53.06
Intangible assets	-	101.05	101.05	-	111.24	111.24	-	38.15	38.15	-	34.98	34.98
Other non-financial assets	56.18	-	56.18	31.69	-	31.69	-	18.98	18.98	-	16.15	16.15
	<b>56.18</b>	<b>2,104.81</b>	<b>2,161.00</b>	<b>31.69</b>	<b>2,043.41</b>	<b>2,075.10</b>	-	<b>744.22</b>	<b>744.22</b>	-	<b>910.04</b>	<b>910.04</b>
<b>Total assets</b>	<b>11,307.98</b>	<b>30,487.98</b>	<b>41,795.97</b>	<b>12,371.39</b>	<b>26,678.63</b>	<b>39,050.02</b>	<b>13,324.46</b>	<b>24,076.88</b>	<b>37,401.35</b>	<b>22,877.43</b>	<b>22,662.38</b>	<b>45,539.81</b>
<b>LIABILITIES AND EQUITY</b>												
<b>Financial liabilities</b>												
Trade payables												
- dues of micro and small enterprises	21.25	-	21.25	1.13	-	1.13	0.17	-	0.17	-	-	-
-other than MSME	23.76	-	23.76	25.54	-	25.54	14.71	7.31	22.02	28.63	4.54	33.17
Debt Securities	-	-	-	1000.00	-	1000.00	-	1000.00	1000.00	-	1000.00	1000.00
Borrowings (Other than Debt Securities)	6241.34	11,277.6	17,518.94	4,506.25	10,271.76	14,778.01	12,424.72	7,581.31	20,006.03	15,787.14	12,995.09	28,782.23
Subordinate Debts	1500.00	500.00	2,000.00	999.62	998.68	1,998.30	-	2,000.00	2,000.00	-	2,000.00	2,000.00
Other financial liabilities	107.25	45.12	152.37	44.36	137.71	182.07	-	256.33	256.33	-	177.62	177.62
	<b>7893.60</b>	<b>11,822.72</b>	<b>19,716.32</b>	<b>6,576.90</b>	<b>11,408.15</b>	<b>17,985.05</b>	<b>12,439.60</b>	<b>10,844.95</b>	<b>23,284.56</b>	<b>15,815.77</b>	<b>16,177.25</b>	<b>31,993.02</b>
<b>Non-financial liabilities</b>												
Current tax liabilities (net)				440.41	-	440.41	227.52	-	227.52	363.49	-	363.49
Provisions	29.65	134.19	163.84	2.75	104.15	106.90	-	101.46	101.46	-	103.91	103.91
Other non-financial liabilities	214.56	-	214.57	39.55	-	39.55	-	103.37	103.37	-	53.03	53.03
Equity Share Capital	-	3,167.50	3,167.50	-	3,167.50	3,167.50	-	2,181.65	2,181.65	-	2,181.65	2,181.65
Other Equity	-	18,533.74	18,533.74	-	17,310.61	17,310.61	-	11,502.79	11,502.79	-	10,844.71	10,844.71
	<b>244.21</b>	<b>21,835.43</b>	<b>22,079.64</b>	<b>482.71</b>	<b>20,582.26</b>	<b>21,064.97</b>	<b>227.52</b>	<b>13,889.28</b>	<b>14,116.79</b>	<b>363.49</b>	<b>13,183.30</b>	<b>13,546.79</b>
<b>Total liabilities</b>	<b>8,137.81</b>	<b>33,658.15</b>	<b>41,795.97</b>	<b>7,059.61</b>	<b>31,990.41</b>	<b>39,050.02</b>	<b>12,667.12</b>	<b>24,734.23</b>	<b>37,401.35</b>	<b>16,179.26</b>	<b>29,360.55</b>	<b>45,539.81</b>
<b>Net Assets/(Liabilities)</b>	<b>3,170.17</b>	<b>-3,170.17</b>	<b>0.00</b>	<b>5,311.78</b>	<b>-5,311.78</b>	<b>-</b>	<b>657.34</b>	<b>-657.34</b>	<b>-</b>	<b>6,698.17</b>	<b>-6,698.17</b>	<b>-</b>

#### 46. Financial risk management objective and policies

The Company's principal financial liabilities majorly comprise of borrowings from banks, debentures and other liabilities. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's financial assets include loan and advances, investments, inter-corporate deposits, cash and cash equivalents that derive directly from its operations.

The Company's activities expose it to a variety of financial risks, as listed below apart from various operating and business risks.

- a. Market risk;
- b. Credit risk;
- c. Liquidity risk; and
- d. Foreign Currency Risk

This note explains the sources of risks arising from financial instruments which the entity is exposed to and how the Company manages the risk.

#### Risk management framework

The Company's board of directors and risk management committee has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors and risk management committee along with the top management are responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's risk management committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

#### Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry or geographical location.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guide lines to focus on maintaining a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

#### (i) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk includes interest rate risk and foreign currency risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

#### Interest rate risk

Interest rate risk primarily arises from borrowings with variable rates. The Company's borrowings are carried at amortised cost. The borrowings with fixed rates are there for not subject to interest rate risk as defined in IndAS107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

**The interest rate profile of the Company's interest bearing financial instruments is as follows:**

Particulars	(Amount in Rs. Lakhs)			
	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
<b>Fixed rate instruments</b>				
Financial assets	39,634.97	36,974.92	34,287.11	41,283.87
Financial liabilities	6,063.80	4,415.75	7,551.66	12,019.68
	<b>45,698.77</b>	<b>37,444.48</b>	<b>41,838.77</b>	<b>53,303.55</b>
<b>Variable rate instruments</b>				
Financial assets	-	-	-	-
Financial liabilities	13,652.52	13,569.31	14,454.37	18,762.57
	<b>13,652.52</b>	<b>13,569.31</b>	<b>14,454.37</b>	<b>18,762.57</b>

#### Cash flow sensitivity analysis for variable-rate instruments:

	Profit / loss		Equity, net of tax	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
<b>December 31, 2023</b>				
Variable-rate instruments	-136.53	136.53	-101.53	101.53
Cash flow sensitivity (net)	-136.53	136.53	-101.53	101.53

<b>March 31, 2023</b>				
Variable-rate instruments				
Cash flow sensitivity (net)	-140.12	140.12	-104.21	133.40
	-140.12	140.12	-104.21	133.40
<b>March 31, 2022</b>				
Variable-rate instruments				
Cash flow sensitivity (net)	-144.54	144.54	-108.16	101.18
	-144.54	144.54	-108.16	101.18
<b>March 31, 2021</b>				
Variable-rate instruments				
Cash flow sensitivity (net)	-187.63	187.63	-140.40	131.34
	-187.63	187.63	-140.40	131.34

The sensitivity analysis above has been determined for borrowings where interest rates are variable. A 100 basis points increase or decrease in interest rates is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

### Credit risk

Credit Risk is the risk of financial loss to the Company if a customer or counter party to financial instruments fails to meet its contractual obligations and arises primarily from the Company's loan and investments.

The carrying amounts of financial assets represent the maximum credit risk exposure.

#### A. Loans and Advances

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry.

The risk management committee has established a credit policy under which every new customer is analysed individually for credit worthy before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information etc.

The Company's gross exposure to credit risk for loans and investments by type of counterpart is as follows:

### Carrying Amounts

Particulars	(Amount Rs. in Lakhs)			
	As at 31 December 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Vehicle Loans	7,879.63	7,525.18	7,620.69	9,574.29
Business/LAP Loans	30,066.65	27,890.94	27,511.1	32,526.49
<b>Total (A)</b>	<b>37,946.28</b>	<b>35,416.12</b>	<b>35,131.79</b>	<b>42,100.78</b>
Investments (B)	20.40	20.40	20.34	20.34
<b>Total (A +B)</b>	<b>37,966.68</b>	<b>35,436.52</b>	<b>35,152.13</b>	<b>42,121.12</b>

The above exposures are entirely concentrated in India. There is no overseas exposure.

An impairment analysis is performed at each reporting date based on the facts and circumstances existing on that date to identify expected losses on account of time value of money and credit risk. For the purpose of this analysis, the loan receivables are categorized into groups based on days past due. Each group is then assessed for impairment using the Expected Credit Loss (ECL) model as per the provisions of Ind AS 109- Financial instruments.

### Staging

As per the provisions of Ind AS 109 general approach all financial instruments are allocated to stage 1 on initial recognition. However, if a significant increase to credit risk is identified at the reporting date as compared with the initial recognition, then an instrument is transferred to stage 2. If there is objective evidence of impairment, then the asset is credit impaired and transferred to stage 3.

The Company considers a financial instrument defaulted and therefore stage 3 (credit- impaired) for ECL calculations in all cases when the borrower becomes 90 days past due on its contractual payments.

For Financial assets in stage 1, the impairment calculated based on defaults that are possible in next twelve months, whereas for financial instruments in stage 2 and 3 the ECL calculation considers default event for the lifespan of the instrument.

As per Ind AS 109, Company assesses whether there is a significant increase in credit risk at the reporting date from the initial recognition. Company has staged the assets based on the day past dues criteria and other market factors which significantly impacts the portfolio.

DAYS PAST DUE STATUS	STAGE	PROVISIONS
Current	Stage 1	12 Months Provision
1-60 days	Stage 1	12 Months Provision
61-90 days	Stage 2	Lifetime Provision
90+ days	Stage 3	Lifetime Provision

An assessment of whether credit risk has increased significantly since initial recognition is performed at each reporting period by considering the change in the risk of default of the loan exposure. Considering the market in which company is primarily operating and the class of customers which primarily comes from rural background where financial literacy is very poor and banking and collection facilities are not present at all places, management considers that unless identified at an earlier stage, 60 days past due is considered as an indication of financial assets to have suffered a significant increase in credit risk. Based on other indications such as borrower's frequently delaying payments beyond due dates though not 60 days past due are included in stage 2 for mortgage loans.

The measurement of risk of defaults under stage 2 is computed on homogenous portfolios, generally by nature of loans, tenors, underlying collateral, geographies and borrower profiles. The default risk is assessed using PD (probability of default) derived from past behavioral trends of default across the identified homogenous portfolios. These past trends factor in the past customer behavioural trends, credit transition probabilities and macroeconomic conditions. The assessed PDs are then aligned considering future economic conditions that are determined to have a bearing on ECL.

### **Grouping**

As per Ind AS 109, Company is required to group the portfolio based on the shared risk characteristics. Company has assessed the risk and its impact on the various portfolios and has divided the portfolio into following groups:

- Vehicle Loans
- Business/SME/LAP

### **Impairment-Expected Credit Loss ("ECL"):**

The accounting standard, Ind AS 109 does not specifically prescribe any methodology for computing ECL. However, entities are required to adopt sound and market acceptable methodologies which are in line with the size, complexity and risk profile of the financial entity for computing the ECL. The Company uses following three main components to measure ECL:

- (a) Probability of default. (PD)
- (b) Loss given default (LGD).
- (c) Exposure at default (EAD).

### **Probability of default (PD):**

PD is defined as the probability of whether borrowers will default their obligations in an ensuring period of 12 months. Historical PD is derived from the Company's internal data calibrated with forward looking macro-economic factors like current Pandemic scenarios etc.

For computation of probability of default company has considered four years' Historical data and the current Macroeconomic conditions along with probable Impacts of COVID-19. Based on these factors PD has been worked out.

### **Loss given default (LGD):**

LGD is an estimate of the loss from a transaction given that a default occurs. Under Ind AS 109, Lifetime LGD's are defined as collection of LGD's estimates applicable to different future periods.

Various approaches are available to compute the LGD. Company has considered workout LGD approach.

The following steps are performed to calculate the LGD.

- (1) Haircut was applied on the value of the collateral (asset cost) as of reporting date.
- (2) The outstanding amount was adjusted with the haircut adjusted collateral value.
- (3) LGD has been computed using the outstanding amount in step 2.
- (4) Over and above the LGD has been floored using regulatory guidelines.

### **Exposure at default ("EAD")**

As per Ind AS 109, EAD is estimation of the extent to which the financial entity may be exposed to counterparty in the event of default and at the time of counterparty's default. Company has mode led EAD based on the contractual and behavioral cash flows till the lifetime of the loan and considering the expected prepayments.

Company has considered expected cash flows for all loans at DPD bucket level for each of the segments which were used for computation for ECL. Moreover, the EAD comprised of principal component, accrued interest on the outstanding exposure for the ensuring 12 months. So, discounting was done for computation of expected credit loss.

### **Discounting:**

As per Ind AS 10, ECL is computed by estimating the timing of the expected credit short falls associated with the defaults and discounting the musing effective interest rate.

### **Significant increase in credit risk**

The Company continuously monitors all assets subject to ECLs. In order to determine whether an instrument or a portfolio of instruments is subject to 12 months ECL or Life-time ECL, the Company assesses whether there has been a significant increase in credit risk since initial

recognition. The Company considers the credit risk to be directly proportional to the delinquency status i.e. days past due of the loan under consideration. No further adjustments are made in the PD.

When estimating ECLs on a collective basis for a group of similar assets the Company applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition. (Refer Note-6.1 for analysis of changes in the gross carrying amount and the corresponding ECL allowances)

#### Grouping financial assets measured on a collective basis

The Company calculates ECL on a collective basis for all asset classes.

The Company combines these exposure into smaller homogeneous portfolios, based on the characteristics of the loans, as described below:

Geographic location

Loan Type

#### ECL computation:

Conditional ECL at DPD pool level was computed with the following method:

Conditional ECL for year (yt)=EAD(yt)\*conditional PD(yt)\*LGD(yt)

The Company measures ECL as the product of PD, LGD and EAD estimates for its Ind AS 109 specified financial assets.

The calculation is based on provision matrix which considers actual historical data adjusted appropriately for the future expectations and probabilities. Proportion of expected credit loss provided for across the stage is summarised below:

Provisions		As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Stage 1	12 month provision	1.55%	1.59%	1.24%	0.97%
Stage 2	Life time provision	4.67%	3.54%	2.98%	2.09%
Stage 3	Life time provision	50.85%	24.66%	17.20%	16.94%

The loss rates are based on actual credit loss experience over past years. These loss rates are then adjusted appropriately to reflect differences between current and historical economic conditions and the Company's view of economic conditions over the expected lives of the loan receivables.

The following table shows the risk concentration of loan portfolio by geography.

Geography	(Amount in Rs. Lakhs)			
	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Rajasthan& Others	26329.30	24,982.34	24,980.84	28,853.51
Madhya Pradesh	4538.04	4,454.67	4,174.37	4,854.00
Gujarat	3397.37	3,147.64	3,263.01	5,026.01
Maharashtra	3681.57	2,831.46	2,593.98	3,216.00
Odisha	0.00	0.00	119.59	151.26
	<b>37946.28</b>	<b>35,416.11</b>	<b>35,131.79</b>	<b>42,100.78</b>

Note: The above risk concentration of loan portfolio excludes Inter-Corporate Deposits amounting to Rs. 172.44 (March 31, 2023, Rs. 94.16 Lakhs, March 31, 2022- Rs. 60.40 Lakhs, March 31, 2021- Nil).

#### Cash and bank balances

The Company held cash and cash equivalents with credit worthy banks and financial institutions as at the reporting dates which has been measured on the 12-month expected loss basis. The credit worthiness of such banks and financial institutions are evaluated by the management on an ongoing basis and is considered to be good with low credit risk.

#### Investments

Investments comprises of mutual funds and government securities in accordance with the investment policy. Government securities have sovereign rating and mutual fund investments are made with counter parties with low credit risk. The credit worthiness of these counter parties are evaluated on an ongoing basis.

#### Other financial assets

Other financial assets are primarily constituted by security deposits and other receivables. The Company does not expect any losses from non-performance by these counter-parties.

#### (iii) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due.



The Company is monitoring its liquidity risk by estimating the future inflows and outflows during the start of the year and planned accordingly the funding requirement. The Company manages the liquidity by unutilized cash credit facility, term loan and the direct assignment. The composition of the Company's liability mix ensures healthy asset liability maturity pattern and well diverse resource mix. The total cash credit and working capital limit available to the Company is Rs. 6000.00 Lakh spread across 3 banks. The utilization level is maintained in such a way that ensures sufficient liquidity on hand.

The table below summarizes the maturity profile of the Company's non-derivative financial liabilities based on contractual discounted payments along with its carrying value as at the balance sheet date.

**(Amount in Rs. Lakhs)**

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
1 day to 30/31 days (one month)	402.44	314.27	716.98	1,405.23
Over 1 month to 2 months	391.40	381.76	610.41	1,049.00
Over 2 months to 3 months	1,600.26	1,478.52	1,098.29	1,378.00
Over 3 months to 6 months	1,614.13	1,176.96	2,160.87	3,705.00
Over 6 months to 1 year	3,733.11	3,154.36	7,838.17	8,249.91
Over 1 year to 3 years	9,017.91	7,304.36	7,037.33	10,342.00
Over 3 years to 5 years	2,282.65	2,942.35	1,912.20	3,468.40
Over 5 years	477.04	1,023.73	1,631.78	2,184.69
<b>Total</b>	<b>19,518.94</b>	<b>17,776.31</b>	<b>23,006.03</b>	<b>31,782.23</b>

#### Exposure to Liquidity risk

**(Amount in Rs. Lakhs)**

The table below provides details regarding the contractual maturities of financial liabilities and assets including interest as at December 31, 2023:

	Carrying amount	< 1 year	1-3 years	3-5 years	> 5 years
<b>Financial Liabilities</b>					
Derivative Financial Instruments					
Debt Securities	-	-	-	-	-
Borrowings (Other than Debt Securities)	17518.94	6,241.34	8517.91	2282.65	477.04
Subordinate Debts	2000.00	1,500.00	500.00	-	-
Trade payables	45.01	45.01	-	-	-
Other financial liabilities	152.37	107.25	45.12	-	-
<b>Total (B)</b>	<b>19,716.32</b>	<b>7,893.60</b>	<b>9,063.03</b>	<b>2,282.65</b>	<b>477.04</b>
<b>Financial Assets</b>					
Cash and cash equivalents	91.92	91.92	-	-	-
Bank Balances other than cash and cash equivalents	1355.78	1,214.06	141.72	-	-
Loans	36,755.98	8,784.58	9876.32	7,762.32	10,332.76
Investments	20.40	20.40	-	-	-
Derivative Financial Instruments	-	-	-	-	-
Other Financial assets	1410.89	1,194.48	216.41	-	-
<b>Total (A)</b>	<b>39,634.97</b>	<b>11,305.44</b>	<b>10234.45</b>	<b>7,762.32</b>	<b>10,332.76</b>

The table below provides details regarding the contractual maturities of financial liabilities and assets including interest as at March 31, 2023:

	Carrying amount	< 1 year	1-3 years	3-5 years	> 5 years
<b>Financial Liabilities</b>					
Derivative Financial Instruments					
Debt Securities	1000.00	1000.00	-	-	-
Borrowings (Other than Debt Securities)	14778.01	4506.25	6305.68	2942.35	1023.73
Subordinate Debts	1998.30	999.62	998.68	-	-
Trade payables	26.67	26.67	-	-	-
Other financial liabilities	182.07	44.36	137.71	-	-
<b>Total (B)</b>	<b>17985.05</b>	<b>6576.9</b>	<b>7442.07</b>	<b>2942.35</b>	<b>1023.73</b>
<b>Financial Assets</b>					
Cash and cash equivalents	737.39	737.39	-	-	-
Bank Balances other than cash and cash equivalents	294.77	235.80	58.97	-	-
Loans	34556.67	10223.08	9923.79	7113.26	7296.54
Investments	20.40	20.40	-	-	-
Derivative Financial Instruments	-	-	-	-	-
Other Financial assets	1365.70	1123.03	216.06	-	26.61
<b>Total (A)</b>	<b>36974.93</b>	<b>12339.70</b>	<b>10198.8</b>	<b>7113.26</b>	<b>7323.15</b>

The table below provides details regarding the contractual maturities of financial liabilities and assets including interest as at March 31, 2022:

	Carrying amount	< 1 year	1-3 years	3-5 years	> 5 years
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<b>Financial Liabilities</b>					
Derivative Financial Instruments	-	-	-	-	-
Debt Securities	1000.00	-	1000.00	-	-
Borrowings (Other than Debt Securities)	20006.03	12424.72	4037.33	1912.20	1631.78
Subordinate Debts	2000.00	-	2000.00	-	-
Trade payables	22.19	14.88	7.31	-	-
Other financial liabilities	256.33	-	256.33	-	-
<b>Total (B)</b>	<b>23284.56</b>	<b>12439.60</b>	<b>7300.97</b>	<b>1912.20</b>	<b>1631.78</b>
<b>Financial Assets</b>					
Cash and cash equivalents	74.07	74.07	-	-	-
Bank Balances other than cash and cash equivalents	117.73	117.73	-	-	-
Loans	34287.11	12939.79	11318.80	4677.78	5350.74
Investments	20.34	-	-	-	20.34
Derivative Financial Instruments	-	-	-	-	-
Other Financial assets	2157.87	192.87	1965.00	-	-
<b>Total (A)</b>	<b>36657.13</b>	<b>13324.46</b>	<b>13283.80</b>	<b>4677.78</b>	<b>5371.08</b>

The table below provides details regarding the contractual maturities of financial liabilities and assets including interest as at March 31, 2021:

	Carrying amount	< 1 year	1-3 years	3-5 years	> 5 years
<b>Financial Liabilities</b>					
Derivative Financial Instruments	-	-	-	-	-
Debt Securities	1000.00	-	1000.00	-	-
Borrowings (Other than Debt Securities)	28782.23	15787.14	9342.00	1468.40	2184.69
Subordinate Debts	2000.00	-	-	2000.00	-
Trade payables	33.17	28.63	4.54	-	-
Other financial liabilities	177.62	-	177.62	-	-
<b>Total (B)</b>	<b>31993.02</b>	<b>15815.77</b>	<b>10524.16</b>	<b>3468.40</b>	<b>2184.69</b>
<b>Financial Assets</b>					
Cash and cash equivalents	1060.03	1060.03	-	-	-
Bank Balances other than cash and cash equivalents	271.56	271.56	-	-	-
Loans	41283.87	19979.87	15948.00	3239.00	2117.00
Investments	20.34	-	-	-	20.34
Derivative Financial Instruments	-	-	-	-	-
Other Financial assets	1993.97	1565.97	428.00	-	-
<b>Total (A)</b>	<b>44629.77</b>	<b>22877.43</b>	<b>16376.0</b>	<b>3239.00</b>	<b>2137.34</b>

#### (iv) Foreign Currency Risk

The Company is exposed to foreign currency fluctuation risk for its foreign currency borrowings (FCB). The Company's borrowings in foreign currency are governed by RBI guidelines (RBI master direction RBI/FED/2018-19/67 dated 26 March 2019 and updated from time to time) which does not requires entities raising ECB for an average maturity of more than 5 years to hedge its ECB exposure (Principal and Coupon). The Company however hedging its foreign currency payment obligations against ECB for the next one year as per Board approved Interest Rate Risk, Currency risk and Hedging policy.

#### 47 Impairment of Assets

The Company believes that no impairment of assets arises as per the recommendations of Ind AS 36 "Impairment of Assets" for the nine month period ended December 31, 2023 and for the year ended March 31, 2023, March 31, 2022 and March 31, 2021.

#### 48 Analytical Ratios

##### Capital Adequacy Ratios

(Amount in Rs. Lakhs except %)

Particulars	Tier I Capital/ Tier II Capital/ Total Capital	Risk- weighted assets	Current pe- riod	Previous re- porting period	Variance	Reasons for vari- ance (If above 25%)
<b>As at December 31, 2023</b>						
CRAR	21220.57	50495.71	42.02%	51.19%	-9.16%	-
CRAR - Tier I Capital	20518.24	50495.71	40.63%	49.27%	-8.63%	-
CRAR - Tier II Capital	702.33	50495.71	1.39%	1.92%	-0.53	-
<b>As at March 31, 2023</b>						
CRAR	20140.69	39357.86	51.19%	36.25%	14.93%	-
CRAR - Tier I Capital	19386.62	39357.86	49.27%	33.09%	16.17%	-
CRAR - Tier II Capital	754.07	39357.86	1.92%	3.16%	-1.24%	-
<b>As at March 31, 2022</b>						
CRAR	13886.26	38311.24	36.25%	30.29%	5.96%	-
CRAR - Tier I Capital	12677.49	38311.24	33.09%	26.78%	6.31%	-
CRAR - Tier II Capital	1208.77	38311.24	3.16%	3.51%	-0.35%	-

As at March 31, 2021						
CRAR	13470.68	44472.15	30.29%	25.06%	5.23%	-
CRAR - Tier I Capital	11908.59	44472.15	26.78%	21.43%	5.35%	-
CRAR - Tier II Capital	1562.09	44472.15	3.51%	3.63%	-0.12%	-

Tier I capital consists of shareholders' equity and retained earnings. Tier II Capital consists of sub-debts, general provision and loss reserve against stage 1 assets. Credit enhancement relating to securitisation has been adjusted against Tier I and Tier II capital in accordance with RBI circular DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020. Tier I and Tier II capital has been reported on the basis of Ind AS financial information.

Risk weighted assets represents the weighted sum of company's credit exposures based on their risk calculated as per relevant RBI guidelines.

#### 49.A Reconciliation of total equity as per audited financial statements with total equity as per Restated Financial Statements: Material Restatement Adjustments

The accounting policies applied as and for each of the years ended March 31, 2023, March 31, 2022 and March 31, 2021 are consistent with those adopted in the preparation of financial statements for the nine months period ended December 31, 2023.

These Restated Financial Statements has been compiled from the Historical Audited Financial Statements and:

- Defined benefit Gratuity has been included these financial statements which were not included in the audited financial statements for each of the years ended March 31, 2022, and March 31, 2021.
- Other than the gratuity provision there were no material amounts which have been adjusted for in arriving at profit/ loss of the respective years/periods; and
- there were no material adjustments for reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the Audited Financial Statements of the Company and the requirements of the SEBI Regulations.

#### Material Regroupings

Division III - Schedule III to the Companies Act, 2013 has been further amended vide the Government Notification dated March 24, 2021 to include certain additional presentation and disclosures requirements and changes to some of the existing requirements. In the month of January 2022, Guidance note on Division III - Schedule III to the Companies Act, 2013 was issued by the ICAI to give effect to these amendments, which was applicable to the Company for preparation and presentation of its financial statements from financial year ended March 31, 2022. It may be noted that in preparing and presenting the audited financial statements for the year ended March 31, 2022 and for the six month period ended March 31, 2023, the Company had reclassified the comparative figures in accordance with the requirements of the Guidance note. Accordingly these Restated Financial Statements has been prepared based on the above requirement. The adoption of the said amendment does not impact recognition and measurement principles followed for preparation of the financial statements.

#### 49. B Reconciliation of total equity as per audited financial statements with total equity as per Restated Financial Statements:

Summarised below are the restatement adjustments made to the total equity as per the audited financial statements of the Company for the nine month ended December 31, 2023 and year ended March 31, 2023, March 31, 2022 and March 31, 2021. and their consequential impact on the equity of the Company.

(Amount in Rs. Lakhs)				
Particulars	As at December 31, 2021	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Total equity (as per audited financial statements)	21701.25	20,471.03	13,784.77	13,123.47
Material restatement adjustments: Opening balance (last year adjustments in profit and loss account)	-	-100.33	-97.11	-61.43
Material restatement adjustments: Current year adjustments in profit and loss A/c on account of Gratuity Provision	-	107.41	-3.21	-35.68
<b>Total equity as per Restated Financial Statements</b>	<b>21,701.25</b>	<b>20,478.11</b>	<b>13,684.44</b>	<b>13,026.36</b>

#### 49. C Reconciliation of total comprehensive income as per audited financial statements with total comprehensive income as per Restated Financial Statements:

Summarised below are the restatement adjustments made to total comprehensive income as per the audited financial statements of the Company for the nine month ended December 31, 2023 and year ended March 31, 2023, March 31, 2022 and March 31, 2021.

(Amount in Rs. Lakhs)				
Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
<b>A. Total comprehensive income as per audited financial statements</b>	<b>1,223.14</b>	<b>1483.91</b>	<b>432.81</b>	<b>1,669.68</b>
<b>B. Adjustments:</b>				
(i) Audit qualifications	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>(ii) Adjustments due to gratuity provision</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Interest cost	-	13.36	-7.41	-5.95
Current service cost	-	114.44	-13.56	-18.78
Deferred tax difference	-	7.70	0.23	-14.43
Actuarial gain/loss	-	-28.09	17.53	3.49

<b>Total</b>	-	<b>107.41</b>	<b>-3.21</b>	<b>-35.68</b>
<b>Total (B)</b>	-	<b>107.41</b>	<b>-3.21</b>	<b>-35.68</b>
<b>C. Total comprehensive income as per Restated Financial Statements (A+B)</b>	<b>1223.14</b>	<b>1591.32</b>	<b>429.60</b>	<b>1,634.00</b>

**49.D Reconciliation of total amount of balance sheet as per audited financial statements with total amount of balance sheet as per Restated Financial Statements:**

(Amount in Rs. Lakhs)

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
<b>Total Assets (as per audited financial statements)</b>	<b>41,795.97</b>	<b>39,042.94</b>	<b>37,401.97</b>	<b>45,534.76</b>
<b>Material restatement adjustments:</b>				
Deferred tax assets (net)	-	7.08	-62	5.05
<b>Total Assets (as per Restated Financial Statements)</b>	<b>41,795.97</b>	<b>39,050.02</b>	<b>37,401.35</b>	<b>45,539.81</b>

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
<b>Total Liabilities(as per audited financial statements)</b>	<b>41,795.97</b>	<b>39,042.94</b>	<b>37,401.97</b>	<b>45,534.76</b>
<b>Material restatement adjustments:</b>				
Provision for gratuity	-	104.15	99.71	102.16
Other equity	-	7.08	-100.33	-97.11
<b>Total Liabilities (as per Restated Financial Statements)</b>	<b>41,795.97</b>	<b>39,050.02</b>	<b>37,401.35</b>	<b>45,539.81</b>

**49.E Reconciliation of capital adequacy ratios (CAR) as per audited financial statements with capital adequacy ratios (CAR) of balance sheet as per Restated Financial Statements:**

	As at December 31, 2023	Audited BS	Difference	As at March 31, 2023	Audited BS	Difference	As at March 31, 2022	Audited BS	Difference	As at March 31, 2021	Audited BS	Difference
Total CAR (%)	42.02%	42.02%	0.00%	51.18%	51.19%	0.01%	36.25%	35.07%	1.18%	30.29%	29.41%	0.88%
Tier 1 (%)	40.63%	40.63%	0.00%	49.26%	49.27%	0.01%	33.09%	33.49%	-0.40%	26.78%	26.65%	0.13%
Tier 2 (%)	1.39%	1.39%	0.00%	1.92%	1.92%	0.01%	3.16%	1.58%	1.58%	3.51%	2.76%	0.75%

**49.F Other non-adjusting items**

**I. Emphasis of matter in the Auditors' report and other remarks / comments in the Companies (Auditor's Report) Order 2016 ('CARO') on the financial statements, which do not require any corrective adjustments in the Restated Financial Statements, are reproduced below:**

**As at and for the year ended March 31, 2021**

**Emphasis of matter paragraph in the Auditors' report**

We draw your attention to Notes to accounts of the Financial Statement which describes to the extent to which the COVID-19 pandemic will impact the Company's results will depend on future developments, which are highly uncertain. Further, such estimates are based on current facts and circumstances and may not necessarily reflect the future uncertainties and events arising from the full impact of the COVID 19 pandemic.

Our opinion is not modified in respect of this matter.

**As at and for the year ended March 31, 2022**

**Emphasis of matter paragraph in the Auditors' report**

We draw your attention to Notes to accounts of the Financial Statement which describes to the extent to which the COVID-19 pandemic will impact the Company's results will depend on future developments, which are highly uncertain. Further, such estimates are based on current facts and circumstances and may not necessarily reflect the future uncertainties and events arising from the full impact of the COVID 19 pandemic.

Our opinion is not modified in respect of this matter.

**50 Impact of Covid-19 on the Company**

**As at and for the three month period ended March 31, 2023:**

The COVID-19 pandemic resulted insignificant volatility in financial markets and a decrease in global and India's economic activities in FY 2021 and early FY 2022. Consequent lockdowns and varying restrictions imposed by the central and various state governments had led to disruptions and dislocations of individuals and businesses. However, as the severity of the COVID-19 pandemic is weakened, the overall economic operations in the country have returned to normal levels of activity. This has also resulted in the resumption of normal operations of the company. The Company has been lending actively to its customers. The overall financial matrices of the Company have improved from the prior year and the Company has made adequate expected credit loss provisions on its loan in accordance with accounting principles in India and accordingly in the opinion of the Company the impact of COVID 19 on its financial matrices are no longer significantly uncertain. The Company has evaluated the impact of COVID-19 on the business and operations of the Company as at March 31, 2023 and is of the view that it does not have any material impact on the financial statements of the Company on the basis of the facts and events up to the date of approval of these financial statements.

However, in view of the dynamic nature of the pandemic, the Company will continue to monitor future events/developments that may result in an adverse effect on the business and operations of the Company.

#### **As at and for the year ended March 31, 2022:**

The COVID-19 pandemic resulted insignificant volatility in financial markets and a decrease in global and India's economic activities in FY2 021 and early FY2022. Consequent lockdowns and varying restrictions imposed by the central and various state governments had led to disruptions and dislocations of individuals and businesses. However, with the gradual lifting of the lockdown restrictions during the year, the operations of the Company have returned to normal levels of activity. The Company has been lending actively to its customers and has also implemented its restructuring package based on the Reserve Bank of India's restructuring package announced in this regard. The overall financial matrices of the Company have improved from the prior year and the Company has made adequate expected credit loss provisions on its loan in accordance with accounting principles in India and accordingly in the opinion of the Company the impact of COVID19 on its financial matrices are no longer significantly uncertain. The Company has evaluated the impact of COVID-19 on the business and operations of the Company as at March 31, 2022 and is of the view that it does not have any material impact on the financial statements of the Company on the basis of the fact sand events upto the date of approval of these financial statements.

However, in view of the dynamic nature of the pandemic, the Company will continue to monitor future events/developments that may result in an adverse effect on the business and operations of the Company.

#### **As at and for the year ended March 31, 2021:**

The outbreak of COVID-19 pandemic and consequent regional lockdowns has severely impacted various activities across the country. The extent of impact of second wave of COVID-19 on the economy would also be dependent upon on future developments including measures taken by the Government, Regulator, responses of businesses and consumers to the pandemic. Therefore, the impact on the Company's business, cash flows and financial statements, is dependent on such future Developments, which are highly uncertain.

In accordance with the Reserve bank of India (RBI) guidelines related to "Covid-19 regulatory package" dated March 27, 2020 and subsequent guidelines on EMI moratorium dated April 17, 2020 and May 23, 2020 the Company has offered moratorium to its customers based the eligibility for EMIs falling due between March 1, 2020 to August 31, 2020. Further, the Company offered resolution plans to its customers pursuant to RBI's guideline' Resolution frame work for Covid-19 related stress' dated August 6, 2020.

In accordance with the Board approved moratorium policy read with the Reserve Bank of India (RBI) guidelines dated March 27, 2020, April 17, 2020, May 23, 2020 and August 6, 2020 relating to 'COVID-19-Regulatory Package' and guidelines issued there to, the Company has granted moratorium up-to five months on the payment of instalments falling due between April 1, 2020 and August 31, 2020 to all eligible borrowers on a suo-moto basis based on the Company's policy approved by its Board. Based on an assessment by the Company, this relaxation has not been deemed to be automatically triggering significant increase in credit risk 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. Accordingly, in respect of accounts where moratorium benefit have been granted, the staging of those accounts as at March 31, 2021 is based on the days past due status considering the benefit to moratorium period in accordance with the Reserve Bank of India Covid-19 Regulatory Package.

Estimates and associated judgments / assumptions applied in preparation of these financial statements including determining the impairment loss allowance and expected future cash inflows / outflows are based on a combination of historical experience and emerging / forward looking indicators resulting from the pandemic. In addition to these early indicators, the Company has separately incorporated estimates, assumptions and judgements specific to the impact of the COVID-19 pandemic in the measurement of impairment loss allowance for the year ended March 31, 2021. In addition to the indicators available, the Company has also used potential stress on probability of default and exposure at default on the expected credit losses on loans and accordingly recognized an expected credit loss on loans of Rs. 816.91 Lakhs as at March 31, 2021 (As at March 31, 2020 Rs. 657.47 lakhs) including an additional impairment provision amounting to Rs. 215.79 Lakhs during the current year (Year ended March 31, 2020 Rs. 135.88 Lakhs (including write offs of Rs. 206.11 Lakhs). The Company believes that it has considered all the possible impact of the currently known events arising out of COVID-19 pandemic in the preparation of financial statements. However, the impact assessment of COVID-19 is a continuing process given its uncertainty in nature and duration, this may have corresponding impact in the financial position. The Company will continue to monitor any material changes to the future economic conditions.

## **51 Other statutory information**

### **a. Details of Benami Property held:**

The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property as at March 31, 2023, March 31, 2022 and March 31, 2021.

### **b. Transactions with Struck off companies :**

The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

**c. Registration of charges or satisfaction with Registrar of Companies :**

The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

**d. Details of Crypto Currency or Virtual Currency :**

The Company has not traded or invested in Crypto currency or Virtual Currency during the period/ year ended March 31, 2023, March 31, 2022 and March 31, 2021.

**e. Utilisation of Borrowed Funds :**

The Company borrows funds from various Banks and financial institutions for the purpose of onward lending to end customers as per the terms of such borrowings. These transactions are part of the Company's normal funding activities, which is conducted after exercising proper due diligence including adherence to the terms of credit policies and other relevant guidelines.

**f. Other than the nature of transactions described above.**

- i) No funds have been advanced or loans or invested by the Company to or in any other person(s) or entity(ies) ("intermediaries") with the understanding that the intermediary shall lend or invest in party identified by or on behalf of the Company ("Ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- ii) The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**g. Undisclosed Income :**

The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

**h. Wilful Defaulter :**

The Company is not declared as wilful defaulter by any bank or financial institution or any other lender.

**i. Compliance with number of layers of companies :**

The Company has complied with the number of layers prescribed under clause (87) of Section 2 of the Act read with Companies (Restriction on number of layers) Rules 2017.

**j. Revaluation of Property, Plant and Equipment and Intangible Assets:**

There is no revaluation of Property, Plant and Equipment and Intangible Assets during the period/ year ended March 31, 2023, March 31, 2022 and March 31, 2021.

**k. Title Deeds of Immovable Properties not held in the name of the Company:**

Details of the immovable properties whose title deeds are not in the name of company :						
Relevant Line item in the Balance Sheet	Description of item of property	Gross carrying value (₹ In Lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Company
<b>As at 31st December 2023</b>						
Property, Plant and Equipment	Land	37.60	Braga S/o Logar Gameti, Kishan S/o Mana ji Meena, Prathviraj S/o Gumana ji Dangi, Unkar S/o Bhera ji Dangi, Shankar S/o Bhera ji Dangi, Kamlesh S/o Bhera ji Dangi, Rambha W/o Bhera Ji Dangi	No	03-11-2014	Due to pending Government clearances, execution of title deed in the favour of Company could not be accomplished
<b>As at 31st March 2023</b>						
Property, Plant and Equipment	Land	37.60	Braga S/o Logar Gameti, Kishan S/o Mana ji Meena, Prathviraj S/o Gumana ji Dangi, Unkar S/o Bhera ji	No	03-11-2014	Due to pending Government clearances, execution of title deed in the favour

			Dangi,Shankar S/o Bhera ji Dangi, Kamlesh S/o Bhera ji Dangi,Rambha W/o Bhera Ji Dangi			of Company could not be accomplished
<b>As at 31st March 2022</b>						
Property, Plant and Equipment	Land	37.60	Bhagga S/o LogarGameti, Kishan S/o Mana ji Meena,Prathviraj S/o Gumana ji Dangi, Unkar S/o Bhera ji Dangi,Shankar S/o Bhera ji Dangi, Kamlesh S/o Bhera ji Dangi,Rambha W/o Bhera Ji Dangi	No	03-11-2014	Due to pending Government clearances, execution of title deed in the favour of Company could not be accomplished
<b>As at 31st March 2021</b>						
Property, Plant and Equipment	Land	37.60	Bhagga S/o LogarGameti, Kishan S/o Mana ji Meena,Prathviraj S/o Gumana ji Dangi, Unkar S/o Bhera ji Dangi,Shankar S/o Bhera ji Dangi, Kamlesh S/o Bhera ji Dangi,Rambha W/o Bhera Ji Dangi	No	03-11-2014	Due to pending Government clearances, execution of title deed in the favour of Company could not be accomplished

**52** The Government of India, Ministry of Finance, vide its notification dated October 23, 2020, had announced COVID-19 Relief Scheme for grant of ex-gratia payment of difference between compound interest and simple interest for six months to borrowers in specified loan accounts ("the Scheme"), as per the eligibility criteria and other aspects specified there in and irrespective of whether RBI moratorium was availed or not. The Company had implemented the Scheme in accordance with the requirements of the notification and credited to the accounts of or remitted amounts to the eligible borrowers as per the Scheme.

### 53 Survey Disclosure

The survey operations were carried out by the Income Tax Department at the Office of the Company during the period from November 23, 2022, to November 27, 2022. The Company does not foresee any material impact on the current or future business operations because of the Income Tax survey on the company.

### 54 Events after the reporting period

The Company evaluates events and transactions that occur subsequent to the Balance Sheet date but prior to the approval of the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of February 26, 2024, other than those disclosed and adjusted elsewhere in these financial statements, there were no further subsequent events to be reported or recognised.

### 55 Social Security Code

The date on which the Code of Social Security, 2020 ('The Code') relating to employee benefits during employment and post-employment benefits will come in to effect is yet to be notified and the related rules are yet to be finalised. The Company will evaluate the code and its rules, assess the impact, if any and account for the same once they become effective.

**56** Disclosures required under the RBI Resolution Framework - 2.0: Resolution of COVID-19 related stress of Individuals and Small Businesses dated 05 May 2021 with reference to disclosures stated under Format-B prescribed in the Resolution Framework – 1.0.

There is no resolution plan implemented under RBI circular "Resolution Framework 2.0 for covid-19 restated Stress".

Disclosures pursuant to RBI Notification - RBI/2020-21/16 DOR .No. BP.BC/3/21.04,048/2020-21 dated 6 August 2020:

	(A)	(B)
Type of Borrower	Number of accounts where resolution plan has been implemented under this window	Exposure to accounts mentioned at (A) before implementation of the plan
MSMEs	-	-

Disclosure pursuant to Reserve Bank of India Circular OR.No.BP.BC.63/21.04.048/ 2020-21 dated 17 April 2020 pertaining to Asset Classification and Provisioning in terms of COVID 19 Regulatory Package:

		(Amount in Rs. Lakhs)	
Sr. No.	Particulars	March 31, 2021	March 31, 2020
i)	Respective amounts in SMA/ overdue categories, where the moratorium/ deferment was extended*	-	-
ii)	Respective amount where asset classification benefits is extended**	-	-
iii)	Provision made on the cases where asset classification benefits has been extended***	-	-
iv)	Provisions adjusted against slippages in the respective period and the residual provisions	-	-

\* Outstanding as on 31 March 2021 and 31 March 2020 respectively on account of all cases in SMA/ overdue categories where moratorium benefit was extended by the Company up to 31 August 2020.

\*\* There are NIL accounts where asset classification benefit is extended till 31 March 2021. Post the moratorium period, the movement of aging has been at actual.

\*\*\* The Company has made adequate provisions for impairment loss allowance assets (as per ECL model Refer Note 36) for the year ended 31 March 2021 and 31 March 2020. No specific loan level provisioning is made with respect to loan to which asset classification benefit was extended.

**57 Disclosure of Restructured Accounts as per Appendix 4 of Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016**

Company has not done any restructuring of accounts except as disclosed under RBI Resolution Framework-1.0

**58 Disclosure as required in terms of Annexure XVI of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016**

**58.1 Disclosure on CRAR**

(Amount in Rs. Lakhs except %)

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
(i) CRAR (%)	42.02%	51.19%	36.25%	30.29%
(ii) CRAR - Tier I Capital (%)	40.63%	49.27%	33.09%	26.78%
(iii) CRAR - Tier II Capital (%)	1.39%	1.92%	3.16%	3.51%
(iv) Amount of subordinated debt raised as Tier-II capital	2000.00	2000.00	2000.00	2000.00
(v) Amount raised by issue of Perpetual Debt Instruments	-	-	-	-

**58.2 Investments**

(Amount in Rs. Lakhs)

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Value of Investments				
(i) Gross Value of Investments				
(a) In India	20.40	20.40	20.34	20.34
(b) Outside India	-	-	-	-
(ii) Provisions for Depreciation				
(a) In India	-	-	-	-
(b) Outside India	-	-	-	-
(iii) Net Value of Investments				
(a) In India	20.40	20.40	20.34	20.34
(b) Outside India	-	-	-	-
Movement of provisions held towards depreciation on investments				
(i) Opening balance	-	-	-	-
(ii) Add : Provisions made during the period/ year	-	-	-	-
(iii) Less : Write-off / write-back of excess provisions during the period/ year	-	-	-	-
(iv) Closing balance	-	-	-	-

**58.3 Derivatives**

**58.3.1 Forward Rate Agreement / Interest Rate Swap**

(Amount in Rs. Lakhs)

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
(i) The notional principal of swap agreements	-	-	-	-
(ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	-	-	-	-
(iii) Collateral required by the NBFC upon entering into swaps	-	-	-	-
(iv) Concentration of credit risk arising from the swaps	-	-	-	-
(v) The fair value of the swap book	-	-	-	-



### 58.3.2 Exchange Traded Interest Rate (IR) Derivatives

(Amount in Rs. Lakhs)

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
(i) Notional principal amount of exchange traded IR derivatives undertaken during the period/ year	-	-	-	-
(ii) Notional principal amount of exchange traded IR derivatives o/s as at end of the period/year	-	-	-	-
(iii) Notional principal amount of exchange traded IR derivatives o/s and not "highly effective"	-	-	-	-
(iv) Mark-to-market value of exchange traded IR derivatives o/s and not "highly effective"	-	-	-	-

### 58.4 Asset Liability Management Maturity pattern of certain items of Assets and Liabilities

(Amount in Rs. Lakhs)

Particulars	1 to 7 days	8 to 14 days	15 to 30/ 31 days	Over 1 month and upto 2 months	Over 2 months and upto 3 months	Over 3 months and upto 6 months	Over 6 months and upto 1 year	Over 1 year and upto 3 years	Over 3 years and upto 5 years	Over 5 years	Total
<b>As on 31 December 2023</b>											
Advances	141.96	141.52	115.82	407.62	969.83	2282.14	4725.69	9876.32	7762.32	10332.76	<b>36755.98</b>
Investment	-	-	-	-	-	-	20.40	0	-	-	<b>20.40</b>
Borrowings	64.62	90.29	247.53	391.40	1600.26	1614.13	3733.11	9017.91	2282.65	477.04	<b>19518.94</b>
Other Liq-uid Assets	227.41	-	800.00	-	200.00	100.00	-	120.29	-	-	<b>1447.70</b>
<b>As on 31 March 2023:</b>											
Advances	116.95	109.62	567.43	749.5	1230.94	2140.62	5308.02	9923.79	7113.26	7296.53	<b>34556.66</b>
Investment	-	-	-	-	-	-	-	20.40	-	-	<b>20.40</b>
Borrowings	24.62	18.07	271.58	381.76	1478.52	1176.96	3154.36	7304.36	2942.36	1023.71	<b>17776.30</b>
Other Liq-uid Assets	537.38	200	3.95	-	-	3.95	227.90	58.97	-	-	<b>1032.15</b>
<b>As on 31 March 2022:</b>											
Advances	286.91	352.42	557.28	872.15	785.17	2,339.96	7,745.90	11,318.80	4,677.78	5,350.74	<b>34,287.11</b>
Investment	-	-	-	-	-	-	-	-	-	20.34	<b>20.34</b>
Borrowings	283.84	27.48	405.66	610.41	1,098.29	2,160.87	7,838.17	7,037.33	1,912.20	1,631.78	<b>23,006.03</b>
Other Liq-uid Assets	191.79	-	-	-	-	-	-	-	-	-	<b>191.79</b>
<b>As on 31 March 2021:</b>											
Advances	195.00	600.00	977.00	1,016.00	1,019.00	3,603.00	12,569.87	15,948.00	3,239.00	2,117.00	<b>41,283.87</b>
Investment	-	-	-	-	-	-	-	-	-	20.34	<b>20.34</b>
Borrowings	281.00	335.00	789.23	1,049.00	1,378.00	3,705.00	8,249.41	10,342.00	3,468.40	2,184.69	<b>31,781.73</b>
Other Liq-uid Assets	1,331.59	-	-	-	-	-	-	-	-	-	<b>1,331.59</b>

**Note:** Maturity pattern of assets and liability has been compiled by management on contractual payment basis and relied upon by the auditors.

### 58.5 Exposures

#### 58.5.1 Exposure to Real Estate Sector

(Amount in Rs. Lakhs)

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
<b>Direct Exposure:</b>				
<b>(i) Residential Mortgages</b>				
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented	1788.97	2197.56	2,825.42	3,250.00
<b>(ii) Commercial Real Estate</b>				
Lending secured by mortgages on commercial real estate (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based limits	-	-	-	-
<b>(iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -</b>				
a. Residential	-	-	-	-
b. Commercial Real Estate	-	-	-	-

	-			
<b>Indirect Exposure:</b>				
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs).	-	-	-	-
<b>Total Exposure to Real Estate Sector</b>	<b>1788.97</b>	<b>2197.56</b>	<b>2,825.42</b>	<b>3,250.00</b>

### 58.5.2 Exposures to Capital Market

(Amount in Rs. Lakhs)

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
(i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	1.20	1.20	1.20	1.20
(ii) Advances against shares/ bonds/ debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-	-	-
(iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-	-	-
(iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares/ convertible bonds/ convertible debentures/ units of equity oriented mutual funds 'does not fully cover the advances;	-	-	-	-
(v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-	-	-
(vi) Loans sanctioned to corporate against the security of shares/ bonds/ debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-	-	-
(vii) Bridge loans to companies against expected equity flows/ issues;	-	-	-	-
(viii) All exposures to Venture Capital Funds (both registered and unregistered)	-	-	-	-
<b>Total Exposure to Capital Market</b>	<b>1.20</b>	<b>1.20</b>	<b>1.20</b>	<b>1.20</b>

### 58.5.3 Details of financing of parent company products

The Company has no parent company; therefore, this clause is not applicable

### 58.5.4 Details of Single Borrower Limit (SBL) / Group Borrower Limit (GBL) exceeded by the NBFC

The Company has not exceeded Single Borrower Limit (SGL) / Group Borrower Limit (GBL) during the period 31 March 2023: Nil; 31 March 2022: Nil; 31 March 2021: Nil

### 58.5.5 Unsecured Advances

Loans granted by the Company are secured by equitable mortgage/registered mortgage of the property and/or undertaking to create a security and/or personal Guarantees and/or hypothecation of assets and/or assignments of life insurance policies. There are no unsecured advances provided by the Company.

### 58.6 Registration obtained from other financial sector regulators

The Company has not engaged into any business activity which are governed by other financial sector regulator. Hence, no registration was obtained. The Company is only registered with RBI wide Registration No, - 10.00092

### 58.7 Disclosure of Penalties imposed by RBI and other regulators

There is no instance of penalty or stricture imposed on the Company by RBI or any other regulatory on matter during the current period or previous years.

### 58.8 Related Party Transaction

Refer Note 41 for details in relation to related party transactions.

**58.9 Ratings assigned by credit rating agencies and migration of ratings during the year ended:**

(Amount in Rs. Lakhs)

Facility	As at December 31, 2023		As at March 31, 2023		As at March 31, 2022		As at March 31, 2021	
	Amount	Ratings	Amount	Ratings	Amount	Ratings	Amount	Ratings
Long Term bank facilities	15000.00	ACUITE BBB-	15000.00	ACUITE BBB-	15000.00	ACUITE BB+	24700.00	ACUITE BBB-
Non - Convertible Debentures	1000.00	ACUITE BBB-	1000.00	ACUITE BBB-	1000.00	ACUITE BB+	1000.00	ACUITE BBB-
Long Term bank facilities	11000.00	IVR BBB-	11000.00	IVR BBB-				
Non - Convertible Debentures	1000.00	IVR BBB-	1000.00	IVR BBB-				

\*Current Rating Review is under process as on the Balance sheet date.

**58.10 Remuneration to Directors**

Refer Note 41 for details in relation to remuneration to Directors.

**58.11 Revenue Recognition (Refer Note 3.1)**

There is no transaction in which the Revenue recognition has been postponed or pending the resolution of significant uncertainty

**58.12 Indian Accounting Standard 110 - Consolidated Financial Statements (CFS)**

The Company does not have any subsidiary

**58.13 Additional disclosures**

**58.13.1 Provisions and Contingencies**

(Amount in Rs. Lakhs)

Particulars	For the period December 31, 2023	For the year March 31, 2023	For the year March 31, 2022	For the year March 31, 2021
(a) Provisions for depreciation on Investment	-	-	-	-
(b) Provision towards Standard Assets & NPA	1362.74	953.61	905.08	861.91
(c) Provision made towards income tax (Net of Deferred Tax)	291.49	424.44	346.84	290.30
(d) Other provisions and Contingencies	29.65	2.75	1.75	1.75
(e) Provision for gratuity	134.20	104.15	99.71	102.16

**58.13.2 Draw Down from Reserves**

(Amount in Rs. Lakhs)

Particulars	For the period December 31, 2023	For the year March 31, 2023	For the year March 31, 2022	For the year March 31, 2021
Draw down from Reserves		272.64	-	-

**58.13.3 Concentration of Deposits, Advances, Exposures and NPAs**

(Amount in Rs. Lakhs)

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
<b>(a) Concentration of Deposits (for deposit taking NBFCs)</b>				
Total Deposits of twenty largest depositors	-	-	-	-
Percentage of Deposits of twenty largest depositors to Total Deposits of the NBFC	-	-	-	-
<b>Note:</b> The Company is not a deposit taking NBFC and has not obtained any deposits from public				
<b>(b) Concentration of Advances</b>				
Total Advances to twenty largest borrowers	1,885.02	2,113.39	2,926.04	3,609.00
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	4.97%	5.96%	8.33%	8.57%
<b>(c) Concentration of Exposures</b>				
Total Exposure to twenty largest borrowers/ customers	1,885.02	2,113.39	2,926.04	3,609.00
Percentage of Exposures to twenty largest borrowers/ customers to Total Exposure of the NBFC on borrowers/ customers	4.97%	5.96%	8.33%	8.57%

<b>(d) Concentration of NPAs</b>				
Total Exposure to top four NPA accounts	253.86	341.37	438.26	128
<b>(e) Movement of NPAs</b>				
Net NPAs to Net Advances (%)	2.01%	3.54%	4.17%	3.03%
<b>Movement of NPAs (Gross)</b>				
(a) Opening balance	1619.88	1,722.33	1,504.04	1,290.27
(b) Additions during the period/ year	617.94	350.44	1,291.24	967.68
(c) Reductions during the period/ year	-742.46	-452.89	-1,072.95	-753.91
(d) Closing balance	<b>1495.35</b>	<b>1,619.88</b>	<b>1,722.33</b>	<b>1,504.04</b>
<b>Movement of NPAs (Net)</b>				
(a) Opening balance	1220.34	1,426.01	1,249.22	1,075.95
(b) Additions during the period/ year	73.52	247.22	1,249.75	913.65
(c) Reductions during the period/ year	-558.91	-452.89	-1,072.95	-740.38
(d) Closing balance	<b>734.95</b>	<b>1,220.34</b>	<b>1,426.02</b>	<b>1,249.22</b>
<b>Movement of provisions for NPAs (excluding provisions on standard assets)</b>				
(a) Opening balance	399.53	296.31	254.82	214.32
(b) Provisions made during the period/ year	544.42	103.22	41.49	54.03
(c) Write-off/ write-back of excess provisions	-183.55	0	0	-13.53
(d) Closing balance	<b>760.40</b>	<b>399.53</b>	<b>296.31</b>	<b>254.82</b>

#### 58.13.4 Overseas Assets

The Company does not have any overseas assets.

#### 58.13.5 Off Balance sheet SPVs sponsored (which are required to be consolidated as per accounting norms)

The Company does not have SPVs sponsored (which are required to be consolidated as per accounting norms)

#### 58.13.6 Customer Complaints

Particulars		As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
(a)	No. of complaints pending at beginning of the period/ year	8	3	1	-
(b)	No. of complaints received during the period/ year	3	72	18	9
(c)	No. of complaints redressed during the period/ year	9	64	16	8
(d)	No. of complaints pending at the end of the period/ year*	2	8	3	1
	*Subsequently redressed				

#### 58.13.7 Disclosure of Frauds reported during the year vide DNBS.PD.CC NO.256/03.10.042/2011-12 Dated 2 March 2012 Instances of fraud reported for the period ended up to 31March 2023:

(Amount in Rs. Lakhs)

Nature of fraud	No. of cases	Amount of fraud	Recovery	Amount write off
Fraud committed by employees	0	0	0	0

#### 59 Disclosure of provisions required under IRACP and impairment allowances made under Ind AS 109 as per Appendix to RBI Circular: DOR (NBFC). CC.PD.No.

(Amount in Rs. Lakhs)

Asset Classification as per RBI Norms as at 31 December 2023	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS 109	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
[1]	[2]	[3]	[4]	(5)=(3)-(4)	[6]	(7) = (4)-(6)
<b>Performing Assets</b>						
Standard	Stage 1	35,270.90	547.24	34,723.66	88.18	459.07
	Stage 2	1,180.03	55.09	1,124.94	2.95	52.14
<b>Subtotal</b>		<b>36,450.93</b>	<b>602.33</b>	<b>35,848.60</b>	<b>91.13</b>	<b>511.21</b>
<b>Non-Performing Assets (NPA)</b>						
Substandard	Stage 3	790.10	424.55	365.56	79.01	345.54
Doubtful						
up to 1 year	Stage 3	177.31	97.64	79.67	35.46	62.18
1 to 3 years	Stage 3	374.10	159.08	215.02	112.23	46.85
More than 3 years	Stage 3	153.84	79.13	74.70	76.92	2.22
<b>Subtotal for doubtful</b>		<b>705.25</b>	<b>335.86</b>	<b>369.39</b>	<b>224.61</b>	<b>111.25</b>

Loss	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
<b>Subtotal for NPA</b>		<b>1,495.35</b>	<b>760.40</b>	<b>734.95</b>	<b>303.62</b>	<b>456.78</b>
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms.	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
<b>Subtotal</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>Stage 1</b>	<b>35,270.90</b>	<b>547.24</b>	<b>34,723.66</b>	<b>88.18</b>	<b>459.07</b>
	<b>Stage 2</b>	<b>1,180.03</b>	<b>55.09</b>	<b>1,124.94</b>	<b>2.95</b>	<b>52.14</b>
	<b>Stage 3</b>	<b>1,495.35</b>	<b>760.40</b>	<b>734.95</b>	<b>303.62</b>	<b>456.78</b>
	<b>Total</b>	<b>37,946.28</b>	<b>1,362.74</b>	<b>36,583.54</b>	<b>394.75</b>	<b>967.99</b>

(Amount in Rs. Lakhs)

Asset Classification as per RBI Norms as at 31 March 2023	Asset classification as per Ind AS	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 Provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
<b>Performing Assets</b>						
Standard	Stage 1	32,881.96	521.69	32,360.27	82.08	439.61
	Stage 2	914.27	32.39	881.88	2.28	30.11
<b>Subtotal</b>		<b>33,796.23</b>	<b>554.08</b>	<b>33,242.15</b>	<b>84.36</b>	<b>469.72</b>
<b>Non-Performing Assets (NPA)</b>						
Substandard	Stage 3	505.82	97.46	408.36	50.23	47.23
Doubtful						
up to 1 year	Stage 3	549.41	211.74	337.67	109.81	101.93
1 to 3 years	Stage 3	157.60	27.84	129.76	47.21	-19.37
More than 3 years	Stage 3	407.05	62.48	344.57	204.53	-142.05
<b>Subtotal for doubtful</b>		<b>1,114.06</b>	<b>302.06</b>	<b>812.00</b>	<b>361.55</b>	<b>-59.49</b>
Loss	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
<b>Subtotal for NPA</b>		<b>1,619.88</b>	<b>399.52</b>	<b>1,220.36</b>	<b>411.78</b>	<b>-12.26</b>
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms.	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
<b>Subtotal</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>Stage 1</b>	<b>32,881.96</b>	<b>521.69</b>	<b>32,360.27</b>	<b>82.08</b>	<b>439.61</b>
	<b>Stage 2</b>	<b>914.27</b>	<b>32.39</b>	<b>881.88</b>	<b>2.28</b>	<b>30.11</b>
	<b>Stage 3</b>	<b>1,619.88</b>	<b>399.52</b>	<b>1,220.36</b>	<b>411.78</b>	<b>-12.26</b>
	<b>Total</b>	<b>35,416.11</b>	<b>953.60</b>	<b>34,462.51</b>	<b>496.14</b>	<b>457.46</b>

59 a Asset Classification as per RBI Norms as at 31 March 2022

(Amount in Rs. Lakhs)

Asset Classification as per RBI Norms as at 31 March 2022	Asset classification as per Ind AS	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 Provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
<b>Performing Assets</b>						
Standard	Stage 1	22,279.95	277.35	22,002.60	89.12	188.23
	Stage 2	11,129.51	331.41	10,798.10	44.52	286.89
<b>Subtotal</b>		<b>33,409.46</b>	<b>608.76</b>	<b>32,800.70</b>	<b>133.64</b>	<b>475.12</b>
<b>Non-Performing Assets (NPA)</b>						
Substandard	Stage 3	1,141.51	261.00	880.51	114.15	146.85
Doubtful						
up to 1 year	Stage 3	181.09	9.54	171.55	36.22	-26.68
1 to 3 years	Stage 3	333.96	21.82	312.14	100.19	-78.37

More than 3 years	Stage 3	65.77	3.96	61.81	32.89	-28.93
<b>Subtotal for doubtful</b>		<b>580.82</b>	<b>35.32</b>	<b>545.50</b>	<b>169.30</b>	<b>-133.98</b>
Loss	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
<b>Subtotal for NPA</b>		<b>1,722.33</b>	<b>296.32</b>	<b>1,426.01</b>	<b>283.45</b>	<b>12.87</b>
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms.	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
<b>Subtotal</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>Stage 1</b>	<b>22,279.95</b>	<b>277.35</b>	<b>22,002.60</b>	<b>89.12</b>	<b>188.23</b>
	<b>Stage 2</b>	<b>11,129.51</b>	<b>331.41</b>	<b>10,798.10</b>	<b>44.52</b>	<b>286.89</b>
	<b>Stage 3</b>	<b>1,722.33</b>	<b>296.32</b>	<b>1,426.01</b>	<b>283.45</b>	<b>12.87</b>
	<b>Total</b>	<b>35,131.79</b>	<b>905.08</b>	<b>34,226.71</b>	<b>417.09</b>	<b>487.99</b>

59 b Asset Classification as per RBI Norms as at 31 March 2021

(Amount in Rs. Lakhs)

Asset Classification as per RBI Norms as at 31 March 2021	Asset classification as per Ind AS	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 Provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
<b>Performing Assets</b>						
Standard	Stage 1	25,632.05	248.99	25,383.06	102.53	146.46
	Stage 2	14,964.69	313.10	14,651.59	65.85	247.25
<b>Subtotal</b>		<b>40,596.74</b>	<b>562.09</b>	<b>40,034.65</b>	<b>168.38</b>	<b>393.71</b>
<b>Non-Performing Assets (NPA)</b>						
Substandard	Stage 3	137.01	30.75	106.26	13.62	17.12
Doubtful						
up to 1 year	Stage 3	491.09	102.59	388.50	97.97	4.63
1 to 3 years	Stage 3	721.48	103.00	618.48	216.66	-113.66
More than 3 years	Stage 3	154.46	18.48	135.98	77.26	-58.77
<b>Subtotal for doubtful</b>		<b>1,367.03</b>	<b>224.07</b>	<b>1,142.96</b>	<b>391.89</b>	<b>-167.80</b>
Loss	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
<b>Subtotal for NPA</b>		<b>1,504.04</b>	<b>254.82</b>	<b>1,249.22</b>	<b>405.51</b>	<b>-150.68</b>
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms.	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
<b>Subtotal</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>Stage 1</b>	<b>25,632.05</b>	<b>248.99</b>	<b>25,383.06</b>	<b>102.53</b>	<b>146.46</b>
	<b>Stage 2</b>	<b>14,964.69</b>	<b>313.10</b>	<b>14,651.59</b>	<b>65.85</b>	<b>247.25</b>
	<b>Stage 3</b>	<b>1,504.04</b>	<b>254.82</b>	<b>1,249.22</b>	<b>405.51</b>	<b>-150.68</b>

## OTHER FINANCIAL INFORMATION

The information required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations are given below:

Particulars	As at and for the nine months ended December 31, 2023	As at and for the year ended March 31, 2023	As at and for the year ended March 31, 2022	As at and for the year ended March 31, 2021
Basic earnings per equity share* (in ₹)	3.87	5.85	1.68	6.68
Diluted earnings per equity share* (in ₹)	3.87	5.85	1.68	6.68
Return on average net worth (%)*	5.81%	9.25%	3.09%	13.57%
Net asset value per share (in ₹)	68.51	64.65	62.73	59.71
EBITDA (₹ in lakhs)	3,618.83	4,827.99	4,328.43	6,790.53

\*Not Annualised

### Notes:

- (i) Basic and diluted earnings/ (loss) per share: Basic and diluted earnings per equity share are computed in accordance with Indian Accounting Standard 33 notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended).
- (ii) Return on average net worth %: Profit after tax for the period/year divided by the simple average of Net Worth of the Company as of the last day of the relevant financial year and last day of the previous Financial Year.
- (iii) Net worth is equivalent to Total Equity, and is the sum of Equity share capital and other equity.
- (iv) Net assets value per share (in ₹): Net asset value per share is calculated by dividing net worth of the Company by number of equity shares outstanding at the end of the relevant period/year.
- (v) EBITDA = EBITDA stands for Aggregate of profit after tax as adjusted with tax expense, finance cost and depreciation and amortisation for the year/period.

The reconciliation of profit for the period/year to EBITDA and EBITDA Margin are as follows:

(₹ in lakhs except percentages)

Particulars	As at and for the nine months ended December 31 2023	As at and for the year ended March 31, 2023	As at and for the year ended March 31, 2022	As at and for the year ended March 31, 2021
Profit for the period / year (A)	1,224.66	1,580.27	412.07	1,630.50
Add: Tax expense (B)	291.49	424.44	346.84	290.30
Add: Depreciation and amortisation expense (C)	38.82	58.19	69.48	65.27
Add: Finance costs (D)	2,063.86	2,765.08	3,500.04	4,804.47
<b>EBITDA (E = A + B + C + D)</b>	<b>3,618.83</b>	<b>4,827.99</b>	<b>4,328.43</b>	<b>6,790.53</b>
Total Revenue from operations (F)	5,340.49	6,951.37	6,744.13	8,617.72
<b>EBITDA Margin (G = E/F)</b>	<b>67.76%</b>	<b>69.45%</b>	<b>64.18%</b>	<b>78.80%</b>

In accordance with the SEBI ICDR Regulations, the audited financial statements of our Company for the nine months' period ended December 31, 2023 and the Financial Years ended March 31, 2023, March 31, 2022 and March 31, 2021 (collectively, the "Audited Financial Statements") are available on our website at [www.aasaanloans.com](http://www.aasaanloans.com)

## CAPITALISATION STATEMENT

The following table sets forth our Company's capitalisation as at December 31, 2023, on the basis of the Restated Financial Information, and as adjusted for the Issue. This table should be read in conjunction with "Risk Factors", "Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations", on pages 33, 293 and 361, respectively.

(₹ in lakhs)

Particulars		
	Pre-Issue as at December 31, 2023	Post Issue(1)
<b>Borrowings:</b>		
Borrowings (A)	17,518.94	[●]
Subordinated Liabilities (B)	2,000.00	[●]
<b>Total Borrowings (C = A + B)</b>	<b>19,518.94</b>	<b>[●]</b>
<b>Shareholders' fund (Net worth)</b>		<b>[●]</b>
Share capital (D)	3,167.50	[●]
Other Equity (E)	18,533.75	[●]
<b>Total shareholders' fund (Net worth) (F = D + E)</b>	<b>21,701.25</b>	<b>[●]</b>
<b>Total borrowings / shareholders' fund (Net worth) ratio (C/ F)</b>	<b>0.90</b>	<b>[●]</b>

Note:

1. The corresponding post Issue capitalisation data for each of the amounts given in the above table is not determinable at this stage pending the completion of the Book Building process and hence the same have not been provided in the above statement.



## FINANCIAL INDEBTEDNESS

The following table sets forth the details of the aggregate outstanding borrowings of the Company as of December 31, 2023:

### Details of Secured Borrowings

Type of Borrowing	Sanctioned Amount	Outstanding Amount (₹ in lakhs)
Term Loan	15,280.00	8,667.50
Cash Credit Limit	4,854.00	4,232.90
External Commercial Borrowings	5,600.00	4,618.54
Overdraft	18.00	0.00
<b>Total Secured Borrowings</b>	<b>25,752.00</b>	<b>17,518.94</b>

### Details of Unsecured Borrowings

Type of Borrowing	Outstanding Amount (₹ in lakhs)
Subordinated Debts	2,000.00
<b>Total Unsecured Borrowings</b>	<b>2,000.00</b>

### Details of Material Borrowings of the Company as on December 31, 2023

(₹ in lakhs)						
Sr. No.	Name of the lender	Nature of borrowing	ROI %	Tenure (Months)	Sanctioned Amount	Outstanding amount as on December 31, 2023
1.	Bank of Baroda	Cash Credit	13.05%	Repayable on demand	4,287.00	3776.71
2.	World Business Capital	Term Loan	4.09161% + 3 Month USD SOFR	120	5,600.00	4618.54
3.	Mas Financial Services Ltd.	Term Loan	14.10%	36	950.00	343.06
		Subordinated Debts	15.30%	72	1,000.00	1,000.00
		Term Loan	14.00%	36	200.00	148.71
		Term Loan	13.50%	36	500.00	424.24
		Term Loan	13.50%	36	500.00	491.70
4.	Maanaveeya Development & Finance Pvt. Ltd.	Term Loan	14.00%	36	1,000.00	760.58
		Subordinated Debts	16.00%	72	1,000.00	1,000.00
5.	State Bank of India	Cash Credit	11.15%	Repayable on demand	400.00	329.38
		Term Loan	11.15%	67	1,500.00	1495.26
<b>Total</b>						<b>14,388.18</b>

### Principal terms of the borrowings currently availed by the Company:

Brief details of the terms of the Company's various borrowing arrangements are provided below and there may be similar/ additional terms, conditions and requirements under the borrowing arrangements entered into by the Company and with its lenders:

1. Interest: The interest rate payable for the facilities availed by the Company and its subsidiaries typically ranges between 8% to 15.50%. The interest rate payable for some of the facilities is linked to MCLR or benchmark rate of the respective lenders.

The Company has also issued rated, unsubordinated, secured, transferable, redeemable Non-Convertible Debentures listed on the BSE, in compliance with the SEBI Debt Listing Regulations. For such borrowings, the Company has entered into certain borrowing documentation including debenture trust deed, and in terms such borrowing documentation, a specified coupon rate i.e. 12% per annum.

2. Tenor: Typically, the tenor of the facilities availed by the Company ranges between 12 months to 120 months, while some of them are repayable on demand. The tenor of the Non-Convertible Debentures issued by the Company is 36 months from June 30, 2020.

3. Security: In terms of the Company's secured borrowings, the Company is required to, inter alia:

- (a) furnish personal guarantees from our Promoters, Nirmal Kumar Jain, Ashish Jain, Ramesh Kumar Roopchandji Jain, Pushpa Nagda, Anil Kumar Jain, Praveen Kumar Jain, Nirmal Kumar Jain HUF, Bansi Lal Jain, Dilip Jain, Laxmi Lal Jain, Indu Jain, Rajesh Jain, Narendra Kumar Pamecha, Kalu Lal Jain, Manju Jain, Meena Jain, Kavish Jain;

- (b) furnish corporate guarantees of Arham Build Estate Private Limited, Coronation Castles Pvt Ltd and Akme Build Estate Limited;

- (c) create charge on immovable properties by way of mortgage;

- (d) hypothecation of goods, loan receivables, book-debts, stock-in-trade movable machinery, vehicles and other movable properties of the Company; and

- (e) pledge of 8,600 Equity Shares of Akme Build Estate Ltd. held by one of the Company's Promoter, Mr. Nirmal Kumar Jain in favour of Maanaveeya Development & Finance Private Limited.

- (f) furnish cash collateral in the form of FD ranging between 2.50% to 5.00%

4. Repayment: Typically, the facilities availed by the company are repayable within 12 months to 120 months. The repayment of some facilities is subject to the repayment schedules provided by the respective lenders. The borrowings are repayable on demand, The Company is typically required to repay the borrowings in monthly or quarterly instalments, along with interest or as per the Repayment Schedule. The Non-Convertible Debentures will be repaid at the end of tenor, i.e., June 30, 2023 with interest served on quarter basis.

5. Pre-payment: The Company has the option to pre-pay some of the lenders subject to the prior notice of a minimum 15 days to 45 days to be given to one of the lenders.

Pre-payment charges vary from 1% to 5% of the amount being prepaid/outstanding value of the facility/outstanding principal amount, prior to the prepayment.

In case of one of the lender, the Company may from time to time prepay the loan without any prepayment fee up to an aggregate amount of the loan equal to twenty percent (20%) of the total loan amount calculated as of the end of the commitment period. During such commitment period, the company may prepay loan amounts which cumulatively exceed twenty percent (20%) of the total loan amount upon payment to the lender of a prepayment fee equal to two percent (2.0%) of the prepayment amount that is in excess of twenty percent (20%) of the total loan amount.

6. Restrictive Covenants: The borrowing arrangements entered into by the company require the relevant lender's prior written consent, as applicable, for carrying out certain actions, such covenants include:

- i. any substantial change is made to the general nature of the business of the company including any change in the constitution of the entity;

- ii. the facility shall not be utilized for:

- a. capital market investments such as subscription of shares and other such securities and purchase of debentures, preference shares etc;

- b. repayment of due of group companies;

- c. extend loans to group companies, other NBFCs or to make inter corporate deposits;

- d. adjustment /repayment of any debt. deemed bad; doubtful of recover; or

- e. any speculative purpose.
  - iii. not to create any further charge, encumbrance, lien or third party rights over the security in favour of any other person;
  - iv. not to induct a person identified as wilful defaulter on the Board of Directors of the Company;
  - v. redeem, purchase, buyback, defease, retire, return or repay any of its equity share capital or resolve to do so or pay any dividend to its shareholders or resolve to do so for so long as this Agreement shall remain in full force and effect;
  - vi. make any material change in its shareholding pattern or management, change in control, enter into any compromise arrangement with its shareholders or creditors, pass a resolution of voluntary winding up or implement any scheme for restructuring or reconstruction, consolidation, amalgamation, merger or other similar purposes or change its shareholding structure;
  - vii. issue any corporate guarantee other than corporate guarantee given to co-lenders in the normal course of business;
  - viii. invest by way of share capital or lend or advance other than its normal course of business;
  - ix. infuse any external equity or equity linked funding or convertible debt;
  - x. change in capital structure of the company and/or raise any equity or preference capital any of which will result in the change in the management and/or change in control of the company;
  - xi. allow the promoters to dilute their shareholding by way of sale or pledge or encumbrance of shares;
  - xii. dispose of its assets or compromise with any of its creditors, except in its ordinary course of and pursuant to the reasonable requirements of the company's business and upon fair and reasonable terms unless when such sale, transfer or disposal may cause a material adverse effect;
  - xiii. effect any changes in its Memorandum of Association or Article of Association;
  - xiv. perform any transaction with a related party;
  - xv. declare dividend; and
  - xvi. undertake any new projects/schemes.
7. Events of Default: The terms of the borrowings contain standard events of default, including:
- i. failure and inability to pay amounts on the due date;
  - ii. failure to create security prior to the disbursement of the loan or within the time, if any, provided for the creation of such security;
  - iii. not meeting portfolio origination criteria;
  - iv. failure in performance of any covenant, condition or agreement;
  - v. misrepresentation or provision of incorrect or misleading information;
  - vi. cross default;
  - vii. failure to meet standards during discretionary audits conducted by the lender;
  - viii. revocation of business and operating license of the company;
  - ix. any litigation in relation to the borrowing and failure to pay a final judgment or court order;
  - x. bankruptcy, insolvency, re-organisation, liquidation & analogous events;
  - xi. unlawfulness and repudiation;
  - xii. restructuring of any borrowing arrangement;
  - xiii. upon occurrence of any event that may have a material adverse effect;
  - xiv. cessation/ insolvency or change in business; and cessation of operating license of the company and/or guarantor;
  - xv. downgrade in credit rating by two or more notches;

- xvi. any event of default which occurs under any agreement or document relating to the company's indebtedness;
  - xvii. change in the shareholding pattern or management control of the company without the prior written approval of the lender;
  - xviii. restructuring of any borrowing agreement (without prior intimation); and
  - xix. jeopardisation of the security.
8. Consequences of Events of Default: Lender shall be eligible to all or any of following remedies on the Occurrence of an Event of Default. The same is indicative and not exhaustive:
- i. to charge penal interest;
  - ii. to recover the entire dues of the loan;
  - iii. to recall the entire facility, amount outstanding along with penal interest on the same;
  - iv. to enforce the security held by lender;
  - v. the lender shall have an unqualified right to disclose the occurrence of the same with details thereof to the Reserve Bank of India, Credit Information Bureau (India) Limited, National Housing Bank, banks, financial institutions, housing finance institutions, development finance institutions and/or any other relevant authority, to publish its name and/or the names and photograph of its director(s), promoter(s), partners as defaulters in such manner and through such medium as the lender and the relevant Authority(ies) may in their absolute discretion think fit;
  - vi. withdraw or cancel all the sanctioned facilities by the lender to the company; and initiate legal proceedings for recovery of their dues.

The relevant parameters such as Loan to Assets, PCR, and NNPA of the borrowings are as disclosed below:

Particulars	As at and for the year ended March 31, 2021	As at and for the year ended March 31, 2022	As at and for the year ended March 31, 2023	As at and for the nine months ended December 31 2023
<b>Gross Loan to Total Assets (Ratio)</b>	0.92	0.94	0.91	0.91
<b>PCR</b>	16.94%	17.20%	24.66%	50.85%
<b>NNPA</b>	1,249.22	1,426.01	1,220.34	734.95
<b>NNPA Ratio</b>	2.97%	4.06%	3.45%	1.94%
<b>Gross NPA</b>	1,504.04	1,722.33	1,619.88	1,495.35
<b>GNPA Ratio</b>	3.57%	4.90%	4.57%	3.94%

## MANAGEMENT'S DISCUSSIONS AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

*The following discussion is intended to convey management's perspective on our financial condition and results of operations for the nine months period ended December 31, 2023 and for the Fiscals ended March 31, 2023, 2022 and 2021. You should read the following discussion and analysis of our financial condition and results of operations in conjunction with our Restated Financial Statements, including the schedules, notes and significant accounting policies thereto, and the sections entitled "Summary of Restated Financial Statements" and "Financial Information" on pages 70 and 293, respectively. Our Restated Financial Statements have been derived from our audited financial statements and restated in accordance with the SEBI ICDR Regulations and the ICAI Guidance Note. Our financial statements are prepared in accordance with Ind AS, notified under the Companies (Indian Accounting Standards) Rules, 2015, and read with Section 133 of the Companies Act, 2013 to the extent applicable. Ind AS differs in certain material respects from IFRS and U.S. GAAP and other accounting principles with which prospective investors may be familiar. Accordingly, the degree to which the financial statements prepared in accordance with Ind AS included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Ind AS accounting policies. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial information included in this Red Herring Prospectus, nor do we provide a reconciliation of our financial information to IFRS or U.S. GAAP. Any reliance by persons not familiar with Ind AS accounting policies on the financial disclosures presented in this Red Herring Prospectus should accordingly be limited.*

*Unless the context otherwise requires, in this section, references to "we", "us" or "our" refers to our Company, Acme Fintrade (India) Limited. Unless the context otherwise requires, references to our "customer" or "customers" shall be deemed to include affiliates or group entities of our customers, as applicable.*

*This discussion contains forward-looking statements and reflects our current views with respect to future events and our financial performance and involves numerous risks and uncertainties, including, but not limited to, those described in the section entitled "Risk Factors" on page 33. Actual results could differ materially from those contained in any forward-looking statements and for further details regarding forward-looking statements, kindly refer to the section entitled "Forward-Looking Statements" on page 21. Unless otherwise stated or unless the context otherwise requires, the financial information of our Company used in this section has been derived from the Restated Financial Statements.*

*Our fiscal year ends on March 31 of each year. Accordingly, unless otherwise stated, all references to a particular fiscal year are to the 12-month period ended March 31 of that year.*

### **Overview**

We are a non-banking finance company ("NBFC") incorporated in the year 1996 registered with the Reserve Bank of India as a Non-systemically important non-deposit taking company with over two decades of lending experience in rural and semi-urban geographies in India. We are primarily engaged in rural and semi-urban centric lending solutions to look after the needs and aspirations of rural and semi-urban populace. Our portfolio includes Vehicle Finance and Business Finance Products to small business owners. We have a long history of serving rural and semi-urban markets with high growth potential and have maintained a track record of financial performance and operational efficiency through consistently high rates of customer acquisition and retention and low cost expansion into underpenetrated areas. Therefore, we strategically focus on clients in the rural and semi-urban sector.

Our digital lending platform [www.aasaanloans.com](http://www.aasaanloans.com) is currently under development and will be rolled out in a phased manner. This digital lending platform, [www.aasaanloans.com](http://www.aasaanloans.com), has been successfully deployed to the users across all branches for the two wheeler product (used and new vehicles) and to a select group of users for the Business Finance Products for the purpose of User Acceptance Testing (UAT). Concurrently, our team is actively engaged with the developing team to enhance the customer experience for the Business finance product, We would start deploying the product across the company in phased manner as soon as the Business finance product goes live. We are rigorously scrutinizing all aspects of Business Finance Product and subjecting them to stress testing using various parameters to ensure alignment with the anticipated credit standards before expanding the rollout to a broader audience at our branches.

As a preliminary measure, we have taken the initiative of launching the website aasaanloans.com. This distinct approach facilitates the identification of businesses with low risk and high potential, thereby offering opportunities to individuals who previously lacked access to both short-term and long-term financing options.

We have our footprints in rural and semi-urban geographies in 4 Indian states Rajasthan, Maharashtra, Madhya Pradesh and Gujarat through registered office located at Udaipur, Rajasthan, our Corporate Office located in Mumbai, Maharashtra, 12 branches and over 23 points of presence including digital and physical branches having served over 2,00,000 customers till date.

For further details, see “*Our Business*” beginning on page 225.

### **Significant Factors Affecting Our Results of Operations**

Our results of operations have been, and will be, affected by many factors, some of which are beyond our control. The following is a discussion of certain factors that have had, and will continue to have, a significant effect on our financial condition and results of operations:

#### ***Interest rate volatility***

Our results of operations depend substantially on our Net Interest Income and our ability to maintain and improve our Net Interest Margin. Any adverse change to Net Interest Margins, yield or cost of borrowing will have a significant impact on our results of operations. Interest earned is the largest component of our total income, of our total income in Fiscal 2021, 2022 and 2023 and the nine months ended December 31, 2023. Changes in RBI repo rates could affect the interest charged on interest-earning assets and the interest rates paid on interest-bearing liabilities. Adverse conditions in the global and Indian economy resulting from economic dislocations or liquidity disruptions may adversely affect availability of credit, and decreased liquidity may lead to an increase in interest rates. Interest rates have a substantial effect on our cost of funding, our business volumes and our profit margins. Declining interest rates may lead to increased prepayments and repricing of our loans as borrowers seek to take advantage of the more attractive interest rate environment to reduce their borrowing costs. Declining interest rates may also lead to a greater demand for additional borrowings as business owners seek to take advantage of lower interest rates, resulting in an increase in volume of financing business. Conversely, when interest rates rise, there are typically less prepayments and less pressure to reprice loans; there is also less demand for new funds, resulting in a decrease in volume of our financing activities. In a rising interest rate scenario, our profit margins are therefore primarily dependent on our ability to attract new business, either through existing customers or new customers, than it is in a declining interest rate scenario. In addition, changes in interest rates also affect the interest rates we pay on our interest-bearing liabilities. Varying maturity periods applicable to our interest bearing assets and interest-bearing liabilities and a consequent change in interest rates may result in an increase in interest expense relative to interest income leading to a reduction in our interest income from financing activities.

See “*Risk Factors - We are affected by volatility in interest rates for both our lending and treasury operations, which could cause our net interest income to vary and consequently affect our profitability*” on page 53.

#### ***Availability of cost effective funding sources***

The availability of cost-effective funding sources significantly affects our results of operations. Our funding requirements are predominantly sourced through term loans (short term and long term) from banks and other financial institutions. We have established long term relationships with various banks and financial institutions which provide ease of access to funding from such institutions. Our loan portfolio, credit appraisal and risk management processes and stable credit history have resulted in improved credit status with our lenders over the years, thereby enabling us to reduce our cost of borrowings from banks and other financial institutions. Our credit status with our lenders is determined primarily by our NPAs. For further information, see “*Our Business*” on page 225. In addition to debt funding, we also support our funding requirements from internal accruals.

Our finance costs are dependent on various external factors, including Indian and global credit markets and, in particular, interest rate movements and adequate liquidity in the debt markets. Our ability to continue to meet customer demand for new loans will depend primarily on our ability to borrow from various external sources on suitable terms and in a timely manner. Our funding sources are varied, as we believe that a diversified debt profile ensures that we are not overly dependent on any one type or source for funding. For further information in relation to our borrowings, see “*Financial Indebtedness*” on page 357.

We believe that we have been able to maintain relatively stable finance costs as a result of our effective fund raising. Our ability to maintain our finance costs at optimum levels will continue to have a direct impact on our profitability, results of operations and financial condition.

### ***Geographic reach and distribution network***

Due to us charging interest rates on per loan basis, the volume of loans that we approve and disburse is a primary driver of our revenue. The volume of loans we approve and disburse depend upon a number of factors that are, in part, within our control, which can include the number of and availability of branches and field officers. Our growth has historically been driven by a combination of expansion of our operational network as well as an increase in loans extended. We have our footprints in rural and semi-urban geographies in 4 states including Rajasthan, Maharashtra, Madhya Pradesh and Gujarat including 12 branches and 25 points of sale including digital and physical branches. Our ability to maintain and expand our operational network in a cost effective and efficient manner and serve as a preferred finance provider to small business owners and self-employed individuals will have a direct impact on our results of operations and financial condition.

Our branches are staffed with persons who are familiar with the local area, with each branch servicing an area with a limited radius, resulting in branch staff being able to quickly attend a customer's location as issues arise.

We strategically focus on accessing underbanked customers. Our ability to maintain an extensive geographic reach and distribution network will continue to have an impact on our financial condition and results of operations.

### ***Asset quality, NPAs and provisioning requirements***

Our ability to manage the credit quality of our loans, which we measure in part through NPAs, is a key driver of our results of operations. Credit quality is the outcome of the credit appraisal mechanism and recovery system followed by us. We classify NPAs in accordance with regulatory guidelines. As the number of our loans that become NPAs increase, the quality of our loan portfolio decreases. In accordance with RBI norms and our policy on NPA classification, we are required to classify loans that are over 90 days past due as an NPA. The following table illustrates our asset quality ratios as of the dates indicated:

	As on March 31, 2021	As on March 31, 2022	As on March 31, 2023	As on December 31, 2023
Gross NPA (₹ in lakhs)	1,504.04	1,722.33	1,619.88	1,495.35
Gross NPA (%) <sup>(1)</sup>	3.57	4.90	4.57	3.94
Net NPA (₹ in lakhs)	1,249.22	1,426.02	1,220.34	734.95
Net NPA (%) <sup>(2)</sup>	2.97	4.06	3.45	1.94

(1) Gross NPA ratio (%) represents the Gross NPA to the Gross Loan Book as of the last day of the relevant period.

(2) Net NPA ratio (%) represents the Net NPA to the Gross Loan Book as of the last day of the relevant period.

Our asset quality is dependent upon our credit appraisal processes and recovery mechanisms. With the growth of our business, our ability to manage the quality of our loans will be a key driver to our results of operations, as quality loans help reduce the risk of losses from loan impairment and write-offs.

In our experience, direct sourcing allows for complete control over the quality of customers and processes involved for disbursement, which leads to better asset quality, compared to other methods of customer acquisition.

We believe that the quality of our credit function, resulting in effective credit evaluation measures, as well as our systematic processes such as verification of borrower risk profile, source of repayment, underlying collateral and disbursement and collection processes, effective portfolio monitoring and timely corrective interventions have enabled us to maintain relatively low levels of NPAs. Our ability to reduce or contain the level of our NPAs is also dependent on a number of factors beyond our control, such as increased competition, adverse effect on the business and results of operations of our borrowers, a rise in unemployment, a sharp and sustained rise in interest rate, slow industrial and business growth, changes in customer behavior and demographic patterns, central and state government decisions and changes in regulations. Additionally, certain provisioning norms are applicable to NBFCs, under applicable accounting standards and directions issued by the RBI. NBFCs are required to, after taking into account the time lag between an account becoming non performing, its recognition as such, the

realisation of the security and the erosion over time in the value of security charged, make provision against substandard assets, doubtful assets and loss assets, as stipulate.

### ***General economic conditions in India and competition***

As an NBFC operating in India, our financial performance is dependent on the overall economic condition in India, including the GDP growth rate, the economic cycle and the condition of the securities markets, and perception of these conditions and future economic prospects. Our financial results are influenced by macroeconomic factors relating to growth of the Indian economy in general, which may lead to an increase in demand for retail loans. Conversely, a slowdown in the Indian economy could adversely affect our business and our borrowers, especially if such a slowdown were to be continued and prolonged. Several factors beyond our control, such as developments in the Indian economy including the regulatory landscape and domestic employment levels, conditions in the world economy, pandemics such as COVID-19, fluctuations in interest rates, movements in global commodity markets and exchange rates could have either a positive or an adverse impact on the quality of our loan portfolio.

The competitive pressures and economic environment of India will play a role in determining whether we are able to successfully execute our growth strategy and offer products and services at reasonable returns.

### ***Regulatory developments***

We operate in a highly regulated industry and we have to adhere to various laws, rules and regulations. Our financial condition, results of operations and continued growth also depend on stable government policies and regulations. We are required to comply with, among others, limits on borrowings, investments and interest rates, prudential norms for income recognition, asset classification, and norms for creation of special reserves as well as minimum capital adequacy requirements. As an NBFC, we have to mandatorily obtain a certificate of registration issued by the RBI. We are also required to have minimum net owned funds of ₹ 1000.00 lakhs.

The regulations applicable to us also address issues such as our conduct with customers and recovery practices, market conduct and foreign investment. Any change in the regulatory framework affecting NBFCs, and in particular those requiring us to maintain certain financial ratios, placement restrictions on accessing funds, among others, would affect our results of operations and growth. For further information, see “*Key Regulations and Policies in India*” on page 248.

### ***Basis of Preparation***

#### **Statement of compliance**

The Restated Statement of Assets and Liabilities of the Company as at December 31, 2023, March 31, 2023, March 31, 2022 and March 31, 2021 and the Restated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Statement of Changes in Equity and the Restated Statement of Cash flows for nine months period ended December 31, 2023 and for each of the years ended March 31, 2023, March 31, 2022 and March 31, 2021 and the Summary of Significant Accounting Policies and other explanatory information (together referred to as ‘**Restated Financial Statements**’).

The Restated Financial Statements have been compiled by the management from:

- a) Audited interim financial statements of the Company as at and for the nine month periods ended December 31, 2023, prepared in accordance with Indian Accounting Standard 34 “Interim Financial Reporting”, specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India (referred to as “Ind-AS”), which have been approved by the Board of Directors at their meeting held on February 26, 2024.
- b) Audited financial statements of the Company as at and for the years ended March 31, 2023, March 31, 2022 and March 31, 2021 which were prepared in accordance with the Indian Accounting Standards as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India (referred to as “Ind AS”), which have been approved by the Board of Directors at their meetings held on May 29, 2023, May 30, 2022 and August 14, 2021 respectively.



## Significant Accounting Policies

Significant accounting policies adopted in the preparation of these financial statements are provided below. These policies have been consistently applied to all the years presented, unless otherwise stated.

### 1.1 Revenue Recognition

The Company earns revenue primarily from giving loans. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

#### (i) Interest Income

The Company recognizes interest income using Effective Interest Rate (EIR) on all financial assets subsequently measured at amortized cost or fair value through other comprehensive income (FVOCI). EIR is calculated by considering all costs and incomes attributable to acquisition of a financial asset or assumption of a financial liability and it represents a rate that exactly discounts estimated future cash payments/receipts through the expected life of the financial asset/financial liability to the gross carrying amount of a financial asset or to the amortized cost of a financial liability.

The Company recognizes interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. In case of credit-impaired financial assets (as set out in note no. 3.4(i)) regarded as 'stage 3', the Company stops recognizing interest income on these accounts till the account is credit impaired. If the financial asset is no longer credit-impaired (as outlined in note no. 3.4(i)), the Company reverts to calculating interest income on a gross basis.

Delayed payment interest (penal interest) levied on customers for delay in repayments/non-payment of contractual cash flows is recognized on realization.

Interest on financial assets subsequently measured at fair value through profit or loss (FVTPL) is recognized at the contractual rate of interest.

#### (ii) Dividend Income

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

#### (iii) Other Revenue from Operations

The Company recognizes revenue from contracts with customers (other than financial assets to which Ind AS 109 'Financial Instruments' is applicable) based on a comprehensive assessment model as set out in Ind AS 115 'Revenue from contracts with customers'. The Company identifies contract(s) with a customer and its performance obligations under the contract, determines the transaction price and its allocation to the performance obligations in the contract and recognizes revenue only on satisfactory completion of performance obligations. Revenue is measured at fair value of the consideration received or receivable.

##### (a) Fees and Commission

The Company recognizes service and administration charges towards rendering of additional services to its loan customers on satisfactory completion of service delivery.

Fees on value added services and products are recognized on rendering of services and products to the customer.

Distribution income is earned by selling of services and products of other entities under distribution arrangements. The income so earned is recognized on successful sales on behalf of other entities subject to there being no significant uncertainty of its recovery.

Foreclosure charges are collected from loan customers for early payment/closure of loan and are recognized on realization.

(b) Net Gain on Fair Value Changes

The Company designates certain financial assets for subsequent measurement at fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI), as applicable. The Company recognizes gains/losses on fair value change of financial assets measured as FVTPL and realized gains/losses on derecognition of financial asset measured at FVTPL and FVOCI.

(c) Sale of Services

The Company, on de-recognition of financial assets where a right to service the derecognized financial assets for a fee is retained, recognizes the fair value of future service fee income over service obligations cost on net basis as service fee income in the statement of profit or loss and, correspondingly creates a service asset in Balance Sheet. Any subsequent increase in the fair value of service assets is recognized as service income and any decrease is recognized as an expense in the period in which it occurs. The embedded interest component in the service asset is recognized as interest income in line with Ind AS 109 'Financial instruments'.

Other revenues on sale of services are recognized as per Ind AS 115 'Revenue from Contracts with Customers' as articulated above in 'other revenue from operations'.

(d) Recoveries of financial assets written off.

The Company recognizes income on recoveries of financial assets written off on realization or when the right to receive the same without any uncertainties of recovery is established.

(iv) Taxes

Incomes are recognized net of the Goods and Services Tax, wherever applicable.

## 1.2 Expenditures

(i) Borrowing Costs

Borrowing costs are interest and other costs incurred in connection with the borrowings of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of the asset. Other borrowings costs are recognized as an expense in the statement of profit and loss account on an accrual basis using the effective interest method. (Refer note no. 3.1(i)).

(ii) Fees and Commission Expenses

Fees and commission expenses which are not directly linked to the sourcing of financial assets, such as commission/incentive incurred on value added services and products distribution, recovery charges and fees payable for management of portfolio etc., are recognized in the Statement of Profit and Loss on an accrual basis.

(iii) Taxes

Expenses are recognized net of the Goods and Services Tax/Service Tax, except where credit for the input tax is not statutorily permitted.

## 1.3 Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

## 1.4 Financial Instruments

A financial instrument is defined as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Trade receivables and payables, loan receivables, investments in securities and subsidiaries, debt securities and other borrowings, preferential and equity capital etc. are some examples of financial instruments.

Loans are recognized when funds are transferred to the customer account. Debt securities issued are initially recognized when they are originated. All the other financial instruments are recognized on the date when the Company becomes party to the contractual provisions of the financial instruments. For tradable securities, the Company recognizes the financial instruments on settlement date.

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments. Financial instruments are initially measured at their fair value, except in the case of financial assets and financial liabilities recorded at fair value through profit and loss (FVTPL), transaction costs are added to, or subtracted from this amount.

### (i) Financial Assets

Financial assets include cash, or an equity instrument of another entity, or a contractual right to receive cash or another financial asset from another entity. Few examples of financial assets are loan receivables, investment in equity and debt instruments, trade receivables and cash and cash equivalents.

#### Business model assessment

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- a. How the performance of the business model and the financial assets held within that business model are evaluated and reported to the Company's key management personnel.
- b. The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed.
- c. How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).
- d. The expected frequency, value and timing of sales are also important aspects of the Company's assessment

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

#### SPPI test

As a second step of its classification process, the Company assesses the contractual terms of financial assets to identify whether they meet SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of financial asset (for example, if there are repayments of principal or amortisation of the premium/ discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Company applies judgement and considers relevant factors such as the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than the minimum exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash

flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

Accordingly, financial assets are measured as follows based on the existing business model:

(a) Financial Assets carried at amortized cost

The Company measures its financial assets at amortized cost if both the following conditions are met:

- The asset is held within a business model of collecting contractual cash flows; and
- Contractual terms of the asset give rise on specified dates to cash flows that are sole Payments of Principal and Interest (SPPI) on the principal amount outstanding.

Bank balances, Loans, Trade receivables and other financial investments that meet the above conditions are measured at amortised cost.

The business model of the Company for assets subsequently measured at amortized cost category is to hold and collect contractual cash flows. However, considering the economic viability of carrying the delinquent portfolios in the books of the Company, it may sell these portfolios to banks and/or asset reconstruction companies.

After initial measurement, such financial assets are subsequently measured at amortized cost on effective interest rate (EIR). For further details, refer note no. 3.1(i). The expected credit loss (ECL) calculation for financial assets at amortized cost is explained in subsequent notes in this section.

(b) Financial Assets at FVOCI

The Company subsequently classifies its financial assets as FVOCI, only if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets; and
- Contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

Financial Assets included within the FVOCI category are measured at each reporting date at fair value with such changes being recognized in other comprehensive income (OCI). The interest income on these assets is recognized in profit or loss. The ECL calculation for debt instruments at FVOCI is explained in subsequent notes in this section.

Debt instruments such as long-term investments in Government securities to meet regulatory liquid asset requirement of the Company's deposit program and mortgage loans portfolio where the Company periodically resorts to partially selling the loans by way of assignment to willing buyers are classified as FVOCI.

On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified to profit or loss.

(c) Financial Assets at FVTPL

The Company classifies financial assets which are held for trading under FVTPL category. Held for trading assets are recorded and measured in the Balance Sheet at fair value. Interest and dividend incomes are recorded in interest income and dividend income, respectively according to the terms of the contract, or when the right to receive the same has been established. Gains and losses on changes in fair value of debt instruments are recognized on net basis through profit or loss.

The Company's investments into mutual funds, Government securities (trading portfolio) and certificate of deposits for trading and short term cash flow management have been classified under this category.

(d) Equity investment designated under FVOCI

All equity investments in scope of Ind AS 109 'Financial Instruments' are measured at fair value. The Company has strategic investments in equity for which it has elected to present subsequent changes in the fair value in other comprehensive income. The classification is made on initial recognition and is irrevocable.

All fair value changes of the equity instruments, excluding dividends, are recognized in OCI and are available for reclassification to profit or loss on derecognition of investments. Equity instruments at FVOCI are not subject to an impairment assessment.

#### Derecognition of Financial Assets

The Company derecognizes a financial asset (or, where applicable, a part of a financial asset) when:

- The right to receive cash flows from the asset have expired; or
- The Company has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under an assignment arrangement and the Company has transferred substantially all the risks and rewards of the asset. Once the asset is derecognized, the Company does not have any continuing involvement in the same.

The Company transfers its financial assets through the partial assignment route and accordingly derecognizes the transferred portion as it neither has any continuing involvement in the same nor does it retain any control. If the Company retains the right to service the financial asset for a fee, it recognizes either a servicing asset or a servicing liability for that servicing contract. A service liability in respect of a service is recognized at fair value if the fee to be received is not expected to compensate the Company adequately for performing the service. If the fees to be received is expected to be more than adequate compensation for the servicing, a service asset is recognized for the servicing right at an amount determined on the basis of an allocation of the carrying amount of the larger financial asset.

On derecognition of a financial asset in its entirety, the difference between:

- the carrying amount (measured at the date of derecognition) and
- the consideration received (including any new asset obtained less any new liability assumed) is recognized in profit or loss.

#### Impairment of Financial Assets

In accordance with Ind AS 109, the Company uses ECL model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL). ECL are recognized for financial assets held under amortized cost, debt instruments measured at FVOCI, and certain loan commitments.

Financial assets where no significant increase in credit risk has been observed are considered to be in 'stage 1' and for which a 12 month ECL is recognized. Financial assets that are considered to have significant increase in credit risk are considered to be in 'stage 2' and those which are in default or for which there is an objective evidence of impairment are considered to be in 'stage 3'. Lifetime ECL is recognized for stage 2 and stage 3 financial assets.

At initial recognition, allowance (or provision in the case of loan commitments) is required for ECL towards default events that are possible in the next 12 months, or less, where the remaining life is less than 12 months.

In the event of a significant increase in credit risk, allowance (or provision) is required for ECL towards all possible default events over the expected life of the financial instrument ('lifetime ECL').

Financial assets (and the related impairment loss allowances) are written off in full, when there is no realistic prospect of recovery.

## Treatment of the different stages of financial assets and the methodology of determination of ECL

### (a) Credit Impaired (Stage 3)

The Company recognizes a financial asset to be credit impaired and in stage 3 by considering relevant objective evidence, primarily whether:

- Contractual payments of either principal or interest are past due for more than 90 days;
- The loan is otherwise considered to be in default.

Restructured loans (Except loan restructured under the RBI Covid 2.0 framework), where repayment terms are renegotiated as compared to the original contracted terms due to significant credit distress of the borrower, are classified as credit impaired. Such loans continue to be in stage 3 until they exhibit regular payment of renegotiated principal and interest over a minimum observation period, typically 12 months— post renegotiation, and there are no other indicators of impairment. Having satisfied the conditions of timely payment over the observation period these loans could be transferred to stage 1 or 2 and a fresh assessment of the risk of default be done for such loans.

### (b) Significant Increase in Credit Risk (Stage 2)

An assessment of whether credit risk has increased significantly since initial recognition is performed at each reporting period by considering the change in the risk of default of the loan exposure. Considering the market in which company is primarily operating and the class of customers which primarily comes from rural background where financial literacy is very poor and banking and collection facilities are not present at all places, management considers that unless identified at an earlier stage, 60 days past due is considered as an indication of financial assets to have suffered a significant increase in credit risk. Based on other indications such as borrower's frequently delaying payments beyond due dates though not 60 days past due are included in stage 2 for mortgage loans.

The measurement of risk of defaults under stage 2 is computed on homogenous portfolios, generally by nature of loans, tenors, underlying collateral, geographies and borrower profiles. The default risk is assessed using PD (probability of default) derived from past behavioral trends of default across the identified homogenous portfolios. These past trends factor in the past customer behavioral trends, credit transition probabilities and macroeconomic conditions. The assessed PDs are then aligned considering future economic conditions that are determined to have a bearing on ECL.

### (c) Without Significant Increase in Credit Risk since Initial Recognition (Stage 1)

ECL resulting from default events that are possible in the next 12 months are recognized for financial instruments in stage 1. The Company has ascertained default possibilities on past behavioral trends witnessed for each homogenous portfolio using application/behavioral score cards and other performance indicators, determined statistically.

### (d) Measurement of ECL

The assessment of credit risk and estimation of ECL are unbiased and probability weighted. It incorporates all information that is relevant including information about past events, current conditions and reasonable forecasts of future events and economic conditions at the reporting date. In addition, the estimation of ECL takes into account the time value of money. Forward looking economic scenarios determined with reference to external forecasts of economic parameters that have demonstrated a linkage to the performance of our portfolios over a period of time have been applied to determine impact of macro-economic factors.

The Company has calculated ECL using three main components: a probability of default (PD), a loss given default (LGD) and the exposure at default (EAD). ECL is calculated by multiplying the PD, LGD and EAD and adjusted for time value of money using a rate which is a reasonable approximation of EIR.

- Determination of PD is covered above for each stage of ECL.
- EAD represents the expected balance at default, taking into account the repayment of principal and interest from the Balance Sheet date to the date of default together with any expected drawdowns of committed facilities.

- LGD represents expected losses on the EAD given the event of default, taking into account, among other attributes, the mitigating effect of collateral value at the time it is expected to be realized and the time value of money.

The inputs and models used for calculating ECLs may not always capture all characteristics of the market at the date of the financial statements. To reflect this, qualitative adjustments or management overlays are occasionally made as temporary adjustments when such differences are significantly material

A more detailed description of the methodology used for ECL is covered in the ‘credit risk’ section of note no. 35.

(e) Write-offs

Financial assets are written off when there is a significant doubt on recoverability in the medium term. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to the statement of profit and loss.

(ii) Financial Liabilities

Financial liabilities include liabilities that represent a contractual obligation to deliver cash or another financial asset to another entity, or a contract that may or will be settled in the entities own equity instruments. Few examples of financial liabilities are trade payables, debt securities and other borrowings and subordinated debts.

Initial measurement

All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs. The Company’s financial liabilities include trade payables, other payables, debt securities and other borrowings.

Subsequent measurement

After initial recognition, all financial liabilities are subsequently measured at amortized cost using the EIR (Refer note no. 3.1(i)). Any gains or losses arising on derecognition of liabilities are recognized in the Statement of Profit and Loss.

Embedded derivatives

An embedded derivative is a component of a hybrid instrument that also includes a non-derivative host contract with the effect that some of the cash flows of the combined instrument vary in a way similar to a standalone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index or prices or rates, credit rating or credit index, or other variable, provided that, in the case of a non-financial variable, it is not specific to a party to the contract. A derivative that is attached to a financial instrument, but is contractually transferable independently of that instrument, or has a different counterparty from that instrument, is not an embedded derivative, but a separate financial instrument.

Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

Derecognition measurement

The Company derecognizes a financial liability when the obligation under the liability is discharged, cancelled or expired.

(iii) Reclassification of financial assets and liabilities

The Company does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified. The Company did not reclassify any of its significant financial assets or liabilities in the nine months ended December 31, 2023 and the years ended March 31, 2023, March 31, 2022 and March 31, 2021.

(iv) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet only if there is an enforceable legal right to offset the recognized amounts with an intention to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

### 1.5 Investment in Subsidiaries

The Company does not have any Subsidiary.

### 1.6 Taxes

(i) Current Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) prescribed therein. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current tax relating to items recognized outside profit or loss is recognized in correlation to the underlying transaction either in OCI or directly in other equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(ii) Deferred Tax

Deferred tax is provided using the Balance Sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for deductible temporary differences to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets, if any, are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized either in OCI or in other equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

### 1.7 Property, Plant and Equipment

Property, plant and equipment are carried at historical cost of acquisition less accumulated depreciation and impairment losses, consistent with the criteria specified in Ind AS 16 'Property, Plant and Equipment'.

Depreciation on property, plant and equipment

- (a) Depreciation is provided on a pro-rata basis for all tangible assets on straight line method over the useful life of assets.
- (b) Useful lives of assets are determined by the Management by an internal technical assessment except where such assessment suggests a life significantly different from those prescribed by Schedule II – Part C of the Companies Act, 2013 where the useful life is as assessed and certified by a technical expert.



- (c) Depreciation on leasehold improvements is provided on straight line method over the primary period of lease of premises or 5 years whichever is less.
- (d) Depreciation on addition to assets and assets sold during the year is being provided for on a pro rata basis with reference to the month in which such asset is added or sold as the case may be.
- (e) Assets having unit value up to ₹ 5,000 is depreciated fully in the financial year of purchase of asset.
- (f) An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included under other income in the Statement of Profit and Loss when the asset is derecognized.
- (g) The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

### **1.8 Intangible assets and amortization thereof**

Intangible assets, representing software's are initially recognized at cost and subsequently carried at cost less accumulated amortization and accumulated impairment. The intangible assets are amortized using the straight-line method over a period of five years, which is the Management's estimate of its useful life. The useful lives of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

### **1.9 Impairment of non-financial assets**

An assessment is done at each Balance Sheet date to ascertain whether there is any indication that an asset may be impaired. If any such indication exists, an estimate of the recoverable amount of asset is determined. If the carrying value of relevant asset is higher than the recoverable amount, the carrying value is written down accordingly.

### **1.10 Provisions and Contingent Liabilities**

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. The Company also discloses present obligations for which a reliable estimate cannot be made. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

### **1.11 Foreign Currency Translation**

The Company's financial statements are presented in Indian Rupee, which is also the Company's functional currency.

#### **Initial recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

#### **Conversion**

Foreign currency monetary items are re-translated using the exchange rate prevailing at the reporting date. Non- monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

Exchange differences

All exchange differences are accounted in the Statement of Profit and Loss.

### 1.12 Employee benefits

i. Post-employment benefits

Defined Contribution plan

The Company's contribution to provident fund is considered as defined contribution plan and is charged as an expense as they fall due based on the amount of contribution required to be made and when the services are rendered by the employees.

Defined benefit plans

Gratuity

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'), if any. In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Re measurements of the net defined benefit liability, which comprise actuarial gains and losses and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

ii. Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

### 1.13 Lease

Company has applied Ind AS 116 "Leases" for all lease contracts covered by the Ind AS. Under Ind AS 116 a contract is, or contains a lease, if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company undertook an assessment of all applicable contracts to determine if a lease exists as defined in Ind AS 116. This assessment will also be completed for each new contract or change.

### Measurement of Lease Liability

At the time of initial recognition, the Company measures lease liability as present value of all lease payment discounted using the Company's incremental cost of borrowing rate. Subsequently, the lease liability is

- i) Increase by interest on lease liability
- ii) Reduce by lease payments made

### Measurement of Right-of-Use asset

At the time of initial recognition, the Group measures 'Right-of-Use assets' as present value of all lease payment discounted using the Group's incremental cost of borrowing rate w.r.t said lease contract. Subsequently, 'Right-of-Use assets' is measured using cost model i.e. at cost less any accumulated depreciation and any accumulated impairment losses adjusted for any re-measurement of the lease liability specified in Ind AS 116 'Leases'. Depreciation on 'Right-of-Use assets' is provided on straight line basis over the lease period.

In contract going forward. The Company has further elected not to recognize ROU assets and lease liabilities for leases of low value assets and for short-term leases (less than 12 months).

## 1.14 Fair Value Measurement

The Company measures its qualifying financial instruments at fair value on each Balance Sheet date.

Fair value is the price that would be received against sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place in the accessible principal market or the most advantageous accessible market as applicable.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy into Level I, Level II and Level III based on the lowest level input that is significant to the fair value measurement as a whole. For a detailed information on the fair value hierarchy, refer note no. 34.

For assets and liabilities that are fair valued in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

## 1.15 Segment reporting- Identification of segments:

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Company's Chief Operating Decision Maker (CODM) to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108 Operating Segments, the CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

## 1.16 Earnings per share

The Company reports basic and diluted earnings per equity share in accordance with Ind AS 33, Earnings Per Share. Basic earnings per equity share is computed by dividing net profit / loss after tax attributable to the equity share holders for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed and disclosed by dividing the net profit/ loss after tax attributable to the equity share holders for the year after giving impact of dilutive potential equity shares for the year by the weighted average number of equity shares and dilutive potential equity shares outstanding during the year, except where the results are anti-dilutive. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period,

unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period.

### 1.17 Cash flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the Company are segregated. Cash flows in foreign currencies are accounted at the actual rates of exchange prevailing at the dates of the transactions

### 1.18 Standards issued but not yet effective

Ministry of Corporate Affairs has notified the Companies (Indian Accounting Standards) Amendment Rules, 2023 on March 31, 2023, to amend the following Ind AS which are effective for annual periods beginning on or after 1 April 2023. The Group applied for the first-time these amendments.

- (i) **Definition of Accounting Estimates - Amendments to Ind AS 8** The amendments clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates. The amendments had no impact on the Group's consolidated financial statements.
- (ii) **Disclosure of Accounting Policies - Amendments to Ind AS 1** The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. The amendments have had an impact on the Group's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Group's financial statements.
- (iii) **Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12** The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases. The Group previously recognised for deferred tax on leases on a net basis. As a result of these amendments, the Group has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. Since, these balances qualify for offset as per the requirements of paragraph 74 of Ind AS 12, there is no impact in the balance sheet.

### Results of Operations

The following table sets forth certain information with respect to our results of operations for the nine months ended December 31, 2023 and the Fiscals 2023, 2022 and 2021:

Particulars	March 31, 2021		March 31, 2022		March 31, 2023		December 31, 2023	
	₹ in lakhs	% of Total Income	₹ in lakhs	% of Total Income	₹ in lakhs	% of Total Income	₹ in lakhs	% of Total Income
<b>Revenue from operations</b>								
Interest income	8,416.86	96.98%	6,486.94	96.10%	6,310.99	90.72%	5,077.23	95.00%
Fees and commission Income	148.52	1.71%	227.97	3.38%	209.78	3.02%	140.73	2.63%
Gain / Loss on derecognized financial assets	0.00	0.00%	-6.30	-0.09%	-6.52	-0.09%	-3.41	-0.06%
Other Operating Income	52.33	0.60%	35.53	0.53%	437.12	6.28%	125.94	2.36%
<b>Total revenue from</b>	<b>8,617.72</b>	<b>99.29%</b>	<b>6,744.13</b>	<b>99.91%</b>	<b>6,951.37</b>	<b>99.92%</b>	<b>5,340.49</b>	<b>99.92%</b>

Particulars	March 31, 2021		March 31, 2022		March 31, 2023		December 31, 2023	
	₹ in lakhs	% of Total Income	₹ in lakhs	% of Total Income	₹ in lakhs	% of Total Income	₹ in lakhs	% of Total Income
<b>operations</b>								
Other income	61.66	0.71%	6.08	0.09%	5.45	0.08%	4.18	0.08%
<b>Total Income</b>	<b>8,679.38</b>	<b>100.00%</b>	<b>6,750.21</b>	<b>100.00%</b>	<b>6,956.82</b>	<b>100.00%</b>	<b>5,344.67</b>	<b>100.00%</b>
<b>Expenses</b>								
Finance costs	4,804.47	55.35%	3,500.04	51.85%	2,765.08	39.75%	2,063.86	38.62%
Impairment on financial instruments	771.47	8.89%	1,062.80	15.74%	359.12	5.16%	547.69	10.25%
Employee benefits expense	840.43	9.68%	730.40	10.82%	654.48	9.41%	565.79	10.59%
Depreciation and amortization expense	65.27	0.75%	69.48	1.03%	58.19	0.84%	38.82	0.73%
Other expenses	276.95	3.19%	628.58	9.31%	1,115.24	16.03%	612.36	11.46%
<b>Total Expenses</b>	<b>6,758.58</b>	<b>77.87%</b>	<b>5,991.30</b>	<b>88.76%</b>	<b>4,952.11</b>	<b>71.18%</b>	<b>3,828.52</b>	<b>71.63%</b>
<b>Profit before tax</b>	<b>1,920.80</b>	<b>22.13%</b>	<b>758.91</b>	<b>11.24%</b>	<b>2,004.71</b>	<b>28.82%</b>	<b>1,516.15</b>	<b>28.37%</b>
<b>Tax expense</b>								
Current tax	434.09	5.00%	252.59	3.74%	478.82	6.88%	403.52	7.55%
Deferred tax (net)	-143.79	-1.66%	94.25	1.40%	-54.38	-0.78%	-112.03	-2.10%
Tax Expense	290.30	3.34%	346.84	5.14%	424.44	6.10%	291.49	5.45%
<b>Profit for the period / year</b>	<b>1,630.50</b>	<b>18.79%</b>	<b>412.07</b>	<b>6.10%</b>	<b>1,580.27</b>	<b>22.72%</b>	<b>1,224.66</b>	<b>22.91%</b>
<b>Other comprehensive income</b>								
<b>(i) Items that will not be reclassified to profit or loss</b>								
Re-measurements of the defined benefit plan (Net of Tax)	3.49	0.04%	17.53	0.26%	11.04	0.16%	-1.52	-0.03%
<b>(ii) Items that will be reclassified subsequently to profit or loss</b>								
Fair value gain/(loss) on equity instruments (Net of Tax)	-		-					
<b>Other comprehensive income / (deficit) for the period / year, net of Income tax</b>	<b>3.49</b>	<b>0.04%</b>	<b>17.53</b>	<b>0.26%</b>	<b>11.04</b>	<b>0.16%</b>	<b>-1.52</b>	<b>-0.03%</b>
<b>Total comprehensive income</b>	<b>1,634.00</b>	<b>18.83%</b>	<b>429.60</b>	<b>6.36%</b>	<b>1,591.32</b>	<b>22.87%</b>	<b>1,223.14</b>	<b>22.89%</b>

### Nine-month period ended December 31, 2023

#### *Total Income*

Our Total income was ₹5,344.67 lakhs in the nine-month period ended December 31, 2023.

#### *Revenue from operations*

Our total revenue from operations was ₹5,340.49 lakhs in the nine-month period ended December 31, 2023.

Interest income: Our interest income was ₹5,077.23 lakhs in the nine-month period ended December 31, 2023. Interest income primarily comprised interest on loans of ₹5,047.17 lakhs, interest from investments of ₹0.36 lakhs and other interest income of ₹29.70 lakhs in the nine-month period ended December 31, 2023.

Fee and commission income: Our fee and commission income was ₹140.73 lakhs in the nine-month period ended December 31, 2023 primarily comprising income from commission income of ₹12.84 lakhs and income from other financial services – loan transaction fee of ₹127.89 lakhs, which was generated through loan processing fees.

Net gain on derecognition of financial assets: Our net loss on derecognition of financial instruments was ₹3.41 lakhs in the nine-month period ended December 31, 2023.

#### ***Other income***

Our other income amounted to ₹4.18 lakhs in the nine-month period ended December 31, 2023 primarily comprising Sale of fixed assets of ₹2.12 lakhs, and ₹2.06 lakhs from insurance commission.

#### ***Expenses***

Our total expenses amounted to ₹3,828.52 lakhs in the nine-month period ended December 31, 2023.

#### ***Finance costs***

Our finance costs amounted to ₹2,063.86 lakhs in the nine-month period ended December 31, 2023 primarily comprising interest on borrowings - term loans, Cash Credit and WCDL from banks and others of ₹2,061.70 lakhs and interest on ICD was ₹2.16 lakhs.

#### ***Impairment of Financial Instruments (expected credit loss)***

Our Impairment of Financial Instruments (expected credit loss), primarily representing the impairment on Loans and Bad Debts written off, amounted to ₹547.69 lakhs in the nine-month period ended December 31, 2023.

#### ***Employee benefits expenses***

Our employee benefits expenses was ₹565.79 lakhs in the nine-month period ended December 31, 2023 primarily comprising salaries, wages and bonus of ₹531.42 lakhs and contribution to provident and other fund of ₹34.37 lakhs.

#### ***Depreciation and amortisation expense***

Our depreciation and amortisation amounted to ₹38.82 lakhs in the nine-month period ended December 31, 2023 primarily comprising depreciation of property, plant and equipment of ₹28.64 lakhs and amortisation of intangible assets of ₹10.18 lakhs.

#### ***Other expenses***

Our other expenses amounted to ₹612.36 lakhs in the nine-month period ended December 31, 2023 primarily comprising professional fees of ₹205.88 lakhs, commission expenses of ₹43.08 lakhs, foreign exchange loss of ₹65.78 lakhs and recovery expenses of ₹34.15 lakhs.

#### ***Restated profit before tax***

Our restated profit before tax amounted to ₹1,516.15 lakhs in the nine-month period ended December 31, 2023.

#### ***Total tax expense***

Our total tax expense amounted to ₹291.49 lakhs in the nine-month period ended December 31, 2023. The effective tax rate was 26.61% in the nine-month period ended December 31, 2023. Current tax was ₹403.52 lakhs and deferred tax charge/ (benefit) was ₹(112.03) lakhs in the nine-month period ended December 31, 2023.

#### ***Restated profit for the period***

Our restated profit for the period was ₹1,224.66 lakhs in the nine-month period ended December 31, 2023.

### ***Restated other comprehensive income for the period (net of income taxes)***

Our restated other comprehensive income for the period (net of income taxes) was ₹(1.52) lakhs in the nine-month period ended December 31, 2023.

### ***Restated total comprehensive income for the period (net of income taxes)***

Our restated total comprehensive income for the period (net of income taxes) was ₹1,223.14 lakhs in the nine-month period ended December 31, 2023.

### **Fiscal 2023 compared to Fiscal 2022**

#### ***Revenue from operations***

Our revenue from operations increased by 3.07% from ₹ 6,744.13 lakhs in Fiscal 2022 to ₹ 6,951.37 lakhs in Fiscal 2023, primarily due to a increase in other operating revenue from ₹ 35.53 lakhs in Fiscal 2022 to ₹ 437.12 lakhs in Fiscal 2023. This was primarily attributable to increase in other operating income which increased from ₹ 35.53 lakhs as of March 31, 2022 to ₹ 437.12 lakhs of March 31, 2023 on account of higher recovery in bad debts accounts;

#### ***Other income***

Our other income decreased by 10.37% from ₹ 6.08 lakhs in Fiscal 2022 to ₹ 5.45 lakhs in Fiscal 2023, primarily due to a decrease in sale of assets from ₹ 6.08 lakhs in Fiscal 2022 to ₹ 5.45 in Fiscal 2023.

#### **Expenses**

Total expenses decreased by 17.34% from ₹ 5,991.30 lakhs in Fiscal 2022 to ₹ 4,952.11 lakhs in Fiscal 2023.

#### ***Finance costs***

Our finance costs decreased by 21.00% from ₹ 3,500.04 lakhs in Fiscal 2022 to ₹ 2,765.08 lakhs in Fiscal 2023, primarily due to a decrease in interest on term loans from ₹ 2,693.62 lakhs in Fiscal 2022 to ₹ 1,978.65 lakhs in Fiscal 2023.

#### ***Impairment on financial instruments***

The impairment on financial instruments decreased by 66.21% from ₹ 1,062.80 lakhs in Fiscal 2022 to ₹ 359.12 lakhs in Fiscal 2023. This was primarily due to a decrease in our loans written off (net of recovery) from ₹ 974.63 lakhs in Fiscal 2022 to ₹ 310.59 lakhs in Fiscal 2023, as the impact of COVID- 19 reduces.

#### ***Employee benefits expense***

Our employee benefits expense decreased by 10.39% from ₹ 730.40 lakhs in Fiscal 2022 to ₹ 654.48 lakhs in Fiscal 2023.

#### ***Depreciation and amortization expense***

Our depreciation and amortization expense decreased by 16.25% from ₹ 69.48 lakhs in Fiscal 2022 to ₹ 58.19 lakhs in Fiscal 2023, primarily due to decrease in the depreciation on property, plant and equipment.

#### ***Other expenses***

Our other expenses increased by 77.42% from ₹ 628.58 lakhs in Fiscal 2022 to ₹ 1115.24 lakhs in Fiscal 2023, primarily due to an increase in foreign exchange loss/ (Gain) from ₹ 200.37 lakhs in Fiscal 2022 to ₹ 457.63 lakhs in Fiscal 2023.

#### **Profit before Tax**

For the reasons discussed above, profit before tax was ₹ 2,004.71 lakhs in Fiscal 2023 compared to profit before tax of ₹ 758.91 lakhs in Fiscal 2022.

#### **Tax expenses**

Our tax expenses increased by 22.37% from ₹ 346.84 lakhs in Fiscal 2022 to ₹ 424.44 lakhs in Fiscal 2023. Current tax expense increased from ₹ 252.59 lakhs in Fiscal 2022 to ₹ 478.82 lakhs in Fiscal 2023, primarily due to a corresponding increase in profit before tax. Our deferred tax credit increased from ₹ (-)94.25 lakhs in Fiscal 2022 to ₹ 54.38 lakhs in Fiscal 2023.

## **Profit after tax**

Our profit after tax increased by 283.49% from ₹ 412.07 lakhs in Fiscal 2022 to ₹ 1,580.27 lakhs in Fiscal 2023.

## **Fiscal 2022 compared to Fiscal 2021**

### ***Revenue from operations***

Our revenue from operations decreased by 21.74% from ₹ 8,617.72 lakhs in Fiscal 2021 to ₹ 6,744.13 lakhs in Fiscal 2022, primarily due to a decrease in interest income from ₹ 8,416.86 lakhs in Fiscal 2021 to ₹ 6,486.94 lakhs in Fiscal 2022. This was primarily attributable to decrease in AUM which decreased by 16.55% from ₹ 42,100.78 lakhs as of March 31, 2021 to ₹ 35,131.79 lakhs of March 31, 2022 and the “second wave” of the COVID-19 pandemic and associated lockdowns imposed to various extents in India which adversely affected our disbursements during that period;

### ***Other income***

Our other income decreased by 90.14% from ₹ 61.66 lakhs in Fiscal 2021 to ₹ 6.08 lakhs in Fiscal 2022, primarily due to a decrease in sale of investment from ₹ 52.56 lakhs in Fiscal 2021 to Nil in Fiscal 2022.

## **Expenses**

Total expenses decreased by 11.35% from ₹ 6,758.58 lakhs in Fiscal 2021 to ₹ 5,991.30 lakhs in Fiscal 2022.

### ***Finance costs***

Our finance costs decreased by 27.15% from ₹ 4,804.47 lakhs in Fiscal 2021 to ₹ 3,500.04 lakhs in Fiscal 2022, primarily due to a decrease in interest on term loans from ₹ 4,081.88 lakhs in Fiscal 2021 to ₹ 2,693.62 lakhs in Fiscal 2022.

### ***Impairment on financial instruments***

The impairment on financial instruments increased by 37.76% from ₹ 771.47 lakhs in Fiscal 2021 to ₹ 1,062.80 lakhs in Fiscal 2022. This was primarily due to an increase in our loans written off (net of recovery) from ₹ 612.03 lakhs in Fiscal 2021 to ₹ 974.63 lakhs in Fiscal 2022, owing to the impact of COVID- 19.

### ***Employee benefits expense***

Our employee benefits expense decreased by 13.09% from ₹ 840.43 lakhs in Fiscal 2021 to ₹ 730.40 lakhs in Fiscal 2022.

### ***Depreciation and amortization expense***

Our depreciation and amortization expense increased by 6.45% from ₹ 65.27 lakhs in Fiscal 2021 to ₹ 69.48 lakhs in Fiscal 2022, primarily due to increase in the depreciation on property, plant and equipment. The increase was primarily attributable to the increase in various other assets acquired.

### ***Other expenses***

Our other expenses increased by 126.97% from ₹ 276.95 lakhs in Fiscal 2021 to ₹ 628.58 lakhs in Fiscal 2022, primarily due to an increase in foreign exchange loss/ (Gain) from ₹ (158.40) lakhs in Fiscal 2021 to ₹ 200.37 lakhs in Fiscal 2022.

## **Profit before Tax**

For the reasons discussed above, profit before tax was ₹ 758.91 lakhs in Fiscal 2022 compared to profit before tax of ₹ 1,920.79 lakhs in Fiscal 2021.

## **Tax expenses**

Our tax expenses increased by 19.48% from ₹ 290.30 lakhs in Fiscal 2021 to ₹ 346.84 lakhs in Fiscal 2022. Current tax expense decreased from ₹ 434.09 lakhs in Fiscal 2021 to ₹ 252.59 lakhs in Fiscal 2022, primarily due to a corresponding decrease in profit before tax. Our deferred tax credit decreased from ₹ 143.79 lakhs in Fiscal 2021 to ₹ -94.25 lakhs in Fiscal 2022.

## **Profit after tax**

Our profit after tax decreased by 74.73% from ₹ 1,630.50 lakhs in Fiscal 2021 to ₹ 412.07 lakhs in Fiscal 2022.



## Financial Condition

### Assets

The table below sets out the principal components of our assets as of the dates indicated:

Particulars	As at			
	March 31, 2021	March 31, 2022	March 31, 2023	December 31, 2023
<b>ASSETS</b>				
<b>I. Financial assets</b>				
Cash and cash equivalents	1,060.03	74.07	737.39	1,305.98
Bank balances other than cash and cash equivalents	271.56	117.73	294.77	141.72
Loans	41,283.87	34,287.11	34,556.66	36,755.98
Investments	20.34	20.34	20.40	20.40
Other financial assets	1,993.97	2,157.87	1,365.70	1,410.89
<b>Total Financial Assets</b>	<b>44,629.77</b>	<b>36,657.13</b>	<b>36,974.92</b>	<b>39,634.97</b>
<b>II. Non-financial assets</b>				
Deferred tax assets (net)	198.89	98.74	149.41	251.12
Property, plant and equipment	606.96	549.13	1,782.76	1,752.64
Right of use asset	53.06	39.22	0.00	0.00
Other intangible assets	34.99	38.15	111.24	101.05
Other non-financial assets	16.15	18.98	31.69	56.18
<b>Total Non-Financial Assets</b>	<b>910.04</b>	<b>744.22</b>	<b>2,075.09</b>	<b>2,161.00</b>
<b>Total assets</b>	<b>45,539.81</b>	<b>37,401.35</b>	<b>39,050.02</b>	<b>41,795.97</b>

As of December 31, 2023, we had total assets of ₹ 41,795.97 lakhs compared to ₹ 39,050.02 lakhs as of March 31, 2023, ₹ 37,401.35 lakhs as of March 31, 2022 and ₹ 45,539.81 lakhs as of March 31, 2021. The increase in our total assets was primarily on account of addition in our disbursements and loan portfolio.

### Financial Assets

#### *Cash and cash equivalents*

Our cash and cash equivalents decreased from ₹ 1,060.03 lakhs as of March 31, 2021 to ₹ 74.07 lakhs as of March 31, 2022 primarily due to loan disbursed to the customers. It subsequently increased to ₹ 737.39 lakhs as of March 31, 2023 and now it is positioned at ₹ 1,305.98 lakhs as of December 31, 2023 primarily due to higher profitability and higher cash inflows from business operations in comparison to the cash and cash equivalents as at March 31, 2022. Also, the cash and cash equivalents remained low as at March 31, 2022 comparatively considering higher outflows under financing activities on account of repayment of borrowings, lower profitability and lower cash inflows from operating activities of our Company.

#### *Bank balances other than cash and cash equivalents*

Our bank balances other than cash and cash equivalents decreased from ₹ 271.56 lakhs as of March 31, 2021 to ₹ 117.73 lakhs as of March 31, 2022. It subsequently increased from ₹ 117.73 lakhs as of March 31, 2022 to ₹ 294.77 lakhs as of March 31, 2023, further it has decreased to ₹ 141.72 lakhs as of December 31, 2023.

#### *Loans*

Our loans decreased from ₹ 41,283.87 lakhs as of March 31, 2021 to ₹ 34,287.11 lakhs as of March 31, 2022, primarily on account of reduction in our loan portfolio. Our loans increased to ₹ 34,556.66 as of March 31, 2023, on account of increase in our loan portfolio. Our loans further increased to ₹ 36,755.98 as of December 31, 2023.

#### *Investments*

Our investments are on the same level and stable to ₹ 20.34 lakhs as of March 31, 2021, March 31, 2022 and ₹ 20.40 lakhs as of March 31, 2023 and December 31, 2023, primarily owing to increase in the amount of investment in Equity Shares (Quoted).

### **Other Financial Assets**

Other financial assets increased from ₹ 1,993.97 lakhs as of March 31, 2021 to ₹ 2,157.87 lakhs as of March 31, 2022, primarily on account increase in current advances. Other financial assets decreased to ₹ 1,365.70 lakhs as of March 31, 2023, primarily on account of decrease in current advances by ₹ 776.38 lakhs.

### **Non-Financial Assets**

#### **Deferred tax assets (net)**

Deferred tax assets (net) decreased from ₹ 198.89 lakhs as of March 31, 2021 to ₹ 98.74 lakhs as of March 31, 2022. There was an increase to ₹ 149.41 lakhs as of March 31, 2023 and it has further increased to ₹ 251.12 lakhs as of December 31, 2023, mainly because of increase in deferred tax assets on impairment of financial assets.

#### **Property, plant and equipment**

Our property, plant and equipment decreased from ₹ 606.96 lakhs as of March 31, 2021 to ₹ 549.13 lakhs as of March 31, 2022. As of March 31, 2023, we had property, plant and equipment of ₹ 1,782.76 lakhs and primarily due to the depreciation this has been reduced to ₹ 1,752.64 as of December 31, 2023.

#### **Right to use assets**

We had right to use assets of ₹ 53.06 lakhs as of March 31, 2021, which marginally decreased to ₹ 39.22 lakhs as of March 31, 2022. This decreased further to ₹ Nil lakhs as of March 31, 2023 and as of December 31, 2023.

#### **Other intangible assets**

We had other intangible assets of ₹ 34.99 lakhs as of March 31, 2021, which increased to ₹ 38.15 lakhs as of March 31, 2022 primarily due to purchase of accounting software. This increased further to ₹ 111.24 lakhs as of March 31, 2023, primarily on account further purchase of accounting software and as of December 31, 2023 reduced to ₹ 101.05 lakhs due to the depreciation.

#### **Other non-financial assets**

Other non-financial assets increased from ₹ 16.15 lakhs as of March 31, 2021 to ₹ 18.98 lakhs as of March 31, 2022 due to increase in duties and taxes paid. This increased further to ₹ 31.69 lakhs as of March 31, 2023 as of December 31, 2023 this has been jumped to ₹ 56.18 lakhs on account of increase in duties and taxes paid.

### **Liabilities**

The following table sets forth the principal components of our liabilities as of the dates indicated:

(₹ in lakhs)

Particulars	As at			
	March 31, 2021	March 31, 2022	March 31, 2023	December 31, 2023
<b>LIABILITIES AND EQUITY</b>				
<b>LIABILITIES</b>				
<b>I. Financial liabilities</b>				
Trade payables	33.17	22.19	26.67	45.01
Debt securities	1,000.00	1,000.00	1000.00	0.00
Borrowings (other than debt securities)	28,782.23	20,006.03	14,778.00	17,518.94
Subordinated Liabilities	2,000.00	2,000.00	1,998.30	2,000.00
Other financial liabilities	177.62	256.33	182.08	152.37
<b>Total Financial Liabilities</b>	<b>31,993.02</b>	<b>23,284.56</b>	<b>17,985.06</b>	<b>19,716.32</b>
<b>II. Non-financial liabilities</b>				
Current tax liabilities (net)	363.49	227.52	440.41	189.01
Provisions	103.91	101.46	106.90	163.84
Other non-financial liabilities	53.03	103.37	39.55	25.55
<b>Total Non-Financial Liabilities</b>	<b>520.43</b>	<b>432.35</b>	<b>586.86</b>	<b>378.40</b>
<b>Total Liabilities</b>	<b>32,513.45</b>	<b>23,716.91</b>	<b>18,571.92</b>	<b>20,094.72</b>
<b>EQUITY</b>				

Particulars	As at			
	March 31, 2021	March 31, 2022	March 31, 2023	December 31, 2023
Equity share capital	2,181.65	2,181.65	3,167.50	3,167.50
Other equity	10,844.71	11,502.79	17,310.61	18,533.75
<b>Total Equity</b>	<b>13,026.36</b>	<b>13,684.44</b>	<b>20,478.11</b>	<b>21,701.25</b>
<b>Total liabilities and equity</b>	<b>45,539.81</b>	<b>37,401.35</b>	<b>39,050.02</b>	<b>41,795.97</b>

As of December 31, 2023, we had total liabilities of ₹ 41,795.97 lakhs, compared to ₹ 39,050.02 lakhs as of March 31, 2023, compared to ₹ 37,401.35 lakhs as of March 31, 2022 and ₹ 45,539.81 lakhs as of March 31, 2021.

### Financial liabilities

#### *Payables*

As of December 31, 2023, we had payables, comprising trade payable and other payables, of ₹ 45.01 lakhs, compared to ₹ 26.67 lakhs as of March 31, 2023, ₹ 22.19 lakhs as of March 31, 2022 and ₹ 33.17 lakhs as of March 31, 2021. The slight movements in trade payables attributed to consistent scale of operations.

#### *Debt securities*

We have paid all the debt securities as of December 31, 2023. As of March 31, 2023, we had debt securities of ₹ 1,000.00 lakhs, compared to ₹ 1,000.00 lakhs as of March 31, 2022, ₹ 1,000.00 lakhs as of March 31, 2021.

#### *Borrowings (other than debt securities)*

As of December 31, 2023, we had borrowings (other than debt securities) of ₹ 17,518.94 lakhs, compared to ₹ 14,778.00 lakhs as of March 31, 2023, ₹ 20,006.03 lakhs as of March 31, 2022 and ₹ 28,782.23 lakhs as of March 31, 2021. Overall decrease in borrowing of our Company has been a result of conscious efforts made by us to maintain efficiency in our business and keep in check of our leverage in light of decreased AUM and impact of COVID 19 on overall business. The increase in current period was mainly due to increase in our borrowings in line with the increase in our business operations.

#### *Subordinated Liabilities*

As of December 31, 2023, we had subordinated liabilities of ₹ 2,000.00 lakhs, compared to ₹ 1,998.30 lakhs as of March 31, 2023, ₹ 2000.00 lakhs as of March 31, 2022 and ₹ 2000.00 lakhs as of March 31, 2021.

#### *Other financial liabilities*

As of December 31, 2023, we had other financial liabilities of ₹ 152.37 lakhs, compared to ₹ 182.08 lakhs as of March 31, 2023, ₹ 256.33 lakhs as of March 31, 2022 and ₹ 177.62 lakhs as of March 31, 2021. The movements in other financial liability are not material and has been consistent in line with overall operations.

### Non-financial liabilities

#### *Current tax liabilities (net)*

As of December 31, 2023, we had current tax liabilities (net) of ₹ 189.01 lakhs, compared to ₹ 440.41 lakhs as of March 31, 2023, ₹ 227.52 lakhs as of March 31, 2022 and ₹ 363.49 lakhs as of March 31, 2021. The increase in current tax liabilities correspond directly to increase in the profitability of the Company.

#### *Provisions*

Our provisions were ₹163.84 lakhs as of December 31, 2023, ₹106.90 lakhs as of March 31, 2023, ₹101.46 lakhs as of March 31, 2022 and ₹103.91 lakhs as of March 31, 2021. The increase was primarily due to increase in liability provision made for employee retirement benefits for gratuity and compensated absences in line with the increase in employee headcount and increase in provision for expenses.

#### *Other non-financial liabilities*

As of December 31, 2023, we had other non-financial liabilities of ₹ 25.55 lakhs, compared to ₹ 39.55 lakhs as of March 31, 2023, ₹ 103.37 lakhs as of March 31, 2022 and ₹ 53.03 lakhs as of March 31, 2021. The changes in our non-financial liabilities from March 31, 2021 to March 31, 2023 was owing change in statutory dues payables.

## Equity

As of December 31, 2023, our total equity was ₹ 21,701.25 lakhs, representing 51.92% of our total assets. As of March 31, 2023, our total equity was ₹ 20,478.11 lakhs, representing 52.44% of our total assets. As of March 31, 2022, our total equity was ₹ 13,684.44 lakhs, representing 36.59% of our total assets. As of March 31, 2021, our total equity was ₹ 13,026.36 lakhs, representing 28.60% of our total assets. The increase in our total equity from March 31, 2021 to December 31, 2023 was primarily due to a combination of equity infusion, increase in statutory reserves and securities premium and an increase in our retained earnings.

## Liquidity and Capital Resources

We have historically secured financing from diversified sources, including term loans and debt securities. As of March 31, 2021, March 31, 2022, March 31, 2023 and December 31, 2023, our total borrowings were ₹ 31,782.23 lakhs, ₹ 23,006.03 lakhs, ₹ 17,776.31 lakhs and ₹ 19,518.94 lakhs, respectively.

We actively manage our liquidity and capital position by raising funds periodically. We regularly monitor our capital levels to ensure that we are able to satisfy the requirements for loan disbursements and maturity of our liabilities. All our loan agreements contain a number of covenants including financial covenants. For further information, see “*Financial Indebtedness*” and “*Risk Factors – Our inability to meet our obligations, including financial and other covenants under our debt financing arrangements could adversely affect our business, results of operations and financial condition*” on pages 357 and 50, respectively.

## Cash Flows

The following table sets forth certain information relating to our cash flows in the periods indicated:

Particulars	For the Period/Year ended			
	March 31, 2021	March 31, 2022	March 31, 2023	December 31, 2023
Net Cash from/ (used in) Operating Activities	8,508.68	6,310.24	2,361.30	-2,129.08
Net Cash from / (used in) Investing Activities	262.63	159.66	-1,496.34	157.01
Net Cash from/(used in) Financing Activities	-8,410.89	-7,455.85	-201.64	2,540.65
Net increase / (decrease) in Cash and Cash Equivalents	360.42	-985.95	663.32	568.59
Cash and Cash Equivalents at the beginning of the period/ year	699.61	1,060.03	74.07	737.39
Cash and Cash Equivalents at the end of the period/ year	1,060.03	74.07	737.39	1,305.98

## Operating Activities

### Nine-month period ended December 31, 2023

Net cash flows used in operating activities was ₹ 2,129.08 lakhs for the period ended December 31, 2023. While our profit before tax was ₹ 1,516.15 lakhs, we had an operating profit before working capital changes of ₹ 2,100.18 lakhs. Our changes in working capital for the period ended December 31, 2023 primarily consisted of an increase in loans of ₹ 2,747.01 lakhs on accounts of disbursements made to the customers and increase in loans demand.

### Fiscal 2023

Net cash flows generated in operating activities was ₹ 2,361.30 lakhs for the year ended March 31, 2023. While our profit before tax was ₹ 2,004.71 lakhs, we had an operating profit before working capital changes of ₹ 2,415.59 lakhs. Our changes in working capital for the year ended March 31, 2023 primarily consisted of a decrease in financial assets of ₹ 792.17 lakhs on accounts of recoveries made from the customers and decrease in loans advanced.

### Fiscal 2022

Net cash flows generated in operating activities was ₹ 6,310.24 lakhs for Fiscal 2022. While our profit before tax was ₹ 758.91 lakhs, we had an operating profit before working capital changes of ₹ 1,884.39 lakhs. Our changes

in working capital for Fiscal 2022 primarily consisted of an decrease in loans and advances of ₹ 5,933.96 lakhs on accounts of decreased loan disbursements to our customers.

*Fiscal 2021*

Net cash flows generated in operating activities was ₹ 8,508.68 lakhs for Fiscal 2021. While our profit before tax was ₹ 1,920.80 lakhs, we had an operating profit before working capital changes of ₹ 2,748.92 lakhs. Our changes in working capital for Fiscal 2021 primarily consisted of an decrease in loans and advances of ₹ 5,230.51 lakhs on accounts of decreased loan disbursements to our customers.

**Investing Activities**

*Nine-month period ended December 31, 2023*

Net cash generated from investing activities was ₹ 157.01 lakhs in the period ended December 31, 2023, primarily on account of maturity of fixed deposits of ₹ 153.05 lakhs.

*Fiscal 2023*

Net cash used in investing activities was ₹ 1,496.34 lakhs in the year ended March 31, 2023, primarily on account of purchase in fixed assets of ₹ 1,441.58 lakhs.

*Fiscal 2022*

Net cash generated from investing activities was ₹ 159.66 lakhs in Fiscal 2022, primarily on account of maturity of fixed deposit of ₹ 153.82 lakhs.

*Fiscal 2021*

Net cash generated from investing activities was ₹ 262.63 lakhs in Fiscal 2021, primarily on account of sale of investments at fair value through profit and loss of ₹ 219.53 lakhs and maturity of FD of ₹ 67.51 lakhs.

**Financing Activities**

*Nine-month period ended December 31, 2023*

Net cash generated in financing activities was ₹ 2,540.65 lakhs in the period ended December 31, 2023 on account of increase in borrowings of ₹ 2,542.17 lakhs.

*Fiscal 2023*

Net cash used in financing activities was ₹ 201.64 lakhs in the year ended March 31, 2023 on account of repayment of borrowings other than debt securities of ₹ 5,415.02 lakhs, partially offset by proceeds from issue of equity shares of ₹ 5,202.35 lakhs.

*Fiscal 2022*

Net cash used in financing activities was ₹ 7,455.85 lakhs in the Fiscal 2022 on account of repayment of borrowings other than debt securities of ₹ 7,701.86 lakhs.

*Fiscal 2021*

Net cash used in financing activities was ₹ 8,410.89 lakhs in the Fiscal 2021 on account of repayment of borrowings other than debt securities of ₹ 9,801.37 lakhs, partially offset by proceeds from issue of debentures of ₹ 1,000.00 lakhs.

**Financial Indebtedness**

As of December 31, 2023, our total borrowings were ₹ 19,518.94 lakhs. For further information on our borrowings, see “*Financial Indebtedness*” on page 357. Our Company has issued secured, redeemable, rated and nonconvertible debentures which are listed on the debt segment of BSE. The following table sets forth certain information relating to outstanding indebtedness as of December 31, 2023 and our repayment obligations in the periods indicated:

(₹ in lakhs)

Particulars	Carrying amount	Payment due period			
		< 1 year	1-3 years	3-5 years	> 5 years
Borrowings (Other than Debt Securities and Subordinated Liabilities)	17,518.94	6,241.34	8,517.91	2,282.65	477.04
Subordinate Debts	2,000.00	1,500.00	500.00	-	-

## Contingent Liabilities and Capital Commitments

The following table sets forth our contingent liabilities and capital commitments as of December 31, 2023:

<b>Contingent liabilities and commitments</b>	
(A) Contingent Liabilities	
Corporate Guarantee to financial institution	1,203.57
(B) Commitments	-
<b>Total</b>	<b>1,203.57</b>
<ul style="list-style-type: none"> <li>The Company's pending litigations comprise of claims against the Company by the customers and proceedings pending with other authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in the financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.</li> </ul>	

## Off-Balance Sheet Commitments and Arrangements

We do not have any off-balance sheet arrangements, derivative instruments, swap transactions or relationships with affiliates or other unconsolidated entities or financial partnerships that would have been established for the purpose of facilitating off-balance sheet arrangements.

## Capital to Risk-weighted Assets Ratios ("CRAR")

The following table sets forth certain details of our CRAR derived from our Restated Financial Statements, as of the dates indicated:

Set out below are the details of our CRAR and our Tier I and Tier II capital as of the dates indicated:

Particulars	As on March 31			As on December 31, 2023
	2021	2022	2023	
	(₹ Lakhs, except for percentages)			
Tier I Capital	11,908.59	12,677.49	19,386.62	20,518.24
Tier II Capital	1,562.09	1,208.77	754.07	702.33
<b>Total Capital</b>	<b>13,470.68</b>	<b>13,886.26</b>	<b>20,140.69</b>	<b>21,220.57</b>
<b>Risk Weighted Assets</b>	<b>44,472.15</b>	<b>38,311.24</b>	<b>39,357.86</b>	<b>50,495.71</b>
Tier I Capital Ratio (%)	26.78%	33.09%	49.27%	40.63%
Tier II Capital Ratio (%)	3.51%	3.16%	1.92%	1.39%
<b>CRAR (%)<sup>1</sup></b>	<b>30.29%</b>	<b>36.25%</b>	<b>51.19%</b>	<b>42.02%</b>

Note:

1. CRAR has been computed as per relevant RBI Guidelines. (CRAR = [Tier I Capital + Tier II capital]/Total Risk weighted Assets).

For further information in relation to CRAR, see "Risk Factors - Our inability to maintain our capital adequacy ratio could adversely affect our business" on page 46.

## Debt/ Tangible Equity Ratio

Our debt/equity ratio as of December 31, 2023, March 31, 2023, March 31, 2022 and March 31, 2021 was 0.91, 0.88, 1.70 and 2.49 respectively.

## Credit Ratings

(₹ in lakhs)

Facility	As at							
	March 31, 2021		March 31, 2022		March 31, 2023		December 31, 2023	
	Amount	Ratings	Amount	Ratings	Amount	Ratings	Amount	Ratings
Long Term bank facilities	24,700.00	ACUITE BBB-	15,000.00	ACUITE BB+	15,000.00	ACUITE BBB- /Stable	15,000.00	ACUITE BBB-
Non - Convertible Debentures	1,000.00	ACUITE BBB-	1,000.00	ACUITE BB+	2,000.00	ACUITE BBB- /Stable	1,000.00	ACUITE BBB-
Long Term bank facilities					11,000.00	IVR BBB-	11,000.00	IVR BBB-
Non - Convertible Debentures					1,000.00	IVR BBB-	1,000.00	IVR BBB-

## Related Party Transactions

We enter into various transactions with related parties in the ordinary course of business. For further information relating to our related party transactions, see “*Restated Financial Statements*” on page 293.

## Quantitative and Qualitative Disclosure about Market Risk

Our Company’s risk is managed through an integrated risk management framework, including ongoing identification, measurement and monitoring, subject to risk limits and other controls. Our Company is exposed to credit risk, liquidity risk and interest rate risk.

### *Credit Risk*

Credit risk is the risk that our Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. Our Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties. For instance, our Company has guidelines in place covering the acceptability and valuation of each type of collateral. We also adhere to RBI guidelines in respect of maintenance of adequate LTV ratios.

### *Liquidity Risk*

Liquidity risk is defined as the risk that our Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that our Company might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances. Such scenarios could occur when funding needed for illiquid asset positions is not available to our Company on acceptable terms. To limit this risk, management has arranged for diversified funding sources and adopted a policy of managing assets with liquidity in mind and monitoring future cash flows and liquidity on a daily basis.

Liquidity risk is managed in accordance with our Asset Liability Management Policy. This policy is framed as per the current regulatory guidelines and is approved by the Board of Directors. The Asset Liability Management Policy is reviewed periodically to incorporate changes as required by regulatory stipulation or to realign the policy with changes in the economic landscape. The Asset Liability Committee of our Company formulates and reviews strategies and provides guidance for management of liquidity risk within the framework laid out in the Asset Liability Management Policy.

### **Interest Rate Risk**

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The core business of our Company is providing 1. Vehicle financing, comprising of Used Commercial Vehicle, 2 Wheeler Loans, Used 2 Wheeler Loans and Business Finance. Our Company borrows through various financial instruments to finance its core lending activity. These activities expose our Company to interest rate risk. Interest rate risk is measured through earnings at risk from an earnings perspective and through duration of equity from an economic value perspective. The interest rate risk is monitored on a quarterly basis.

### **Auditor's Observations**

Except as set out below, there have been no reservations/ qualifications/ adverse remarks/ emphasis of matters highlighted by our Statutory Auditors in their examination report on the Restated Financial Information:

<b>Period</b>	<b>Emphasis of Matters</b>
Nine months ended December 31, 2023	Nil
Financial year ended March 31, 2023	Nil
Financial year ended March 31, 2022	<b>Emphasis of Matter</b>  We draw your attention to Notes to accounts of the Financial Statement which describes to the extent to which the COVID-19 pandemic will impact the Company's results will depend on future developments, which are highly uncertain. Further, such estimates are based on current facts and circumstances and may not necessarily reflect the future uncertainties and events arising from the full impact of the COVID 19 pandemic.
Financial year ended March 31, 2021	<b>Emphasis of Matter</b>  We draw your attention to Notes to accounts of the Financial Statement which describes to the extent to which the COVID-19 pandemic will impact the Company's results will depend on future developments, which are highly uncertain. Further, such estimates are based on current facts and circumstances and may not necessarily reflect the future uncertainties and events arising from the full impact of the COVID 19 pandemic.

### **Unusual or infrequent Events or Transactions**

Except as described in this Red Herring Prospectus, to our knowledge, there have been no unusual or infrequent events or transactions that have in the past or may in the future affect our business operations or future financial performance.

### **Known Trends or Uncertainties**

Our business has been subject, and we expect it to continue to be subject, to significant economic changes arising from the trends identified above in “*Significant Factors affecting our Results of Operations and Financial Condition*” and the uncertainties described in “*Risk Factors*” on pages 362 and 33 respectively. To our knowledge, except as discussed in this Red Herring Prospectus, there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on our revenues or income.

### **Significant economic changes that materially affect or are likely to affect income from continuing operation**

Our business has been subject, and we expect it to continue to be subject, to significant economic changes that materially affect or are likely to affect income from continuing operations identified above in “*Significant Factors*”



*affecting our Results of Operations and Financial Condition*” and the uncertainties described in *“Risk Factors”* on pages 362 and 33 respectively.

#### **Recent accounting pronouncements**

As on the date of this Red Herring Prospectus, there are no recent accounting pronouncements, which we believe would have a material effect on our financial condition or results of operations.

#### **New Products or Business Segments**

Except as described in this Red Herring Prospectus, we have not publicly announced any new products or business segments nor have there been any material increases in our revenues due to increased disbursements and the introduction of new products.

#### **Future Relationship between Cost and Income**

Other than as described elsewhere in the sections *“Risk Factors”*, *“Our Business”* and *“Management's Discussion and Analysis of Financial Condition and Results of Operations”* on pages 33, 225 and 361, respectively, to our knowledge, there are no known factors that will have a material adverse impact on our operations and financial condition.

#### **Significant Dependence on a Single or Few Customers or Suppliers**

Given the nature of our business operations, we do not believe our business is dependent on any single or a few customers.

#### **Competitive Conditions**

We operate in a competitive environment. See sections, *“Our Business”*, *“Industry Overview”*, *“Risk Factors”* on pages 225, 195 and 33 respectively.

#### **Significant Developments after December 31, 2023 that may affect our future results of operations**

Other than as disclosed in this Red Herring Prospectus, to our knowledge no circumstances have arisen since December 31, 2023 that could materially and adversely affect or are likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 months.

## SECTION VI: LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

*Except as stated in this section, there are no (i) outstanding criminal proceedings; (ii) actions taken by statutory and/or regulatory authorities; (iii) outstanding claims related to direct or indirect taxes; (iv) other pending litigation as determined to be material by our Board as per the Materiality Policy (as defined below) in each case involving our Company, Promoters, Directors (“**Relevant Parties**”); or (v) all litigations involving our Group Companies which have a material impact on the business operations, prospects or reputation of our Company. Further, except as stated in this section, there are no disciplinary actions including penalties imposed by SEBI or stock exchanges against our Company, its Promoters or its Directors in the last five financial years, including any outstanding action.*

*Our Board, in its meeting held on January 5, 2023, determined that outstanding legal proceedings involving the Relevant Parties and Group Companies will be considered as material (**‘Materiality Policy’**) if the aggregate amount involved exceeds 5% of the profit after tax of our Company in the most recently completed year as per the Restated Financial Statements disclosed in this Red Herring Prospectus, or such outstanding litigations or arbitrations where monetary liability is not quantifiable, or which does not fulfil the threshold mentioned above, but whose outcome could have a material adverse effect on the business, operations, prospects, financial position or reputation of the Company. It is clarified that pre-litigation notices received by the Relevant Parties, unless otherwise decided by the Board, shall not be evaluated for materiality until such time that the Relevant Parties are impleaded as defendants in the litigation proceedings before any judicial forum.*

*Except as stated in this section, there are no outstanding material dues to creditors of our Company. For this purpose, our Board has considered and adopted a policy of materiality for identification of material outstanding dues to creditors by way of its resolution dated January 5, 2023. In terms of the materiality policy, creditors of our Company to*

*whom amounts outstanding dues to any creditor of our Company exceeding 5% of the Company’s trade payables as per the Restated Financial Statements of our Company disclosed in this Red Herring Prospectus, would be considered as material creditors. The trade payables of our Company as on December 31, 2023 were ₹ 45.01lakhs. Details of outstanding dues to micro, small and medium enterprises and other creditors separately giving details of number of cases and amount involved, shall be uploaded and disclosed on the webpage of the Company as required under the SEBI ICDR Regulations.*

*For outstanding dues to any micro, small or medium enterprise, the disclosure shall be based on information available with our Company regarding the status of the creditor as defined under the Micro, Small and Medium Enterprises Development Act, 2006 as amended, read with the rules and notification thereunder, as amended, as has been relied upon by the Statutory Auditors. Details of outstanding dues to material creditors along with the name and amount for each material creditor shall be uploaded and disclosed on the webpage of the Company as required under the SEBI ICDR Regulations.*

*Our Company does not have any subsidiaries.*

*Unless stated to the contrary, the information provided below is as of the date of this Red Herring Prospectus.*

#### **LITIGATIONS INVOLVING THE COMPANY**

##### **A. LITIGATION FILED AGAINST OUR COMPANY**

###### **1. Litigation Involving Criminal Matters**

NIL

###### **2. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

###### **a. Litigation/Matters involving Tax Liabilities Direct Tax Liabilities**

Sr. No	Type of Direct Tax	No. of Cases	Amount in dispute/demanded to the extent quantifiable (₹ in lakhs)	Stage
1.	Income Tax- A.Y. 2020-21	1	1.10	Notice under Section 143(3) of the I.T Act.
2.	Income tax- A.Y.2021-22	1	Unascertainable	Show cause notice dated December 8, 2022 for launching of prosecution under Section 276B of the I.T Act for failure to pay tax to the credit of Central Government account under Chapter XVIIIB in F.Y.2020-21 relevant to the A.Y 2021-22.
3.	Income tax- A.Y.2022-23	1	0.22	Notice under Section 143(1)(a) of the I.T Act.

**b. Indirect Tax Liabilities**

NIL

**3. Other Pending Litigations**

**Civil Suit No. 516 of 2021 filed by Timeglass Construction (“Plaintiff 1”) and Sandeep Barjatya, (Partner of M/s Timeglass Construction) (“Plaintiff 2”) (collectively called “Plaintiffs”) against Rajesh Jain (“Defendant 1”) Mayank Jain (“Defendant 2”) and the Company (“Defendant 3”) (collectively called “Defendants”) before the Hon’ble Second Additional District Judge, Indore.**

The Plaintiffs have filed the Civil Suit No. 516 of 2021 (“**the Suit**”) for Declaration and Permanent Injunction and Recovery under Order VII Rule 1 of Code of Civil Procedure before Second Additional District Judge, Indore (“**the Hon’ble Court**”). In this Suit, it is alleged that the Plaintiffs had developed a colony named Eden Garden at Survey 414/1/2, Village Pigdambar, Patwari Circle No. 1, Mahu, Tehsil Mahu, District Indore (“**Property**”) and constructed several multi-storied buildings for sale. In 2018, Defendant 1 and Defendant 2 approached Plaintiff 2 to purchase a vacant land (“**the Premises**”) within the Eden Garden colony for Rs. 1,89,00,000/- (Rupees One Crore Eighty-Nine Lakhs Only) and entered into an Agreement for Sale dated August 19, 2018, with a partial payment of Rs. 1,00,000/- (Rupees One Lakh Only) paid upfront. The balance amount of Rs. 1,88,00,000/- (Rupees One Crore Eighty-Eight Lakhs Only) was to be paid on or before the date of registering the Sale Deed. However, Defendant 1 and Defendant 2 repeatedly delayed in making the payment and registration of the Sale Deed. In February 2019, Defendant 1 and Defendant 2 convinced Plaintiff 2 to transfer the Plaintiff 1 to them to enable them to sell the Premises and pay the remaining amount to the Plaintiffs. Consequently, the Plaintiff 2 and his son Ishan Barjatya signed two deeds that is Admission of Partner and Retirement of the Partner from Plaintiff 1 whereby Defendant No.1 and Defendant No.2 would become the partners of Plaintiff 1 and Plaintiff 2 and his son Ishan Barjatya would retire from the partnership of the Plaintiff 1. The Defendant 1 and Defendant 2 failed to pay the balance amount of Rs. 1,88,00,000/- (Rupees One Crore Eighty-Eight Lakhs Only). Subsequently, Defendant 1 and Defendant 2 refused to transfer the Plaintiff 1 in their name, requested to cancel the Agreement for Sale dated August 19, 2018 and proposed a new deal at the current market price. Therefore, a new Sale agreement dated September 8, 2020 for selling the said Premises at a revised price of Rs. 3,75,00,000/- (Rupees Three Crores Seventy Five Lakhs Only) was executed between Plaintiff 2 and Defendant 1 and Defendant 2. The Defendant 1 and Defendant 2 paid an amount of Rs. 80,00,000/- (Rupees Eighty Lakhs Only) to the Plaintiffs. Further, the outstanding amount to be paid by Defendant 1 was Rs 2,95,00,000 (Rupees Two Crores Ninety-Five Lakhs Only) out of which remaining sum, the Defendant 1 paid Rs. 90,00,000/- (Rupees Ninety Lakhs Only) in September 2020 to the Plaintiffs. On the other hand, Defendant 2, in order to purchase other lands in his name, transferred various amounts totaling Rs. 1,47,33,750/- (Rupees One Crore Forty Seven Lakhs Thirty Three Thousand Seven Hundred and Fifty Only) to the account of Plaintiff 1. The above transfers were adjusted against the sale consideration for the Premises. As a result, there was an outstanding amount of Rs. 57,66,250/- (Rupees Fifty Seven Lakhs Sixty Six Thousand Two Hundred and Fifty Only) that Plaintiffs were to receive from Defendant 1 and Defendant 2 collectively. The Plaintiff 2 has also alleged that in January 2021, Defendant 1 and Defendant 2 had conspired with Defendant 3 to obtain a loan of approximately Rs. 5,00,00,000/- (Rupees Five Crores Only)

to Rs.6,00,00,000/- (Rupees Six Crores Only) by mortgaging certain properties of Plaintiff 1, using forged documents. It is also alleged that several units within the properties which had previously been sold by the Plaintiffs to other individuals were also included as security for the loan. The Plaintiff 2 issued a legal notice in March 2021 to Defendants and also filed a police complaint against the Defendants Thereafter, the said Suit was filed by the Plaintiffs seeking (a) a declaration that the partnership deed and retirement deed pertaining to Plaintiff 1 are void due to fraudulent and dishonest inducement by Defendant 1 and Defendant 2; (b) a declaration that the mortgage loan illegally obtained on the Property owned and occupied by the Plaintiffs is not binding upon the Plaintiffs and does not affect the Property; (c) a permanent injunction order prohibiting the Defendants from forcibly evicting the Plaintiffs from the ownership and possession of the Property and prohibiting them from taking any actions that could cause harm or loss to the Plaintiffs and (d) the recovery of the entire cost of the Suit from the Defendants. The Company has filed an application under Order VII Rule 11 of the Code of Civil Procedure, 1908 inter-alia challenging the maintainability of the said Suit. The matter is pending.

**S.B. Civil Writ Petition No. 2613/2023 filed by M/S Jai Vasudev Real Estate (“Petitioner 1”) Prabhu Lal (“Petitioner 2”) Mukesh Gurjar (“Petitioner 3”) Nathu Lal Gurjar (“Petitioner 4”) Bhagwat Singh Rathore (“Petitioner 5”) (collectively “Petitioners”) against the Company (“Respondent No. 1”), The Manager, Akme Fintrade (India) Ltd (“Respondent 2”) and Superintendent Of Police, Udaipur, Rajasthan (“Respondent 3”) The Regional Director, Reserve Bank Of India (“Respondent 4”) (collectively ‘Respondents’) before the Hon’ble High of Judicature for Rajasthan at Jodhpur.**

The Petitioners have filed this S.B. Civil Writ Petition No. 2613/2023 against the Respondents challenging the Order dated August 27, 2022 passed by the Learned Court of Chief Judicial Magistrate, Udaipur (“**the Ld. Court**”) for attachment of the mortgaged properties. Petitioner No. 2 had availed a loan of Rs. 70,00,000/- (Rupees Seventy Lakhs Only) from the Company, and the residential properties of the Petitioners consisting of constructed building and residential plots falling in Khasra no. 579, 580, 583 admeasuring total 1900 sq. meters were mortgaged. The Company had modified the EMI rates and had deduced it to Rs. 1,20,000/- (Rupees One Lakh Twenty Thousand Only) per month. The Petitioners had served the Company with a legal notice dated January 15, 2022, requesting the Company to revisit the modified EMI issue and to have it restored at the old EMI rate and the Petitioners had already paid a total of Rs. 41,14,250/- (Rupees Forty One Lakhs Fourteen Thousand Two Hundred and Fifty Only). The Petitioners had paid a whole of Rs. 47,64,000/- (Rupees Forty Seven Lakh Sixty Four Thousand Only) against the loan of Rs. 70,00,000/- (Rupees Seventy Lakhs Only). The Company had replied against the legal notice and refused to accept the remaining amount through EMI and had asked the Petitioners to make a one-time payment of Rs. 20,78,888/- (Rupees Twenty Lakh Seventy Eight Thousand Eight Hundred Eighty Eight Only) by showing payment of outstanding debts against the loan of Rs. 70,00,000/- (Rupees Seventy Lakhs Only) in 7 days. Since the Petitioners did not pay the amount so demanded, the Company proceeded to act against the Petitioners under the provisions of the SARFAESI Act and further sent a legal notice under Section 13(1) of SARFAESI Act. The Company demanded a total of outstanding loan amount in one-time payment mode and levied further interest, totalling the amount to Rs. 88,17,584/- (Rupees Eighty Eight Lakh Seventeen Thousand Five Hundred and Eighty Four Only). The Company had filed a claim application on July 12, 2022 under Section 14 of the SARFAESI Act before the Ld. Court to recover the outstanding loan amount by seeking attachment of the mortgaged properties in furtherance of the notice dated November 03, 2022 sent by the Respondent No. 3 to the Petitioners. The Ld. Court ordered the attachment of the properties. In this Writ Petition, the Petitioners have prayed that (i) the Order passed by the Ld. Court on August 27, 2022 be declared illegal and without jurisdiction and the same to be quashed and set aside, (ii) the actions of the Company to be held illegal and non-est, and (iii) the Company to adhere to norms of banking company and to allow Petitioner to pay EMIs, against outstanding loans, in terms of loan agreement, after determining true outstanding loan demand. The Petitioner was directed to deposit an amount of ₹ 30,00,000/- (Rupees Thirty Lakhs Only) to the Respondent within 30 days vide order dated February 10, 2023. In case of failure to deposit the amount, the Respondents shall be free to proceed against the Petitioners. Additionally, Petitioner No. 1 filed Civil Misc (Writ) Stay Application No. 2597/2023 against Respondent No.1. The matter is pending.

**S.B. Civil Misc. Petition No. 12932/2023 filed by Bhoma Ram (“Petitioner 1”) and Pushpa Devi Bhoma Ram (“Petitioner 2”) (collectively “Petitioners”) against State of Rajasthan (“Respondent 1”) and Akme Fintrade (India) Ltd. (“Respondent 2”) (collectively “Respondents”) before the High Court of Judicature for Rajasthan Principal Bench, Jodhpur (“Hon’ble Court”)**

The Petitioners have filed S.B. Civil Misc. Petition No.12932/2023 against the Respondents before the Hon’ble Court. The Petitioners had taken loan from Respondent No. 2 of Rs. 6,50,000/- (Rupees Six Lakh and Fifty Thousand Only) and Respondent No. 2 had fixed 84 impalements for depositing the loan amount

within a prescribed time. In pursuance of the said loan, the Petitioners had deposited the amount of 42 instalments with each instalment amounting to Rs. 15,227/- (Rupees Fifteen Thousand Two Hundred and Twenty Seven Only). The Petitioner had met with an accident, and his recovery amount was covered under the insurance which was taken along with the loan but the Respondent No. 1 had not given the claim for the accident and the Respondent No. 2 had sent a legal notice for depositing the due payment. Thereafter, the Respondent No. 2 filed an application under Order 21 Rule 30 regarding issuing the warrant for attachment of property against the Petitioners before the Ld. Commercial Court No. 1, Jodhpur and an Order was passed dated August 05, 2023 for attachment of property on September 12, 2023. The Petitioner has filed the above S.B. Civil Misc. Petition No. 12932/2023 inter-alia praying before the Hon'ble Court (i) that the impugned Order dated August 05, 2023 for attachment on September 12, 2023 be quashed and set aside and (ii) to direct the Respondents to stop the attachment of the property. The matter is pending.

**Securitization Application No. 289 of 2021 filed by Chagan Lal Kumawat against the Company, Mr. Jai Kumar Pandey and Mr. Anil Kothari before the Debts Recovery Tribunal, Jaipur.**

Securitization Application No. 289 of 2021 has been filed by Chagan Lal Kumawat ("Applicant") against the Company, Mr. Jai Kumar Pandey and Mr. Anil Kothari ("Defendant Nos. 1, 2 and 3, respectively") before the Debts Recovery Tribunal, Jaipur under Section 17 of SARFAESI Act challenging Order dated July 29, 2021 passed by the Hon'ble District Magistrate, Rajsamand ("Impugned Order"). The Impugned Order was passed by the District Magistrate, Rajsamand, in the Application filed by the Company under Section 14 of SARFAESI Act, ordering attachment of the property of the Applicant being Residential Plot of land bearing lease patta No.13. situate in Rajasva Village, Zilla Rajsamand, since the Applicant failed to pay ₹.40,61,983/- (Rupees Forty Lakhs Sixty One Thousand Nine Hundred and Eighty Three Only) towards the principal and interest amount due and payable to the Company. The Applicant has filed this Application praying for quashing of the Impugned Order. The Company has filed its reply to this Application. The matter is pending.

**Securitisation Application No 425 of 2023 filed by Smt. Seema Bai, Mr. Laluram, Mr. Kailash Chandra, Mr. Ghanshyam Purbiva, Smt. Kamla Purbiva, Mr. Suresh Kumawat, Mr. Rameshwar Mali and Mr. Kailash Chandra (collectively "Applicants") filed against the Company ("Defendant No.1") and Radhavallabh ("Defendant No.2") (collectively "Defendants") before the Hon'ble Debt Recovery Tribunal, Jaipur.**

The Applicants filed a Securitisation Application No. 425 of 2023 under section 17(1) of SARFAESI Act against Defendant No. 1 in relation to the property Araji 04/01 at Araji I 105/4 village Amloi Tehsil and District Rajsamand, Rajasthan ("Subject Property"). The Applicants are aggrieved of the steps being taken by Defendant No. 1 under Section 13 (4) of the SARFAESI Act. The Subject Property was converted for the use of Residential purposes for which the conversion order No. 128/2013 dated April 24, 2013 was issued. The Defendant No. 2 had vide the registered sale deed dated June 03, 2015 purchased the property and had cut the plots over the property under Shree Radhe Vihar Scheme which has been sold to the Applicants vide the registered sale deeds. The Applicants are the registered owners of the Subject Property. The Applicants had done due diligence during the purchase of the Subject Property, and no public record was found which could show that the Subject Property is kept as mortgage before the Defendant No. 1 at the time of registration of sale deeds. The Jamabandi record as on date August 01, 2022 also failed to show that the Subject Property is under mortgage before Defendant No. 1. The Applicants came to know that Defendant No. 2 had allegedly mortgaged the property before Defendant No. 1 and that the Defendant No.1 is the owner of the Subject Property when a public notice was affixed in front of the premises of the property on October 15, 2022. The Applicants had also filed the civil suit No. 117 of 2022 before the learned Civil Judge, Rajsamand ("Hon'ble Court") against the notice given by the Defendant No. 1 for not creating any third-party rights over the property nor to create any permanent structure or alienate the property, further, the Applicants cannot auction the property. The Hon'ble Court held that the suit filed by the Applicants is debarred by law and the same is to be filed under debt recovery tribunal and the suit has been dismissed on June 03, 2023. Defendant No. 1 has published a notice under Section 13(4) of Act of 2002 read with Rule 8(1) of the Security Interest (Enforcement) Rules, 2002 in the local newspaper on May 15, 2023 inter alia stating that the amount of Rs. 1,13,90,2381/- as on date May 08, 2023 is due to be paid by Defendant No. 2 to Defendant No. 1. The Applicants are the current owners of property but have been served notice by the Defendant No. 1 to not make any permanent structure or create any third-party rights over the Subject Property. The Applicants have prayed that a). the Defendant No. 1 recover the dues from the Defendant No. 2 and not from the registered property of the Applicants. b). declare all and any actions of the Defendant No. 1 taken in pursuance of Section 13(2) and Section 13(4) of the SARFAESI Act. and other proceedings against the Subject Property as illegal and void ab initio. c). direct the Defendants to bear the complete cost that the Applicants have been forced to bear due to taking legal advice and initiating legal proceedings

against the Defendants. Meanwhile the Applicants also prayed interim relief such as a) to stay the notice and proceedings of Section 13(4) of the SARFAESI Act. and b) to direct the Defendant No. 1 to not take any coercive steps against the Subject Property. The matter is pending.

**Civil Suit No.282 of 2022 filed by Mr. Samirbhai Babulal Patel Proprietor of Jay Veer Enterprises Private Limited (“Plaintiff”) against Kanak Kumar Bhupendra Kumar Fijiwala (“Defendant No.1”) and Akme Fintrade (India) Limited (“Defendant No.2”) before the Principle Senior Civil Judge, Surat.**

The Plaintiff had executed a Sale Deed dated March 13, 2018 to sell Flat No. 718 in the building “Weekend Address”, Dumas Village, Surat District (“the Flat”) Defendant No.1 and Defendant No.1 had issued six cheques in aggregate amounting to Rs.15 lakhs in favour of the Plaintiff. The said cheques when presented for encashment were dishonoured since the Defendant No.1’s account did not have sufficient funds. It is also alleged by the Plaintiff that till date the Defendant No.1 has not paid the said amount. Since the payment was not made, the possession of the Flat was not handed over to the Defendant No.1. It is also alleged that the entire project was mortgaged to Diwan Housing Finance Corporation Ltd. to secure the project loan and hence without the consent of the Plaintiff and Diwan Housing Finance Corporation Ltd., no charge can be created on the said Flat. It is also alleged that Defendant Nos.1 and 2 have without obtaining such consent have created charge over the said Flat for the financial facilities granted by Defendant No.2 to Defendant No.1. It is also alleged that Defendant No.1 and Defendant No.2 have colluded to declare that the financial facilities granted by Defendant No.2 to Defendant No.1 have not been paid and Defendant 2 has issued possession notice dated January 25, 2022 to seek possession of the Flat. The Plaintiff has therefore filed this Declaratory Suit and has requested for an injunction against Defendant No.1 and Defendant No.2 restraining them from dealing with and disposing off or taking possession of the Flat from the Plaintiff and also to not create any third party rights on the said Flat. The matter is pending.

**Securitisation Application No 155 of 2024 filed by (1) Mr. Uttam Kumar Jain, (2) Mrs. Shrikanta Jain, (3) Mr. Ashish Goyal, (4) Mr. Abhishek Jain, (5) Mr. Vijay Kumar Jain, (6) Mrs. Megha Jain, (7) Ms. Seema Jain (8) Mr. Sanjay Kumar Jain, (9) Mr Rakesh Kumar Jain and (10) Mrs. Sangeeta Jain (collectively “Applicants”) filed against the Company (“Respondent”) before the Hon’ble Debt Recovery Tribunal, Jaipur.**

The Applicants have filed a Securitisation Application No. 155 of 2024 under Section 17(1) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (“SARFAESI Act”) against the Respondent before the Hon’ble Debt Recovery Tribunal, Jaipur inter-alia praying for quashing of notice under Section 13(2) of SARFAESI Act issued by the Respondent in relation to the loan obtained of Rs. 2,00,00,000/- (Rupees Two Crores Only) by Applicant No. 1, Applicant No. 2 and one Late Babulal Jain from the Respondent against Equitable Mortgage of land bearing Kh. No. 2832/297/4 (5 Bighas 10 Biswa) along with Kh. No. 2833/298 (9 Bigha and 10 Biswa). Thereafter, despite repeated requests from the Respondent, the Applicants failed to repay the loan amount. A Notice dated July 19, 2023 under Section 13(2) of the SARFAESI Act was issued by the Respondent to the Applicants calling upon the Applicants to repay the loan amount. Further, the Respondent issued an Auction notice to the Applicants on February 1, 2024. The Applicants filed the above Securitisation Application No. 155 of 2024 inter-alia praying (a) to quash the notice dated July 19, 2023 under Section 13(2) of the SARFAESI Act and (b) to quash the Notice of Auction dated February 1, 2024. Meanwhile, the Applicants inter-alia also prayed for the interim relief (a) to pass an order of ex-parte stay of the SARFESI Act proceeding and (b) to pass any such other order/s as the Hon’ble Debt Recovery Tribunal, Jaipur may deem fit. The matter is pending.

**B. LITIGATION FILED BY OUR COMPANY**

**1. Litigation Involving Criminal Matters**

The Company has filed 7598 complaints against various persons under Section 138 of the Negotiable Instruments Act, 1881 in relation to the dishonour of cheques issued in its favour. Such criminal complaints are pending at different stages of adjudication before various courts. The aggregate amount involved in these matters is ₹ 65,81,25,910 /- (Rupees Sixty Five Crores Eighty One Lakhs Twenty Five Thousand Nine Hundred Ten Only ) out of which an amount of ₹ 15,88,19,288/- (Rupees Fifteen Crores Eighty Eight Lakhs Nineteen Thousand Two Hundred Eighty Eight Only .) is written off in the books of the Company.

**2. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3. Litigation/Matters involving Tax Liabilities**

a. **Direct Tax Liabilities**

Sr. No	Type of Direct Tax	No. of Cases	Amount in dispute/demanded to the extent quantifiable (₹ in lakhs)	Stage
1.	Income tax- A.Y. 2018-19	1	40.40	Appeal filed before the Commissioner of Income Tax (Appeals) pertaining to the A.Y. 2018-2019

b. **Indirect Tax Liabilities**

NIL

4. **Other Pending Litigations**

The Company has invoked Arbitration proceedings in 71 cases against various persons under the Arbitration and Conciliation Act, 1996 on account of non-payment of dues of monthly instalments which constituted an event of default in terms of the respective loan agreements entered into between the customers of the Company and the Company. These matters are currently pending at different stages before various courts and the aggregate amounts involved in these matters is ₹ 24,47,35,834/- (Rupees Twenty Four Crores Forty Seven Lakhs Thirty Five Thousand and Thirty Four Only).

The Company has filed 71 complaints against various persons under the SARFAESI Act and the Security Interest (Enforcement) Rules, 2002 in relation to the failure of repayment of dues. The aggregate amount involved in these matters is ₹ 38,94,90,794/- (Rupees Thirty Eight Crores Ninety Four Lakhs Ninety Thousand Seven Hundred and Ninety Four Only).

**LITIGATIONS INVOLVING PROMOTERS AND DIRECTORS**

**A. LITIGATION FILED AGAINST OUR PROMOTERS AND DIRECTORS**

**1. Litigation Involving Criminal Matters**

*Nirmal Kumar Jain*

**Criminal Complaint dated November 8, 2023 filed by M/s. Timeglass Construction through its partner Mr. Sandeep Barjatya (“Complainant 1”) and Mrs. Sandeep Barjatya as partners of M/s. Timeglass Construction (“Complainant 2”) against Mr. Nirmal Kumar Jain, Director of Akme Fintrade India Ltd. (“the Accused”) with the Judicial Magistrate, First Class, Indoor (“the Hon’ble Court”).**

It is alleged that the Complainant had developed a colony named Eden Garden at Survey 414/1/2, Village Pigdambar, Patwari Circle No. 1, Mahu, Tehsil Mahu, District Indore (“**Property**”) and constructed several multi-storied buildings for sale. In 2018, Rajeshkumar Jain and Mayank Jain approached Complainant 1 to purchase a vacant land (“**the Premises**”) within the Eden Garden colony for Rs. 1,89,00,000/- (Rupees One Crore Eighty-Nine Lakhs Only) and entered into an Agreement for Sale dated August 19, 2018, with a partial payment of Rs. 1,00,000/- (Rupees One Lakh Only) paid upfront. The balance amount of Rs. 1,88,00,000/- (Rupees One Crore Eighty-Eight Lakhs Only) was to be paid on or before the date of registering the Sale Deed. However, Rajeshkumar Jain and Mayank Jain repeatedly delayed in making the payment and registration of the Sale Deed. In February 2019, Rajeshkumar Jain and Mayank Jain convinced Complainant 2 to transfer the Complainant 1 to them to enable them to sell the Premises and pay the remaining amount to the Complainants. Consequently, the Complainant 2 and his son Ishan Barjatya signed two deeds that is Admission of Partner and Retirement of the Partner from Complainant 1 whereby Rajeshkumar Jain and Mayank Jain would become the partners of Complainant 1 and Complainant 2 and his son Ishan Barjatya would retire from the partnership of the Complainant 1. Rajeshkumar Jain and Mayank Jain failed to pay the balance amount of Rs. 1,88,00,000/- (Rupees One Crore Eighty-Eight Lakhs Only). Subsequently, Rajeshkumar Jain and Mayank Jain refused to transfer the Complainant 1 in their name, requested to cancel the Agreement for Sale dated August 19, 2018 and proposed a new deal at the current market price. Therefore, a new Sale agreement dated September 8, 2020 for selling the said Premises at a revised price of Rs. 3,75,00,000/- (Three Crores Seventy Five Lakhs Only) was executed between Complainant 2 and Rajeshkumar Jain and Mayank Jain. The Rajeshkumar Jain and Mayank Jain paid an amount of Rs. 80,00,000/- (Eighty Lakhs Only) to the Complainants. Further, the outstanding amount to be paid by Rajeshkumar Jain was Rs 2,95,00,000 (Two Crores Ninety-Five Lakhs Only) out of which remaining sum, the Rajeshkumar Jain paid Rs. 90,00,000/- (Ninety Lakhs Only) in September 2020 to the Complainants. On the other hand, Mayank Jain, in order to purchase other lands in his name, transferred various amounts

totaling Rs.1,47,33,750/-(One Crore Forty Seven Lakhs Thirty Three Thousand Seven Hundred and Fifty Only) to the account of Complainant 1. The above transfers were adjusted against the sale consideration for the Premises. As a result, there was an outstanding amount of Rs. 57,66,250/- (Rupees Fifty Seven Lakhs Sixty Six Thousand Two Hundred and Fifty Only) that Complainants were to receive from Rajeshkumar Jain and Mayank Jain collectively. The Complainant 2 has also alleged that in January 2021, Rajeshkumar Jain and Mayank Jain had conspired with the Company to obtain a loan of approximately Rs. 5,00,00,000/- (Rupees Five Crores Only) to Rs.6,00,00,000/- (Rupees Six Crores Only) by mortgaging certain properties of Complainant 1, using forged documents. It is also alleged that several units within the properties which had previously been sold by the Complainants to other individuals were also included as security for the loan. On the basis of the above allegations, the Complainants have requested the Hon'ble Court to accept the Complaint and try the Accused for the offences under Sections, 418, 420, 417, 468, 471 and 34 of the Indian Penal Code, 1860 and punish the Accused under the said Sections. The Hon'ble Court had directed the concerned police station to provide status report, which has been provided by the concerned police station. The Hon'ble Court has now directed the Accused to remain present in Hon'ble Court on May 24, 2024.

## 2. Litigation Involving Actions by Statutory/Regulatory Authorities

### 1. Litigation/Matters involving Tax Liabilities Direct Tax Liabilities

#### i. Nirmal Kumar Jain

Sr. No	Type of Direct Tax	No. of Cases	Amount in dispute/demanded to the extent quantifiable (₹ in lakhs)	Stage
1.	Income tax- A.Y.2009-10	1	1.23	Outstanding Demand
2.	Income tax- A.Y.2010-11	1	0.37	Outstanding Demand
3.	Income tax- A.Y.2021-22	1	0.04	Intimation order dated April 25, 2022 under Section 143(1) of the I.T Act.
4.	Income tax- A.Y.2020-21	1	Unascertainable	Notice dated November 21, 2022 under Section 133(6) of the I.T Act asking the company to furnish the required information as per Annexure -1 by November 11,2022. Failure to furnish may attract penalty under Section 272(A) of the I.T Act.
5.	Income tax- A.Y.2022-23	1	0.10	Notice of demand under Section 156 of the Income Tax Act, 1961
6.	Income tax- A.Y.2022-23	1	Unascertainable	Show cause notice dated December 22, 2022 issued to Nirmal Kumar Jain in capacity of Principal officer/co-accused Under section 2(35) of the I.T Act regarding launching of prosecution under Section 276B of I.T Act for failure to pay tax to the credit of Central Government account under Chapter XVIIIB in F.Y.2A27-22 relevant to the A.Y 2022-23 in the case of the Company.
7.	Income tax- A.Y.2022-23	1	0.10	Order dated January 3, 2024 passed under Section 272(1)(d) for imposing penalty of Rs 0.10 lakhs.

#### ii. Manju Devi Jain

Sr. No	Type of Direct Tax	No. of Cases	Amount in dispute/demanded to the extent quantifiable (₹ in lakhs)	Stage
1.	Income tax- A.Y.2019-20	1	Unascertainable	Notice under Section 274 read with Section 272A(1)(d) for imposing penalty
2.	Income tax-	1	0.00005	Notice of demand dated March 20, 2024 under



Sr. No	Type of Direct Tax	No. of Cases	Amount in dispute/demanded to the extent quantifiable (₹ in lakhs)	Stage
	A.Y.2019-20			Section 156 of the Income Tax Act, 1961
3.	Income tax-A.Y.2021-22	1	1.38	Intimation order dated October 13,2022 under Section 143(1) of the I.T Act.
4.	Income tax-A.Y.2022-23	1	9.88	Notice of demand dated March 21, 2024 under Section 156 of the Income Tax Act, 1961

### iii. Dipesh Jain

Sr. No	Type of Direct Tax	No. of Cases	Amount in dispute/demanded to the extent quantifiable (₹ in lakhs)	Stage
1.	Income tax-A.Y.2019-20	1	0.60	Notice of demand dated March 13, 2024 under Section 156 of the Income Tax Act, 1961
2.	Income tax-A.Y.2022-23	1	0.00002	Notice of demand dated March 11, 2024 under Section 156 of the Income Tax Act, 1961

## 2. Indirect Tax Liabilities

NIL

## 3. Other Pending Litigations

NIL

## B. LITIGATIONS FILED BY OUR PROMOTERS AND DIRECTORS

### 1. Litigation Involving Criminal Matters

NIL

### 2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

### 3. Litigation/Matters involving Tax Liabilities

#### a. Direct Tax Liabilities

##### i. Nirmal Kumar Jain

Sr. No	Type of Direct Tax	No. of Cases	Amount in dispute/demanded to the extent quantifiable (₹ in lakhs)	Stage
1.	Income tax-A.Y.2022-23	1	9.17	Appeal filed before the Commissioner of Income Tax (Appeals) pertaining to the A.Y. 2022-2023

## ii. Manju Devi Jain

Sr. No	Type of Direct Tax	No. of Cases	Amount in dispute/demanded to the extent quantifiable (₹ in lakhs)	Stage
1.	Income tax- A.Y.2022-23	1	9.88	Appeal filed before the Commissioner of Income Tax (Appeals) pertaining to the A.Y. 2022-2023

### b. Indirect Tax Liabilities

NIL

### 4. Other Pending Litigations

NIL

## LITIGATIONS INVOLVING GROUP COMPANIES

### A. LITIGATION FILED BY OUR GROUP COMPANIES

#### 1. Litigation/Matters involving Tax Liabilities Direct Tax Liabilities

##### a. Direct Tax Liabilities

##### i. Akme Build Estate Limited

Sr. No	Type of Direct Tax	No. of Cases	Amount in dispute/demanded to the extent quantifiable (₹ in lakhs)	Stage
1.	Income tax- A.Y.2022-23	1	200.78	Appeal filed before the Commissioner of Income Tax (Appeals) pertaining to the A.Y. 2022-2023

Except as disclosed above, as on the date of this Red Herring Prospectus there are no outstanding litigations involving the Group Companies which has or will have a material impact on our Company basis the Materiality Policy.

### C. SEARCHES & SURVEY

#### a) In respect of the Company, Promoter and Promoter Group.

A survey was carried out on November 23, 2022 by the Income-tax authorities at premises of the Company at 4-5 Subcity Centre, Savina, Krishi Mandi, Udaipur, and Search was carried out at its Promoters namely Nirmal Kumar Jain and Dipesh Jain and its Promoter Group member namely Jenisha Jain under Section 132 of the I.T. Act at 18, Tagore Nagar, Sector-4, Udaipur.

Panchnama in respect of the above searches were prepared recording the survey and search proceedings conducted by the various Income-tax officers at these locations of the Company, its Promoters and the Promoter Group member. The Panchnama records the items and documents, which were seized by the Income-tax authorities from these locations. Subsequently on December 3, 2022, a summon was issued under Section 131(1A) of the I.T. Act by the Income-tax Investigation wing to one of our Promoters namely Nirmal Kumar Jain, to give further details/information/evidence. Further on January 2, 2023 and January 5, 2023 summons were issued under Section 131(1A) of the I.T. Act by the Income-tax Investigation wing to the Company to give further details/information/evidence. On February 8, 2023, a summons was issued under Section 131(1A) of the I.T. Act by the Income-tax Investigation wing to one of our Promoters namely Manju Devi Jain to give further details/information/evidence. The Company and the relevant Promoters in compliance with such directions of the Income-tax authorities provided the information, data and the explanations Thereafter, pursuant to search and survey proceedings, the Company had received a notice under Section 142(1) of the Income-tax Act, 1961 for A.Y. 2018-2019 in which the income-tax authorities have inter-alia sought details from the Company in respect of allotments made between the period June 6,

2016 to March 31, 2021 and valuation methodologies adopted by the Company for arriving at the valuation of Equity Shares allotted. Further, pursuant to the search proceedings, each of Mr. Nirmal Kumar Jain, Ms. Manju Devi Jain and Mr. Dipesh Jain had received separate notices under Section 142(1) of the Income-tax Act, 1961 from the income-tax authorities for A.Y. 2019-2020 and A.Y. 2022-2023 in which, inter-alia, details of certain investment in/purchase of immovable properties and explanation on documents seized/impounded in the search and survey proceedings were sought. Further, Mr. Nirmal Kumar Jain, Ms. Manju Jain and Mr. Dipesh Jain have received separate notices dated February 20, 2024 from the income-tax authorities, intimating them that pursuant to the search initiated, it is inter-alia proposed to reassess their income for A.Y. 2020-21 and A.Y. 2021-22 and calling upon them to furnish a return for the relevant assessment year. In compliance with such notices dated February 20, 2024, Mr. Nirmal Kumar Jain, Ms. Manju Jain and Mr. Dipesh Jain filed returns of income for A.Y. 2020-21 and A.Y. 2021-22. Till date, no demand of tax has been raised against the Company and Promoter Group member.

Consequently, an Assessment Order and Notice of Demand dated March 24, 2024 under Section 156 of the I.T. Act, 1961 for A.Y. 2019-2020 had been issued to Nirmal Kumar Jain and the amount of demand being Rs. 20,238 has been paid by him on April 2, 2024. Further, an Assessment Order and Notice of Demand dated March 27, 2024 under Section 156 of the I.T. Act, 1961 for A.Y. 2022-23 has been issued to Nirmal Kumar Jain by the Income Tax Authority, the details of which are disclosed under the heading titled "*Litigations Involving Promoters and Directors - Litigation Filed Against our Promoters and Directors- Litigation/Matters involving Tax Liabilities Direct Tax Liabilities*" under the chapter titled "Outstanding Litigations and Material Developments" on page 396 of the Red Herring Prospectus.

Further, an Assessment Order and Notice of Demand dated March 20, 2024 under Section 156 of the I.T. Act, 1961 for A.Y. 2019-2020 and an Assessment Order and Notice of Demand dated March 21, 2024 under Section 156 of the I.T. Act, 1961 for A.Y. 2022-23 have been issued to Manju Devi Jain by the Income Tax Authority, the details of which are disclosed under the heading titled "*Litigations Involving Promoters and Directors - Litigation Filed Against our Promoters and Directors- Litigation/Matters involving Tax Liabilities Direct Tax Liabilities*" under the chapter titled "Outstanding Litigations and Material Developments" on page 396 of the Red Herring Prospectus.

Further, an Assessment Order and Notice of Demand dated March 13, 2024 under Section 156 of the I.T. Act, 1961 for A.Y. 2019-2020 and an Assessment Order and Notice of Demand dated March 11, 2024 under Section 156 of the I.T. Act, 1961 for A.Y. 2022-23 have been issued to Dipesh Jain by the Income Tax Authority, the details of which are disclosed under the heading titled "*Litigations Involving Promoters and Directors - Litigation Filed Against our Promoters and Directors- Litigation/Matters involving Tax Liabilities Direct Tax Liabilities*" under the chapter titled "Outstanding Litigations and Material Developments" on page 397 of the Red Herring Prospectus.

b) In respect of Group Companies.

A survey was carried out on November 23, 2022 by the Income-tax authorities at premises of Akme Build Mart Pvt. Ltd., Aarsh Fincon Limited, Akme Automobile Private Limited, and Star Housing Finance Limited at 4-5 Subcity Centre, Savina, Krishni Mandi, Udaipur. A composite Panchnama in respect of the above survey was prepared recording the survey proceedings conducted by the Income-tax officers at the aforementioned location of these entities. The Panchnama records the items and documents, which were seized by the Income-tax authorities from the said location. Thereafter impounding Order under Section 133A(3)(ia) of the Income-tax Act, 1961 was passed by Dy. Director of Income-tax (Inv) 1- Udaipur, Rajasthan impounding certain documents found during survey.

Vide Order dated June 27, 2023 passed under Section 127 of the Income-tax Act, 1961 addressed to Aarsh Fincon Limited, the matter was transferred to Dy. Commissioner of Income-tax, Central Circle -2, Udaipur (DCIT). Thereafter, notice under Section 143(2) of the Income-tax Act, 1961 was issued to Aarsh Fincon Limited selecting the return of income in respect of Assessment Year 2023-24 for scrutiny assessment under provisions of the Income-tax Act, 1961. Till date, no demand of tax has been raised against Aarsh Fincon Limited. Pursuant to the searches, notices under Section 148 of the Income-tax Act, 1961 have been issued by the Income-tax Department to Akme Build Estate Limited on March 9, 2024 in respect of Assessment Years 2013-14, 2014-15, 2015-16, 2016-17, 2017-18, 2018-19, 2019-20, 2022-23 asking Akme Build Estate Limited to file the revised return, which is yet to be submitted. Similarly, notices under Section 148 of the Income-tax Act, 1961 have been issued by the Income-tax Department to Akme Build Estate Limited on February 27, 2024 in respect of Assessment Years 2021-22 and 2020-21 asking for revised return to be filed, which is yet to be submitted. Thereafter, notice under Section 143(2) of the Income-tax Act, was issued to Akme Build Estate Limited in respect of Assessment Year 2022-23 selecting the assessment for scrutiny assessment under provisions of the Income-tax Act, 1961. Two notices under Section 142(1) of the Income-

tax Act, 1961 were issued to Akme Build Estate Limited on March 12, 2024 for Assessment Year 2022-23 asking for submission of certain documents, which Akme Build Estate Limited has submitted. Similarly, notice under Section 143(2) of the Income-tax Act, 1961 was issued to Akme Buildmart Pvt. Ltd. on February 23, 2024 for Assessment Year 2023-24 asking for submission of certain documents which Akme Buildmart Pvt. Ltd. has submitted.

Further, an Assessment Order and Notice of Demand dated March 28, 2024 under Section 156 of the I.T. Act, 1961 for A.Y. 2022-2023 has been issued to Akme Build Estate Limited by the income tax authorities, the details of which are disclosed under the heading “*Litigations Involving Group Companies - Litigation Filed Against our Group Companies- Litigation/Matters involving Tax Liabilities Direct Tax Liabilities*” under the chapter titled “Outstanding Litigations and Material Developments” on page 398 of the Red Herring Prospectus.

A survey was carried out on November 23, 2022 by the Income-tax authorities at premise of Coronation Castles Private Limited at NH 8, village Chaubara, behind Jain Temple, Kaya, Udaipur. Panchnama in respect of the above survey was prepared recording the survey proceedings conducted by the Income-tax officers at the aforementioned location of Coronation Castles Private Limited. The Panchnama records the items and documents, which were seized by the Income-tax authorities from the said location. Thereafter impounding Order under Section 133A(3)(ia) of the Income-tax Act, 1961 was passed by Income Tax Officer, Ward 4 (1), Jaipur impounding certain documents found during survey. Further, Notices under Section 148A (b) of the Income-tax Act, 1961 has been issued on Coronation Castles Private Limited on January 19, 2024 and March 11, 2024 in respect of Assessment Year 2021-22 asking Coronation Castles Private Limited to show cause why notices under Section 141 of the Income-tax Act should not be issued on the basis of certain details received during inquiry conducted and on the basis of the facts mentioned in Annexures to the said notices. The Assessment is not yet finalised and therefore no demand has been raised so far.

#### **Disciplinary action against our Promoters by SEBI or any stock exchange in the last five Financial Years**

No disciplinary actions has been taken against our Promoters by SEBI or any stock exchange in the last five Financial Years.

BSE Limited had levied a penalty of ₹ 2,36,000/- for the period July 1, 2021 to August 09, 2021, ₹ 21,600 for the period August 10, 2021 to August 13, 2021 (including GST) on the Company for delayed submission of financial results and ₹ 50,760 (including GST) for delayed submission of security cover for the half year ended March 31, 2021. The penalties were paid by the Company in August 2021.

The Company had received various penalty notices for violation of the SEBI Listing Regulations of which the below mentioned penalties were paid by the Company:

1. ₹ 37, 560 for violation of Regulation 52(4) of the SEBI Listing Regulations;
2. ₹ 2,160 for Regulation 52(4) of the SEBI Listing Regulations ₹ 2,160 for Regulation 54(2) of the SEBI Listing Regulations for quarters ended March 2021, September 2021, June 2022 and December 2022;
3. ₹3, 240 for Regulation 52(7)/(7A) of the SEBI Regulation; and
4. ₹10,800 for Regulation 52(1).

Further the Company requested for waiver for fines imposed for late submission/non-compliance for the Regulations 57(4), 50(2), 53(2) and 60(2) provisions of SEBI vide its circular no. SEBI circular no. SEBI/HO/DDHS\_DIV2/P/CIR/2021/699 dated December 29, 2021 (SEBI SOP Circular) which were accepted and waived off as mentioned below:

1. ₹1080 for non-compliance of Regulation 57(4);
2. ₹5,900 for violation of Regulation 50(2);
3. ₹1,06,200 for violation of Regulation 53(2) of the SEBI Listing Regulations via email dated June 10, 2023 and;
4. ₹47, 200 for violation of Regulation 60(2) of the SEBI Listing Regulations via email dated June 22, 2023.

Furthermore, the BSE has imposed a penalty of ₹68,440/- on the Company for non-compliance of Regulation 53(2) of the SEBI Listing Regulations. The Company has sought waiver of the above penalty and has submitted

the requisite documents as requested by BSE. The Company has not received any further communication from the BSE.

**Details of dues to micro, small and medium enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006.**

The details of the total outstanding dues (trade payables) owed to micro, small and medium enterprises (as defined under section 2 of the Micro, Small and Medium Enterprises Development Act, 2006), Material Creditors and other creditors as on December 31, 2023 is as set forth below:

Particulars	Number of creditors	Total Amount owed (Rs. in Lakhs)
Small Scale Creditors*	1	0.05
Other Creditors (Including Provisions)	42	11.88
Material Creditors**	5	33.07
<b>Total</b>	<b>48</b>	<b>45.01</b>

\*Excluding one of our small scale creditor who is a material creditor

\*\*One of our material creditor is also a small scale creditor

**Material Creditors of the Company having amount outstanding as on December 31, 2023 exceeding 5% of the total Trade Payables of the Company as per the Restated Financial Statements of the Company.**

As of period ended December 31, 2023, we had 48 creditors to whom an amount amounting to ₹ 45.01 lakhs was outstanding out of which 5 creditors were material creditors in terms of the Materiality Policy and the total amount due to such material creditors was Rs. 33.07 lakhs.

**For further details, please see website [www.aasaanloans.com](http://www.aasaanloans.com).**

*Information provided on the website of our Company is not a part of this Red Herring Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company's website, would be doing so at its own risk.*

**Material developments occurring after last balance sheet date**

Except as disclosed elsewhere in this Red Herring Prospectus and in the chapter titled “*Management's Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 361, there have been no material developments since the date of the last financial statements as disclosed in this Red Herring Prospectus.

## GOVERNMENT AND OTHER STATUTORY APPROVALS

*Our Company can undertake the Issue and our Company can undertake its respective current business activities, including on the basis of the list of material approvals provided below, and other than as stated below, no further material approvals from any regulatory authority are required to undertake the Issue or continue such business activities. Unless otherwise stated, these material approvals are valid as of the date of this Red Herring Prospectus. The Company has obtained all approvals required for its business and has made applications for the remaining approvals as disclosed in this chapter titled “Government and Other Statutory Approvals” at page 402.*

### **I. Approvals for the Issue.**

1. The Board of Directors have, by a resolution passed at its meeting held on November 14, 2022 authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of our Company have, by a special resolution passed in the Extra-ordinary General Meeting held on December 07, 2022 authorised the Issue.
3. In-principle approval dated January 02, 2024 from the BSE for listing of the Equity Shares issued by our Company pursuant to the Issue.
4. In-principle approval dated January 03, 2024 from the NSE for listing of the Equity Shares issued by our Company pursuant to the Issue.
5. Our Company's International Securities Identification Number (“**ISIN**”) is INE916Y01019.

### **II. Incorporation Related Approvals**

1. Certificate of Incorporation dated February 5, 1996 issued to Akme Fintrade (India) Private Limited by the Registrar of Companies, Jaipur, Rajasthan.
2. Fresh Certificate of Incorporation upon Conversion from Private Company to Public Company dated March 11, 1997 issued to our Company by the Assistant Registrar of Companies, Jaipur, Rajasthan consequent upon change of name from Akme Fintrade (India) Private Limited to Akme Fintrade (India) Limited.
3. The Corporate Identity Number (CIN) of the Company is U67120RJ1996PLC011509.

### **III. Business Related Approvals**

1. Certificate of registration dated April 07, 1999 granted by the RBI bearing registration number 10.00092, to our Company, pursuant to which our Company is allowed to carry on the business of a non-banking financial institution, subject to the conditions mentioned therein.
2. Certificate of registration dated July 16, 2007 granted by the RBI bearing registration number 10.00092 (AFC-D), to our Company, pursuant to which our Company is allowed to carry on the business of a non-banking financial institution, subject to the conditions mentioned therein. The Company was classified as an asset finance company.
3. Certificate of registration dated September 5, 2019 granted by the RBI bearing registration number B-10.00092 (NBFC-ICC), to our Company, pursuant to which our Company is allowed to carry on the business of a non-banking financial institution without accepting public deposits, subject to the conditions mentioned therein.
4. Legal Entity Identifier registration number 335800WZQ4HUWV52I238 from Legal Entity Identifier India Limited which is valid until March 13, 2025.
5. Registration for information utility services from National e-Governance Services Limited has been obtained by the company.
6. Registration with the CERSAI Central KYC under registration number I0128.
7. Certificate of registration with Udyam, Ministry of Micro, Small and Medium Enterprises dated February 3, 2022 bearing registration number UDYAM-RJ-33-0024466.

8. Certificate of membership dated June 23, 2011 with TransUnion CIBIL granted by the CIBIL bearing member code NB6841.
9. Certificate of membership with CRIF High Mark Credit Information Services Private Limited bearing membership number NBF0001260 valid until October 16, 2024.
10. The Company was awarded membership of Equifax Credit Information Services Private Limited under letter dated October 2010.
11. The Company is registered with the Central KYC Registry under registration code IN5184.

#### IV. Tax Related Approvals

1. The Company has been allotted Permanent Account Number (PAN) AABCA2962P.
2. The Company has been allotted Tax Deduction and Collection Account Number (TAN) JDHA01885C.
3. The following are the GST Registrations obtained by our Company:

Sr. No.	Description	Authority	Registration Number	Date of Issue	Date of Expiry
<b>Rajasthan</b>					
a.	Certificate of registration under Central Goods and Service Tax Act, 2017 for our Registered Office situated at 4-5 Sub-city Centre, Akme business Centre, Savina Circle, Opposite Krishi Upaj Mandi, Udaipur	Government of India	08AABCA2962PIZB	July 1,2017	Valid until cancelled
<b>Gujarat</b>					
b.	Certificate of registration under Central Goods and Service Tax Act, 2017 for premises situated at Office No. 224, Floor 2, Vanijya Bhuvan, Opp. Diwan Ballubhai School, Kankaria, Ahmedabad, Gujarat.	Government of India	24AABCA2962PIZH	February 2,2023	Valid until cancelled
<b>Maharashtra</b>					
c.	Certificate of registration under Central Goods and Service Tax Act, 2017 for premises situated at Corporation: Thane, Other Details: Office Number 501, Floor Number 5 <sup>th</sup> , Building Name: Tulsee Co-op Housing Society, Block Sector: Opposite Teen Petrol Pump, Thane West – 400602, Road: L B S Marg, City: Panchapakhadi, District: Thane.	Government of India	27AABCA2962P1Z B	January 10, 2023	Valid until cancelled
<b>Madhya Pradesh</b>					
d.	Certificate of registration under Central Goods and	Government of India	23AABCA2962P1ZJ	April 21, 2023	Valid until cancelled

Sr. No.	Description	Authority	Registration Number	Date of Issue	Date of Expiry
	Service Tax Act, 2017 for premises situated at Municipality No. 45, Ward No. 14, New Abadi Scheme 2, Road No.1, Mandsaur, Madhya Pradesh				

4. The various registrations obtained in respect of professional tax by our Company are as follows:

Sr. No.	Description	Authority	Registration Number	Date of Issue	Date of Expiry
<b>Gujarat</b>					
a.	Professional tax Certificate of registration under The Gujarat State on profession, Trade, Calling and employments Act, 1976 issued to the Company for premises situated at Office No. 224, Floor 2, Vanijya Bhuvan, Opp. Diwan Ballubhai School, Kankaria, Ahmedabad, Gujarat.	Amdavad Municipal Corporation	PRC010309000156	January 19 ,2023	Valid till Cancelled
b.	Professional Tax Enrolment Certificate under Sub section (2) of section 5 of The Gujarat State profession, Trade, Business and employments tax Act, 1976 issued to the Company for premises situated at Office No. 224, Floor 2, Vanijya Bhuvan, Opp. Diwan Ballubhai School, Kankaria, Ahmedabad, Gujarat.	Amdavad Municipal Corporation	PEC010309002919	-	Valid till Cancelled
<b>Maharashtra</b>					
c.	Professional tax Certificate of registration for premises situated at Corporation: Thane, Other Details: Office Number 501, Floor Number 5 <sup>th</sup> , Building Name: Tulsee Co-op Housing Society, Block Sector: Opposite Teen Petrol Pump, Thane West – 400602, Road: L B S Marg, City: Panchapakhadi, District: Thane.	Government of Maharashtra	27882074003P	January 4, 2023	Valid until cancelled
d.	Professional tax	Government of	99904435336P	January 7, 2023	Valid until



Sr. No.	Description	Authority	Registration Number	Date of Issue	Date of Expiry
	Enrolment Certificate for premises situated at Corporation: Thane, Other Details: Office Number 501, Floor Number 5 <sup>th</sup> , Building Name: Tulsee Co-op Housing Society, Block Sector: Opposite Teen Petrol Pump, Thane West – 400602, Road: L B S Marg, City: Panchapakhadi, District: Thane.	Maharashtra			cancelled
<b>Madhya Pradesh</b>					
e.	Professional tax Certificate of registration (for employers) for premises situated at Municipality No. 45, Ward No. 14, New Abadi Scheme 2, Road No.1, Mandsaur, Madhya Pradesh.	Government of Madhya Pradesh	79139023637	-	Valid until cancelled
f.	Professional tax Certificate of registration (for persons) for premises situated at Municipality No. 45, Ward No. 14, New Abadi Scheme 2, Road No.1, Mandsaur, Madhya Pradesh	Government of Madhya Pradesh	78949260561	March 28, 2023	Valid until cancelled

## V. Labour Related Approvals

### A. Registrations under shops and establishment legislations in India:

Sr. No	Description	Authority	Registration number	Date of Issue	Date of Expiry
<b>Rajasthan</b>					
a.	Registration Certificate under Rajasthan Shops and Establishments Act, 1958 for registered office situated at 4-5, Subcity centre, Savina, 313002 Rajasthan.	Government of Rajasthan	SCA/2019/27/1 33647	February 23, 2024	Perpetual
<b>Madhya Pradesh</b>					
b.	Registration Certificate under the Madhya Pradesh Shops and Establishments Act, 1958 issued to the Company for premises situated at Municipality No. 45, Ward No. 14, New Abadi Scheme 2, Road No.1,	District Labour Office, Mandsaur	MANR2301185E00 8678	January 18, 2023	Valid until cancelled

	Mandsaur, Madhya Pradesh.				
c.	Registration Certificate under the Madhya Pradesh Shops and Establishments Act,1958 issued to the Company for premises situated at Royal colony, Shujalpur Road, Chopati bypass, Astha, Dist. Sihore, Madhya Pradesh.	District Labour Office, Sehore	SEHO240129SE020981	January 31, 2024	Valid until cancelled
<b>Gujarat</b>					
d.	Form-E -Intimation Receipt under Gujarat Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2019 issued to the company for premises situated at Office No. 224, Floor 2, Vanijya Bhuvan, Opp. Diwan Ballubhai School, Kankaria, Ahmedabad, Gujarat.	Shops and Establishment Department South Zone, Ahmedabad	Receipt Number: 532-19022023	January 19, 2023	Valid until cancelled
e.	Form-E -Intimation Receipt under Gujarat Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2019 issued to the company for premises situated at Shop No.233, 2 <sup>nd</sup> Floor, Capital Square, Godadara, Surat 395010.	Shops and Establishment Department, Surat	Application No. 2023052000009	May 30, 2023	Valid until cancelled
<b>Maharashtra</b>					
f.	Form G Acknowledgement of Notice under Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017 issued to company for premises situated at Patil Plaza office number 112, 1 <sup>st</sup> Floor, near Mitra Mandal Chowk, Parvati, Parvati, Pune(Mahanagar Palika), Pune City, Pune, 411009.	Office of the Deputy Commissioner of Labour	Application Id No: 105580832303	June 7, 2023	Valid until cancelled
g.	Intimation Receipt under	Office of the	890821133/ KE	January 30, 2024	Valid until

	Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017 issued to company for premises situated at Off. 608, Summit Business Park, Andheri Kurla Road, Andheri East, Mumbai – 400069.	Chief Facilitator	Ward/ Commercial II		cancelled
h.	Registration Certificate under Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2018 for the premises situated at Office No. 501, Tulsi Co. Op. Hsg. Soc. Ltd., L.B.S. Marg, Opp. Teen Petrol Pump, Panchpakhadi, Thane (Municipal Corporation.), Thane, 400602.	Office of the Deputy Commissioner of Labour	2310200317746979	June 20, 2023	Valid until cancelled

#### B. Registration under Sanstha Aadhaar Certificate

Sr. No	Description	Authority	Registration number	Date of Issue	Date of Expiry
a.	Sanstha Aadhaar Certificate for premises situated Plot No. 9 Kailashpuri, Second floor Chittorgarh, Rajasthan	Department of Statistics Directorate of Economics and Statistics Rajasthan (Government of Rajasthan)	8006050001000606	January 25, 2023	Valid until cancelled
b.	Sanstha Aadhaar Certificate for premises situated at Shop on the Ground Floor, Khadi Bhandar, Udaipur Road, Salumbar, District Udaipur. Rajasthan	Department of Statistics Directorate of Economics and Statistics Rajasthan (Government of Rajasthan)	1072120000000035	January 19, 2023	Valid until cancelled
c.	Sanstha Aadhaar Certificate for premises situated at Shop on the Ground Floor, Shops in Sabala Bus Stand, Mojha, District Dungarpur, Rajasthan	Department of Statistics Directorate of Economics and Statistics Rajasthan (Government of Rajasthan)	0978820000000094	January 27, 2023	Valid until cancelled
d.	Sanstha Aadhaar	Statistics	8005440001001742	January 25,	Valid until



Sr. No	Description	Authority	Registration number	Date of Issue	Date of Expiry
	Certificate for premises situated at M-9, Jodhpur-1, M Crop-3, Kasturi Plaza, Bombay Motors, Jodhpur District, Jodhpur, Rajasthan	Directorate of Economics and Statistics Rajasthan (Government of Rajasthan)		2023	cancelled
e.	Sanstha Aadhaar Certificate for premises opposite RMGB Bank, Mandar Road, Reodar Revdar , Sirohi-307514.	Department of Statistics Directorate of Economics and Statistics Rajasthan (Government of Rajasthan)	090348000000422	January 24, 2024	Valid until cancelled
f.	Sanstha Aadhaar Certificate for premises situated at Shop no 13, First Floor, Chetak Complex Banswara,- 327001	Department of Statistics Directorate of Economics and Statistics Rajasthan (Government of Rajasthan)	8006010001000428	January 25, 2024	Valid until cancelled

- C. Registration no. RJUDR1444729000 issued by the Employees' Provident Fund Organisation, India under the Employees Provident Fund and Miscellaneous Provisions Act, 1952.
- D. Code no. 16000527930000999 allotted by the Employees' State Insurance Corporation, India under the Employees State Insurance Act, 1948, for premises at our where our business operations are located.

## VI. Intellectual Property Related Approvals

### Trademarks

As on the date of this Red Herring Prospectus, our Company has registered 2 (two) trademarks in India as disclosed below:


Sr. No.	Description	Class	Trademark Number	Date of Registration
1.		36	2547714	June 12, 2013  Valid for 10 years from June 12, 2013 to June 11, 2023 and further valid for 10 years from June 12, 2023 to June 11, 2033.
2.		37	2547715	June 12, 2013  Valid for 10 years from June 12, 2013 to June 11, 2023 and further valid for 10 years from June 12, 2023 to June 11, 2033.

## VII. Pending Approvals

### 1. Intellectual Property related Approvals

#### Trademarks

As on the date of this Red Herring Prospectus, our Company has applied for registration of 1 (one) trademark in India as disclosed below:

Sr. No.	Description	Class	Application Number	Date of Application
1.	 AASAAN LOANS Unnati ki aur pehla kadam Powered by Akme Fintrade India Ltd	36	5515624	July 4, 2022

The Company has entered into Agreement with Akme Dreamhome LLP, Akme Automobiles Private Limited, Akme Fincare LLP, Akme Build Estate Limited, Akme Finnova Advisors LLP, Akme Sarvoday Dreamventures LLP, Akme Builtmart Private Limited and Akme Mineral Exim Private Limited (“**Akme Entities**”) in respect of use of ‘Akme’ name and label, by these entities in respect of their respective goods and services. These entities are group entities of the Company and are in construction housing project, sale and service of two wheelers, providing service of consultancy, real estate business. In terms of the said Agreements the Company has retained the ownership of Akme Logo and Akme word Mark. Akme Entities has undertaken, not to register the copyright in relation to Akme Logo and Akme word mark. These Agreements are in perpetuity. These rights created in favour of the entities are not transferable.

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Issue

#### *Corporate Approvals*

1. Our Board has authorised the Issue by a resolution dated November 14, 2022.
2. Our Shareholders have authorised the Issue, pursuant to a special resolution passed on December 7, 2022 under Section 62(1) (c) of the Companies Act 2013.
3. The Board has, on June 27, 2023 approved the Draft Red Herring Prospectus for filing with SEBI and the Stock Exchanges.
4. The Board has, on June 11, 2024 approved this Red Herring Prospectus for filing with the RoC, the SEBI and the Stock Exchanges.

#### *In-principle Listing Approvals*

Our Company has received in-principle approvals from the BSE and NSE for the listing of our Equity Shares pursuant to their respective letters, dated January 02, 2023 and January 03, 2023, respectively.

### Violations of certain RBI regulations in past by the Company

As an NBFC, we are subject to periodic inspections by the RBI under Section 45N of the RBI Act, wherein the RBI inspects our books of accounts and other records for the purpose of verifying the correctness or completeness of any statement, information or particulars furnished to the RBI or for obtaining any information, which we may have failed to furnish when called upon to do so. The Company was a deposit accepting non-banking finance company until Fiscal 2019. Till such time, RBI had conducted physical inspection at the Company's office and issued annual inspection reports. Fiscal 2020 onwards, the Company became a non-deposit accepting non-banking finance company and thereafter, the RBI has sought information from the Company in the online mode. The dates of the past inspection reports and replies filed by the Company are listed below:

Period	Date of RBI Inspection Report	Date of Company's Reply
Fiscal 2016	September 30, 2016	November 1, 2016
Fiscal 2017	October 20, 2017	November 15, 2017
Fiscal 2018	December 28, 2018	February 28, 2019
Fiscal 2019	October 18, 2019	November 23, 2019

The dates of the past emails addressed by the RBI to the Company by the Department of Supervision seeking certain data and replies filed by the Company are listed below:

Period	Date of RBI Inspection Report	Date of Company's Reply
Fiscal 2020	August 31, 2020	September 4, 2020
Fiscal 2021	October 21, 2021	October 27, 2021
Fiscal 2022	Various communication initiated from September 30, 2022 with final observations mail received on May 15, 2023	Various replies given on October 3, 2022, October 4, 2022 etc. and final submission on mail received on May 15, 2023 on May 29, 2023.

The company's submissions with respect to the non-compliances observed by RBI in its periodic inspections are still being examined by RBI, and in the future, the Company may face any penal or supervisory action from RBI.

In its past inspection reports, the RBI has (a) identified certain deficiencies in our operations, (b) made certain observations in relation to our operations during its periodic inspections and (c) sought certain clarifications on our operations. The Company had considered these observations and had submitted its responses and explanations. Certain areas, which required some changes to the policies and processes were either duly complied with or undertaken to be complied with in due course, which the Company has fulfilled. Such due compliance was notified by the Company to the RBI. Thereafter, there has been no communication or remarks by the RBI and further there was no qualification in our Audit Reports. We set-out the major observations of RBI arising from the inspections and the Company's responses thereto in brief:

Sr. No.	RBI Observations	Company's Response in Brief
1.	Exposure to Group Companies or connected parties in excess of permissible limits	The Company explained as to how and why the exposure was within the limits and as suggested by the RBI they would calculate the exposure by taking into account indirect exposure by way of guarantees.
2.	Concentration of Credit/Investment - The Company did not have a policy with regard to single/ group exposure as per para 22(2) of Master Direction.	The Company adopted the Policy for Concentration of Credit/Investment. The Company also procured a new software to ensure compliance with this Policy and made necessary disclosures to NBS returns filed in December 2019.
3.	In the Statutory Audit, the auditor failed to make appropriate classification with regards to Company's real estate exposure.	The Company undertook classification based on RBI's opinion and observation.
4.	Internal Audit - The scope of audit was limited to verification and checks in respect of two wheelers, four wheelers and commercial vehicles. The scope of internal audit did not cover the loan against property.	The Company submitted the copy of scope of Audit to the RBI.
5.	Fraud Monitoring	The Company provided to the RBI the minutes of the board meeting indicating the compliance and board approved policy.
6.	Filing of records of mortgages with the Central Registry	While some of the older files were not registered with CERSAI, subsequently the Company ensured that all the equitable mortgages are registered with CERSAI. The Company also undertook to ensure full compliance with respect to this.
7.	Adherence to KYC/AML- Master Direction - Know Your Customer (KYC) Direction, 2016	The Company incorporated all the changes suggested by RBI and approved new KYC policy in the Board Meeting.
<b>Supervisory Concerns raised by RBI</b>		
8.	The Company submitted certain returns with delay.	The Company has established a comprehensive framework to guarantee the punctual processing and submission of returns in the coming times.  *The Company is further directed by RBI to submit DNBS 02 & 10 for Fiscal 2023 within time.
9.	No discussion in Board meetings regarding Company's reducing balance sheet, defaulting in repayment to its lenders, stress faced by the Company on delayed repayments from the borrowers etc.	The Company has established an Asset Liability Management committee consisting of certain directors, with the purpose of regularly addressing these matters. The Company also submitted that for the last few quarters, it has made payments on time.
10.	The Company did not have adequate organizational structure for risk management. The Risk Management Committee had discussions regarding filing of returns and NPA analysis and did not capture in risk factor/ analysis, faced by the Company.	The Company designated a senior banker as its Chief Risk Officer under whose leadership, a dedicated Risk Control Unit has been established to systematically identify, assess, and manage risk across our operations.
11.	The Company was not complying with the observations of previous inspection: (a) To improve the PCR (b) Adherence to the timelines of filing the regulatory returns.	The demonstrated to the RBI, the evolution in Provision Coverage Ratio (PCR) throughout the years. as given below which has exhibited a positive trend in recent years. However, it is important to note that these numbers experienced a decline as a result of the pandemic and the delayed repayment from numerous micro and small business, which were adversely impacted by the pandemic.

Sr. No.	RBI Observations	Company's Response in Brief			
		Financial Year	2020-21	2021-22	2022-23
		PCR (%)	16.95	17.18	24.69
12.	Requirement for obtaining prior approval of RBI in cases of acquisition/transfer of control of NBFCs	The Company inter-alia clarified to the RBI that the oversight in obtaining prior permission in case of acquisitions or transfers of Equity Shares of the Company had occurred due to the misinterpretation in understanding the guidelines concerning the requirement for prior approval regarding acquisitions or transfers of shares by the Company. The Reserve Bank of India vide its letter dated May 9, 2023 has taken the submissions on record and has advised the Company to be more vigilant and strictly comply with the rules and regulations and ensure full compliance with the Reserve Bank of India's circulars, notifications and master circulars and to obtain prior permission of Reserve Bank of India in case of any change in shareholding going forward. Pursuant to this, as and by way of abundant caution, the Company has also addressed letter dated May 10, 2023 to the Reserve Bank of India intimating the RBI of further change in the shareholding of Mr. Nirmal Kumar Jain, one of the Promoter of the Company together with his family members in the Company during FY 2022-23, even though such change did not cross the threshold stipulated in the Master Directions for further change in shareholding which requires prior permission of the RBI			

We submit that there was no financial impact on the Company arising from the observations raised by the RBI during the last inspection and no penalties were imposed and no warning letters were issued by the RBI pursuant to any such inspection.

#### **Prohibition by the SEBI, the RBI or Governmental Authorities**

Our Company, our Directors, our Promoters, Promoter Group, persons in control of our Company and companies or entities with which our Company's Promoters and Directors are associated as Directors / Promoters are not prohibited/debarred from accessing the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any other securities market regulator in any other jurisdiction or any other authority/court. The listing of any securities of our Company has never been refused at any time by any of the Stock Exchange in India. There are no violations of securities laws committed by them in the past or are pending against them.

Neither our Promoters nor our Directors are promoters or directors of companies, which are debarred from accessing the capital markets by the SEBI.

None of our Directors are, in any manner, associated with the securities market. Further, there are no outstanding actions initiated by SEBI against any of our Directors, in the past five years.

There are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into, or which would entitle any person any option to receive Equity Shares, as on the date of this Red Herring Prospectus.

Our Promoters or Directors have not been declared as Fugitive Economic Offenders.

Neither our Company nor our Directors have been declared as a Wilful Defaulter or a Fraudulent Borrower, as defined under the SEBI ICDR Regulations.

The Company, its Directors and its promoters / promoter group are not declared as "Fraudulent Borrowers" by the lending banks or financial institutions or consortium, in terms of the Master Directions on Frauds – Classification and Reporting by commercial banks and select FIs dated July 1, 2016, as amended, issued by the



Reserve Bank of India.

Our Promoter, Nirmal Kumar Jain is also the Promoter of a non-banking finance company namely Star Housing Finance Limited which is registered with the RBI. Further, he was, in the past, a Director of Aarsh Fincon limited a non-banking finance company registered with the RBI.

### Compliance with the Companies (Significant Beneficial Owners) Rules, 2018 and amendments thereof

Our Company, our Promoters, member of Promoter Group confirms that they are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, as amended, to the extent applicable to them, as on the date of this Red Herring Prospectus.

### Eligibility for the Issue

Our Company is eligible for the Issue in accordance with the Regulation 6(1) of the SEBI ICDR Regulations, and is in compliance with the conditions specified therein in the following manner:

- Our Company has had net tangible assets of at least ₹300.00 lakhs, calculated on a restated and consolidated basis, in each of the preceding three full years (of 12 months each).
- Our Company has an average operating profit of at least ₹1500.00 lakhs, calculated on a restated and consolidated basis, during the preceding three years (of 12 months each), with operating profit in each of these preceding three years;
- Our Company has a net worth of at least ₹100.00 lakhs in each of the preceding three full years (of 12 months each), calculated on a restated and consolidated basis; and
- Our Company has not changed its name in the last one year.
- Our Company's net tangible assets, monetary assets, monetary assets as a percentage of the net tangible assets, operating profits and net worth, have been derived from the Restated Consolidated Financial Information included in this Red Herring Prospectus as at for the nine months period ended December 31, 2023, and for the last three Fiscals, which are set forth below:

Particulars	Fiscal 2021	Fiscal 2022	Fiscal 2023	As on nine months period ended December 31, 2023
	<i>(₹ in lakhs unless stated otherwise)</i>			
Restated Net Tangible Assets (A)(1)	12,739.42	13,508.33	20,217.46	21,349.08
Operating Profit (B)(2)	1,859.13	752.83	1,999.26	1,511.97
Net Worth (C)(3)	13,026.36	13,684.44	20,478.11	21,701.25
Restated Monetary Assets (D)(4)	1060.03	74.07	737.39	1,305.98
Restated Monetary Assets as a Percentage of the Restated Net Tangible Assets (D)/(A)	8.32%	0.55%	3.65%	6.12%

(1) "Net Tangible Assets" means the sum of all net assets of the issuer, excluding intangible assets as defined in Indian Accounting Standard (Ind AS) 38, issued by the Institute of Chartered Accountants of India.

(2) "Operating profit" means the profit before other income and tax expenses.

(3) "Net worth" means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation

(4) "Monetary Assets" means cash in hand, balance with bank in current and deposit account (net of bank deposits not considered as cash and cash equivalent.)

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees in the Issue shall be not less than 1,000.

Our Company confirms that it is in compliance with the conditions specified in Regulation 7(1) of the SEBI ICDR Regulations, to the extent applicable, and will ensure compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable.

Further, our Company confirms that it is not ineligible to make the Issue in terms of Regulation 5 of the SEBI ICDR Regulations, to the extent applicable. The details of our compliance with Regulation 5 of the SEBI ICDR Regulations are as follows:

1. None of our Company, our Promoters, members of our Promoter Group and our Directors are debarred from accessing the capital markets by SEBI;
2. None of the Promoters or Directors of our Company is a Promoter or a Director of any other company which is debarred from accessing the capital market by SEBI;
3. None of our Company, our Promoters or Directors have been categorized as a Wilful Defaulter or a Fraudulent Borrower (as defined in the SEBI ICDR Regulations);
4. None of our Promoters or Directors has been declared a fugitive economic offender in accordance with the Fugitive Economic Offenders Act, 2018.
5. The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing of this Red Herring Prospectus;
6. Our Company, along with the Registrar to the Issue, has entered into tripartite agreements dated December 18, 2017 and December 7, 2017 with NSDL and CDSL, respectively, for dematerialization of the Equity Shares;
7. There are no outstanding convertible securities or any other right which would entitle any person with any option to receive Equity Shares, as on the date of this Red Herring Prospectus; and
8. Our Company shall not make an Allotment if the number or prospective allottees is less than 1,000 in accordance with Regulation 49(1) of the SEBI ICDR Regulations.

#### **Disclaimer Clauses**

#### **DISCLAIMER CLAUSE OF THE SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGER, GRETEX CORPORATE SERVICES LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER GRETEX CORPORATE SERVICES LIMITED HAS FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED JUNE 27, 2023 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.**

**THE FILING OF THE DRAFT RED HERRING PROSPECTUS AND THIS RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF**

**THE ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BRLM, ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS AND THIS RED HERRING PROSPECTUS.**

**All legal requirements pertaining to this Issue will be complied with at the time of filing of this Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act. All legal requirements pertaining to this Issue will be complied with at the time of filing of the Prospectus with the RoC in terms of Sections 26, 32, 33(1) and 33(2) of the Companies Act.**

#### **Disclaimer from our Company, our Directors and the BRLM**

Our Company, our Directors and the BRLM accept no responsibility for statements made otherwise than in this Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website [www.aasaanloans.com](http://www.aasaanloans.com) or any website of any affiliate of our Company, any of the Group Companies, would be doing so at his or her own risk.

The BRLM accepts no responsibility, save to the limited extent as provided in the Issue Agreement and the Underwriting Agreement to be entered into between the Underwriters, and our Company.

All information shall be made available by our Company and the BRLM to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at Bidding centers or elsewhere.

None among our Company, any member of the Syndicate is liable for any failure in uploading the Bids due to faults in any software/ hardware system or otherwise; the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

#### **Caution**

Investors who Bid in the Issue are required to confirm and are deemed to have represented to our Company, Underwriters and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not offer, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, Underwriters and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The BRLM and its associates and affiliates may engage in transactions with, and perform services for, our Company, our Group Companies, and their respective affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company and its affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

#### **Disclaimer in respect of Jurisdiction**

Any dispute arising out of the Issue will be subject to the jurisdiction of appropriate court(s) in Rajasthan, India only.

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, Hindu Undivided Families ("HUFs"), companies, other corporate bodies and societies registered under the applicable laws in India and authorised to invest in equity shares, corporate bodies, scientific institutions, societies, trusts and FPIs who are individuals, corporate bodies and family offices which are categorised as category II FPIs and registered with SEBI companies or trusts registered under the Societies Registration Act, 1860, as amended from time to time, or any other applicable trust laws, and who are authorised under their respective constitutions to hold and invest in equity shares, and non-residents including Eligible NRIs. This Red Herring Prospectus does not, however, constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Red Herring Prospectus

comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Rajasthan, India only.

No action has been, or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Red Herring Prospectus has been filed with SEBI for its observations. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Red Herring Prospectus, nor any offer or sale hereunder, shall, under any circumstances, create any implication that there has been no change in our affairs from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

### **Eligibility and Transfer Restrictions**

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

**The Equity Shares have not been and will not be registered under the U.S. Securities Act, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and applicable laws of the jurisdictions where such offers and sales occur.**

**Each purchaser of the Equity Shares in the Issue in India shall be deemed to:**

- represent and warrant to our Company, the BRLM and the Syndicate Members that it was outside the United States (as defined in Regulation S) at the time the offer of the Equity Shares was made to it and it was outside the United States (as defined in Regulation S) when its buy order for the Equity Shares was originated.
- represent and warrant to our Company, the BRLM and the Syndicate Members that it did not purchase the Equity Shares as result of any “directed selling efforts” (as defined in Regulation S).
- represent and warrant to our Company, the BRLM and the Syndicate Members that it bought the Equity Shares for investment purposes and not with a view to the distribution thereof. If in the future it decides to resell or otherwise transfer any of the Equity Shares, it agrees that it will not offer, sell or otherwise transfer the Equity Shares except in a transaction complying with Rule 903 or Rule 904 of Regulation S or pursuant to any other available exemption from registration under the U.S. Securities Act.
- represent and warrant to our Company, the BRLM and the Syndicate Members that if it acquired any of the Equity Shares as fiduciary or agent for one or more investor accounts, it has sole investment discretion with respect to each such account and that it has full power to make the foregoing representations, warranties, acknowledgements and agreements on behalf of each such account.
- represent and warrant to our Company, the BRLM and the Syndicate Members that if it acquired any of the Equity Shares for one or more managed accounts, that it was authorized in writing by each such managed account to subscribe to the Equity Shares for each managed account and to make (and it hereby makes) the representations, warranties, acknowledgements and agreements herein for and on behalf of each such account, reading the reference to “it” to include such accounts.
- agree to indemnify and hold the Company, the BRLM and the Syndicate Members harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of these representations, warranties or agreements. It agrees that the indemnity set forth in this paragraph shall survive the resale of the Equity Shares.
- acknowledge that our Company, the BRLM, the Syndicate Members and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements.

**Bidders are advised to ensure that any Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law.**

Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption

from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act.

#### **Disclaimer Clause of the BSE**

As required, a copy of the Draft Red Herring Prospectus was submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of the Draft Red Herring Prospectus, is as follows:

“BSE Limited (“the Exchange”) has given vide its letter dated January 02, 2024, permission to this Company to use the Exchange’s name in this offer document as one of the stock exchanges on which this company’s securities are proposed to be listed. The Exchange has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner: -

- a) warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- b) warrant that this Company’s securities will be listed or will continue to be listed on the Exchange; or
- c) take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company.

and it should not for any reason be deemed or construed that this offer document has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.”

#### **Disclaimer Clause of NSE**

As required, a copy of the Draft Red Herring Prospectus has been submitted to NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of the Draft Red Herring Prospectus, is as follows:

“As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/2193 dated January 03, 2024, permission to the Issuer to use the Exchange’s name in this Offer Document as one of the Stock Exchanges on which this Issuer’s securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer’s securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.”

#### **Listing**

Applications will be made to the Stock Exchanges for obtaining permission to list, trade and deal in and for an official quotation of the Equity Shares being issued and sold in the Issue and NSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalised for the Issue. Our existing Equity Shares are not listed on any Stock Exchanges in India.

If the permission to deal in and for an official quotation of the Equity Shares is not granted by any of the Stock Exchanges, our Company shall forthwith repay, without interest, all monies received from the applicants in pursuance of this Red Herring Prospectus. If such money is not repaid within the prescribed time, then our Company and every officer in default shall be liable to repay the money, with interest, as prescribed under applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all Stock Exchanges mentioned above are taken within 6 (six) Working Days of the Bid/Issue Closing Date or such other period as may be prescribed by the SEBI. If our Company does not allot Equity Shares pursuant to the Issue within 6 (six) Working Days from the Bid/ Issue Closing Date or within such

timeline as prescribed by SEBI, it shall repay without interest all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period.

If our Company does not Allot the Equity Shares within 6 (six) Working Days from the Bid/Issue Closing Date or within such timeline as prescribed by SEBI, all amounts received in the Public Issue Account will be transferred to the Refund Account and it shall be utilised to repay, without interest, all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period, subject to applicable law.

### **Impersonation**

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act 2013, which is reproduced below:

*“Any person who –*

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or*
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,*

*shall be liable for action under section 447”*

The liability prescribed under Section 447 of the Companies Act 2013 includes imprisonment for a term of not less than 6 (six) months extending up to 10 (ten) years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

### **Consents**

Consents in writing of our Directors, the Company Secretary and Compliance Officer, Chief Financial Officer, the legal counsel, the bankers to our Company, industry sources, the BRLM and Registrar to the Issue have been obtained. Consents in writing of the Syndicate Members, Bankers to the Issue/Escrow Bank, Public Issue Account Bank, Sponsor Bank and Refund Bank to act in their respective capacities as well as the consent of the Monitoring Agency will be obtained.

Our Company has received consent of our Statutory Auditors, who hold a valid peer review certificate, to include their name as required under Section 26(5) of the Companies Act 2013 in this Red Herring Prospectus.

The said consents will be filed along with a copy of this Red Herring Prospectus with the Registrar of Companies, Rajasthan, as required under the Companies Act, 2013 and such consents have not been withdrawn up to the time of delivery of this Red Herring Prospectus, for registration with the Registrar of Companies, Rajasthan, Jaipur.

### **Experts**

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

Our Company has received written consent dated June 11, 2024 from the Statutory Auditors, who hold a valid peer review certificate to include its name as required under Section 26(5) of the Companies Act, 2013 in this Red Herring Prospectus and as an “expert” as defined under Section 2(38) of the Companies Act, 2013 in respect of the examination report dated February 26, 2024 of the Statutory Auditor on the Restated Financial Statements of our Company, as at nine months period ended December 31, 2023 and for Fiscals 2023, 2022 and 2021 and the Statement of Special Tax Benefits dated June 11, 2024, included in this Red Herring Prospectus and such consent has not been withdrawn as on the date of this Red Herring Prospectus.

### **Particulars regarding public or rights issues by our Company during the last 5 (five) years**

Our Company has not made any public issue in the last 5 (five) years. The Company has undertaken rights issues of its equity shares in the last 5 (five) years. For further details, please see “*Capital Structure*” on page 84.

### **Commission or Brokerage on Previous issues in the last 5 (five) years**

Since this is the initial public issuing of the Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure public subscription for any of our

Equity Shares in the 5 (five) years preceding the date of this Red Herring Prospectus.

**Capital Issues in the Preceding Three Years**

Except as disclosed in “*Capital Structure - Share capital History of our Company*” beginning on page 84, our Company has not made any capital issues during the three years immediately preceding the date of this Red Herring Prospectus.

Except for the equity shares of Star Housing Finance Limited, one of our group companies, which is listed on BSE Limited, our Company does not have any listed group company or any listed subsidiary or a listed associate entity. Further, Star Housing Finance Limited has not made any public/right issues in the last 3 years.

**Performance vis-à-vis Objects**

Our Company has not undertaken any public issues, including any rights issues to the public in the 5 (five) years immediately preceding the date of this Red Herring Prospectus.

**Performance vis- à-vis Objects: Last Issue of Subsidiaries/Promoters**

Our Company does not have any subsidiaries or listed promoters and none of them have made any public issues, including rights issues to the public in the 5 (five) years immediately preceding the date of this Red Herring Prospectus.

The price information of past issues handled by the BRLM is as follows:

**PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE BOOK RUNNING LEAD MANAGER**

For details regarding the price information and track record of the past issue handled by Gretex Corporate Services Limited, as specified in Circular reference CIR/CFD/DIL/7/2015 dated October 30, 2015 issued by SEBI, please refer Annexure A to this Red Herring Prospectus and the website of the BRLM at [www.gretexcorporate.com](http://www.gretexcorporate.com).

## ANNEXURE A

### Statement on Price Information of Past Issues handled by Gretex Corporate Services Private Limited:

Sr. No.	Issuer Name	Issue Size (Cr)	Issue Price (In ₹)	Listing Date	Opening Price on Listing Date	+ / -% change in closing price, [+ / - % change in Closing bench mark] 30th calendar days from listing	+ / -% change in closing price, [+ / - % change in Closing benchmark] 90th calendar days from listing	+ / -% change in closing price, [+ / - % change in Closing benchmark] 180th calendar days from listing
<b>Main Board</b>								
1	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>SME Platform</b>								
1	Retina Paints Limited	11.10	30.00	May 3, 2023	29.05	32.82, [2.21]	55.54, [8.61]	96.72, [7.06]
2	Innokaiz India Limited	21.17	78.00	May 11, 2023	148.20	-21.86, [1.16]	-7.08, [6.61]	-22.88, [4.91]
3	Comrade Appliances Limited	12.30	54.00	June 13, 2023	87.00	15.80, [3.83]	80.62, [6.31]	51.89, [10.58]
4	Shelter Pharma Limited	16.03	42.00	August 23, 2023	39.97	4.62, [0.88]	54.72, [0.76]	63.08, [11.12]
5	Transtel Seating Technologies Limited	49.98	70.00	November 6, 2023	88.90	-0.64, [7.86]	-2.47, [12.58]	-28.94, [15.78]
6	Kalyani Cast-Tech Limited	30.11	139.00	November 17, 2023	264.10	44.32, [8.65]	78.90, [9.51]	75.28, [10.93]
7	Amic Forging Limited	34.80	126.00	December 6, 2023	239.40	105.59, [3.42]	190.37, [5.78]	N.A.
8	Interiors & More Limited	42.00	227.00	February 23, 2024	270.00	-8.99, [-0.52]	-2.29, [1.73]	N.A.
9	Zenith Drugs Limited	40.68	79.00	February 27, 2024	110.00	-40.37, [-0.58]	-37.14, [3.31]	N.A.
10	Owais Metal and Mineral Processing Limited	42.69	87.00	March 04, 2024	250.00	100.76, [0.13]	361.20, [0.56]	N.A.

Sources: All share price data is from [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com).

**Note:**

- The BSE SENSEX and NSE NIFTY are considered as the Benchmark Index.
- Price on BSE & NSE are considered for all the above calculations.
- In case 30<sup>th</sup>, 90<sup>th</sup> and 180<sup>th</sup> day is not a trading day, the price / index of the immediately preceding working day has been considered.
- In case 30<sup>th</sup>, 90<sup>th</sup> and 180<sup>th</sup> day, scripts are not traded then the share price is taken of the immediately preceding trading day.



As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect maximum 10 issues (Initial Public Offers) managed by the Lead Manager. Hence, disclosure pertaining to recent 10 issues handled by the Lead Manager are provided.

### **SUMMARY STATEMENT OF DISCLOSURE**

Financial Year	Total no. of IPOs	Total Funds Raised ('in Cr.)	No. of IPOs trading at Discount-30 <sup>th</sup> calendar day from listing day			No. of IPOs trading at Premium-30 <sup>th</sup> calendar day from listing day			No. of IPOs trading at Discount-180 <sup>th</sup> calendar day from listing day			No. of IPOs trading at Premium-180 <sup>th</sup> calendar day from listing day		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Over 50%
2021-22	*3	46.39	--	--	--	2	2021-22	*3	46.39	--	--	--	2	2021-22
2022-23	**9	179.70	--	--	3	2	2022-23	**9	179.70	--	--	3	2	2022-23
2023-24	***10 <sup>^</sup>	300.86	--	1	3	2	2023-24	***10 <sup>^</sup>	300.86	--	1	3	2	2023-24

Upto May 31, 2024

\*The scrip with Listing date PlatinumOne Business Services Limited (September 16, 2021), Markolines Traffic Controls Limited (September 27, 2021) and Clara Industries Limited (December 29, 2021)

\*\*The scrip with Listing date Goel Food Products Limited (June 28, 2022), Sailani Tours N Travels Limited (July 08, 2022), Jayant Infratech Limited (July 13, 2022), B-Right RealEstate Limited (July 13, 2022), Shantidoot Infra Services Limited (September 19, 2022), Steelman Telecom Limited (October 10, 2022), Reetech International Cargo and Courier Limited (October 10, 2022), ResGen Limited (March 13, 2023) and Sudarshan Pharma Industries Limited (March 22, 2023).

\*\*\* The scrip with Listing date Retina Paints Limited (May 03, 2023), Innokaiz India Limited (May 11, 2023), Comrade Appliances Limited (June 13, 2023), Shelter Pharma Limited (August 23, 2023), Transteel Seating Technologies Limited (November 06, 2023), Kalyani Cast-Tech Limited (November 17, 2023), Amic Forging Limited (December 06, 2023), Interiors & More Limited (February 23, 2024) and Zenith Drugs Limited (February 27, 2024)

<sup>^</sup> The scrip of Amic Forging Limited, Interiors & More Limited, Zenith Drugs Limited and Owais Metal and Mineral Processing Limited have not completed 180 Days from the date of listing.

#### **Track record of past issues handled by the BRLM**

For details regarding the track record of the Managers, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer to the website of the BRLM, as set forth in the table below:

Sr. No.	Name of the BRLM	Website
1.	Gretex Corporate Services Limited	info@gretexgroup.com

#### **Stock Market Data of the Equity Shares**

This being the initial public issuing of the Equity Shares of our Company, the Equity Shares is not listed on any stock exchange as on the date of this Red Herring Prospectus, and accordingly, no stock market data is available for the Equity Shares.

#### **Mechanism for Redressal of Investor Grievances**

The agreement between the Registrar to the Issue and our Company dated February 12, 2023 provides for retention of records with the Registrar to the Issue for a minimum period of 8 (eight) years from the date of listing

and commencement of trading of the Equity Shares on the Stock Exchanges, in order to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

Investors can contact the Company Secretary and Compliance Officer, the BRLM or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc.

All grievances, other than of Anchor Investors may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted, giving full details such as name of the sole or First Bidder, ASBA Form number, Bidder's DP ID, Client ID, PAN, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for Retail Individual Investors who make the payment of Bid Amount through the UPI Mechanism), date of ASBA Form and the name and address of the relevant Designated Intermediary where the Bid was submitted. Further, the Bidder shall enclose the Acknowledgment Slip or the application number from the Designated Intermediary in addition to the documents or information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Issue.

Anchor Investors are required to address all grievances in relation to the Issue to the BRLM. All grievances of the Anchor Investors may be addressed to the Registrar to the Issue, giving full details such as the name of the Sole Bidder or First Bidder, Anchor Investor Application Form number, Bidders' DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the Book Running Lead Manager where the Bid cum Application Form was submitted by the Anchor Investor.

In case of any delay in unblocking of amounts in the ASBA Accounts exceeding two Working Days from the Bid / Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding two Working Days from the Bid/Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. Further, the investors shall be compensated by the SCSBs in accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 in the events of delayed unblock for cancelled/withdrawn/deleted applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/partially allotted applications for the stipulated period. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the Book Running Lead Manager shall compensate the investors at the rate higher of ₹ 100 per day or 15% per annum of the application amount for the period of such delay, which period shall start from the day following the receipt of a complaint from the investor.

Our Company, the BRLM and the Registrar to the Issue accept no responsibility for errors, omissions, commission or any acts of any SCSB, Registered broker, Syndicate member, RTA or CDP including any defaults in complying with its obligations under the SEBI ICDR Regulations.

#### **Disposal of Investor Grievances by our Company**

We estimate that the average time required by our Company and/or the Registrar to the Issue for the redressal of routine investor grievances shall be ten Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Mr. Manoj Kumar Choubisa , Company Secretary as the Compliance Officer and she may be contacted in case of any pre-Issue or post-Issue related problems, at the address set forth hereunder.

**Mr. Manoj Kumar Choubisa**  
**Tel No.:** +91- 294-2489501-02  
**Email:** [cs@aasaanloans.com](mailto:cs@aasaanloans.com)

Our Company shall obtain authentication on the SCORES and comply with the SEBI circular SEBI circular (CIR/OIAE/1/2014) dated December 18, 2014 and SEBI Circular (SEBI/HO/OIAE/IGRD/CIR/P/2021/642) dated October 14, 2021 and SEBI circular SEBI/HO/OIAE/IGRD/P/CIR/2022/0150 dated November 7, 2022 in relation to redressal of investor grievances through SCORES.

Further, our Board has constituted a *Stakeholders' Relationship Committee*, which is responsible for redressal of grievances of the security holders of our Company. For more information, see “*Our Management*” beginning on page 264. Our Company has not received any investor grievances during the three years preceding the date of this Red Herring Prospectus and as on date, there are no investor complaints pending.

Our Company estimates that the average time required by our Company or the Registrar to the Issue, for the redressal of routine investor grievances shall be 10 (ten) Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

#### **Outstanding Debentures, Bonds or Redeemable Preference Shares**

Our Company does not have any outstanding debentures, bonds or redeemable preference shares, as on the date of this Red Herring Prospectus.

#### **Partly Paid-Up Shares**

As on the date of this Red Herring Prospectus, there are no partly paid-up Equity Shares of our Company.

#### **Fees Payable to the Syndicate**

The total fees payable to the Syndicate (including underwriting commission and selling commission and reimbursement of their out-of-pocket expense) will be as per the Syndicate Agreement. For details of the Issue expenses, please refer to the chapter titled “*Objects of the Issue*” beginning on page 170.

#### **Commission payable to SCBSs, Registered Brokers, CRTAs and CDPs**

For details of the commission payable to SCBSs, Registered Brokers, CRTAs and CDPs, please refer to the chapter titled “*Objects of the Issue*” beginning on page 170.

#### **Disposal of investor grievances by listed Group Companies**

We have one listed Group Company namely Star Housing Finance Limited which has no complaints pending against it as of the date of this Red Herring Prospectus.

#### **Capitalization of Reserves or Profits**

Our Company has not capitalized its reserves or profits at any time during the 5 (five) years immediately preceding the date of this Red Herring Prospectus.

#### **Revaluation of Assets**

Our Company has not revalued its assets since its incorporation.

#### ***Exemption from complying with any provisions of securities laws, if any, granted by SEBI***

Our Company has not made any application under the SEBI ICDR Regulations for seeking exemption from complying with any provisions of securities laws, as on the date of this Red Herring Prospectus.

## SECTION VII: OFFER INFORMATION

### TERMS OF THE ISSUE

The Equity Shares are being Issued, Allotted and transferred pursuant to this Issue are subject to the provisions of the Companies Act, the SCRA, SCRR, SEBI ICDR Regulations, SEBI Listing Regulations, our Memorandum and Articles of Association, the terms of the Red Herring Prospectus, the Prospectus and the Abridged Prospectus, the Bid cum Application Form, the Revision Form, CAN, the Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice and other documents or certificates that may be executed in respect of this Issue. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the Issue of capital and listing and trading of securities offered from time to time by the SEBI, the Government of India, the Stock Exchanges, the RoC, the RBI, and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by such governmental, regulatory or statutory authority while granting its approval for the Issue.

#### The Issue

The Issue comprises of a Fresh Issue of Equity Shares.

The listing fees shall be borne by our Company. Other Issue-related expenses shall be borne by our Company. For details in relation to Issue expenses, see “*Objects of the Issue*” beginning on page 170.

#### Ranking of the Equity Shares

The Equity Shares being issued and allotted in the Issue shall be subject to the provisions of the Companies Act, SEBI Listing Regulations, SEBI ICDR Regulations, SCRA read with SCRR, our Memorandum of Association and our Articles of Association, and shall rank *pari passu* in all respects with the existing Equity Shares including rights in respect of dividend, if any, declared by our Company after the date of Allotment. Any dividends declared after the date of Allotment in this Issue will be received by the Allottees, for the entire year, in accordance with applicable law. For further details, see “*Dividend Policy*” and “*Description of Equity Shares and terms of Articles of Association*” beginning on pages 292 and 460, respectively.

#### Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to shareholders of our Company as per the provisions of the Companies Act, 2013, our Memorandum of Association, our Articles of Association, the SEBI Listing Regulations and other applicable law. Dividends, if any, declared by our Company after the date of Allotment, will be payable to the Allottees who have been Allotted Equity Shares in the Issue, in accordance with applicable laws. For further details in relation to dividends, see “*Dividend Policy*” and “*Description of Equity Shares and terms of Articles of Association*” beginning on pages 292 and 460 respectively.

#### Face Value and Issue Price

The face value of the Equity Shares is ₹ 10/-. The Floor Price of Equity Shares is [●] per Equity Share and the Cap Price is [●] per Equity Share.

The Price Band and minimum Bid Lot for the Issue will be decided by our Company, in consultation with the BRLM, and shall be advertised in all editions of Financial Express an English national daily newspaper, and all editions of Jansatta, a Hindi national daily newspaper Jansatta, (Hindi being the regional language of Rajasthan, where our Registered Office is located), with wide circulation, respectively, at least two Working Days prior to the Bid/ Issue Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available at the websites of the Stock Exchanges. The Issue price shall be determined by our Company in consultation with the BRLM, after the Bid/Issue Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

At any given point of time there shall be only one denomination for the Equity Shares.

### **Compliance with disclosure and accounting norms**

Our Company shall comply with all applicable disclosure and accounting norms as specified by SEBI from time to time.

### **Rights of the Equity Shareholders**

Subject to applicable laws, rules, regulations and guidelines and the provisions of our Articles of Association, the equity shareholders of our Company shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy or 'e-voting', in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive any surplus on liquidation subject to any statutory or preferential claims being satisfied;
- Right to freely transfer their Equity Shares, subject to any RBI rules, foreign exchange regulations and other applicable laws; and
- Such other rights, as may be available to a shareholder of a listed public company under applicable law, including the Companies Act, 2013, the terms of the SEBI Listing Regulations and the Articles of Association of the Company.

For a detailed description of the main provisions of our Articles of Association relating to voting rights, dividend, forfeiture and lien, transfer and transmission, consolidation and splitting, see "*Description of Equity Shares and terms of Articles of Association*" beginning on page 460.

### **Allotment of Equity Shares in dematerialised form**

Pursuant to Section 29 of the Companies Act, 2013 and the SEBI ICDR Regulations, the Equity Shares shall be allotted only in dematerialised form to all Bidders. In this context, two tripartite agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Issue:

1. Tripartite Agreement dated December 18, 2017 among NSDL, our Company and the Registrar to the Issue.
2. Tripartite Agreement dated December 7, 2017 among CDSL, our Company and Registrar to the Issue.

### **Market Lot and Trading Lot**

Since, the trading of our Equity Shares on the Stock Exchanges shall only be in dematerialised form, the tradable lot is one (1) Equity Share. Allotment of Equity Shares will be only in electronic form in multiples of one (1) Equity Share, subject to a minimum Allotment of [●] Equity Shares. For details, see "*Issue Procedure*" on page 436 of this Red Herring Prospectus.

### **Joint Holders**

Subject to provisions contained in our Articles, where two or more persons are registered as the holders of any Equity Share, they shall be deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

### **Jurisdiction**

The courts of Udaipur, India will have exclusive jurisdiction in relation to this Issue.

**The Equity Shares offered in this Issue have not been and will not be registered under the U.S. Securities Act of 1933 ("Securities Act") and may not be offered or sold within the United States (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares are only**

**being offered and sold outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.**

### **Nomination facility to investors**

In accordance with Section 72 of the Companies Act, 2013 read with Companies (Share Capital and Debentures) Rules, 2014, as amended, the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale, transfer or alienation of Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 as mentioned above, shall, upon the production of such evidence as may be required by our Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, our Board may thereafter withhold payment of all dividend, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment will be made only in dematerialised form, there shall be no requirement for a separate nomination with our Company. Nominations registered with the respective Depository Participant of the Bidder will prevail. If Bidders wish to change their nomination, they are requested to inform their respective Depository Participant.

### **Bid/Issue Programme**

<b>ANCHOR BID/ISSUE OPENS ON</b>	Tuesday, June 18, 2024 *
<b>BID / ISSUE OPENS ON*</b>	Wednesday, June 19, 2024
<b>BID / ISSUE CLOSES ON**</b>	Friday, June 21, 2024 #

*\*Our Company may, in consultation with the BRLM, may consider participation by Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations. Anchor Investors shall Bid on the Anchor Investor Bidding Date. The Anchor Investor Bid/ Issue Period shall be one Working Day prior to the Bid/ Issue Opening Date in accordance with the SEBI ICDR Regulations.*

*\*\*Our Company may, in consultation with the BRLM, consider closing the Bid / Issue Period for QIBs one (1) day prior to the Bid / Issue Closing Date in accordance with the SEBI ICDR Regulations*

*# UPI mandate end time and date shall be at 5:00 p.m. on the Bid/Issue Closing Date.*

An indicative timetable in respect of the Issue is set out below:

<b>Event</b>	<b>Indicative Date</b>
Anchor Investor Bidding Date	Tuesday, June 18, 2024
Bid/ Issue Opening Date	Wednesday, June 19, 2024
Bid/ Issue Closing Date	Friday, June 21, 2024
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about Monday, June 24, 2024(T + 1)
Initiation of refunds (if any, for Anchor Investors) / Unblocking of funds from ASBA Account***	On or about Tuesday, June 25, 2024 (T + 2)
Credit of the Equity Shares to depository accounts of Allottees	On or about Tuesday, June 25, 2024 (T + 2)
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about Wednesday, June 26, 2024 (T + 3)

\*\*\*In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Issue Closing Date for cancelled/ withdrawn/ deleted ASBA Forms, the Bidder shall be compensated by the SCSB responsible for causing such delay in unblocking at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated by the SCSB responsible for causing such delay in unblocking at a uniform rate ₹100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated by the SCSB responsible for causing such delay in unblocking at a uniform rate of ₹100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/partially allotted Bids, exceeding two Working Days from the Bid/Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding two Working Days from the Bid/ Issue Closing Date by the SCSB responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The BRLM shall be liable for compensating the Bidder at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date of receipt of the investor grievance until the date on which the blocked amounts are unblocked. The Bidder shall be compensated in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular No: SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/76 dated May 30, 2022 which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs, to the extent applicable.

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

**The above timetable is indicative and does not constitute any obligation on our Company or the BRLM.**

**Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within three Working Days of the Bid / Issue Closing Date or such period as may be prescribed, the timetable may change due to various factors, such as extension of the Bid/ Issue Period by our Company and, in consultation with the BRLM, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws.**

In terms of the UPI Circulars, in relation to the Issue, the BRLM will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within three Working Days from the Bid/Issue Closing Date, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay.

**Any circulars or notifications from SEBI after the date of this Red Herring Prospectus may result in changes to the above-mentioned timelines. Further, the issue procedure is subject to change to any revised SEBI circulars to this effect.**

#### **Submission of Bids:**

<b>Bid/ Issue Period (except the Bid/ Issue Closing Date)</b>	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time (“IST”))
<b>Bid/ Issue Closing Date<sup>#</sup></b>	
Submission of electronic applications (online ASBA through 3-in-1 accounts)- For Retail Individual Bidders and Eligible Employees	Only between 10.00 a.m. and up to 5.00 p.m. IST

Submission of electronic application (bank ASBA through online channels like internet banking, mobile banking and syndicate ASBA applications through UPI as a payment mechanism where Bid Amount is upto ₹0.50 million)	Only between 10.00 a.m. and up to 4:00 p.m. IST
Submission of electronic applications (syndicate non-retail, non-individual applications of NIIs)	Only between 10.00 a.m. and up to 3.00 p.m. IST
Submission of physical applications (direct bank ASBA)	Only between 10.00 a.m. and up to 1.00 p.m. IST
Submission of physical applications (syndicate non-retail, non-individual applications where Bid Amount is more than ₹0.50 million)	Only between 10.00 a.m. and up to 12.00 p.m. IST
<b>Revision/cancellation of Bids</b>	
Upward Revision of Bids by Non-Institutional Bidders categories*	Only between 10.00 a.m. and up to 4.00 p.m. IST on Bid/ Offer Closing Date
Upward or downward Revision of Bids or cancellation of Bids by RIBs	Only between 10.00 a.m. and up to 5.00 p.m. IST

*#UPI mandate end time and date shall be at 5:00 p.m. on the Bid/Issue Closing Date.*

*\* Non-Institutional Bidders can neither revise their Bids downwards nor cancel/withdraw their Bids.*

**On the Bid/ Issue Closing Date, the Bids shall be uploaded until:**

- (i) 4.00 p.m. IST in case of Bids by Non-Institutional Bidders, and
- (ii) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by RIBs or Eligible Employees under the Employee Reservation Portion.

On Bid/Issue Closing Date, extension of time may be granted by the Stock Exchanges only for uploading Bids received by Retail Individual Bidders, after taking into account the total number of Bids received and as reported by the BRLM to the Stock Exchanges.

The Registrar to the Issue shall submit the details of cancelled/withdrawn/deleted applications to the SCSBs on daily basis within 60 minutes of the Bid closure time from the Bid/ Issue Opening Date till the Bid/Issue Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLM and the RTA on a daily basis.

To avoid duplication, the facility of re-initiation provided to Syndicate Members shall preferably be allowed only once per bid/batch and as deemed fit by the Stock Exchanges, after closure of the time for uploading Bids.

**It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.**

Due to limitation of the time available for uploading the Bids on the Bid/Issue Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date and, in any case, no later than 1.00 p.m. (IST) on the Bid/Issue Closing Date. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/Issue Closing Date, as is typically experienced in public offerings in India, it may lead to some Bids not being uploaded due to lack of sufficient time to upload. Such Bids that cannot be uploaded on the electronic bidding system will not be considered for allocation under this Issue Bids will only be accepted on Working Days.

Investors may please note that as per letter no. List/SMD/SM/2006 dated July 3, 2006 and letter no. NSE/IPO/25101- 6 dated July 6, 2006 issued by BSE and NSE respectively, Bids and any revision in Bids shall not be accepted on Saturdays and public holidays as declared by the Stock Exchanges. Bids by ASBA Bidders shall be uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchanges. Neither our Company nor any member of the Syndicate is liable for any failure in: (i) uploading or downloading the Bids due to faults in any software / hardware system or otherwise, and (ii) the blocking of the Bid Amount in the ASBA Account of Bidders on receipt of instructions from the Sponsor Bank on account of



any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

Our Company in consultation with the BRLM, reserves the right to revise the Price Band during the Bid/Issue Period in accordance with the SEBI ICDR Regulations. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly, provided that, the Cap Price of the Price Band shall be at least 105% of the Floor Price. In case of any discrepancy in the data entered in the electronic book vis-à-vis the data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment. The Floor Price shall not be less than the face value of the Equity Shares.

**In case of any revision in the Price Band, the Bid/Issue Period shall be extended for at least 3 (three) additional Working Days after such revision of the Price Band, subject to the total Bid/Issue Period not exceeding 10 (ten) Working Days. Further, in cases of *force majeure*, banking strike or similar unforeseen circumstances, our Company and in consultation with the BRLM, for reasons to be recorded in writing, may extend the Bid / Issue Period for a minimum of 1 (one) Working Day, subject to the Bid /Issue Period not exceeding 10 (ten) Working Days. Any revision in the Price Band, and the revised Bid/ Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a press release and also by indicating the change on the websites of the BRLM and at the terminals of the members of the Syndicate and by intimation to the Designated Intermediaries and Sponsor Bank as applicable. In case of revision of the Price Band, the Bid lot shall remain the same.**

In case of discrepancy in the data entered in the electronic book *vis-à-vis* the data contained in the physical Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment.

#### **Minimum Subscription**

In the event our Company does not receive (i) a minimum subscription of 90% of the Issue, and (ii) a subscription in the Issue equivalent to at least 25% post-Issue paid up Equity Share capital of our Company, as specified under Rule 19(2)(b) of the SCRR, including through devolvement of Underwriters, as applicable, within 60 days from the date of Bid/Issue Closing Date, or if the subscription level falls below the thresholds mentioned above after the Bid/Issue Closing Date, on account of withdrawal of applications or after technical rejections, or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares being issued under this Red Herring Prospectus, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond 4 (four) days, our Company to the extent applicable, shall pay interest at the rate of 15% per annum including the SEBI circular bearing no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021.

Further, the Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted shall not be less than 1,000 in compliance with Regulation 49(1) of the SEBI ICDR Regulations failing which the entire application money shall be unblocked in the respective ASBA Accounts of the Bidders, and subscription money will be refunded, as applicable. In case of delay, if any, in unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, the Company shall be liable to pay interest on the application money in accordance with applicable laws.

#### **Arrangements for disposal of odd lots**

Since our Equity Shares will be traded in dematerialised form only and the market lot for our Equity Shares will be one Equity Share, no arrangements for disposal of odd lots are required.

#### **Restriction on transfer and transmission of shares**

Except for the lock-in of the pre-Issue Equity Share Capital of our Company and minimum Promoters' Contribution, as detailed in "*Capital Structure*" beginning on page 84 and except as otherwise provided in our Articles of Association, there are no restrictions on transfers and transmission of Equity Shares or on their consolidation or splitting, for details see, "*Description of Equity Shares and terms of Articles of Association*" beginning on page 460.

### **Option to receive Equity Shares in Dematerialized Form**

Allotment of Equity Shares to successful Bidders will only be in the dematerialized form. Bidders will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only in the dematerialized segment of the Stock Exchanges.

### **Withdrawal of the Issue**

Our Company, in consultation with the BRLM, reserve the right not to proceed with the entire or portion of the Issue for any reason at any time after the Bid/Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the same newspapers, in which the pre-Issue advertisements were published, within two days of the Bid/Issue Closing Date or such further time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. Further, the Stock Exchanges shall be informed promptly in this regard by our Company, and the BRLM, through the Registrar to the Issue, shall notify the SCSBs and the Sponsor Bank (in case of RIBs using the UPI mechanism), as applicable, to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification. In the event of withdrawal of the Issue and subsequently, plans of a fresh Issue by our Company, a fresh Draft Red Herring Prospectus will be submitted again to SEBI and the Stock Exchanges.

Notwithstanding the foregoing, this Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment and within three Working Days of Bid/Issue Closing Date or such other period as may be prescribed, and the final RoC approval of the Prospectus after it is filed with the RoC.

### **New Financial Instruments**

Our Company is not issuing any new financial instruments through this Issue.

## ISSUE STRUCTURE

The initial public offer is of up to 1,10,00,000 Equity Shares for cash at price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) aggregating up to ₹ [●] lakhs by our Company. The face value of the Equity Shares is ₹ 10 each. The Issue will constitute [●] % of the post-Issue paid-up Equity Share capital of our Company. The Issue includes a reservation of up to 5,50,000\* Equity Shares aggregating to ₹ [●] lakhs for subscription by Eligible Employees. The Employee Reservation Portion shall not exceed 5% of our post-Issue paid-up equity share capital. The Issue less the Employee Reservation Portion is the Net Issue. The Issue and Net Issue shall constitute [●]% and [●]% of the post-Issue paid-up Equity Share capital of our Company, respectively.

The Issue is being made through the Book Building Process

Particulars	Eligible Employees	QIBs <sup>(1)</sup>	Non-Institutional Bidders	Retail Individual Bidders
Number of Equity Shares available for Allotment/ allocation*. <sup>(2)</sup>	Not more than 5,50,000 Equity Shares.	Not more than [●] Equity Shares or Net Issue less allocation to Non-Institutional Bidders and Retail Individual Bidders.	Not less than [●] Equity Shares available for allocation or Net Issue less allocation to QIB Bidders and Retail Individual Bidders.	Not less than [●] Equity Shares available for allocation or Net Issue less allocation to QIB Bidders and Non-Institutional Bidders.
Percentage of Issue Size available for Allotment/ allocation.	The Employee Reservation Portion shall constitute upto 5% of the post-Issue Equity Share capital of the Company.	Not more than 50% of the Net Issue shall be available for allocation to QIBs. However, up to 5% of the Net QIB Portion shall be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining Net QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be available for allocation to other QIBs.	Not less than 15% of the Net Issue or the Issue less allocation to QIB Bidders and Retail Individual Bidders shall be available for allocation out of which - (a) one third of such portion shall be reserved for NIIs with application size of more than ₹ 200,000 and up to ₹ 1,000,000; and (b) two third of such portion shall be reserved for NIIs with application size of more than ₹ 1,000,000 . provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders.	Not less than 35% of the Net Issue or the Issue less allocation to QIB Bidders and Non-Institutional Bidders shall be available for allocation.
Basis of Allotment if respective category is oversubscribed*	Proportionate <sup>#</sup> , unless the Employee Reservation Portion is undersubscribed, the value of allocation to an Eligible	Proportionate as follows (excluding the Anchor Investor Portion): (a) Up to [●] Equity Shares shall be available for allocation on a proportionate basis	The allocation to each Non-Institutional Investor shall not be less than the minimum application size viz. ₹ 2,00,000 subject to the availability of Equity Shares in Non-Institutional Portion, and	Proportionate, subject to the minimum Bid lot. The allotment to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail

Particulars	Eligible Employees	QIBs <sup>(1)</sup>	Non-Institutional Bidders	Retail Individual Bidders
	Employee shall not exceed ₹2,00,000 . In the event of undersubscription in the Employee Reservation Portion, the unsubscribed portion may be Allocated, on a proportionate basis, to Eligible Employees for a value exceeding ₹2,00,000, subject to total Allotment to an Eligible Employee not exceeding ₹5,00,000.	to Mutual Funds only; and (b) Up to [●] Equity Shares shall be Allotted on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above (c) Not more than [●] Equity Shares may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price.	the remaining Equity Shares, if any, shall be allocated on a proportionate basis, subject to valid Bids being received at or above the Issue Price, in accordance with the SEBI ICDR Regulations. Further, (a) one third of the portion available to Non-Institutional Investors shall be reserved for applicants with application size of more than ₹ 2,00,000 and up to ₹ 10,00,000; and (b) two third of the portion available to Non-Institutional Investors shall be reserved for applicants with application size of more than ₹ 10,00,000, provided that the unsubscribed portion in either of the sub-categories specified in clauses (a) or (b), may be allocated to applicants in the other sub-category of Non-Institutional Investors.	Portion and the remaining available Equity Shares if any, shall be allotted on a proportionate basis. For details see, “Issue Procedure” on beginning page 436.
Minimum Bid	[●] Equity Shares and in multiples of [●] Equity Shares thereafter	Such number of Equity Shares in multiples of [●] Equity Shares, that the Bid Amount exceeds ₹200,000 and in multiples of [●] Equity Shares thereafter	Such number of Equity Shares that the Bid Amount exceeds ₹ 2,00,000 and in multiples of [●] Equity Shares thereafter	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Maximum Bid	Such number of Equity Shares and in multiples of [●] Equity Shares so that the maximum Bid Amount by each Eligible Employee in this portion does not exceed ₹5,00,000	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Issue (excluding the Anchor Investor Portion), subject to applicable limits under applicable law.	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Issue, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹ 2,00,000
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter			
Mode of allotment	Compulsorily in dematerialised form			

Particulars	Eligible Employees	QIBs <sup>(1)</sup>	Non-Institutional Bidders	Retail Individual Bidders
Allotment Lot	A minimum of [●] Equity Shares and in multiples of 1 Equity Share thereafter			
Trading Lot	One Equity Share			
Who can apply <sup>(3)</sup>	Eligible Employees such that Bid Amount does not exceed ₹5,00,000.	Public financial institutions as specified in Section 2(72) of the Companies Act, 2013, scheduled commercial banks, mutual funds, Eligible FPIs (other than individuals, corporate bodies and family offices), VCFs, AIFs, FVCIs registered with SEBI, multilateral and bilateral development financial institutions, state industrial development corporation, insurance companies registered with IRDAI, provident funds (subject to applicable law) with minimum corpus of ₹250 million, pension funds with minimum corpus of ₹250 million, National Investment Fund set up by the Government of India, the insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important Non-Banking Financial Companies.	Resident Indian individuals, Eligible NRIs, HUFs (in the name of Karta), companies, corporate bodies, scientific institutions, societies, trusts and FPIs who are individuals, corporate bodies and family offices which are categorised as category II FPIs and registered with SEBI.	Resident Indian individuals, Eligible NRIs and HUFs (in the name of the <i>karta</i> ) applying for equity shares such that the Bid amount does not exceed ₹2,00,000 in value.
Terms of Payment		<p><b>In case of Anchor Investors:</b> Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids<sup>(4)</sup></p> <p><b>In case of all other Bidders:</b> Full Bid Amount shall be blocked in the bank account of the ASBA Bidder (other than Anchor Investor) by the SCSBs or by the Sponsor Bank through the UPI Mechanism that is specified in the ASBA Form at the time of submission of the ASBA Form</p>		
Mode of Bidding	ASBA only (including the UPI Mechanism for an application size of upto ₹ 5,00,000) <sup>(4)</sup> .	ASBA only (excluding UPI Mechanism) <sup>(5)</sup> except for Anchor Investors.	ASBA only (including the UPI Mechanism for an application size of upto ₹ 5,00,000) <sup>(7)</sup> .	ASBA only (including UPI Mechanism) <sup>(7)</sup> .

\*Assuming full subscription in the Issue

# Eligible Employees Bidding in the Employee Reservation Portion can Bid up to a Bid Amount of ₹ 5,00,000 . However, a Bid by an Eligible Employee in the Employee Reservation Portion will be considered for allocation, in the first instance, for

a Bid Amount of up to ₹ 2,00,000. In the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹ 2,00,000, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹ 5,00,000. An Eligible Employee Bidding in the Employee Reservation Portion (subject to Bid Amount being up to ₹ 2,00,000), can also Bid in the Retail Portion, and such Bids shall not be considered multiple Bids. However, Bids by Eligible Employees Bidding in the Employee Reservation Portion and in the Non Institutional Portion shall be treated as multiple Bids. The unsubscribed portion, if any, in the Employee Reservation Portion shall be added back to the Net Issue. In case of under-subscription in the Net Issue, spill-over to the extent of such under-subscription shall be permitted from the Employee Reservation Portion.

- (1) Our Company may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis subject to there being (i) a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion is up to ₹ 100 million, (ii) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹100 million but up to ₹2,500 million under the Anchor Investor Portion, subject to a minimum Allotment of ₹50 million per Anchor Investor; and (iii) in case of allocation above ₹2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹2,500 million, and an additional 10 Anchor Investors for every additional ₹2,500 million or part thereof will be permitted, subject to minimum allotment of ₹50 million per Anchor Investor. An Anchor Investor will make a minimum Bid of such number of Equity Shares, that the Bid Amount is at least ₹100 million. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the Net QIB Portion.
- (2) Subject to valid Bids being received at or above the Issue Price. The Issue is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 45 of the SEBI ICDR Regulations. The Issue is being made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations, Subject to valid Bids being received at or above the Issue Price. The Issue is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 45 of the SEBI ICDR Regulations. The Issue is being made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Net Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers. Such number of Equity Shares representing 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received from them at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to all QIBs. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders of which one-third of the Non-Institutional Portion shall be reserved for applicants with an application size of more than ₹ 2,00,000 and up to ₹10,00,000 and two-thirds of the Non-Institutional Portion shall be reserved for applicants with an application size of more than ₹ 10,00,000 and under-subscription in either of these two sub-categories of Non-Institutional Portion may be allocated to applicants in the other sub-category of Non-Institutional Portion in accordance with SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. Further, not less than 35% of the Net Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price. Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange, on a proportionate basis. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. In the event of under-subscription in the Issue, the Allotment for the valid Bids will be made, in the first instance, towards subscription for 90% of the Issue. For further details, please see "Terms of the Issue" on page 424.
- (3) In the event that a Bid is submitted in joint names, the relevant Bidders should ensure that the depository account is also held in the same joint names and the names are in the same sequence in which they appear in the Bid cum Application Form. The Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such First Bidder would be required in the Bid cum Application Form and such First Bidder would be deemed to have signed on behalf of the joint holders. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories.
- (4) Anchor Investors shall pay the entire Bid Amount at the time of submission of the Anchor Investor Bid, provided that any positive difference between the Anchor Investor Allocation Price and the Issue Price, shall be payable by the Anchor Investor Pay-in Date as mentioned in the CAN.
- (5) Anchor Investors are not permitted to use the ASBA process.
- (6) In case the Issue Price is lower than the Anchor Investor Allocation Price, the amount in excess of the Issue Price paid by the Anchor Investors shall not be refunded to them.
- (7) UPI Bidders are advised to confirm the availability of the UPI Mechanism with their respective brokers, prior to submission of Bids.

Bids by FPIs with certain structures as described under “*Issue Procedure*” beginning on page 436 and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.

**Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire Equity Shares under the Issue.**

**In case of any revision in the Price Band, the Bid/ Issue Period shall be extended for at least 3 (three) additional Working Days after such revision of the Price Band, subject to the total Bid/ Issue Period not exceeding 10 (ten) Working Days. Any revision in the Price Band, and the revised Bid/ Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a press release and also by indicating the change on the websites of the BRLM and at the terminals of the members of the Syndicate.**

*In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment.*

## ISSUE PROCEDURE

All Bidders should read the General Information Document, for Investing in Public Issue prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars (the “**General Information Document**”) which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document is available on the websites of the Stock Exchanges and the BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue, especially in relation to the process for Bids by UPI Bidders through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of CAN and Allotment in the Issue; (vi) price discovery and allocation; (vii) general instructions (limited to instructions for completing the Bid cum Application Form); (viii) designated date; (ix) disposal of applications and electronic registration of bids; (x) submission of Bid cum Application Form; (xi) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xii) applicable provisions of the Companies Act relating to punishment for fictitious applications; (xiii) mode of making refunds; and (xiv) interest in case of delay in Allotment or refund.

SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (“**UPI**”) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“**UPI Phase I**”). The UPI Phase I was effective till June 30, 2019.

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by RIBs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds was discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was to continue for a period of three months or launch of five main board public issues, whichever is later (“**UPI Phase II**”). Subsequently however, SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 extended the timeline for implementation of UPI Phase II till March 31, 2020. However, given the prevailing uncertainty due to the Covid-19, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, had decided to continue with the UPI Phase II till further notice. The final reduced timeline of T+3 days will be made effective using the UPI Mechanism for applications by UPI Bidders (“**UPI Phase III**”), and modalities of the implementation of UPI Phase III has been notified by SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 and made effective on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023. The Issue will be undertaken pursuant to the processes and procedures under UPI Phase III, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended by circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 has introduced certain additional measures for streamlining the process of initial public issue and redressing investor grievances. This circular shall come into force for initial public issue opening on or after May 1, 2021, except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023. Subsequently, vide the SEBI RTA Master Circular, consolidated the aforementioned circulars to the extent relevant for RTAs, and rescinded these circulars. The provisions of these circulars are deemed to form part of this Red Herring Prospectus. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹0.5 million shall use the UPI Mechanism.



*Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories)..*

*The BRLM shall be the nodal entity for any issues arising out of public issuance process. In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI circular. no. SEBI/HO/CFD/TPD1 /CIR/P/2023 /140 dated August 9, 2023 shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and BRLM shall continue to coordinate with intermediaries involved in the said process..*

*In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day for the entire duration of delay exceeding two Working Days from the Bid/Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/ DIL2 /CIR/P/2021/ 2480/1/M dated March 16, 2021, as amended by SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.*

*Our Company, the BRLM and the members of the Syndicate do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Red Herring Prospectus and the Prospectus.*

*Further, our Company and the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Issue.*

### **Book Building Procedure**

The Issue is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 31 of the SEBI ICDR Regulations, through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Net Issue shall be available for allocation on a proportionate basis to QIBs provided that our Company may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders in accordance with the SEBI ICDR Regulations, out of which (a) one third of the Non-Institutional Portion shall be reserved for allocation to Bidders with an application size of more than ₹2,00,000 and up to ₹1000,000; and (b) two-third of the Non-Institutional Portion shall be reserved for allocation to Bidders with an application size of more than ₹1000,000, provided that the under subscribed portion in either of these two sub-categories of Non-Institutional Portion may be allocated to Bidders in the other sub-category of Non-Institutional Portion in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

Under-subscription, if any, in any category, except the QIB Category would be allowed to be met with spill-over from any other category or categories, as applicable, at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange, subject to applicable laws. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from any other category or a combination of categories

The Issue includes a reservation of up to 5,50,000 Equity Shares, aggregating up to ₹ [●] lakhs, for subscription by Eligible Employees. The Employee Reservation Portion shall not exceed 5% of our post-Issue paid-up Equity Share capital, subject to valid Bids being received at or above the Issue Price.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

**Bidders should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID and PAN and UPI ID (for UPI Bidders using the UPI Mechanism), shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Issue, subject to applicable law.**

**Bidder must ensure that their PAN is linked with Aadhaar and are in compliance with Central Board of Direct Taxes notification dated February 13, 2020 and press release dated June 25, 2021 and September 17, 2021 and CBDT Circular No.7 of 2022 dated March 30, 2022 read with press release dated March 28, 2023**

### **Phased implementation of Unified Payments Interface**

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of *inter alia*, equity shares and convertibles by introducing an alternate payment mechanism using UPI. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by UPI Bidders through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

**Phase I:** This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an RIB had the option to submit the ASBA Form with any of the Designated Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

**Phase II:** This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 had extended the timeline for implementation of UPI Phase II till March 31, 2020. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds has been discontinued and is replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continued to be six Working Days during this phase. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020 decided to continue Phase II of UPI with ASBA until further notice.

**Phase III:** This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 (“**T+3 Notification**”). In this phase, the time duration from public issue closure to listing has been reduced to three Working Days. The Issue shall be undertaken pursuant to the processes and procedures as notified in the SEBI circular bearing number T+ 3 Notification as applicable, subject to any circulars, clarification or notification issued by the SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI. Pursuant to the UPI Streamlining Circulars, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Streamlining Circulars include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post – Issue BRLM will be required to compensate the concerned investor.

The Issue will be made under UPI Phase III of the UPI Circular.

All SCSBs offering the facility of making applications in public offers shall also provide the facility to make application using UPI. Our Company will be required to appoint one of the SCSBs as a Sponsor Bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and/ or payment instructions of the UPI Bidders using the UPI Mechanism.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks make an application as prescribed in Annexure I of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022.

Non-Institutional Bidders Bidding with an application size of up to ₹ 2,00,000 in the Non-Institutional Portion may also Bid using the UPI Mechanism, where made available.

Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, all individual investors applying in public issues where the application amount is up to ₹0.5 million shall use UPI Mechanism and shall also provide their UPI ID in the Bid cum Application Form submitted with any of the entities mentioned herein below:

- i. a syndicate member;
- ii. a stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity);
- iii. a depository participant (whose name is mentioned on the website of the stock exchange as eligible for this activity);
- iv. a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for this activity)

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLM.

### **Bid cum Application Form**

Copies of the Bid cum Application Form (other than for Anchor Investors) and the Abridged Prospectus will be available with the Designated Intermediaries at relevant Bidding Centres and at our Registered Office. An electronic copy of Bid cum Application Form will also be available for download on the websites of NSE ([www.nseindia.com](http://www.nseindia.com)) and BSE ([www.bseindia.com](http://www.bseindia.com)) at least one day prior to the Bid/Issue Opening Date.

Copies of the Anchor Investor Application Forms shall be available at the offices of the BRLM at the Anchor Investor Bidding Date.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Issue only through the ASBA process. UPI Bidders are mandatorily required to use the UPI Mechanism for submitting their bids to Designated Intermediaries and are allowed to use ASBA. Process by way of ASBA Forms to submit their bids directly to SCSBs. Anchor Investors are not permitted to participate in this Issue through the ASBA process of.

UPI Bidders using the UPI Mechanism must provide the UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain the UPI ID are liable to be rejected.

Retail Individual Investors submitting their Bid cum Application Form to any Designated Intermediary (other than SCSBs) shall be required to Bid using the UPI Mechanism and must provide the UPI ID in the relevant space provided in the Bid cum Application Form. Bids submitted by Retail Individual Investors with any Designated Intermediary (other than SCSBs) without mentioning the UPI ID are liable to be rejected. UPI Bidders using the UPI Mechanism may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of SEBI.

ASBA Bidders (other than UPI Bidders using UPI Mechanism) must provide the bank account details and

authorisation to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details are liable to be rejected.

Investors must ensure that their PAN is linked with Aadhaar and are in compliance with CBDT notification dated Feb 13, 2020 and press release dated June 25, 2021 and September 17, 2021 and CBDT circular no.7 of 2022 dated March 30, 2022 read with press release dated March 28, 2023.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. UPI Bidders using the UPI Mechanism, may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs. UPI Bidders authorizing an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. UPI Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB or by Sponsor Bank under the UPI Mechanism, as applicable at the time of submitting the Bid. ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank, as applicable at the time of submitting the Bid. In order to ensure timely information to Bidders, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked/ unblocked. For all IPOs opening on or after September 1, 2022, as specified in SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, all the ASBA applications in Public Issues shall be processed only after the application monies are blocked in the investor's bank accounts. Stock Exchanges shall accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked. The circular shall be applicable for all categories of investors viz. Retail, QIB and NIB and also for all modes through which the applications are processed.

Since the Issue is made under Phase III, ASBA Bidders may submit the ASBA Form in the manner below:

- (i) RIBs (other than the UPI Bidders using UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- (ii) UPI Bidders using the UPI Mechanism, may submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- (iii) QIBs and NIIs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.
- (iv) ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB or the Sponsor Bank(s), as applicable, at the time of submitting the Bid. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked / unblocked.

The Sponsor Bank shall host a web portal for intermediaries (closed user group) from the date of Bid/Issue Opening Date till the date of listing of the Equity Shares with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any) across intermediaries and any such processes having an impact/bearing on the Issue Bidding process.

The prescribed colour of the Bid cum Application Forms for various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians including resident QIBs Non-Institutional Bidders, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents including FPIs and Eligible NRIs applying on a repatriation basis, FVCIs and registered bilateral and multilateral development financial institutions applying on a repatriation basis.	Blue
Anchor Investors	White
Eligible Employees Bidding in the Employee Reservation Portion	Pink

\* Excluding electronic Bid cum Application Forms

*Notes:*

- 1. Electronic Bid cum Application forms and the abridged prospectus will also be available for download on the respective websites of the Stock Exchanges (www.nseindia.com and www.bseindia.com.)*
- 2. Bid cum Application Forms for Anchor Investors shall be available at the offices of the BRLM*

In case of ASBA Forms, the relevant Designated Intermediaries shall upload the relevant Bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchanges and the Stock Exchanges shall accept the ASBA applications in their electronic bidding system only with a mandatory confirmation on the application monies blocked.

For UPI Bidders using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to UPI Bidders for blocking of funds. For ASBA Forms (other than UPI Bidders using UPI Mechanism where made available) Designated Intermediaries (other than SCSBs) shall submit/ deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank. For UPI Bidders using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to UPI Bidders for blocking of funds. Stock Exchanges shall validate the electronic bids with the records of the CDP for DP ID/Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. Stock Exchanges shall allow modification of either DP ID/Client ID or PAN ID, bank code and location code in the Bid details already uploaded.

The Sponsor Bank shall initiate request for blocking of funds through NPCI to UPI Bidders, who shall accept the UPI Mandate Request for blocking of funds on their respective Mobile Applications associated with UPI ID linked bank account. In accordance with BSE circular no. 20220803-40 and NSE circular no. 25/2022, each dated August 3, 2022, for all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm on Bid/Issue Closing Date (“**Cut-Off Time**”). Accordingly, UPI Bidders should accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. Further, modification of Bids shall be allowed in parallel during the Bid/Issue Period until the Cut-Off Time. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate UPI Bidders (Bidding through UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the issuer bank) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions / investor complaints to the Sponsor Bank and the issuer bank. The BRLM shall also be required to obtain the audit trail from the Sponsor Bank and the Bankers to the Issue shall provide the audit trail to the BRLM for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts for mandate block and unblock including details specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and the SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

The Sponsor Bank will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the BRLM in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Banks on a continuous basis.

Pursuant to NSE circular dated August 3, 2022 with reference no. 25/2022, the following is applicable to all initial public offers opening on or after September 1, 2022:

- Cut-off time for acceptance of UPI mandate shall be up to 5:00 pm on the initial public offer closure date and existing process of UPI bid entry by syndicate members, registrars to the offer and Depository Participants shall continue till further notice;
- There shall be no T+1 mismatch modification session for PAN-DP mismatch and bank/ location code on T+1 day for already uploaded bids. The dedicated window provided for mismatch modification on T+1 day shall be discontinued;

- c) Bid entry and modification/ cancellation (if any) shall be allowed in parallel to the regular bidding period up to 5 pm on the initial public offer closure day;
- d) The Stock Exchanges shall display Offer demand details on its website and for UPI bids the demand shall include/consider UPI bids only with latest status as RC 100–black request accepted by Investor/ client, based on responses/status received from the Sponsor Bank(s).

#### **Electronic registration of Bids**

- a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the Issue.
- b) On the Bid/ Issue Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in this Red Herring Prospectus.

Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given time till 5:00 pm on the next Working Day following the Bid/ Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Issue Period after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.

#### **Participation by associates and affiliates of the BRLM and the Syndicate Members, Promoters, Promoter Group and persons related to Promoters / Promoter Group**

The BRLM and the Syndicate Members shall not be allowed to subscribe to or purchase the Equity Shares in any manner, except towards fulfilling their underwriting obligations. However, the respective associates and affiliates of the BRLM and the Syndicate Members may bid for Equity Shares in the Issue, either in the Net QIB Portion or in the Non-Institutional Portion as may be applicable to such Bidders, and such Bid subscription may be on their own account or on behalf of their clients. All categories of investors, including respective associates or affiliates of the BRLM and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis or in any other manner as introduced under applicable laws, and such subscription may be on their own account or on behalf of their clients.

Except as stated below, neither the BRLM nor any associates of the BRLM can apply in the Issue under the Anchor Investor Portion:

- (i) mutual funds sponsored by entities which are associate of the BRLM
- (ii) insurance companies promoted by entities which are associate of the BRLM
- (iii) AIFs sponsored by the entities which are associate of the BRLM; or
- (iv) FPIs (other than individuals, corporate bodies and family offices) sponsored by the entities which are associate of the BRLM.

The Promoters and the members of the Promoter Group will not participate in the Issue. . Further, persons related to the Promoters and Promoter Group shall not apply in the Issue under the Anchor Investor Portion.

For the purposes of this section, a QIB who has any of the following rights shall be deemed to be a “person related to the Promoters or Promoter Group”: (a) rights under a shareholders’ agreement or voting agreement entered into with the Promoters or members of the Promoter Group; (b) veto rights; or (c) right to appoint any nominee director on our Board.

Further, an Anchor Investor shall be deemed to be an “associate of the Book Running Lead Manager” if: (i) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (ii) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (iii) there is a common director, excluding nominee director, amongst the Anchor Investors and the Book Running Lead Manager.

#### **Bids By Mutual Funds**

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which such Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its NAV in equity shares or equity-related instruments of any company, provided that the limit of 10% shall not be applicable for investments in case of index fund or sector or industry specific scheme. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights

### **Bids by Eligible NRIs**

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs will be permitted to apply in the Issue through Channel I or Channel II (as specified in the UPI Circulars). Further, subject to applicable law, NRIs may use Channel IV (as specified in the UPI Circulars) to apply in the Issue. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their respective SCSB or confirm or accept the UPI Mandate Request (in case of UPI Bidders Bidding through the UPI Mechanism) to block their Non-Resident External (“NRE”) accounts (including UPI ID, if activated), or Foreign Currency Non-Resident (“FCNR”) Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their respective SCSB to block their Non-Resident Ordinary (“NRO”) accounts or confirm or accept the UPI Mandate Request (in case of UPI Bidders using the UPI Mechanism) for the full Bid Amount, at the time of the submission of the Bid cum Application Form. NRIs applying in the Issue through the UPI Mechanism are advised to enquire with the relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form.

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue colour). By way of Press Note 1 (2021 Series) dated March 19, 2021, issued by the DPIIT, it has been clarified that an investment made by an Indian entity which is owned and controlled by NRIs on a non-repatriation basis, shall not be considered for calculation of indirect foreign investment.

For further, see “*Restrictions on Foreign Ownership of Indian Securities*” on page 458.

Participation of Eligible NRIs in the Issue shall be subject to the FEMA NDI Rules.

### **Bids by HUFs**

Bids by Hindu Undivided Families or HUFs should be made in the individual name of the *karta*. The Bidder/applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: “Name of sole or first Bidder/applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *karta*”. Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals.

### **Bids by FPIs**

In terms of applicable FEMA NDI Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, i.e., the individual holding of an FPI or an investor group (which means multiple entities registered as foreign portfolio investors and directly or indirectly, having common ownership of more than 50% or common control) shall be below 10% of our post-issue Equity Share capital on a fully diluted basis. In case, the total holding of an FPI, or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements. Further, the total holdings of all FPIs put together, with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100%). In terms of the FEMA, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non-Residents (blue colour).

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Issue to ensure there is no breach of the investment limit, within the timelines for issue procedure, as prescribed by SEBI from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, is permitted to issue, subscribe to or otherwise deal in offshore derivative instruments directly or indirectly, if it complies with the following conditions: (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with the 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI is required to ensure that the transfer of an offshore derivative instruments issued by or on behalf of it, is subject to (a) the transfer being made to persons which fulfil the criteria provided under Regulation 21(1) of the SEBI FPI Regulations (as mentioned above from points (i) to (iv)); and (b) prior consent of the FPI is obtained for such transfer, except in cases, where the persons to whom the offshore derivative instruments are to be transferred, are pre-approved by the FPI.

BID received from FPIs bearing the same PAN shall be treated as multiples bids and are liable to be rejected, except for bid from FPIs that utilise the multiple investment manager structure in accordance with the operational guidelines for FPIs and designated depository participants issued to facilitate implementation of SEBI FPIs regulations (such structure referred to as "MIM structure"), provided such bid have been made with different beneficiary account numbers, Client IDs and DP IDs.

Accordingly, it should be noted that multiple Bids received from FPIs, who do not utilize the MIM Structure, and bear the same PAN, are liable to be rejected. In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation in the Bid cum Application Forms that the relevant FPIs making multiple Bids utilize the MIM Structure. In the absence of such confirmation from the relevant FPIs, such multiple Bids shall be rejected. Bids by following FPIs, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids:

- FPIs which utilise the multi investment manager structure;
- Offshore derivative instruments which have obtained separate FPI registration for ODI and proprietary derivative investments;
- Sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration;
- FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager;
- Multiple branches in different jurisdictions of foreign bank registered as FPIs;
- Government and Government related investors registered as Category 1 FPIs; and
- Entities registered as collective investment scheme having multiple share classes.

The Bids belonging to any of the above mentioned seven structures and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares allotted in the Bid may be proportionately distributed to the applicant FPIs (with same PAN).

In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Bid cum



Application Forms that the relevant FPIs making multiple Bids utilize any of the above-mentioned structures and indicate the name of their respective investment managers in such confirmation. In the absence of such compliance from the relevant FPIs with the operational guidelines for FPIs and designated Depository Participants issued to facilitate implementation of SEBI FPI Regulations, such multiple Bids shall be rejected

For details of investment by FPIs in the Issue, see “*Restrictions on Foreign Ownership of Indian Securities*” on page 458. Participation of FPIs shall be subject to the FEMA Non-debt Instruments Rules.

The FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for non-residents.

#### **Bids by SEBI registered VCFs, AIFs and FVCIs**

The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended (the “SEBI AIF Regulations”) prescribe, amongst others, the investment restrictions on AIFs. Post the repeal of the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, venture capital funds which have not re-registered as AIFs under the SEBI AIF Regulations shall continue to be regulated by the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. The SEBI FVCI Regulations prescribe the investment restrictions on FVCIs.

The category I and II AIFs cannot invest more than 25% of their investible funds in one investee company. A category III AIF cannot invest more than 10% of its investible funds in one investee company. A VCF registered as a category I AIF, cannot invest more than one-third of its investible funds, in the aggregate, in certain specified instruments, including by way of subscription to an initial public offering of a venture capital undertaking. An FVCI can invest only up to 33.33% of its investible funds, in the aggregate, in certain specified instruments, which includes subscription to an initial public offering of a venture capital undertaking or an investee company (as defined under the SEBI AIF Regulations) whose shares are proposed to be listed.

Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

Participation of AIFs, VCFs and FVCIs shall be subject to the FEMA NDI Rules

Further, the shareholding of VCFs, category I AIFs or category II AIFs and FVCIs holding equity shares of a company prior to an initial public offering being undertaken by such company, shall be exempt from lock-in requirements, provided that such equity shares shall be locked in for a period of at least six months period from the date of purchase by the venture capital fund or alternative investment fund or foreign venture capital investor.

**There is no reservation for Eligible NRI Bidders, AIFs, FVCIs and FPIs. All Bidders will be treated on the same basis with other categories for the purpose of allocation.**

**All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.**

Our Company and/ or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

#### **Bids by limited liability partnerships**

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

#### **Bids by banking companies**

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company’s investment committee are required to be attached to the Bid cum Application Form, failing which our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof subject to applicable law.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949 (the “Banking Regulation Act”), and Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016 is 10% of the paid-up share capital of the investee company or 10% of the bank’s own paid-up share capital and reserves, as per the last audited balance sheet or a subsequent balance sheet, whichever is less. Further, the aggregate investment in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank’s paid-up share capital and reserves. A banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if: (a) the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act or the additional acquisition is through restructuring of debt/corporate debt restructuring/strategic debt restructuring, or to protect the bank’s interest on loans/investments made to a company, provided that the bank is required to submit a time-bound action plan for disposal of such shares (in this sub-clause (b)) within a specified period to the RBI. A banking company would require a prior approval of the RBI to make investment in excess of 30% of the paid-up share capital of the investee company, investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and investment in a non-financial services company in excess of 10% of such investee company’s paid-up share capital as stated in the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended.

#### **Bids by SCSBs**

SCSBs participating in the Issue are required to comply with the terms of the circulars bearing numbers CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 2, 2013, respectively, issued by SEBI. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

#### **Bids by Insurance Companies**

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The exposure norms for insurers are prescribed under Regulation 9 of the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016, as amended (“**IRDAI Investment Regulations**”), based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. Insurance companies participating in the Issue are advised to refer to the IRDAI Investment Regulations for specific investment limits applicable to them and shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

#### **Bids by Systemically Important NBFCs**

In case of Bids made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis, (iii) a net worth certificate from its statutory auditor, and (iv) such other approval as may be required by the Systemically Important NBFCs, are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law. Systemically Important NBFCs participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

#### **Bids under Power of Attorney**

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with minimum corpus of ₹250 million and pension funds with a minimum corpus of ₹ 250 million, in each case, subject to applicable law and in accordance with their respective constitutional documents

a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws as applicable must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company in consultation with the BRLM, in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company, in consultation with the BRLM, may deem fit, without assigning any reasons thereof.

### **Bids by Anchor Investors**

In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section the key terms for participation by Anchor Investors are provided below.

- (i) Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the offices of the BRLM.
- (ii) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹100 million. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹100million.
- (iii) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
- (iv) Bidding for Anchor Investors will open one Working Day before the Bid/Issue Opening Date, i.e., the Anchor Investor Bidding Date, and will be completed on the same day.
- (v) Our Company and, in consultation with the BRLM may finalise allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than:
  - (a) maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹100 million
  - (b) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹100 million but up to ₹ 2,500million, subject to a minimum Allotment of ₹ 50 million per Anchor Investor; and
  - (c) in case of allocation above ₹ 2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹2,500 million, and an additional 10 Anchor Investors for every additional ₹ 2,500 million, subject to minimum Allotment of ₹ 50million per Anchor Investor.
- (vi) Allocation to Anchor Investors will be completed on the Anchor Investor Bidding Date. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLM before the Bid/ Issue Opening Date, through intimation to the Stock Exchange.
- (vii) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
- (viii) 50% of the Equity Shares allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 90 days from the date of Allotment, while the remaining 50% of the Equity Shares allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.
- (ix) If the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors on the Anchor Investor Pay-in Date specified in the CAN. If the Issue Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Allocation Price shall still be the Anchor Investor Office Price.
- (x) Neither the BRLM or any associate of the BRLM (except Mutual Funds sponsored by entities which are associates of the BRLM or insurance companies promoted by entities which are associate of BRLM or AIFs sponsored by the entities which are associate of the BRLM or FPIs, other than individuals, corporate bodies or family offices sponsored by the entities which are associate of the BRLM) nor any "person related to the

Promoters or Promoter Group” shall apply in the Issue under the Anchor Investor Portion. For details, see “*Issue Procedure*” beginning on page 436.

- (xi) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

#### **Bids by provident funds/pension funds**

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 2500.00 lakhs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid, without assigning any reason therefor

#### **Bids by Eligible Employees**

The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter so as to ensure that the Bid Amount payable by the Eligible Employee does not exceed ₹ 5,00,000 . However, a Bid by an Eligible Employee in the Employee Reservation Portion will be considered for allocation, in the first instance, for a Bid Amount of up to ₹ 2,00,000 . For further details in relation to the Allotment in the Employee Reservation Portion, see ‘*Issue Structure*’ on page 431.

However, in the event of undersubscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹ 2,00,000 , subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹ 5,00,000 . Further, an Eligible Employee Bidding in the Employee Reservation Portion can also Bid in the Net Issue and such Bids will not be treated as multiple Bids subject to applicable limits. Eligible Employee can also apply under Retail Portion. Further, Bids by Eligible Employees in the Employee Reservation Portion and in the Non-Institutional Portion shall not be treated as multiple Bids, even if Eligible Employee has made an application of up to ₹ ₹ 5,00,000 in the Employee Reservation Portion. The unsubscribed portion if any, in the Employee Reservation Portion shall be added back to the Net Issue. In case of under-subscription in the Net Issue, spill-over to the extent of such under-subscription shall not be permitted from the Employee Reservation Portion. Eligible Employees Bidding in the Employee Reservation Portion may Bid at the Cut-off Price

Bids in the Employee Reservation Portion shall be:

- Made only in the prescribed Bid cum Application Form or Revision Form.
- Only Eligible Employees (excluding such other persons not eligible under applicable laws, rules, regulations and guidelines) would be eligible to apply in this Issue under the Employee Reservation Portion.
- In case of joint bids, the sole/ First Bidder shall be the Eligible Employee.
- Bids by Eligible Employees may be made at Cut-off Price.
- Only those Bids, which are received at or above the Issue Price , would be considered for allocation under this portion.
- The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter so as to ensure that the Bid Amount payable by the Eligible Employee does not exceed ₹ 5,00,000 .
- If the aggregate demand in this portion is less than or equal to [●] Equity Shares at or above the Issue Price, full allocation shall be made to the Eligible Employees to the extent of their demand. If the aggregate demand in this portion is greater than [●] Equity Shares at or above the Issue Price, the allocation shall be made on a proportionate basis. For the method of proportionate basis of Allotment, see ‘*Issue Structure*’ on page 431.

Bids by Eligible Employees in the Employee Reservation Portion and in the Net Issue portion shall not be treated as multiple Bids. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories.

**The above information is given for the benefit of the Bidders. Our Company, the BRLM and the members of Syndicate are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable laws or regulation or as specified in this Red Herring Prospectus and the Prospectus.**

In accordance with existing regulations issued by the RBI, OCBs cannot participate in the Issue.

## **Information for Bidders**

The relevant Designated Intermediary will enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder's responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier Acknowledgement Slip and may request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the BRLM are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Red Herring Prospectus or this Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

## **General Instructions**

Please note that QIBs and Non-Institutional Bidders are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. RIBs can revise their Bid(s) during the Bid/ Issue Period and withdraw or lower the size of their Bid(s) until Bid/ Issue Closing Date. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bid/ Issue Period.

### ***Do's:***

1. Check if you are eligible to apply as per the terms of this Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
2. Ensure that you have Bid within the Price Band;
3. Ensure that you (other than Anchor Investors) have mentioned the correct details of your ASBA Account (i.e. bank account number or UPI ID, as applicable) in the Bid cum Application Form if you are not a UPI Bidder using the UPI Mechanism in the Bid cum Application Form and if you are a UPI Bidder using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form.;
4. UPI Bidders bidding in the Issue to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID which is UPI 2.0 certified by NPCI (only for UPI Bidders using the UPI Mechanism) to make an application in the Issue and not ASBA Account or bank account linked UPI ID of any third party;
5. UPI Bidder using UPI Mechanism, may submit their ASBA Forms with the Syndicate Member, Registered Brokers, RTAs or CDPs and should ensure that the ASBA Form contains the stamp of the relevant Designated Intermediary;
6. UPI Bidders Bidding using the UPI Mechanism shall make Bids only through the SCSBs, Mobile Applications and UPI handles whose name appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. An application made using incorrect UPI handle or using a bank account of an SCSB or bank which is not mentioned on the SEBI website is liable to be rejected;
7. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
8. Ensure that the details about the PAN, DP ID and Client ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
9. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the relevant Bidding Centre (except in case of electronic Bids) within the prescribed time. UPI Bidders using UPI Mechanism, may submit their ASBA Forms with Syndicate

Members, sub-Syndicate Members, Registered Brokers, RTAs or CDPs and should ensure that the ASBA Form contains the stamp of such Designated Intermediary;

10. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
11. In case of joint Bids, ensure that first Bidder is the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) and the signature of the first Bidder is included in the Bid cum Application Form; If the first Bidder is not the ASBA Account holder, ensure that the Bid cum Application Form is also signed by the ASBA Account holder;
12. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms. PAN of the First Bidder is required to be specified in case of joint Bids;
13. Bidders should ensure that they receive the Acknowledgment slip or the acknowledgement number duly signed and stamped by a Designated Intermediary, as applicable, for submission of the Bid cum Application Form;
14. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process to any of the Designated Intermediaries;
15. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
16. Investors must ensure that their PAN is linked with Aadhaar and are in compliance with the notification dated February 13, 2020 issued by the Central Board of Direct Taxes and the press release dated June 25, 2021 and September 17, 2021 and CBDT circular no.7 of 2022 dated March 30, 2022 read with press release dated March 28, 2023;
17. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
18. Ensure that the Demographic Details are updated, true and correct in all respects;
19. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
20. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;
21. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents, including a copy of the power of attorney, are submitted;
22. Ensure that Bids submitted by any person resident outside India should be in compliance with applicable foreign and Indian laws;
23. UPI Bidders Bidding using the UPI Mechanism, should ensure that they approve the UPI Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;
24. Since the Allotment will be in demat form only, ensure that the depository account is active, the correct DP ID, Client ID, the PAN, and UPI ID (for UPI Bidders bidding through UPI mechanism) and PAN are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, UPI

ID (for ASBA Bidders bidding through UPI mechanism) and the PAN entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, UPI ID (for UPI Bidders bidding through UPI mechanism) and PAN available in the Depository database;

25. In case of QIBs and NIBs, ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in>);
26. The ASBA bidders shall ensure that bids above ₹ 500,000, are uploaded only by the SCSBs;
27. Bidders (except UPI Bidders Bidding through the UPI Mechanism) should instruct their respective banks to release the funds blocked in the ASBA account under the ASBA process. In case of UPI Bidders, once the Sponsor Bank issues the UPI Mandate Request, the UPI Bidders would be required to proceed to authorize the blocking of funds by confirming or accepting the UPI Mandate Request to authorize the blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment,
28. UPI Bidders bidding using the UPI Mechanism should mention valid UPI ID of only the Bidder (in case of single account) and of the first Bidder (in case of joint account) in the Bid cum Application Form;
29. Ensure that when applying in the Issue using the UPI Mechanism, the name of your SCSB appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, also ensure that the name of the app and the UPI handle being used for making the application is also appearing in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019;
30. UPI Bidders who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which UPI Bidders should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorize blocking of funds equivalent to the revised Bid Amount in the UPI Bidder's ASBA Account;
31. UPI Bidders should ensure that they approve the UPI Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner
32. Note that in case the DP ID, UPI ID (where applicable), Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, UPI ID (where applicable), Client ID and PAN available in the Depository database, then such Bids are liable to be rejected;
33. However, Bids received from FPIs bearing the same PAN shall not be treated as multiple Bids in the event such FPIs utilise the MIM Structure and such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs;
34. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 5 :00 p.m. of the Working Day immediately after the Bid/Issue Closing Date;
35. Ensure that Anchor Investors submit their Bid cum Application Forms only to the BRLM;
36. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, were required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids are liable to be rejected;
37. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form other than for Anchor Investors and UPI Bidders Bidding using the UPI Mechanism) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI (at [www.sebi.gov.in](http://www.sebi.gov.in)) or such other websites as updated from time to time;
38. Ensure that you have correctly signed the authorization /undertaking box in the Bid cum Application Form, or have otherwise provided an authorization to the SCSB or the Sponsor Bank, as applicable via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;

39. UPI Bidders Bidding using the UPI Mechanism shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, the UPI Bidder shall be deemed to have verified the attachment containing the application details of the UPI Bidder Bidding using the UPI Mechanism in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to issue a request to block the Bid Amount mentioned in the Bid Cum Application Form in his/her ASBA Account;
40. Bidders (other than Anchor Investors) ensure that only their own ASBA Account or only their own bank account linked UPI ID (only for UPI Bidders using the UPI Mechanism, where made available) to make an application in the Issue and not ASBA Account or bank account linked UPI ID of any third party;
41. Retail Individual Investors Bidding using the UPI Mechanism, who have revised their Bids subsequent to making the initial Bid, should also approve the revised UPI Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount in his/her account and subsequent debit of funds in case of allotment in a timely manner;
42. Bids by Eligible NRIs and HUFs for a Bid Amount of less than ₹ 2,00,000 would be considered under the Retail Portion, and Bids for a Bid Amount exceeding ₹ 2,00,000 would be considered under the Non-Institutional Portion, for the purposes of allocation in the Issue. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected;
43. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank(s) prior to 12:00 p.m. of the working Day immediately after the Bid/Issue Closing Date; and
44. The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

***Don'ts:***

1. Do not Bid for lower than the minimum Bid size;
2. Do not submit a Bid using UPI ID, if you are not an UPI Bidder
3. Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;
4. Do not Bid on another Bid cum Application Form after you have submitted a Bid to a Designated Intermediary;
5. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
6. Do not send Bid cum Application Forms by post, instead submit the same to the Designated Intermediary only;
7. Do not submit the ASBA Forms to any non-SCSB bank or to our Company or at a location other than the Bidding Centres;
8. Anchor Investors should not Bid through the ASBA process;
9. Do not submit the Bid cum Application Forms to any non-SCSB bank or to our Company or at a location other than the Bidding Centres;
10. Do not submit the Bid Cum Application Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms;
11. Do not Bid on a physical Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
12. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Investors);
13. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Issue/Issue size and/ or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of this Red Herring Prospectus;



14. Do not submit your Bid after 3.00 pm on the Bid/Issue Closing Date in case of QIBs and Non-Institutional Bidders;
15. If you are a QIB, do not submit your Bid after 3.00 p.m. on the QIB Bid/Issue Closing Date;
16. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
17. If you are a UPI Bidder using the UPI mechanism, do not submit more than one Bid cum Application Form for each UPI ID, respectively;
18. Do not submit the General Index Register (GIR) number instead of the PAN;
19. Do not Bid for a Bid Amount exceeding ₹ 2,00,000 (for Bids by Retail Individual Investors);
20. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID (where applicable) or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
21. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA Account or in the case of UPI Bidders Bidding using the UPI Mechanism, in the UPI-linked bank account where funds for making the Bid are available;
22. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Investor. Retail Individual Investors can revise or withdraw their Bids until the Bid/Issue Closing Date;
23. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;
24. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by UPI Bidders using the UPI Mechanism;
25. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
26. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
27. Do not submit more than one Bid cum Application Form per ASBA Account. If you are a UPI Bidder Bidding using the UPI Mechanism, do not submit Bids through an SCSB and/or Mobile Applications and/or UPI handle that is not listed on the website of SEBI;
28. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
29. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by UPI Bidders using the UPI Mechanism;
30. UPI Bidders Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB or a bank which is not mentioned in the list provided in the SEBI website is liable to be rejected;
31. Do not submit a Bid using UPI ID, if you are not a UPI Bidder;
32. Do not Bid for Equity Shares more than specified by respective Stock Exchanges for each category;
33. Do not submit a Bid cum Application Form with third party UPI ID or using a third party bank account (in case of Bids submitted by UPI Bidders);
34. Bids uploaded by QIBs after 4:00 p.m. on the QIB Bid/Issue Closing Date and by Non-Institutional Bidders uploaded after 4:00 p.m. on the Bid/Issue Closing Date, and Bids by RIBs uploaded after 5:00 p.m. on the Bid/ Issue Closing Date, unless extended by the Stock Exchanges. On the Bid/Issue Closing Date, extension of time may be granted by the Stock Exchanges only for uploading Bids received from Retail Individual Investors, after taking into account the total number of Bids received up to closure of timings for acceptance of Bid-cum-Application Forms as stated herein and as informed to the Stock Exchanges; and
35. Do not submit more than one Bid cum Application Form for each UPI ID in case of UPI Bidders Bidding using the UPI Mechanism; and
36. Do not Bid if you are an OCB.

**The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.**

Further, in case of any pre-Issue or post Issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out to our Company Secretary and Compliance Officer. For further details of Company Secretary and Compliance Officer, see “*General Information*” beginning on page 75.

For helpline details of the Book Running Lead Manager pursuant to the SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, see “*General Information –Book Running Lead Manager*” beginning on page 75.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/ Issue Closing Date, the Bidder shall be compensated in accordance with applicable law. Further, Investors shall be entitled to compensation in the manners specified in the SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended by SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

For details of grounds for technical rejections of a Bid cum Application Form, please see the General Information Document.

#### **Names of entities responsible for finalising the basis of allotment in a fair and proper manner**

The authorised employees of the Designated Stock Exchange, along with the BRLM and the Registrar, shall ensure that the basis of allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

#### **Method of allotment as may be prescribed by SEBI from time to time**

Our Company will not make any Allotment in excess of the Equity Shares through the Issue Document except in case of oversubscription for the purpose of rounding off to make Allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an allotment of not more than one per cent. of the Issue may be made for the purpose of making Allotment in minimum lots.

The Allotment of Equity Shares to applicants other than to the Retail Individual Bidders and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The Allotment of Equity Shares to each Retail Individual Bidders shall not be less than the minimum bid lot, subject to the availability of shares in Retail Individual Bidders Portion, and the remaining available Equity Shares, if any, shall be Allotted on a proportionate basis. The Allotment to each Non-Institutional Investor shall not be less than the minimum application size viz. ₹ 2,00,000, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining Equity Shares, if any, shall be allocated on a proportionate basis. The Allotment of Equity Shares to Anchor Investors shall be on a discretionary basis.

#### **Payment into Escrow Account for Anchor Investors**

Our Company in consultation with the BRLM, in their absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. Anchor Investors are not permitted to Bid in the Issue through the ASBA process. Instead, Anchor Investors should transfer the Bid Amount (through direct credit, RTGS, NACH or NEFT) to the Escrow Accounts. The payment instruments for payment into the Escrow Accounts should be drawn in favour of:

- (i) In case of resident Anchor Investors: “AKME FINTRADE (INDIA) LIMITED-ANCHOR R A/C ”;
- (ii) In case of non-resident Anchor Investors: “AKME FINTRADE (INDIA) LIMITED- ANCHOR NR A/C ”.

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Bank and the Syndicate, the Escrow Collection Bank and the Registrar to the Issue

to facilitate collections of Bid amounts from Anchor Investors.

### **Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act, 2013, our Company will, after registering this Red Herring Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI ICDR Regulations, in all editions of Financial Express (a widely circulated English national daily newspaper), and all editions of Jansatta (a widely circulated Hindi national daily newspaper) (Hindi being the regional language of Rajasthan where our Registered Office is located). Our Company shall, in the pre-Issue advertisement state the Bid/Issue Opening Date, the Bid/Issue Closing Date and QIB Bid/Issue Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of under the SEBI ICDR Regulations.

### **Allotment Advertisement**

Our Company, the BRLM and the Registrar shall publish an advertisement in relation to Allotment before commencement of trading, disclosing the date of commencement of trading of the Equity Shares, in all editions of Financial Express, an English national daily newspaper, and all editions of Jansatta, a Hindi national daily newspaper (Hindi being the regional language of Rajasthan, where our Registered Office is located), each with wide circulation.

Copies of the above advertisements shall be made available on the website of the Company at [www.aasaanloans.com](http://www.aasaanloans.com).

**The above information is given for the benefit of the Bidders/applicants. Our Company, the BRLM and the members of the Syndicate are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders/applicants are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the prescribed limits under applicable laws or regulations.**

### **Signing of Underwriting Agreement and filing of Prospectus with the RoC**

Our Company and will enter into an Underwriting Agreement with the Underwriters on or immediately after the finalisation of the Issue Price. After signing the Underwriting Agreement, our Company will file the Prospectus with the RoC, in accordance with applicable law. The Prospectus will contain details of the Issue Price, Anchor Investor Issue Price, Issue size and underwriting arrangements and will be complete in all material respects.

### **Depository Arrangements**

The Allotment of the Equity Shares in the Issue shall be only in a dematerialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). In this context, tripartite agreements had been signed among our Company, the respective Depositories and the Registrar to the Issue:

- Tripartite Agreement dated February 22, 2022 among NSDL, our Company and the Registrar to the Issue.
- Tripartite Agreement dated January 11, 2022 among CDSL, our Company and Registrar to the Issue.

### **Impersonation**

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

“Any person who—

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

- (c) *otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name*  
*shall be liable for action under Section 447.”*

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹ 10,000 lakhs or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than six months period extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹ 10,000 lakhs or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹ 50,000 lakhs or with both.

### **Undertakings by our Company**

Our Company undertakes the following:

- (i) the complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;
- (ii) that if the Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law, failing which interest will be due to be paid to the Bidders at the rate prescribed under applicable law for the delayed period;
- (iii) that all steps will be taken for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed within three Working Days of the Bid/Issue Closing Date or such other time as may be prescribed;
- (iv) that funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company;
- (v) where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- (vi) that if our Company does not proceed with the Issue after the Bid/Issue Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid/Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. The Stock Exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;
- (vii) that if our Company, in consultation with the BRLM, withdraws the Issue after the Bid/Issue Closing Date, our Company shall be required to file a fresh draft Issue document with the SEBI, in the event our Company subsequently decides to proceed with the Issue thereafter;
- (viii) Promoter's contribution, if any, shall be brought in advance before the Bid / Issue Opening Date;
- (ix) that adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders; and Anchor Investor Application Form from Anchor Investors and;
- (x) that no further issue of Equity Shares shall be made until the Equity Shares Issued through this Red Herring Prospectus are listed or until the Bid monies are refunded/unblocked in the ASBA Accounts on account of non-listing, under-subscription etc.

### **Utilisation of Issue Proceeds**

Our Company, specifically confirms and declares:

- (a) that all monies received from the Issue shall be credited / transferred to separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013;
- (b) details of all monies utilised out of the proceeds from the Issue shall be disclosed, and continue to be disclosed till all the time any part of the proceeds from the Issue remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised, or the form in which such unutilised monies have been invested; and

- (c) details of all unutilized monies out of the Issue, if any shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.

## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (“**DPIIT**”) makes policy announcements on FDI through press notes and press releases which are notified by the RBI as amendments to the FEMA. The DPIIT also issues the Consolidated Foreign Direct Investment Policy (“**FDI Policy**”) from time to time. The regulatory framework pertaining to foreign investment, over a period of time, thus, consists of acts, regulations, master circulars, press notes, press releases, and clarifications among other amendments.

India’s current FDI Policy issued by the DPIIT with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT till October 15, 2020. All the press notes, press releases, clarifications on FDI issued by DPIIT till October 15, 2020 stand rescinded as on October 15, 2020. In terms of the FDI Policy, Foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the Government route, depending upon the sector in which foreign investment is sought to be made. In terms of the FDI Policy, the work of granting government approval for foreign investment under the FDI Policy and FEMA Regulations has now been entrusted to the concerned Administrative Ministries/Departments.

The FDI Policy issued by the DPIIT permits foreign investment upto 100% of paid-up equity share capital of non-banking financial companies under the automatic route subject to compliance of certain conditions mentioned in the FDI Policy. The Company will be required to make certain filings with the RBI after the completion of the Issue.

In accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government, as prescribed in the FDI Policy and the Foreign Exchange Management (Non-debt Instruments) Rules, 2019. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020 issued on December 8, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank of fund in India.

Further, the existing individual and aggregate investment limits for an FPI in our Company are not exceeding 10% of the total paid-up Equity Share capital of our Company for each FPI and the total holdings of all FPIs in the Company shall not exceed 24% of the total paid-up Equity Share capital of our Company. The RBI, in exercise of its power under the FEMA, has also notified Foreign Exchange Management (Non-debt Instruments) Rules, 2019 (“**Rules**”) and Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. SEBI registered FPIs have been permitted to purchase shares of an Indian company through the Issue, subject to total FPI investment being within the individual FPI/sub account investment limit of less than 10% of the total paid-up equity capital on a fully diluted basis of the Company subject to the total holdings of all FPIs/sub accounts including any other direct and indirect foreign investments in the Company shall not exceed 24% of the paid-up equity capital of the Company on a fully diluted basis. The aggregate limit of 24% in case of FPIs may be increased up to the sectoral cap/statutory ceiling, as applicable, by the Company concerned by passing of resolution by the Board of the Company to that effect and by passing of a special resolution to that effect by its Shareholders. With effect from April 1, 2020, the aggregate limit of 24% has increased to the sectoral cap applicable to the Indian Company which in case of the Company is 100% provided that the Company complies with conditions provided under the FDI Policy. As per the Rules, the aggregate limit as provided above was permitted to be decreased by the Company to a lower threshold limit of 24% or 49% or 74% as deemed fit, with the approval of its Board of Directors through a resolution and also of its shareholders by means of a special resolution, before March 31, 2020. The Company has passed no such Board Resolution and hence, has not revised its sectoral caps. Further, eligible NRIs and OCIs investing on repatriation basis are subject to individual investment limit of 5% of the total paid-up equity capital on a fully diluted basis subject to the aggregate paid-value of the shares purchased by all NRIs and OCIs put together on repatriation basis not exceeding 10% of the total paid-up equity capital on a fully diluted basis of the Company. The aggregate limit of 10% in case of NRIs

and OCIs together may be raised to 24 % if a special resolution to that effect is passed by the shareholders of the Company. Vide special resolutions dated December 7, 2022 passed by the shareholders of the Company, the aforementioned aggregate limits of 24% in case of FPIs was increased up to the sectoral cap/statutory ceiling, as applicable and 10% in case of NRIs and OCIs together was raised to 24 %.

The transfer of shares between an Indian resident and a Non-resident does not require prior approval of RBI, subject to fulfillment of certain conditions as specified by DPIIT / RBI, from time to time. Such conditions include (i) the activities of the investee company are under the automatic route under the FDI Policy and transfer does not attract the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI. Investors are advised to refer to the exact text of the relevant statutory provisions of law before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

**The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), or the securities laws of any state of the United States and may not be offered or sold within the United States, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sale occur. The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

**The above information is given for the benefit of the Bidders. Our Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the Bids are not in violation of laws or regulations applicable to them.**

**SECTION VIII: DESCRIPTION OF EQUITY SHARES AND TERMS OF ARTICLES OF ASSOCIATION**

**ARTICLES OF ASSOCIATION**

**OF**

**AKME FINTRADE (INDIA) LIMITED**

**Article 6**

**Share Capital and Variation of Rights**

- (a) The Authorised Share Capital of the Company shall be such amount and be divided into such shares as may from time to time, be provided in clause V of the Memorandum each with power to consolidate, increase, reduce, subdivide the capital for the time being and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, cumulative, convertible, preference, guaranteed, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, alter, modify, amalgamate or abrogate any such rights, privileges or conditions in such a manner as may for the time being be provided for by the Articles of Association of the Company or by the law in force for the time being.

The Share Capital of the Company shall be of two kinds, namely:-

- i. Equity Share Capital
    - with voting rights; or
    - with differential rights as dividend, voting or otherwise in accordance with the Act.
  - ii. Preference share capital.
- (b) Subject to the rights of the holders of any other shares entitled by the terms of issue to preferential repayment over the equity shares in the event of winding up of the Company, the holders of the equity shares shall be entitled to be repaid the amounts of capital paid up or credited as paid up on such equity shares and all surplus assets thereafter shall belong to the holders of the equity shares in proportion to the amount paid up or credited as paid-up on such equity shares respectively at the commencement of the winding up.
- (c) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of Section 48 of the Act, and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

**Article 7 Clause (b)**

**Further Issue of Capital**

Where at any time it is proposed to increase the subscribed capital of the Company by allotment of further shares, whether out of unissued share capital or out of the increased share capital.

- (i) such further shares shall be offered to the person who at the date of offer, are holders of the equity shares of the Company, in proportion as nearly as circumstances admit, to the capital paid up on those shares at that date.
- (ii) the offer aforesaid shall be made by a notice specifying the number of shares offered and limiting a time not being less than 15 days and not exceeding 30 days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined.



- (iii) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favor of any other person and the notice shall contain a statement of this right.
- (iv) After the expiry of the time specified in notice aforesaid or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner as they think most beneficial to the Company and members.
- (v) Notwithstanding anything contained in the preceding sub-clause, the Company may:
  - (a) by a special resolution offer further shares to any person or persons, and such person or persons may or may not include the person/s who at the date of the offer, are the holders of the equity shares of the Company or to employees of the Company under the Scheme of employees' stock option; or
  - (b) Notwithstanding anything contained in sub-clause (a) above, but subject, however, to section 62(3) of the Act, the Company may increase its subscribed capital on exercise of an option attached to the debentures issued or loans raised by the Company to convert such debentures or loans into shares, or to subscribe for shares in the Company.

## **Article 12**

### **Division, Sub-division, consolidation, Conversion and Cancellation of Shares**

Subject to the provisions of Section 61 of the Act, the Company in general meeting may alter the conditions of its Memorandum as follows, that is to say, it may:

- (a) increase its authorized share capital by such amount as it think expeditiously;
- (b) consolidate and divide all or any of its Share Capital into shares of larger amount than its existing shares. Provided that no consolidation and division which results in changes in the voting percentage of shareholders shall have effect unless it is approved by the Court or Tribunal as applicable;
- (c) sub-divide its shares or any of them into shares of smaller amount than originally fixed by the Memorandum subject nevertheless to the provisions of the Act in that behalf and so however that in the sub-division the proportion between the amount paid and the amount, if any unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived; and so that as between the holders of the shares resulting from such sub-division one or more of such shares may, subject to the provisions of the sub-division one or more of such shares may, subject to the provisions of the Act, be given any preference or advantage over the others or any other such shares;
- (d) convert, all or any of its fully paid up shares into stock, and re-convert that stock into fully paid up shares of any denomination;
- (e) cancel, shares which at the date of passing of the resolution have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

## **Article 30**

### **Issue of Certificates of Shares to be Governed by Section 46 of the Act etc.**

- (a) The issue of certificates of shares or of duplicate or renewal of certificates of shares and/or advices/certificates issued upon sub-division, split, consolidation and exchanges shall be governed by the provisions of Section 46 and other provisions of the Act, as may be applicable and by the Rules or notifications or orders, if any, which may be prescribed or made by competent authority under the Act or Rules or the as well as the Listing Regulations, as may be applicable or any other law. The Directors may also comply with the provisions of such rules or regulations of any stock exchange where the shares of the Company may be listed from the time being.

- (b) The Certificate of title of shares shall be issued under the Seal of the Company, if any, and shall be signed by such Directors or Officers or other authorized persons as may be prescribed by Rules made under the Act from time to time and subject thereto shall be signed in such manner and by such persons as the Directors may determine from time to time.
- (c) The Company shall comply with all rules and regulations and other directions which may be made by any competent authority under Section 46 of the Act and the Listing Regulations.

### **Article 32**

#### **Issue of new Certificates in Place of one defaced Lost or Destroyed**

If any certificate be worn out, defaced, mutilated or torn if there be no, further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu, thereof, and if any certificate be lost or destroyed then upon proof thereof to the satisfaction of the Company and on; execution of such indemnity as the Company deem adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every Certificate under this Article shall be issued without payment of fees. Out of pocket expenses incurred by the Company in investing the evidence as to the loss or destruction shall be paid to the Company if demanded by the directors.

Provided that notwithstanding what is stated above the directors shall comply with such Rules or Regulation or requirements of any stock Exchange including the Listing Regulations or the Rules made under the Act or the Rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, on Rules applicable in this behalf.

The provisions of the Article under this heading shall *mutatis mutandis* apply to debentures of the Company.

### **Article 41**

#### **Calls on Shares of the Same Class to be made on Uniform Basis**

Where any calls for further Share Capital are made on shares, such calls shall be made on a uniform basis on all shares falling under the same class.

**Explanation:** For the purpose of this provision, shares of the same nominal value on which different amounts have been paid up shall not be deemed to fall under the same class.

## **FORFEITURE**

### **Article 50**

#### **If Call or Installment Not Paid Notice must be given**

- (a) If any member or debenture holder fails to pay the whole or any part of any call or installment or any money due in respect of any share or debentures either by way of principal or interest on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Directors may at any time thereafter, during such time as the call or any installment or any part thereof or other moneys remain unpaid or a judgement or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such member or debenture holder or on the person (if any) entitled to the share by transmission requiring him to pay such call or installment or such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.
- (b) The notice shall name a day not being less than fourteen days from the date of the services of the notice and a place or places, on and which such call, or installment or such part or other moneys as aforesaid and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment of call amount with interest at or before the time and at the place appointed, the shares or debentures in respect of which the call was made or installment or such part or other moneys is or are payable will be liable to be forfeited. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given

may, at any time, thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

#### **Article 51**

##### **In Default of Payment Shares or Debentures to be Forfeited**

If the requirements of any such notice as aforesaid are not complied with any share/debenture in respect of which such notice has been given, may at any time thereafter before payment of all calls or installments, interest and expenses or other moneys due in respect thereof, be forfeited by a resolution of the Directors to that effect. Neither the receipt by the Company of a portion of any money which shall from time to time be due from any member of the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company. In respect of the payment of any such money, shall preclude, the Company from thereafter proceeding to enforce a forfeiture of such shares as herein provided. Such forfeiture shall include all dividends declared or interest paid or any other moneys payable in respect of the forfeited shares or debentures and not actually paid before the forfeiture.

#### **Article 52**

##### **Entry of Forfeiture in Register of Member/Debenture holders**

When any shares / debentures shall have been so forfeited, notice of the forfeiture shall be given to the member or debenture holder in whose name it stood immediately prior to the forfeiture and any entry of the forfeiture with the date thereof, shall forthwith be made in the Register of members of debenture holders but no forfeiture shall be invalidated by any omission or neglect or any failure to give such notice or make such entry as aforesaid.

#### **Article 56**

##### **Effect of Forfeiture**

The forfeiture of a share or a debenture shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share or debenture and all other rights incidental to the share or debenture, except only such of these rights as by these Articles are expressly saved.

#### **Article 61**

##### **Surrender of Shares or Debenture**

The Directors may, subject to the provisions of the Act, accept a surrender of any share or debenture from or by any member or debenture holder desirous of surrendering them on such terms as they think fit.

#### **Article 66**

##### **Transfer of Share**

- (a) An application of registration of the transfer of shares may be made either by the transferor or the transferee provided that where such application is made by the transferor, no registration shall in the case of partly paid shares be effected unless the Company gives notice of the application to the transferee and subject to the provisions of Clause (a) of this Article, the Company shall unless object is made by the transferee, within two weeks from the date of receipt of the notice, enter in the Register of members the name of the transferee in the same manner and subject to the same conditions as if the application for registration was made by the transferee.
- (b) For the purpose of clause (a) above notice to the transferee shall be deemed to have been duly given if sent by prepaid registered post to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered to him in the ordinary course of post.

- (c) It shall not be lawful for the Company to register a transfer of any shares unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation, if any, of the transferee has been delivered to the Company along with the Certificate relating to the shares and if no such Certificate is in existence, along with the letter of allotment of shares. The Directors may also call for such other evidence as may reasonably be required to show the right of the transferor to make the transfer, provided that where it is proved to the satisfaction of the Directors of the Company that an instrument of transfer signed by the transferor and the transferee has been lost, the Company may, if the Directors think fit, on an application in writing made by the transferee and bearing the stamp required by an instrument of transfer register the transfer on such terms as to indemnity as the Directors may think fit.
- (d) Nothing in clause (c) above shall prejudice any power of the Company to register as shareholder any person to whom the right to any share has been transmitted by operation of law.
- (e) Nothing in this Article shall prejudice any power of the Company to refuse to register the transfer of any share.

### **Article 73**

#### **Registration of Persons Entitled to Share Otherwise than by Transfer**

- (a) Subject to the provisions of Article 79 any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy or insolvency of any member or by any lawful means other than by a transfer in accordance with these present, may with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of such titles as the Directors shall think sufficient, either be registered himself as a member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as a member in respect of such shares. Provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favor of his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be free from any liability in respect of such shares.
- (b) A transfer of the share or other interest in the Company of a deceased member thereof made by his legal representative shall although the legal representative is not himself a member, be as valid as if he had been a member at the time of the execution of the instrument of transfer.

## **GENERAL MEETINGS**

### **Article 92**

#### **Annual General Meeting**

Subject to the provisions contained in Section 96 and 129 of the Act, as far as applicable, the Company shall in each year hold, in addition to any other meetings, a general meeting as its annual general meeting, and shall specify, in the notice calling it, the date of the meeting, and not more than fifteen months shall elapse between the date of one annual general meeting of the Company and that of the next.

### **Article 96**

#### **Calling of Extra Ordinary General Meeting on requisition**

- (a) The Board of Directors of the Company shall on the requisition of such number of members of the Company as is specified in clause (d) of this Article, forthwith proceed duly to call an Extraordinary general meeting of the Company.
- (b) The requisition shall set out the matters for the consideration of which the meeting is to be called, shall be signed by the requisitioners, and shall be deposited at the registered office of the company.

- (c) The requisition may consist of several documents in like forms, each signed by one or more requisitionists.
- (d) The number of members entitled to requisition a meeting in regard to any matter shall be such number of them as hold at the date of the deposit of the requisition not less than one tenth of such of the paid up share capital of the Company as at that date carried the right of voting in regard to that matter.
- (e) Where two or more distinct matters are specified in the requisition the provisions of clause (a) above, shall apply separately in regard to each such matter; and the requisition shall accordingly be valid only in respect of those matters in regard to which the condition specified in that clause is fulfilled.
- (f) If the Board does not, within twenty-one days from the date of deposit of a valid requisition in regard to any matters, proceed duly to call a meeting for the consideration of those matters then on a day not later than forty five days from the date of the deposit of the requisition, the meeting may be called by the requisitionists themselves within a period of three months from the date of requisition.

**Explanation:** For the purpose of this clause, the Board shall in the case of a meeting at which Resolution is to be proposed as a special Resolution, be deemed not have duly convened the meeting if they do not give such notice thereof as is required by Section 114 of the Act.

- (g) A meeting, called under Clause (f) above, by the requisitionists or any of them:
  - (i) shall be called in the same manner, as nearly as possible, as that in which meetings are to be called by the Board; but
  - (ii) shall not be held after the expiration of three months from the date of the deposit of the requisition.

**Explanation:** Nothing in Clause (g) (ii) above, shall be deemed to prevent a meeting only commenced before the expiry of the period of three months aforesaid, from adjourning to some day after the expiry of that period.

- (h) Where two or more persons hold any shares or interest in the Company jointly, requisition, or a notice calling a meeting, signed by one or some of them shall, for the purpose of this Article, have the same force and effect as if it had been signed by all of them.
- (i) Any reasonable expenses incurred by the requisitionists by reason of the failure of the Board to duly call a meeting shall be repaid to the requisitionists by the Company; and any sum so repaid shall be retained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration for their services to such of the Directors as were in default.

## **VOTES OF MEMBERS**

### **Article 108**

Subject to any rights or restrictions for the time being attached to any class or classes of shares and in the manner prescribed under the Act and the rules made thereunder:

- (a) on a show of hands, every member present in person shall have one vote; and
- (b) on a poll, the voting rights of members shall be in proportion to the member's share in the paid – up equity share capital of the Company.

### **Article 110**

#### **Restrictions on Exercise of Rights of Members who have not paid Calls etc.**

- (a) No members shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has and has exercised any right of lien.

- (b) Where the shares of the Company are held in trust, the voting power in respect of such shares shall be regulated by the provisions of Section 89 of the Act.

#### **Article 117**

##### **Validity of Votes given by Proxy notwithstanding Death of Members etc.**

A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal or revocation of the proxy or of any power of attorney under which such proxy was signed or the transfer of the share in respect of which the votes is given, provided that no intimation in writing of the death, revocation or transfer shall have been received at the registered office of the Company before the meeting or adjourned meeting.

#### **Article 135**

##### **Board of directors**

Until otherwise determined by the Company in general meeting, the number of Directors shall not be less than 3 (three) and more than 15 (fifteen). The appointment of the Directors exceeding 15 (fifteen) will be subject to the provisions of Section 149 of the Act. The Board shall have the power of appoint the Chairman. The Company shall also comply with the provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014 and the provisions of the Listing Regulations.

#### **Article 144**

##### **Appointment of Additional Director**

Subject to the provisions of Section 161 of the Act, Board of Directors shall have power at any time to appoint any person as an additional Director to the Board, but so that the total number of Directors shall not exceed the maximum number fixed by the Articles. Any Director so appointed shall hold the office only up to the next annual general meeting of the Company or the last date on which the annual general meeting should have been held, whichever is earlier and shall then be eligible for reappointment.

#### **Article 149**

##### **Remuneration of Directors**

- (a) Subject to the provisions of Act, a Managing Director or a director who is in the whole-time employment of the Company may be paid remuneration either by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by the other.
- (b) Subject to the provisions of the Act, a Director, who is neither in the whole-time employment nor a Managing Director may be paid remuneration either:
  - i. by way of monthly, quarterly or annual payment, or
  - ii. by way of commission if the Company by a special resolution has authorized such payment
- (c) Every Director shall be paid such amount of remuneration by way of fee not exceeding such sum as may be prescribed by the Act or the Central Government from time to time, as may be determined by the Board for each meeting of the Board or Committee thereof attended by him.
- (d) The Board shall recommend the fees/compensation to be paid to non-executive directors including independent directors. Such fees/compensation shall also be approved by the shareholders of the Company in a general meeting. However, such approval will not be required in case of sitting fees paid to non-executive directors which are within the limits prescribed under the Act and for which no Central Government approval is required. In terms of Section 149 (9) of the Act, if the Company has no profits or its profits are inadequate, an independent director may receive remuneration, exclusive of any fees payable under sub-section (5) of section 197 of the Act, in accordance with the provisions of Schedule V of the Companies Act, 2013.

## **Article 174**

### **Meeting of Directors**

- (a) The Directors may meet together as a Board for transaction of business from time to time and shall so meet at least four times in every year in such manner that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board and they may adjourn and otherwise regulate their meetings and proceedings as they deem fit. The provisions of this Article shall not be deemed to be contravened merely by reason of the fact that meeting of the Board, which had been called in compliance with the terms herein mentioned, could not be held for want of quorum.
- (b) The participation of directors in a meeting of the Board may be either in person or through video conferencing or other audio visual means, as may be prescribed, which are capable of recording and recognizing the participation of the directors and of recording and storing the proceedings of such meetings along with date and time:  

Provided that the Central Government may, by notification, specify such matters which shall not be dealt with in a meeting through video conferencing or other audio visual means.

Provided further that where there is quorum in a meeting through physical presence of directors, any other director may participate through video conferencing or other audio visual means in such meeting on any matter specified under the aforementioned proviso.
- (c) Every director present at any meeting of the Board of Directors or a committee there of shall sign his name in a book to be kept for that purpose, to show his attendance there at.

## **Article 192**

### **Dividends Out of Profits Only**

- (i) No Dividend shall be declared or paid by the Company for any financial year except out of the profits of the Company for that year arrived at after providing for depreciation in accordance with the provisions of the Act or out of the profits of the Company for any previous financial year or years arrived at after providing for depreciation in accordance with those provisions and remaining undistributed or out of both or out of money provided by the Central Government or State Government for the payment of dividend in pursuance of a Guarantee given by the Government and except after the transfer to the reserves of the Company of such percentage out of the profits for that year not exceeding ten per cent as may be prescribed or voluntarily such higher percentage in accordance with the rules as may be made by the Central Government in that behalf. Provided that in computing profits any amount representing unrealized gains, notional gains or revaluation of assets and any change in carrying amount of an asset or of a liability on measurement of the asset or the liability at fair value shall be excluded.

PROVIDED HOWEVER whether owing to inadequacy or absence of profits in any year, the Company propose to declare out of the accumulated profits by the Company in previous years and transferred by it to the free reserve, such declaration of dividend shall not be made except in accordance with such rules as may be made by the Central Government in this behalf.

- (ii) The depreciation shall be provided to the extent specified in Schedule II to the Act.
- (iii) No dividend shall be payable except in cash, provided that nothing in this Article shall be deemed to prohibit the capitalization of the profits or reserves of the Company for the purpose of issuing fully paid up bonus shares or paying up any amount for the time being unpaid on any shares held by members of the Company.
- (iv) The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
- (v) No dividend shall bear interest against the Company.

## **Article 193**

### **Interim Dividend**

The Board of Directors may from time to time, pay to the members such interim dividends as appears to it to be justified by the profits of the company in accordance with Section 123 of the Act.

## **Article 202**

### **Unpaid Dividend or Dividend Warrant Posted**

- (a) Where the Company has declared a dividend but which has not been paid or the dividend warrant in respect thereof has not been posted within 30 days from the date of declaration to any shareholder entitled to the payment of the dividend, the Company shall within 7 days from the date of expiry of the said period of 30 days, open a special account in the name of the Company and transfer to the said Account, the total amount of dividend which remains unpaid or in relation to which no dividend warrant has been posted.
- (b) Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the Company to the Investor Education and Protection Fund maintained by the Central Government under the Act. A claim to any money so transferred to the general revenue account may be preferred to the Central Government by the shareholder to whom the money is due.
- (c) No unclaimed dividend shall be forfeited by the Board unless the claim becomes barred by law.

## **WINDING UP**

## **Article 230**

### **Distribution of Assets**

- (a) Subject to the provisions of the Act, if the Company shall be wound up and the assets available for distribution among the members as such shall be less than sufficient to repay the whole of the paid up capital such assets shall be distributed so that, as nearly, as may be, the losses shall be borne by the members in proportion to the Capital paid up, or which ought to have been paid up, at the commencement of winding up, on the shares held by them respectively. And if in winding up, the assets available for distribution among the members shall be more than sufficient to repay the whole of the Capital paid up at the commencement of the winding up the excess shall be distributed amongst the members in proportion to the Capital at the commencement of the winding up or which ought to have been paid up on the shares held by them respectively.
- (b) But this clause will not prejudice the rights of the holders of shares issued upon special terms and conditions.

## **INDEMNITY AND RESPONSIBILITY**

## **Article 233**

### **Directors and Others Right to Indemnity**

Every Director, Managing Director, Whole-time Director, Manager, Secretary and other Officer or employee or authorised representative of the Company shall be indemnified by the Company and for this purpose may have relevant third party insurances procured by the Company in their favour, for all costs, fees, penalty, deposit, losses and expenses (including travelling expenses) which such Director, Manager, Secretary, Officer or employee or authorized representative may suffer or is likely to suffer in any way during the course of discharge of his duties including expenses and the amount for which such indemnity is provided, shall immediately attach as a lien on the property of the Company and have priority between the members over all other claims. Provided that no Director, Managing Director, Whole-time Director, Manager, Secretary and other Officer or employee or authorized representative of the Company shall be entitled to be indemnified by the Company or have insurance procured therefor in circumstances where any



amounts directly or indirectly arise out of or in connection with any fraud, gross negligence, breach of trust or material and willful default on the part of such Director, Managing Director, Whole-time Director, Manager, Secretary and other Officer or employee or authorized representative of the Company.

## SECTION IX: OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Red Herring Prospectus) which are or may be deemed material will be attached to the copy of this Red Herring Prospectus which will be delivered to the RoC for filing. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. IST and 5 p.m. IST on all Working Days and will also be available at the website of our Company at <https://aasaanloans.com/investor-relation/ipo/> from date of this Red Herring Prospectus until the Bid/ Issue Closing Date.

Any of the contracts or documents mentioned in this Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by other parties, without reference to the Shareholders, subject to compliance of the provisions contained in the Companies Act and other Applicable Law.

#### *Material Contracts to the Issue*

1. Issue Agreement dated February 12, 2023 entered into among our Company and the BRLM as amended by an amendment agreement dated June 27, 2023 entered into between our Company and the BRLM, pursuant to which certain arrangements are agreed to in relation to the Issue.
2. Registrar Agreement dated March 15, 2024 entered into among our Company and the Registrar to the Issue.
3. Cash Escrow and Sponsor Bank Agreement dated June 11, 2024 entered into among our Company, the BRLM, the Syndicate Members, Banker(s) to the Issue and the Registrar to the Issue.
4. Syndicate Agreement dated June 11, 2024 entered into among the BRLM, members of the Syndicate, our Company and the Registrar to the Issue.
5. Underwriting Agreement dated [●] entered into among our Company and the Underwriters.
6. Monitoring Agency Agreement dated June 11, 2024 entered into between our Company and the Monitoring Agency.

#### *Material Documents*

1. Certified copies of our Memorandum of Association and Articles of Association, as amended until date.
2. Certificate of incorporation dated February 5, 1996.
3. Fresh certificate of incorporation dated March 11, 1997 issued upon conversion from Private Company to Public Company and consequent upon change in name of the Company from “Akme Fintrade (India) Private Limited” to “Akme Fintrade (India) Limited”.
4. Resolution of the Board of Directors of our Company, dated November 14, 2022 approving the Issuer and other related matters.
5. Resolution of our Shareholders dated December 7, 2022 approving the Issue and other related matters.
6. Resolution of the Board of Directors of our Company, dated June 27, 2023 approving the Draft Red Herring Prospectus for filing with SEBI and the Stock Exchanges.
7. Resolution of the Board of Directors of the Company dated June 11, 2024 approving the Red Herring Prospectus for filing with the RoC, SEBI and the Stock Exchanges.
8. Shareholders’ Resolutions dated December 7, 2022 approving the terms of appointment and remuneration of Mr. Nirmal Kumar Jain, Chairman and Managing Director, Mr. Ramesh Kumar Jain, Executive Director and Mr. Rajendra Chittora, Executive Director.
9. Statutory Auditor’s report for Restated Financials as at nine months period ended December 31, 2023 and for year ending March 31, 2023 and Copies of annual report for the last three Financial Years, i.e., Financial Years 2023, 2022 and 2021 and audited financials for Financial Year 2023.
10. Statement of special tax benefits dated June 11, 2024 from the Statutory Auditors included in this Red Herring Prospectus.
11. Consent of the Statutory Auditors dated June 11, 2024 to include their name as required under Section 26(5) of the Companies Act read with SEBI ICDR Regulations and referred to as an “expert” as defined under Section 2(38) of the Companies Act to the extent and in their capacity as the Statutory Auditor, and for inclusion of their examination report dated February 26, 2024 on examination of our Restated Financial

Statements and the statement of possible special tax benefits in the form and context in which it appears in this Red Herring Prospectus.

12. Consents of our Directors, Bankers to our Company, the BRLM, the Syndicate Member(s), Bankers to the Issue, Registrar to the Issue, legal counsel, lenders to the Company (where such consent is required), Company Secretary and Compliance Officer of our Company, Chief Financial Officer, as referred to act, in their respective capacities.
13. Certificate dated June 11, 2024 issued by M/s. Valawat & Associates, our Statutory Auditors certifying the Key Performance Indicators set out in this RHP.
14. Certificate dated December 13, 2023 issued by M/s. Valawat & Associates, our Statutory Auditors certifying that all allotments of Equity Shares of the Company are in compliance with the Companies Act, 1956 and Companies Act, 2013, except the Stated Allotments.
15. Certificate dated January 11, 2024 issued by M/s. Valawat & Associates, our Statutory Auditors certifying that the Stated Allotments are in compliance with the DPI Circular.
16. Certificate dated January 16, 2024 issued by Ronak Jhuthawat & Co., Practicing Company Secretaries, certifying that the Stated Allotments are in compliance with the DPI Circular.
17. Affidavits received by the Company dated February 27, 2024 from Praveen P Jain, February 27, 2024 from Ashok Kumar Jain, February 29, 2024 from Harish A Jain, February 28, 2024 from Chandreshkehar Jain, February 28, 2024 from Vardhman Jain and February 28, 2024 from Rajendra Jain confirming that they have subscribed to 14,500, 15,000, 6500, 1500, 1500 and 1500 Equity Shares respectively and full payment of consideration by them to the Company in relation to the untraceable Form 2 for the allotment of 40,500 fully paid-up Equity Shares of the Company made on March 28, 1996.
18. Affidavit dated March 4, 2024 of the Company, confirming the allotment of Equity Shares to Praveen P Jain, Ashok Kumar Jain, Harish A Jain, Chandreshkehar Jain, Vardhman Jain and Rajendra Jain and the receipt of consideration thereof in relation to the allotment of 40,500 fully paid-up Equity Shares of the Company made on March 28, 1996.
19. Certificate dated March 5, 2024 issued by M/s Ronak Jhuthawat & Co., Practicing Company Secretaries certifying allotment of 40,500 fully paid-up Equity Shares to Praveen P Jain, Ashok Kumar Jain, Harish A Jain, Chandreshkehar Jain, Vardhman Jain and Rajendra Jain and receipt of the money thereof in relation to the untraceable Form 2 for the allotment of 40,500 fully paid-up Equity Shares of the Company made on March 28, 1996.
20. Notices under Sections 131(1A), 142(1), 143(2), 143(2) read with Section 147, 148 of the Income Tax Act, 1961 issued to the Company, Nirmal Kumar Jain, Manju Devi Jain and Dipesh Jain and corresponding Panchnamas, as applicable.
21. Consent letter dated March 6, 2024 from Dun and Bradstreet Information Services India Private Limited to use their report titled "NBFC Industry in India".
22. Industry report entitled "NBFC Industry in India" dated March 2024 prepared by Dun and Bradstreet Information Services India Private Limited.
23. Complaint dated April 12, 2024 addressed by Sandeep Barjatya to SEBI.
24. Reply dated April 26, 2024 addressed by the Company to Sandeep Barjatya in response to Complaint dated April 12, 2024 addressed by Sandeep Barjatya to SEBI.
25. Email dated April 24, 2024 addressed by Sandeep Barjatya to SEBI.
26. Reply dated April 30, 2024 addressed by the Company to Sandeep Barjatya in response to email dated April 24, 2024 addressed by Sandeep Barjatya to SEBI.
27. In-principle listing approvals dated January 02, 2024 and January 03, 2024 from BSE and NSE, respectively.
28. Tripartite Agreement dated December 18, 2017 among our Company, NSDL and the Registrar to the Issue.
29. Tripartite Agreement dated December 7, 2017 among our Company, CDSL and the Registrar to the Issue.
30. Due diligence certificate to SEBI from the BRLM, dated June 27, 2023.
31. SEBI final observation letter number SEBI/HO/CFD/RAC-DIL 1/OW/2024/3029/1 dated January 18, 2024.

Any of the contracts or documents mentioned in this Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders, subject to compliance with the provisions contained in the Companies Act and other relevant statutes.

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules or guidelines or regulations issued by the Government of India and the rules or guidelines or regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act 1956, the Securities Contracts (Regulation) Rules, 1957, Securities and Exchange Board of India Act, 1992 or the rules framed or guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

## SIGNED BY THE DIRECTOR OF OUR COMPANY

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***Mr. Nirmal Kumar Jain***  
*Chairman and Managing Director*  
*DIN: 00240441*

Date: June 11, 2024

Place: Udaipur

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules or guidelines or regulations issued by the Government of India and the rules or guidelines or regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act 1956, the Securities Contracts (Regulation) Rules, 1957, Securities and Exchange Board of India Act, 1992 or the rules framed or guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

### SIGNED BY THE DIRECTOR OF OUR COMPANY

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***Mr. Ramesh Kumar Jain***

*Executive Director*

*DIN: 07441707*

Date: June 11, 2024

Place: Udaipur

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules or guidelines or regulations issued by the Government of India and the rules or guidelines or regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act 1956, the Securities Contracts (Regulation) Rules, 1957, Securities and Exchange Board of India Act, 1992 or the rules framed or guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

### SIGNED BY THE DIRECTOR OF OUR COMPANY

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***Mr. Rajendra Chittora***  
*Executive Director*  
*DIN: 08211508*

Date: June 11, 2024  
Place: Udaipur

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules or guidelines or regulations issued by the Government of India and the rules or guidelines or regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act 1956, the Securities Contracts (Regulation) Rules, 1957, Securities and Exchange Board of India Act, 1992 or the rules framed or guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

### SIGNED BY THE DIRECTOR OF OUR COMPANY

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***Mr. Shiv Prakash Shrimali***  
*Non-Executive and Non-Independent Director*  
*DIN: 09188385*

Date: June 11, 2024  
Place: Udaipur

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules or guidelines or regulations issued by the Government of India and the rules or guidelines or regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act 1956, the Securities Contracts (Regulation) Rules, 1957, Securities and Exchange Board of India Act, 1992 or the rules framed or guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

### SIGNED BY THE DIRECTOR OF OUR COMPANY

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***Mr. Vimal Bolia Sardarsinghi***  
*Non-Executive and Non-Independent Director*  
*DIN: 03056586*

Date: June 11, 2024  
Place: Udaipur



## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules or guidelines or regulations issued by the Government of India and the rules or guidelines or regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act 1956, the Securities Contracts (Regulation) Rules, 1957, Securities and Exchange Board of India Act, 1992 or the rules framed or guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

### SIGNED BY THE DIRECTOR OF OUR COMPANY

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***Ms. Antima Kataria***  
*Non-Executive and Non-Independent Director*  
*DIN: 09788502*

Date: June 11, 2024  
Place: Udaipur

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules or guidelines or regulations issued by the Government of India and the rules or guidelines or regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act 1956, the Securities Contracts (Regulation) Rules, 1957, Securities and Exchange Board of India Act, 1992 or the rules framed or guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

### SIGNED BY THE DIRECTOR OF OUR COMPANY

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***Mr. Nishant Sharma***  
*Non-Executive and Non-Independent Director*  
*DIN: 08951697*

Date: June 11, 2024  
Place: Udaipur

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules or guidelines or regulations issued by the Government of India and the rules or guidelines or regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act 1956, the Securities Contracts (Regulation) Rules, 1957, Securities and Exchange Board of India Act, 1992 or the rules framed or guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

### SIGNED BY THE DIRECTOR OF OUR COMPANY

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***Mr. Sanjay Dattatray Tatke***  
*Non-Executive and Non-Independent Director*  
*DIN: 09848265*

Date: June 11, 2024  
Place: Udaipur

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules made thereunder, guidelines and regulations issued by the Government of India and the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Red Herring Prospectus are true and correct.

**SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY**

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***Rajni Ghelot,***  
*Chief Financial Officer*

**Date:** June 11, 2024

**Place:** Udaipur