



ANUPAM FINSERV LIMITED

Anupam Finserv Limited (“Company” or “Issuer”) was originally incorporated as “Vantage Financial Consultancy Services Private Limited” at Mumbai, on May 16, 1991 as a private limited company, under the Companies Act, 1956 and a Certificate of Incorporation was issued by the Registrar of Companies, Maharashtra at Mumbai (RoC). We were converted into a public limited company consequent to special resolution of the shareholders and the name of our Company was also changed along with the conversion to “Vantage Financial Services Limited” on October 30, 1992 and a fresh Certificate of Incorporation was obtained from the RoC. Our name was once again changed to “Vantage Corporate Services Limited” on January 6, 1999 and a fresh Certificate of Incorporation was obtained from the RoC on January 06, 1999. The name of our Company was changed to its current name on September 27, 2018 and a fresh Certificate of Incorporation was obtained from the RoC on October 10, 2018. Our Registered Office has been shifted from 427/429 SVP Road, K.N. Bhatia Trust Bldg., Opp. New H.N. Hospital, Charni Road, Mumbai 400 004, Maharashtra, India to the current address on June 01, 2017. Our Company is registered under section 45-IA of The Reserve Bank of India Act, 1934 (“RBI”) as Non-Systemically Important Non-Deposit taking Non-Banking Finance Company (NSI-ND-NBFC). The registration number is B-13.00707 vide Certificate of Registration dated April 20, 1998. For details of changes in the name and registered office of our Company, refer chapter titled “General Information” on page 36 of this Draft Letter of Offer.

Registered Office: 502, Corporate Arena, D.P. Piramal Road, Goregaon (W), Mumbai, Maharashtra, 400104;

Telephone No. +91 22 46050267; **Fax:** N.A.; **E-mail ID:** info@anupamfinserv.com

Contact Person: Ms Sheetal Dedhia; Company Secretary and Compliance Officer

E-mail ID: compliance@anupamfinserv.com; **Website:** www.anupamfinserv.com

Corporate Identification Number: L74140MH1991PLC061715

OUR PROMOTERS: PRAVIN NANJI GALA			
FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF ANUPAM FINSERV LIMITED (OUR “COMPANY” OR “THE ISSUER”) ONLY			
<p>ISSUE OF UP TO [●] FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF ₹ 1 EACH OF OUR COMPANY (THE “RIGHTS EQUITY SHARES”) FOR CASH AT A PRICE OF ₹[●] PER RIGHTS EQUITY SHARE AGGREGATING UP TO ₹ 4990.00 LAKHS ON A RIGHTS BASIS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF [●] RIGHTS EQUITY SHARES FOR EVERY [●] FULLY PAID-UP EQUITY SHARES HELD BY THE ELIGIBLE EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON [●] (“RECORD DATE”) (THE “ISSUE”). FOR FURTHER DETAILS, SEE “TERMS OF THE ISSUE” ON PAGE 165 OF THIS DRAFT LETTER OF OFFER.</p> <p><i>*Assuming full subscription with respect to Rights Equity Shares</i></p>			
WILFUL DEFAULTERS OR FRAUDULENT BORROWER			
<p>Neither our Company, nor our Promoter or Directors are categorised as wilful defaulters or fraudulent borrowers by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by the Reserve Bank of India.</p>			
AMOUNT PAYABLE PER RIGHTS EQUITY SHARE	FACE VALUE (₹)	PREMIUM (₹)	TOTAL (₹)
On Application	[●]	[●]	[●]
Total	1.00	[●]	[●]
* For further details on Payment Schedule, see “Terms of the Issue” on page 165 of this Draft Letter of Offer.			
GENERAL RISK			
<p>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 entire 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 Rights 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 Draft Letter of Offer. Specific attention of the investors is invited to the section titled “Risk Factors” on page 20 of this Draft Letter of Offer.</p>			
OUR COMPANY’S ABSOLUTE RESPONSIBILITY			
<p>Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Letter of Offer contains all information with regard to our Company and this Issue, which is material in the context of this Issue, that the information contained in this Draft Letter of Offer 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 Draft Letter of Offer as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.</p>			
LISTING			
<p>The existing Equity Shares are listed on BSE Limited (“BSE/ “Stock Exchange”). Our Company has received ‘in-principle’ approvals from the BSE for listing the Rights Equity Shares to be allotted pursuant to this Issue vide their letter dated [●]. Our Company will also make applications to the BSE to obtain trading approvals for the Rights Entitlements as required under the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020. For the purpose of this Issue, the Designated Stock Exchange is BSE.</p>			
REGISTRAR TO THE ISSUE			
<p>Purva Share Registry (India) Private Limited Unit No. 9, Ground Floor, Shiv Shakti Industrial Estate, J.R. Boricha Marg, Lower Parel (East), Mumbai, 400011, Maharashtra Contact Details: +91-22-4961 4132/ +91-22-3199 8810 Email: newissue@purvashare.com; Website: www.purvashare.com; Contact Person: Ms. Deepali Dhuri SEBI Registration Number: INR000001112</p>			
ISSUE OPENS ON	LAST DATE FOR ON MARKET RENUNCIATION*	ISSUE CLOSES ON**	
[●]	[●]	[●]	

* Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees on or prior to the Issue Closing Date.

** Our Board or the Rights Issue Committee thereof will have the right to extend the Issue period as it may determine from time to time, provided that this Issue will not remain open in excess of 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

(This page has intentionally been left blank)

TABLE OF CONTENTS

SECTION I – GENERAL	1
DEFINITIONS AND ABBREVIATIONS	1
NOTICE TO INVESTORS	10
CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND CURRENCY OF PRESENTATION	12
FORWARD - LOOKING STATEMENTS	14
SUMMARY OF DRAFT LETTER OF OFFER	16
SECTION II – RISK FACTORS	20
SECTION III: INTRODUCTION	35
THE ISSUE	35
GENERAL INFORMATION	36
CAPITAL STRUCTURE	41
OBJECTS OF THE ISSUE	44
STATEMENT OF TAX BENEFITS	47
SECTION IV – ABOUT THE COMPANY	50
INDUSTRY OVERVIEW	50
OUR BUSINESS	60
OUR MANAGEMENT	64
RELATED PARTY TRANSACTIONS	68
DIVIDEND POLICY	69
SECTION V – FINANCIAL INFORMATION	70
AUDITED FINANCIAL INFORMATION	70
ACCOUNTING RATIOS AND CAPITALISATION STATEMENT	142
MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS	144
FINANCIAL INDEBTEDNESS	153
SECTION VI – LEGAL AND OTHER INFORMATION	154
OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS	154
MATERIAL DEVELOPMENTS	158
OTHER REGULATORY AND STATUTORY DISCLOSURES	159
SECTION VII – ISSUE INFORMATION	165
TERMS OF THE ISSUE	165
RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES	191
RESTRICTIONS ON PURCHASES AND REALES	192
SECTION VIII: OTHER INFORMATION	201
MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION	201
DECLARATION	202

SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Letter of Offer 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, rule, guideline, policy, circular, notification or clarification will be deemed to include all amendments, supplements, re-enactments and modifications thereto from time to time, and any reference to a statutory provision shall include any subordinate legislation made from time to time thereunder. The words and expressions used but not defined in this Draft Letter of Offer will have the same meaning as assigned to such terms under the Companies Act, the SEBI Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act and the rules and regulations made thereunder, as applicable.

The following list of capitalised terms used in this Draft Letter of Offer is intended for the convenience of the reader/prospective investor only and is not exhaustive.

The Terms used in “Summary of Draft Letter of Offer”, “Audited Financial Information”, “Statement of Tax Benefits”, “Outstanding Litigations and Material Developments” and “Terms of the Issue” on pages 16, 70, 47, 154 and 165 respectively of this Draft Letter of Offer, shall, unless indicated otherwise, have the meanings ascribed to such terms in the respective sections.

General Terms

Term	Description
“Company”, “Our Company”, “the Company”, or “AFL”	Anupam Finserv Limited, a public limited company incorporated under the Companies Act, 1956 whose registered office is situated at 502, Corporate Arena, D.P. Piramal Road, Goregaon (W), Mumbai 400104
“We”, “Our”, “Us”, or “our Group”	Unless the context otherwise requires, indicates or implies or unless otherwise specified to Our Company, as applicable, as at and during the relevant Financial Year.

Company Related Terms

Term	Description
Articles of Association” or “Articles	Articles of Association of our Company, as amended from time to time
Audit Committee	The Committee of Board of Directors constituted as our Company’s Audit Committee in accordance with Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“SEBI Listing Regulations”) and section 177 of the Companies Act, 2013
Audited Financial Statements	Our audited Ind AS summary statement of assets and liabilities as at March 31, 2024 and audited Ind AS summary statement of profit and loss, audited Ind AS summary statement of changes in equity and audited Ind AS summary statement of cash flows for the year ended March 31, 2024 together with the annexures, notes and other explanatory information thereon, prepared in accordance with Ind AS and in accordance with Section 26 of Part 1 of Chapter III of the Companies Act, 2013, the SEBI ICDR Regulations and the Guidance Note on “Reports in Company Prospectuses (Revised 2019)” issued by the ICAI.
Auditors or Statutory Auditors	The statutory auditors of our Company, namely, J K Shah & Co., Chartered Accountants, Mumbai
Board of Directors, or Board or our Board	The Board of Directors of our Company or any duly constituted committee thereof.
Chairman and Whole-Time Director	The Chairman and Whole-Time Director of our Company, Mr Pravin Nanji Gala
Director(s)	The director(s) on our Board, as disclosed in “Our Management” on page 64 of this Draft Letter of Offer
Equity Shares	Equity shares of face value of ₹ 1 each of our Company
Chief Financial Officer	Mr. Pravin Nanji Gala, the Chief Financial Officer of our Company
Company Secretary and Compliance Officer	Ms. Sheetal Dedhia, the Company Secretary and Compliance Officer of our Company

Term	Description
Group Companies	Group companies of our Company as determined in terms of Regulation 2(1)(t) of SEBI ICDR Regulations
Independent Directors	An Independent Director appointed as per the Companies Act, 2013 and the SEBI Listing Regulations. For details of the Independent Directors, see “Our Management” on page 64 of this Draft Letter of Offer
Key Managerial Personnel or KMP	Key Managerial Personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations, as disclosed in “Our Management” on page 64 of this Draft Letter of Offer.
Material Subsidiaries	None
Managing Director	The Managing Director of our Company, being Ms Nirmala Gala
Memorandum of Association	Memorandum of Association of our Company, as amended from time to time
“Non-Executive Director(s)”	A Director, not being an Executive Director of our Company.
Nomination and Remuneration Committee	The committee of the Board of Directors reconstituted as our Company’s Nomination and Remuneration Committee in accordance with Regulation 19 of the SEBI Listing Regulations and Section 178 of the Companies Act, 2013.
Promoter	The promoter of our Company, being, Mr. Pravin Nanji Gala
Promoter Group	Unless the context requires otherwise, the promoter group of our Company as determined in accordance with Regulation 2(1)(pp) of the SEBI ICDR Regulations. Our promoter group consists of Nirmala Pravin Gala, Nanji Bhuralal Gala, Siddharth Pravinchandra Gala and Dhruvil Pravinchandra Gala
Registered Office	Registered office of our Company situated at 502, Corporate Arena, DP Piramal Road, Goregaon West, Mumbai – 400104
Rights Issue Committee	The Rights issue committee of our Board constituted through the resolution of the Board dated May 30, 2024.
Subsidiaries	Subsidiaries of our Company as defined under the Companies Act, 2013 and the applicable Accounting Standards. We currently do not have any subsidiary
Shareholders or “Equity Shareholders	The holders of the Equity Shares from time to time
Stakeholders Relationship Committee	The committee of the Board of Directors constituted as our Company’s Stakeholders Relationship Committee in accordance with Regulation 20 of the SEBI Listing Regulations.

Issue Related Terms

Term	Description
Abridged Letter of Offer or ALOF	The Abridged Letter of Offer to be sent to the Eligible Equity Shareholders of our Company with respect to the Issue in accordance with the provisions of the SEBI ICDR Regulations and the Companies Act
Additional Rights Equity Shares	The Rights Equity Shares applied or allotted under this Issue in addition to the Rights Entitlement
Allotment or Allot or Allotted	Allotment of Rights Equity Shares pursuant to the Issue
Allotment Account	The account opened with the Banker(s) to the Issue, into which the Application Money lying credit to the escrow account and amounts blocked by Application Supported by Blocked Amount in the ASBA Account, with respect to successful Applicants will be transferred on the Transfer Date in accordance with Section 40(3) of the Companies Act
Allotment Account Bank(s)	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom the Allotment Accounts will be opened, in this case being, [●]
Allotment Advice	The note or advice or intimation of Allotment sent to each successful Applicant who has been or is to be Allotted the Rights Equity Shares pursuant to the Issue
Allotment Date	Date on which the Allotment is made pursuant to the Issue
Allottee(s)	Person(s) to whom the Rights Equity Shares are Allotted pursuant to the Issue
Applicant(s) or Investor(s)	Eligible Equity Shareholder(s) and/or Renouncee(s) who are entitled to make an application for the Rights Equity Shares pursuant to the Issue in terms of the Letter of Offer, including an ASBA Investor
Application	Application made through submission of the Application Form or plain paper Application to the Designated Branch(es) of the SCsBs or online/ electronic

Term	Description
	application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process, to subscribe to the Rights Equity Shares at the Issue Price
Application Form	Unless the context otherwise requires, an application form used by an Applicant to make an application for the Allotment of Rights Equity Shares in this Issue
Application Money	Aggregate amount payable at the time of Application, i.e., ₹[●] per Rights Equity Share in respect of the Rights Equity Shares applied for in this Issue
Application Supported by Blocked Amount or ASBA	Application (whether physical or electronic) used by Applicant(s) to make an application authorising the SCSB to block the Application Money in a specified bank account maintained with the SCSB
ASBA Account	An account maintained with SCSBs and as specified in the Application Form or plain paper Application, as the case may be, by the Applicant for blocking the amount mentioned in the Application Form or in the plain paper Application
ASBA Applicant/ ASBA Investors	Eligible Equity Shareholders who make an application to subscribe to the Issue through ASBA process
ASBA Circulars	Collectively, SEBI circular bearing reference number SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009, SEBI circular bearing reference number CIR/CFD/DIL/1/2011 dated April 29, 2011 and the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 and SEBI circular bearing reference number SEBI/HO/CFD/SSEP/CIR/P/2022/66 dated May 19, 2022 and any other circular issued by SEBI in this regard and any subsequent circulars or notifications issued by SEBI in this regard
Banker(s) to the Issue	Collectively, Escrow Collection Bank, Allotment Account Bank and the Refund Bank, in this case being [●]
Banker(s) to the Issue Agreement	Agreement to be entered into by and among our Company, the Registrar to the Issue and the Banker(s) to the Issue for collection of the Application Money from Applicants/Investors, transfer of funds to the Allotment Account and where applicable, refunds of the amounts collected from Applicants/Investors, on the terms and conditions thereof
Basis of Allotment	The basis on which the Rights Equity Shares will be Allotted to successful Applicants in consultation with the Designated Stock Exchange in this Issue, as described in “Terms of the Issue” on page 165 of this Draft Letter of Offer.
Controlling Branches / Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the Registrar to the Issue and the Stock Exchange, a list of which is available on SEBI updated from time to time, or at such other website(s) as may be prescribed by the SEBI from time to time.
Demographic Details	Details of Investors including the Investor’s address, PAN, DP ID, Client ID, bank account details and occupation, where applicable.
Designated Branch(es)	Such branches of the SCSBs which shall collect the Applications, as the case may be, used by the ASBA Investors and a list of which is available on the website of SEBI and/or such other website(s) as may be prescribed by the SEBI from time to time
Designated Stock Exchange	BSE Limited
Draft Letter of Offer/DLoF/DLOF	This Draft Letter of Offer dated June 28, 2024 filed with the Stock Exchange, for its observations and in-principle approval.
Eligible Equity Shareholder(s)	Existing Equity Shareholders as at the Record Date. Please note that the investors eligible to participate in the Issue exclude certain overseas shareholders. For further details, please see “Notice to Investors” on page 10 of this Draft Letter of offer
Equity Shareholder(s) or Shareholders	Holder(s) of the Equity Shares of our Company
Escrow Collection Bank	Bank(s) which are clearing members and registered with SEBI as banker to an issue and with whom the escrow account will be opened, in this case being, [●]
FPIs	Foreign portfolio investors as defined under the SEBI FPI Regulations
Fraudulent Borrower	Fraudulent Borrower(s) as defined under Regulations 2(1)(III) of the SEBI ICDR Regulations

Term	Description
Issue or Rights Issue	This issue of up to [●] fully paid-up Equity Shares of face value of ₹1/- each of our Company for cash at a price of ₹[●] (including a premium of ₹[●] per Rights Equity Share) aggregating up to ₹4990 Lakhs* on a rights basis to the Eligible Equity Shareholders of our Company in the ratio of [●] Rights Equity Share for every [●] fully paid-up Equity Shares held by the Eligible Equity Shareholders on the Record Date. <i>*Assuming full subscription respect to Rights Equity Shares</i>
Issue Closing Date	[●] [●], 2024
Issue Materials	Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and any other material relating to the Issue
Issue Opening Date	[●] [●], 2024
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which Applicants/Investors can submit their Application, in accordance with the SEBI ICDR Regulations.
Issue Price	₹[●] per Equity Share On Application, investors will have to pay ₹[●] per Rights Equity Share which constitutes 100% of the Issue Price
Issue Proceeds	The gross proceeds raised through the Issue
Issue Size	The issue of up to [●] Rights Equity Shares aggregating up to ₹ 4990 Lakhs* <i>*Assuming full subscription with respect to Rights Equity Shares</i>
Letter of Offer	The Letter of Offer dated [●] to be filed with the Stock Exchange and SEBI
Listing Agreement	The listing agreements entered into between our Company and the Stock Exchange in terms of the SEBI Listing Regulations
Multiple Application Forms	Multiple application forms submitted by an Eligible Equity Shareholder/Renouncee in respect of the Rights Entitlement available in their demat account. However supplementary applications in relation to further Equity Shares with/without using additional Rights Entitlements will not be treated as multiple application.
Net Proceeds	Issue Proceeds less the Issue related expenses. For further details, please see “Objects of the Issue” on page 44 of this Draft Letter of Offer
Non-ASBA Investor	Investors other than ASBA Investors who apply in the Issue otherwise than through the ASBA process
Non-Institutional Investors	An Investor other than a Retail Individual Investor or Qualified Institutional Buyer as defined under Regulation 2(1)(jj) of the SEBI ICDR Regulations
Off Market Renunciation	The renouncement of Rights Entitlements undertaken by the Investor by transferring them through off market transfer through a depository participant in accordance with the SEBI Rights Issue Circulars, circulars issued by the Depositories from time to time and other applicable laws
On Market Renunciation	The renouncement of Rights Entitlements undertaken by the Investor by trading them over the secondary market platform of the Stock Exchange through a registered stock broker in accordance with the SEBI Rights Issue Circulars, circulars issued by the Stock Exchange from time to time and other applicable laws, on or before [●]
Payment Schedule	Payment schedule under which 100% of the Issue Price is payable on Application, i.e. ₹[●] per Rights Equity Share
Qualified Institutional Buyers or QIBs	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
Record Date	Designated date for the purpose of determining the Equity Shareholders eligible to apply for Rights Equity Shares in the Issue, being [●], [●]
Refund Bank	The Bankers to the Issue with whom the refund account will be opened, in this case being [●]
Registrar Agreement	Agreement dated June 18, 2024 between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to this Issue
Registrar to the Company	Purva Shareregistry India Private Limited
Registrar to the Issue	Purva Shareregistry India Private Limited
Renouncee(s)	Person(s) who has/have acquired Rights Entitlements from the Eligible Equity Shareholders on renunciation

Term	Description
Renunciation Period	The period during which the Investors can renounce or transfer their Rights Entitlements which shall commence from the Issue Opening Date. Such period shall close on [●] in case of On Market Renunciation. Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee on or prior to the Issue Closing Date
Rights Entitlement(s)	Number of Rights Equity Shares that an Eligible Equity Shareholder is entitled to in proportion to the number of Equity Shares held by the Eligible Equity Shareholder on the Record Date, in this case being [●] Rights Equity Shares for every [●] Equity Shares held by an Eligible Equity Shareholder
Rights Equity Shares	Equity Shares to be Allotted pursuant to this Issue
Rights Entitlement Letter	Letter including details of Rights Entitlements of the Eligible Equity Shareholders. The Rights Entitlements are also accessible on the website of our Company.
SCSB(s)	Self-certified syndicate banks registered with SEBI, which acts as a banker to the Issue and which offers the facility of ASBA. A list of all SCSBs is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34
Stock Exchange	Stock exchange where the Equity Shares are presently listed, being BSE Limited
Transfer Date	The date on which the Application Money blocked in the ASBA Account will be transferred to the Allotment Account(s) in respect of successful Applications, upon finalisation of the Basis of Allotment, in consultation with the Designated Stock Exchange
Wilful Defaulter	Company or person, as the case may be, categorised as a wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by RBI
Working Days	In terms of Regulation 2(1)(mmm) of SEBI ICDR Regulations, working day means all days on which commercial banks in Mumbai are open for business. Further, in respect of Issue Period, working day means all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business. Furthermore, the time period between the Issue Closing Date and the listing of Equity Shares on the Stock Exchanges, working day means all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per circulars issued by SEBI

Industry Related Terms

Term/Abbreviation	Description/ Full Form
AFC	Asset Finance Company
CIC-ND-SI	Systemically Important Core Investment Company
CRAR / Capital to risk weighted assets	The ratio measures a bank's financial stability by measuring its available capital as a percentage of its risk-weighted credit exposure
Commercial Banks	A bank that offers services to the general public and to companies
DFIs	Development Finance Institutions
Gross non-performing assets / GNPA	Gross non-performing loans are the sum of all the loans that have been defaulted by the individuals who have acquired loans from the financial institution.
IBC	Insolvency and Bankruptcy Code
IC	Investment Company
ICC	Investment and Credit Company
IFC	Infrastructure Finance Company
Insurance Companies	A financial intermediary which offer direct insurance or reinsurance services, providing financial protection from possible hazards in the future
LC	Loan Company
MGC	Mortgage Guarantee Companies
MSMEs	Micro, Small and Medium Enterprises
MUDRA or Micro Units Development and Refinance Agency	MUDRA is a public sector financial institution in India. It provides loans at low rates to micro-finance institutions and non-banking financial institutions which then provide credit to MSMEs

Term/Abbreviation	Description/ Full Form
Mutual Funds	A mutual fund is a Company that brings together money from many people and invests it in stocks, bonds or other assets
NBFCs or Non-Banking Finance Companies	The entities that provide certain bank-like financial services but do not hold a banking license. NBFCs are not subject to the banking regulations and oversight by federal and state authorities adhered to by traditional banks
NOFHC	NBFC- Non-Operative Financial Holding Company
NSI-ND-NBFC	Non-Systemically Important Non-Deposit taking Non-Banking Finance Companies
Net Owned Fund	Net Owned Funds means the aggregate of paid-up equity share capital and free reserves as reduced by accumulated losses and intangible assets
RBI	The Reserve Bank of India
Return on Assets or ROA	The term return on assets (ROA) refers to a financial ratio that indicates how profitable a Company is in relation to its total assets
Return on Equity or ROE	It is a measure of financial performance calculated by dividing net income by shareholders' equity
SCBs	Scheduled Commercial Banks

Conventional and General Terms or Abbreviations

Term/Abbreviation	Description/ Full Form
₹ or Rs. or Rupees or INR	Indian Rupee
Adjusted Loans and Advances	Adjustment in the nature of addition to the loans and advances made in relation to certain loans which are treated as investments under Ind AS, but considered as loans by our Company
Adjusted EBITDA	Adjusted earnings before interest, taxes, depreciation, and amortisation
AIF(s)	Alternative Investment Fund, as defined and registered with SEBI under the SEBI AIF Regulations
AS or Accounting Standards	Accounting standards issued by the ICAI
BSE	BSE Limited
CAGR	Compounded annual growth rate
Category I AIF	AIFs who are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations
Category I FPIs	FPIs who are registered as “Category I foreign portfolio investors” under the SEBI FPI Regulations
Category II AIF	AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations
Category II FPIs	FPIs who are registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations
Category III AIF	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations
CBDT	Central Board of Direct Taxes, Government of India
CDSL	Central Depository Services (India) Limited
Central Government	Central Government of India
CERSAI	Central Registry of Securitisation Asset Reconstruction and Security Interest
CIBIL	Credit Information Bureau (India) Limited
CIN	Corporate Identity Number
Civil Code	The Code of Civil Procedure, 1908
Client ID	The client identification number maintained with one of the Depositories in relation to the demat account
Companies Act or Companies Act, 2013	The Companies Act, 2013, read with the rules, regulations, clarifications and modifications notified thereunder
Companies Act 1956	The Companies Act, 1956, read with the rules, regulations, clarifications and modifications notified thereunder
Depositories Act	Depositories Act, 1996
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
DIN	Director Identification Number
DP / Depository Participant	Depository participant as defined under the Depositories Act

Term/Abbreviation	Description/ Full Form
DP ID	Depository Participant Identity
DPIIT	The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry (formerly Department of Industrial Policy and Promotion), Government of India
EBIT	Earnings before interest and taxes
EBITDA	Earnings before interest, taxes, depreciation, and amortisation
EGM	Extraordinary General Meeting
EPF	Employees' Provident Fund
EPFO	Employees' Provident Fund Organisation
EPS	Earnings Per Share
EUR	Euro
FCNR Account	Foreign Currency Non-Resident (Bank) Account
FDI	Foreign direct investment
FEMA	The Foreign Exchange Management Act, 1999
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Financial Year / Fiscal Year / FY	Period of 12 months ending March 31 of that particular year
FDI Policy	Consolidated Foreign Direct Investment Policy notified by DPIIT through notification dated October 28, 2020 issued by DPIIT, effective from October 15, 2020
FIR	First Information Report
FPI	Foreign portfolio investors as defined under the SEBI FPI Regulations
FVCI	Foreign Venture Capital Investors registered under the SEBI FVCI Regulations
GAAR	General Anti-Avoidance Rules
GAAP	Generally Accepted Accounting Principles in India
Gazette	Official Gazette of India
GDP	Gross Domestic Product
GIR	General Index Register
GOI	Government of India
Government	Central Government and/ or the State Government, as applicable
GST	The Goods and Services Tax
IBC	The Insolvency and Bankruptcy Code, 2016
ICAI	The Institute of Chartered Accountants of India
IEPF	Investor Education and Protection Fund
IFRS	International Financial Reporting Standards
Income-tax Act	The Income Tax Act, 1961
Ind AS	Indian Accounting Standards as specified under section 133 of the Companies Act 2013 read with Companies (Indian Accounting Standards) Rules 2015
India	Republic of India
ISIN	International Securities Identification Number
IST	Indian Standard Time
IT	Information Technology
KYC	Know Your Customer
MCA	Ministry of Corporate Affairs, Government of India
Mutual Fund	Mutual fund registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
NACH	National Automated Clearing House
NAV	Net Asset Value per Equity Share at a particular date computed based on total equity divided by number of Equity Shares
Net Worth	The aggregate value of the equity share capital, other equity and non-controlling interests
NEFT	National Electronic Fund Transfer
NPCI	National Payments Corporation of India
NR	Non-resident or person(s) resident outside India, as defined under the FEMA
NRE	Non- Residential External
NRE Account	Non-resident external account

Term/Abbreviation	Description/ Full Form
NRI	A person resident outside India, who is a citizen of India and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2016
NRO	Non- Resident Ordinary
NRO Account	Non-resident ordinary account
NSDL	National Securities Depository Limited
OCBs or Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA. OCBs are not allowed to invest in this Issue
OCI	Overseas Citizen of India
p.a.	Per annum
P/E Ratio	Price to Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PMLA	The Prevention of Money Laundering Act, 2002
Regulation S	Regulation S under the United States Securities Act of 1933, as amended
RoC	Registrar of Companies, West Bengal at Kolkata
ROE	Return on Equity
RoNW	Return on Net Worth
RTGS	Real Time Gross Settlement
SCRA	The Securities Contracts (Regulation) Act, 1956
SCRR	The Securities Contracts (Regulation) Rules, 1957
SEBI	The Securities and Exchange Board of India
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994
SEBI FPI Regulations	The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Listing Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
SEBI Rights Issue Circulars	SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 and SEBI circular bearing reference number SEBI/HO/CFD/SSEP/CIR/P/2022/66 dated May 19, 2022 and any other circular issued by SEBI in this regard
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEBI VCF Regulations	The Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as repealed and replaced by the SEBI AIF Regulations
Securities Act	The United States Securities Act of 1933
Stamp Act	The Indian Stamp Act, 1899
STT	Securities Transaction Tax
State Government	Government of a State of India
TAN	Tax deduction account number
TDS	Tax deductible at source
Trademarks Act	Trade Marks Act, 1999
USD	United States Dollar

Term/Abbreviation	Description/ Full Form
U.S./USA/United States	United States of America, its territories or possessions, any state of the United States, and the District of Columbia
VCFs	Venture Capital Funds as defined in and registered with SEBI under the SEBI VCF Regulations
w.e.f.	With Effect From
Year/Calendar Year	Unless context otherwise requires, shall refer to the twelve-month period ending December 31

NOTICE TO INVESTORS

The distribution of this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, Application Form and Rights Entitlement Letter (collectively “**Issue Material**”) and the issue of Rights Entitlement and Rights Equity Shares to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession the Issue Material may come are required to inform themselves about and observe such restrictions.

Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and will dispatch through email and will send / dispatch the Issue Material only to Eligible Equity Shareholders who have a registered address in India or who have provided an Indian address to our Company. Further, the Letter of Offer will be provided, through email and sent / dispatched, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard. Investors can also access the Issue Material from the websites of the Registrar to the Issue, our Company and the Stock Exchange. Those overseas shareholders who do not update our records with their Indian address or the address of their duly authorized representative in India, prior to the date on which we propose to dispatch the Issue Materials, shall not be sent any Issue Materials. Our Company and the Registrar to the Issue will not be liable for non-dispatch of physical copies of Issue Materials, including the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, in the event the Issue Materials have been sent to the registered email addresses of such Eligible Equity Shareholders

No action has been or will be taken to permit the Issue in any jurisdiction where action would be required for that purpose. Accordingly, the Rights Entitlements or Rights Equity Shares may not be offered or sold, directly or indirectly, and the Issue Material or any offering materials or advertisements in connection with the Issue may not be distributed, in whole or in part, in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of the Issue Material will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, in those circumstances, the Issue Material must be treated as sent for information purposes only and should not be acted upon for subscription to the Rights Equity Shares and should not be copied or redistributed. Accordingly, persons receiving a copy of the Issue Material should not, in connection with the issue of the Rights Equity Shares or the Rights Entitlements, distribute or send the Issue Material to any person outside India where to do so, would or might contravene local securities laws or regulations. If the Issue Material is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Equity Shares or the Rights Entitlements referred to in the Issue Material.

Any person who makes an application to acquire the Rights Entitlements or the Rights Equity Shares offered in the Issue will be deemed to have declared, represented, warranted and agreed that such person is authorised to acquire the Rights Entitlements or the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in his jurisdiction. Our Company, the Registrar to the Issue or any other person acting on behalf of our Company reserves the right to treat any Application Form as invalid where they believe that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements and we shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such Application Form. Neither the delivery of this Draft Letter of Offer nor any sale hereunder, shall, under any circumstances, create any implication that there has been no change in our Company’s affairs from the date hereof or the date of such information or that the information contained herein is correct as at any time subsequent to the date of this Draft Letter of Offer or the date of such information.

Neither the delivery of the Issue Material nor any sale hereunder, shall, under any circumstances, create any implication that there has been no change in our Company’s affairs from the date hereof or the date of such information or that the information contained herein is correct as at any time subsequent to the date of the Issue Material or the date of such information.

THE CONTENTS OF THIS DRAFT LETTER OF OFFER SHOULD NOT BE CONSTRUED AS LEGAL, TAX OR INVESTMENT ADVICE. PROSPECTIVE INVESTORS MAY BE SUBJECT TO ADVERSE FOREIGN, STATE OR LOCAL TAX OR LEGAL CONSEQUENCES AS A RESULT OF THE OFFER RIGHTS OF EQUITY SHARES OR RIGHTS ENTITLEMENTS. ACCORDINGLY, EACH INVESTOR SHOULD CONSULT ITS OWN COUNSEL, BUSINESS ADVISOR AND TAX ADVISOR AS TO THE LEGAL, BUSINESS, TAX AND RELATED MATTERS CONCERNING THE OFFER OF EQUITY SHARES. IN ADDITION, OUR COMPANY IS NOT MAKING ANY REPRESENTATION TO ANY OFFEREE OR PURCHASER OF THE EQUITY SHARES REGARDING THE LEGALITY OF AN

INVESTMENT IN THE EQUITY SHARES BY SUCH OFFEREE OR PURCHASER UNDER ANY APPLICABLE LAWS OR REGULATIONS.

NO OFFER IN THE UNITED STATES

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States of America or the territories or possessions thereof (“**United States**”), except in a transaction not subject to, or exempt from, the registration requirements of the Securities Act and applicable state securities laws. The offering to which this Draft Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any Rights Equity Shares or Rights Entitlement for sale in the United States or as a solicitation therein of an offer to buy any of the Rights Equity Shares or Rights Entitlement. There is no intention to register any portion of the Issue or any of the securities described herein in the United States or to conduct a public offering of securities in the United States. Accordingly, the Issue Material should not be forwarded to or transmitted in or into the United States at any time. In addition, until the expiry of 40 days after the commencement of the Issue, an offer or sale of Rights Entitlements or Rights Equity Shares within the United States by a dealer (whether or not it is participating in the Issue) may violate the registration requirements of the Securities Act.

Neither our Company nor any person acting on our behalf will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on our behalf has reason to believe is in the United States when the buy order is made. Envelopes containing an Application Form and Rights Entitlement Letter should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Rights Equity Shares Issue and wishing to hold such Equity Shares in registered form must provide an address for registration of these Equity Shares in India. Our Company is making the Issue on a rights basis to Eligible Equity Shareholders and the Issue Material will be dispatched only to Eligible Equity Shareholders who have an Indian address. Any person who acquires Rights Entitlements and the Rights Equity Shares will be deemed to have declared, represented, warranted and agreed that, (i) it is not and that at the time of subscribing for such Rights Equity Shares or the Rights Entitlements, it will not be, in the United States, and (ii) it is authorized to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations.

Our Company reserves the right to treat any Application Form as invalid which: (i) does not include the certification set out in the Application Form to the effect that the subscriber is authorised to acquire the Rights Equity Shares or Rights Entitlement in compliance with all applicable laws and regulations; (ii) appears to us or our agents to have been executed in or dispatched from the United States; (iii) where a registered Indian address is not provided; or (iv) where our Company believes that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such Application Form.

Rights Entitlements may not be transferred or sold to any person in the United States.

THIS DOCUMENT IS SOLELY FOR THE USE OF THE PERSON WHO RECEIVED IT FROM OUR COMPANY OR FROM THE REGISTRAR TO THE ISSUE. THIS DOCUMENT IS NOT TO BE REPRODUCED OR DISTRIBUTED TO ANY OTHER PERSON.

CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND CURRENCY OF PRESENTATION

Certain Conventions

All references to “India” contained in this Draft Letter of Offer are to the Republic of India and its territories and possessions and all references herein to the “Government”, “Indian Government”, “GoI”, Central Government” or the “State Government” are to the Government of India, central or state, as applicable.

Unless otherwise specified or the context otherwise requires, all references in this Draft Letter of Offer to the ‘US’ or ‘U.S.’ or the ‘United States’ are to the United States of America and its territories and possessions.

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

A reference to the singular also refers to the plural and one gender also refers to any other gender, wherever applicable.

Unless stated otherwise, all references to page numbers in this Draft Letter of Offer are to the page numbers of this Draft Letter of Offer.

Financial Data

Unless stated otherwise or the context otherwise requires, the financial information and financial ratios in this Draft Letter of Offer have been derived from our Audited Financial Statements. For details, please see “*Audited Financial Information*” on page 70 of this Draft Letter of Offer. Our Company’s financial year commences on April 1 and ends on March 31 of the following calendar year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the twelve (12) month period ending on March 31 of the following calendar year.

The GoI has adopted the Ind AS, which are converged with the IFRS and notified under Section 133 of the Companies Act, 2013 read with the Ind AS Rules. The Audited Financial Statements of our Company for the Financial Years ended March 2024 and March 2023 have been prepared in accordance with Ind AS read with the Ind AS Rules and other relevant provisions of the Companies Act, 2013 and in accordance with the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (revised), 2019, issued by the ICAI. Our Company publishes its financial statements in Indian Rupees.

In this Draft Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off and unless otherwise specified all financial numbers in parenthesis represent negative figures. Our Company has presented all numerical information in the Financial Statements in “Thousand” and in this Draft Letter of Offer in “Thousand” units or in whole numbers where the numbers have been too small to represent in Thousand. One Thousand represents 1,000, One Lakh represents 1,00,000 and one million represents 10,00,000.

There are significant differences between Ind AS, US GAAP and IFRS. We have not provided a reconciliation of the financial information to IFRS or US GAAP. Our Company has not attempted to also explain those differences or quantify their impact on the financial data included in this Draft Letter of Offer, and you are urged to 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 Draft Letter of Offer will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, Ind AS, the Companies Act, 2013 and the SEBI ICDR Regulations. Any reliance by persons not familiar with these accounting principles and regulations on our financial disclosures presented in this Draft Letter of Offer should accordingly be limited. For further information, see “*Audited Financial Information*” on page 70 of this Draft Letter of Offer.

Certain figures contained in this Draft Letter of Offer, including financial information, have been subject to rounding off adjustments. All figures in decimals (including percentages) have been rounded off to one or two decimals. However, where any figures that may have been sourced from third-party industry sources are rounded off to other than two decimal points in their respective sources, such figures appear in this Draft Letter of Offer rounded-off to such number of decimal points as provided in such respective sources. In this Draft Letter of Offer, (i) the sum or percentage change of certain 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. Any such discrepancies are due to rounding off.

Currency and Units of Presentation

All references to:

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

Our Company has presented certain numerical information in this Draft Letter of Offer in “Thousand” units or in whole numbers. One Thousand represent 1,000, One Lakh represents 1,00,000 and one million represents 10,00,000. All the numbers in the document have been presented in Thousand or in whole numbers where the numbers have been too small to present in Thousand. Any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Conditions and Results of Operation*” and elsewhere in this Draft Letter of Offer, unless otherwise indicated, have been calculated based on our Audited Financial Information.

Exchange Rates

This Draft Letter of Offer contains conversions of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. 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 the Indian Rupee and other foreign currencies:

Currency	March 28, 2024*	March 31, 2023	March 31, 2022
1 USD	83.37	82.22	75.81
1 Euro	90.22	89.61	84.66

(Source: www.rbi.org.in and www.fbil.org.in)

* March 29, 30 and 31 being holdings, exchange rate is not available

Industry and Market Data

Unless stated otherwise, industry and market data used in this Draft Letter of Offer has been obtained or derived from publicly available information as well as industry publications and sources.

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable, but their accuracy and completeness are not guaranteed, and their reliability cannot be assured. Although we believe the industry and market data used in this Draft Letter of Offer is reliable, it has not been independently verified by us. The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in “*Risk Factors*” on page 20 of this Draft Letter of Offer. Accordingly, investment decisions should not be based solely on such information.

The extent to which the market and industry data used in this Draft Letter of Offer is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which the business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources.

FORWARD - LOOKING STATEMENTS

This Draft Letter of Offer contains certain “forward-looking statements”. Forward looking statements appear throughout this Draft Letter of Offer, including, without limitation, under the chapters titled “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and “*Industry Overview*”. Forward-looking statements include statements concerning our Company’s plans, objectives, goals, strategies, future events, future revenues or financial performance, capital expenditures, financing needs, plans or intentions relating to acquisitions, our Company’s competitive strengths and weaknesses, our Company’s business strategy and the trends our Company anticipates in the industries and the political and legal environment, and geographical locations, in which our Company operates, and other information that is not historical information. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “continue”, “can”, “could”, “expect”, “estimate”, “intend”, “likely”, “may”, “objective”, “plan”, “potential”, “project”, “pursue”, “shall”, “seek to”, “will”, “will continue”, “will pursue”, “forecast”, “target”, or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of our Company are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements.

All statements regarding our Company’s expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our Company’s business strategy, planned projects, revenue and profitability (including, without limitation, any financial or operating projections or forecasts), new business and other matters discussed in this Draft Letter of Offer that are not historical facts. These forward-looking statements contained in this Draft Letter of Offer (whether made by our Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections.

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

- adverse effect of competition on our market share and profits;
- Adherence to exposure limits and prudential norms as approved by the Board of Directors of the Company and the regulatory authorities.
- Erosion in the value of our investments
- our ability to:
 - manage our growth effectively;
 - manage our credit risk;
 - manage our quality of services;
 - hire and retain senior management personnel and other skilled manpower;
 - manage our operating costs;
 - handle cyber frauds
 - successfully implement our business strategies and expansion plans;
 - maintain effective internal controls;
- changes in general, political, social and economic conditions in India and elsewhere;
- general levels of GDP growth, and growth in employment and personal disposable income; and
- economic uncertainties, fiscal crises or instability in India.

For further discussion of factors that could cause the actual results to differ from our estimates and expectations, see “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” beginning on pages 20, 60 and 144 respectively, of this Draft Letter of Offer. 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.

We cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

Forward-looking statements reflect the current views of our Company as of the date of this Draft Letter of Offer and are not a guarantee of future performance. These statements are based on the 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, nor our Directors, our Promoters, the Syndicate Member(s) or any of their respective affiliates or advisors 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 will ensure that investors are informed of material developments from the date of this Draft Letter of Offer until the time of receipt of the listing and trading permissions from the Stock Exchange.

SUMMARY OF DRAFT LETTER OF OFFER

The following is a general summary of certain disclosures and terms of the Issue included in this Draft Letter of Offer and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Letter of Offer or all details relevant to the 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 Draft Letter of Offer, including “Risk Factors”, “Objects of the Issue”, “Our Business” and “Outstanding Litigation and Material Developments” on pages 20, 44, 60 and 154 respectively.

SUMMARY OF INDUSTRY

NBFCs encompass a heterogeneous group of intermediaries and provide a whole range of financial services. Though heterogeneous, NBFCs can be broadly classified into three categories, viz., asset finance companies (such as equipment leasing and hire purchase), loan companies and investment companies. A separate category of NBFCs, called the residuary non-banking companies (RNBCs), also exist as it has not been categorised into any one of the above referred three categories. Besides, there are miscellaneous non-banking companies (Chit Fund), mutual benefit financial companies (Nidhis and unnotified Nidhis) and housing finance companies. As of March 31, 2024, there were 9327 NBFCs registered with the RBI categorized as Asset Finance Companies, Loan Companies, Infrastructure Finance Companies (IFCs), Systematically Important Core Investment Company (NBFC – CIC – ND – SI), Infrastructure Debt Fund (NBFC – IDF) and Micro Finance Institutions (NBFC – MFIs). (Source: https://www.rbi.org.in/scripts/bs_nbfclist.aspx/)

For further details, please refer to the chapter titled “Industry Overview” at page 50 of this Draft Letter of Offer.

PRIMARY BUSINESS OF OUR COMPANY

We are an NBFC not accepting Public Deposits bearing certificate of registration No: B-13.00707 issued by the Reserve Bank of India (“RBI”) on April 20, 1998. We are a Non-Banking Financial Company (NBFC), registered with Reserve Bank of India and categorised as ‘Non-Systemically Important Non-Deposit taking Non-Banking Financial Company (‘NSI-ND-NBFC’). We are in the business of loans and investments and providing various financial solutions. We have recently ventured into operating lease of vehicles.

For further details, please refer to the chapter titled “Our Business” at page 60 of this Draft Letter of Offer.

OUR PROMOTERS

The Promoter of our Company is Mr. Pravin Nanji Gala.

OBJECTS OF THE ISSUE

Our Company intends to utilise the Net Proceeds from the Issue towards funding of the following objects:

Particulars	Estimated amount (up to) (₹ Lakhs)
To augment the capital base and to provide funds required for increasing our operational scale with respect to our NBFC activities	4,800.00
General corporate purposes*	●
Total Net Proceeds	●

* The amount utilised for general corporate purpose shall not exceed 25% of the Gross Proceeds

For further details, please see “Objects of the Issue” on page 44 of this Draft Letter of Offer.

INTENTION AND EXTENT OF PARTICIPATION BY OUR PROMOTERS AND PROMOTER GROUP

Our Promoters and members of our Promoter Group have *vide* their letters dated June 17, 2024, confirmed that they intend to: (a) subscribe to the full extent of their Rights Entitlements and not renounce their Rights Entitlement (except to the extent of Rights Entitlements renounced by any of them in favour of our other Promoters or other member(s) of our Promoter Group); and (b) subscribe to, any Rights Entitlement renounced in their favour if any, subject to compliance with the Companies Act, the SEBI ICDR Regulations, the SEBI Takeover Regulations and other applicable laws/ regulations.

The allotment of Equity Shares of our Company subscribed by our Promoters and other members of our Promoter Group in this Issue shall be eligible for exemption from open offer requirements in accordance with the SEBI Takeover Regulations and shall be in compliance with the Companies Act, the SEBI ICDR Regulations and other applicable laws.

Our Promoters and members of our Promoter Group have confirmed that subscription to Rights Equity Shares will not result in a change in control or the management of our Company, and any such subscription shall be subject to the aggregate shareholding of our Promoters and Promoter Group of our Company not exceeding 75% of the issued, outstanding and fully paid-up equity share capital of our Company after the Issue

Summary of Audited Financial Information

Following are the details as per the Audited Financial Information as at and for the Financial Years ended on March 31, 2024 and March 31, 2023:

(₹ in '000)

S. No.	Particulars	Audited	
		March 31, 2024	March 31, 2023
1.	Authorised Share Capital	1,20,000.00	1,20,000.00
2.	Paid-up Capital	1,15,637.50	1,15,637.50
3.	Net Worth attributable to Equity Shareholders	1,55,668.16	1,46,295.14
4.	Total Revenue from Operations	31,748.05	25,303.92
5.	Profit / (Loss) after tax	9,373.02	7,734.21
6.	Earnings per Share (basic & diluted) (in ₹)	0.08	0.07
7.	Net Asset Value per Equity Share (in ₹)	1.35	1.27
8.	Total Borrowings	23,550.62	39,500.00

For further details, please refer the section titled “*Audited Financial Information*” on page 70 of this Draft Letter of Offer.

SUMMARY OF OUTSTANDING LITIGATIONS

A summary of the pending tax proceedings and other material litigations involving our Company, our Promoter, our Directors and our Group Companies is provided below:

Litigations involving our Company:

i) Cases filed against our Company:

Nature of Litigation	Number of matters outstanding	Amount involved* (₹ in lakhs)
Proceedings involving issues of moral turpitude or criminal liability on the part of our Company	Nil	Nil
Tax Proceedings	Nil	Nil
Proceedings involving violations of statutory regulations by our Company	Nil	Nil
Labour Matters	Nil	Nil
Economic offences	Nil	Nil
Material civil litigations above the materiality threshold	Nil	Nil
Other civil litigation considered to be material by our Company's Board of Directors	Nil	Nil

*To the extent quantifiable

ii) Cases filed by our Company:

Nature of Litigation	Number of matters outstanding	Amount involved* (₹ in lakhs)
Criminal matters	1	14.97
Direct Tax Matters	Nil	Nil
Indirect Tax Matters	Nil	Nil
Other civil litigation considered to be material by our Company's Board of Directors	1	20.00

**To the extent quantifiable*

Litigations involving our Promoters / Directors

Nature of Litigation	Number of matters outstanding	Amount involved* (₹ in Lakhs)
Criminal matters	Nil	Nil
Direct tax matters	Nil	Nil
Indirect tax matters	Nil	Nil
Other civil litigation considered to be material by our Company's Board of Directors	Nil	Nil
Proceedings involving statutory authorities against our promoter and director	1	15.00

**To the extent quantifiable*

Litigations involving our Group Companies

Nature of Litigation	Number of matters outstanding	Amount involved* (₹ in Lakhs)
Criminal matters	Nil	Nil
Direct tax matters	Nil	Nil
Indirect tax matters	Nil	Nil
Other civil litigation considered to be material by our Company's Board of Directors	Nil	Nil

For further details, please see “*Outstanding Litigation and Material Developments*” on page 154 of this Draft Letter of Offer.

RISK FACTORS

For details, please see “*Risk Factors*” on page 20 of this Draft Letter of Offer. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue.

SUMMARY OF CONTINGENT LIABILITIES

There are no contingent liabilities as at the end of March 31, 2024.

SUMMARY OF RELATED PARTY TRANSACTIONS

For details regarding our related party transactions as per Ind AS 24 entered into by our Company in Fiscal 2023, please see “*Audited Financial Information*” and “*Management's Discussion and Analysis of Financial Condition and Results of Operations—Related party transactions*” on pages 70 and 151 respectively of this Draft Letter of Offer.

ISSUE OF EQUITY SHARES FOR CONSIDERATION OTHER THAN CASH IN THE LAST ONE YEAR

Our Company has not issued Equity Shares for consideration other than cash during the period of one year preceding the date of this Draft Letter of Offer.

SPLIT OR CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR

There has been no split or consolidation of equity shares in the last one year preceding the date of this Draft Letter of Offer.

SECTION II – RISK FACTORS

An investment in the Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Letter of Offer, including the risks and uncertainties described below, before making an investment in the Equity Shares. In making an investment decision, prospective investors must rely on their own examination and the terms of the Issue including the merits and risks involved. The risks described below are not the only ones relevant to us, our Equity Shares, the industry or the segment in which we operate. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may arise or may become material in the future and may also impair our business, results of operations and financial condition. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations, cash flows and financial condition could be adversely affected, the trading price of our Equity Shares could decline, and as prospective investors, you may lose all or part of your investment. You should consult your tax, financial and legal advisors about particular consequences to you of an investment in this Issue. The financial and other related implications of the risk factors, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the financial impact is not quantifiable and, therefore, cannot be disclosed in such risk factors.

To obtain a complete understanding, you should read this section in conjunction with the sections “Industry Overview”, “Our Business” and “Management’s Discussion and Analysis of Financial Position and Results of Operations” on pages 50, 60 and 144 respectively. The industry-related information disclosed in this section has been derived from publicly available documents from various sources believed to be reliable, but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Neither our Company, nor any other person connected with the Issue, has independently verified the information in the industry report or other publicly available information cited in this section.

This Draft Letter of Offer 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, in the section titled “Forward-Looking Statements” on page 14 of this Draft Letter of Offer

Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. Unless the context requires otherwise, the financial information of our Company has been derived from the Audited Financial Information, prepared in accordance with Ind AS and the Companies Act and audited in accordance with the SEBI ICDR Regulations.

Materiality:

The Risk Factors have been determined on the basis of their materiality. The following factors have been considered for determining the materiality of Risk Factors:

- *Some events may not be material individually but may be found material collectively;*
- *Some events may have material impact qualitatively instead of quantitatively; and*
- *Some events may not be material at present but may have a material impact in future.*

The financial and other related implications of risks concerned, wherever quantifiable have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence, the same has not been disclosed in such risk factors. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk over another.

In this Draft Letter of Offer, any discrepancies in any table between total and sums of the amount listed are due to rounding off.

INTERNAL RISK FACTORS

- 1. *The quality of our portfolio may be impacted due to higher levels of NPAs and 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 date (“DPD”,) and Non-Performing Assets (“NPAs”), is a key driver of our results of operations.

As of March 31, 2024, our Stage 3 assets and NPAs also include loans that have been 90 DPD and have rolled back but not become current. Set forth below are details of our asset quality ratios:

Particulars	As of March 31	
	2024	2023
Gross NPA (₹ in '000)	1,833.16	4,009.93
Gross NPA Ratio (in %)	1.26	2.69
Net NPA (₹ in '000)	-	1,414.90
Net NPA Ratio (in%)	-	0.95

(1) Gross NPA represents Gross Loan Book pertaining to loans which are required to be classified as NPA as per the Income Recognition, Asset Classification and Provisioning norms issued and modified by RBI from time to time.

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

(3) Net NPA represents Gross NPA reduced by NPA provisions as of the last day of relevant period

(4) 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 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. Further, our peers may have better asset quality, with lower GNPA and NNPA ratios than us, which may in turn lead to high profitability and low provisioning requirements. 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.

2. Majority of the loans granted by us are unsecured and our inability to assess and recover the full value amounts outstanding under defaulted loans in a timely manner, or at all, could adversely affect our business, results of operations and financial condition.

As of March 31, 2024, an amount of ₹ 1,32,280,780 granted by us as loans constituting 89.06% of our Gross Loan Book was unsecured. We may not be able to recover these loans through our standard recovery proceedings. These unsecured loans present a higher risk of loss in case of a credit default and consequently, should any default arise, In addition, there can be no assurance that our monitoring and risk management procedures will be successful or that our loan loss reserves will be sufficient to cover any actual losses. If we are unable to recover payments on unsecured loans, and initiate legal action in respect of dishonoured non-cash instruments such legal proceedings may not be commercially feasible or conclude in a manner favourable to us in a timely manner or at all. If there is a default by customers on repayment of such unsecured loans or if we are unable to recover our principal and interest through such legal proceedings, we may experience increased levels of NPAs and we may be required to make related provisions and write-offs. we may not be able to enforce any security and unable to recover any of our loans at all. This could lead to a material adverse effect on our results and financial condition.

3. We also make investments in listed securities and mutual funds as a part of our business activity. Any erosion in the value of the securities due to the fluctuations in the market could have an adverse impact on our financial condition

Of the total assets held us, ₹ 68,34,300 are held in the form of investments which are in listed securities, the units of Mutual Funds and debentures which are not listed. The value of these investments depends on several factors beyond our control, including the domestic and international economic and political scenario, inflationary expectations, interest rate volatility and monetary policies. Any decline in the value of these investments or erosion of the total value of the investment in certain cases may have an adverse effect on our results of operations and financial condition.

4. 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 of March 31, 2024, our total borrowings were ₹ 2,35,50,620 which are unsecured and payable on demand. For further information, see "Financial Indebtedness" on page 153 of this Draft Letter of Offer. 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. Any demand from the lenders for repayment of such unsecured loan may affect its cash flow and financial condition.

5. Any disruption in our sources of funding or increase in costs of funding could adversely affect our liquidity and financial condition.

The liquidity and profitability of our business majorly depend on our timely access to, and the costs associated with, raising funds. Our business thus depends and will continue to depend on our ability to access a variety of funding sources. Further, our ability to compete effectively will depend, in part, on our ability to maintain or increase our margins. Our margins are affected in part by our ability to continue to secure low-cost funding at rates lower than the interest rates at which we lend to our customers. Our ability to raise funds on acceptable terms and at competitive rates depends on various factors including our current and future results of operations and financial condition, global and local macroeconomic conditions and the effect of events such as a pandemic, our risk management policies, the shareholding of Promoter in our Company, our credit ratings, our brand equity, the regulatory environment and policy initiatives in India and developments in the international markets affecting the Indian economy. 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, or at all, which could adversely affect our liquidity and financial condition. If we are unable to access funds at an effective cost that is comparable to or lower than that of our competitors, and minimise our non performing asset, our business, financial condition and results from operations could be adversely affected.

6. We are affected by volatility in interest rates for both our lending and fund raisings operations, which could cause our net interest income to decline and adversely affect our results of operations and profitability.

A significant component of our revenue is the interest on term loans and other financing activity (net of reversal) we receive from the loans we disburse as given below:

Particulars	Audited	
	March 31, 2024	March 31, 2023
Total Revenue from Operations (In ₹ '000)	31,748.05	25,303.92
Interest Income (In ₹ '000)	17,000.08	14,104.12
Percentage of Total Income (in %)	53.55	55.74

Our Company's interest income and profitability is dependent on the continued growth of our asset portfolio. Our net interest margins are affected by any volatility in interest rates in our lending operations. Interest rates are highly sensitive to many factors beyond our control, including competition from other banks and NBFCs, 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. Persistently high inflation in India may discourage the Government from implementing policies that would cause interest rates to decrease. Any decline in our net interest margins in the future could have a material adverse effect on our business, financial condition and results of operations.

7. 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 offered by us, we face competition from the full spectrum of public sector banks, private sector banks (including foreign banks), financial institutions, captive finance affiliates of players in various industries, small finance banks and other NBFCs who are active in SME, retail and individual lending. Many of our competitors may 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. They may also have greater geographical reach, long-standing partnerships and may offer their customers other forms of financing that we may not be able to provide. Competition in our industry depends on, amongst others, the ongoing evolution of government and regulatory policies, the entry of new participants and the extent to which there is consolidation among banks and financial institutions in India. We cannot assure you that we will be able to react effectively to these or other market developments or compete effectively with new and existing players in our increasingly competitive industry and our inability to compete effectively may adversely affect our business.

- 8. *We rely on the accuracy and completeness of information concerning borrowers and counterparties for credit evaluation and risk management. Any misrepresentation, inaccuracies, or omissions in such material could have a negative impact on our business and financial results.***

We rely on information provided to us by or on behalf of borrowers when evaluating whether to provide credit or engage in other transactions with clients (including in relation to their financial transactions and past credit history). We may also depend on borrowers' assurances about the accuracy and completeness of the information. For ascertaining the creditworthiness and encumbrances on collateral, we may depend on the respective registrars and sub-registrars for assurances, credit information companies or credit bureaus and on independent valuers in relation to the value of the collateral, and our reliance on any misleading information given may affect our judgment of credit worthiness of potential borrowers, and the value of and title to the collateral, which may affect our business, prospects, results of operations and financial condition. We may receive inaccurate or incomplete information as a result of negligence or fraudulent misrepresentation on the part of our customers or employees. In addition, customers may misrepresent information in the loan application forms including in relation to the intended end use of the loans and may apply the loans disbursed for end uses different from those mentioned in the loan application form. Our risk management measures may not be adequate to prevent or deter such activities in all cases, which may adversely affect our business prospects, financial condition and results of operations.

There may be relatively less financial and credit information available on retail and rural individual borrowers, micro, small and medium enterprises and in relation to the possibility of double-financing obtained by any such clients, than may have been available in a more developed economy, and the availability of such financial and credit information in India may be considered to suffer from an absence of competitive pressure at present.

- 9. *Our inability to completely detect money laundering and other illicit actions or detect the same in a timely manner or at all may expose us to extra responsibility and affect our business and reputation.***

In India, we must follow all applicable anti-money laundering ("AML") and anti-terrorism laws and regulations. We bear the risk of failing to follow the statutory know your customer ("KYC") requirements, as well as fraud and money laundering by dishonest customers, in the ordinary course of our business. Despite having internal rules, processes, and controls in place to prevent and identify any AML activity and maintain KYC compliance, we cannot guarantee that we will be able to entirely manage instances of any possible or attempted violation. Any failure or ineffectiveness of our control system to detect such activities completely and immediately may subject us to regulatory action, including fines and penalties, and have a negative impact on our business and reputation.

- 10. *As we expand our lending business, we may encounter asset-liability mismatches, which might negatively impact our cash flows, financial condition, and results of operations.***

As we expand our lending operations, we may encounter liquidity concerns due to mismatches in the maturity of our assets and obligations. If we are unable to obtain additional borrowings or renew our existing credit facilities in a timely and cost-effective manner, or at all, for matching tenures of our loan portfolio, it may result in mismatches between our assets and liabilities, which could harm our cash flows, financial condition, and results of operations.

- 11. *We as an NBFC have to adhere to certain exposure limits and prudential norms as approved by the Board of Directors of our Company and the regulatory authorities. Any change in the regulatory regime viz net owned funds, provisioning norms, prudential norms on asset classification, income recognition, provisioning etc. may adversely affect our business, financial condition and results of operations.***

We as an NBFC company are subject to strict adherence with the exposure limits and have to comply with the prudential norms stipulated by the Reserve Bank of India while carrying on our business. Any change in these norms particularly with regard to the maintenance of net owned funds, asset classification, income recognition, provisioning etc., amongst others could have an adverse material impact on our business, financial condition and results of operations.

- 12. *We, as an NBFC have to adhere to several regulatory norms prescribed by RBI from time to time. Any non-compliance with such norms or any adverse change in the norms could negatively affect our Company's operations, business, financial condition and the trading price of Equity Shares.***

NBFCs in India are subject to strict regulation and supervision by the RBI. We require certain approvals, licenses, registrations and permissions for operating our business. Such approvals, licenses, registrations and permissions

must be maintained / renewed over time and we may have to comply with certain conditions in relation to these approvals. Moreover, the applicable requirements may change from time. We are required to obtain and maintain a license for carrying on business as an NBFC. If we fail to obtain or retain any of these approvals or licenses, or renewals thereof, in a timely manner, or at all, our business may be adversely affected. RBI has the authority to change these norms/ criteria as and when required. Inability to meet the prescribed norms/ criteria, can adversely affect the operations and profitability of our Company.

13. Our Company is subject to periodic inspections by the RBI. Non-compliance with observations made during any such inspections could result in penalties and fines on our Company and could adversely affect the reputation of the business of our Company.

Our Company is subject to periodic inspections by the RBI of our Company's 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 our Company have failed to furnish when called upon to do so. The RBI conducts an annual inspection of our Company's books of accounts and other records relating to our financial position every year under Section 45N of the RBI Act. RBI inspections are a regular exercise and are carried out periodically by RBI for banks, financial institutions and NBFCs. Any major failure to meet the RBI's directions could materially and adversely affect our Company's pending applications or requests with the RBI and our Company's ability to obtain the regulatory permits and approvals required to expand our business or result in the interruption of all or some of our Company's operations, which could have a material adverse effect on our Company's business, financial condition and results of operations

14. Any inability on our part to effectively utilize the Issue Proceeds could adversely affect our financial results. The objects of the Issue are based on the internal estimates of our management and have not been appraised by any bank or financial institution.

The objects of the Issue are based on management estimates and have not been appraised by any bank or financial institution. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financial results. Utilization of Issue proceeds would be disclosed to our Company's shareholders in the manner required under the SEBI LODR Regulations. For further details, please see to the section titled "Objects of the Issue" on page 44 of this Draft Letter of Offer.

15. There are certain legal proceedings involving our Company, Directors and Promoter, an adverse outcome in which may have an adverse impact on our reputation, business, financial condition, results of operations and cash flows.

Our Company, our Directors and Promoter are involved in certain legal proceedings, which if determined, against us could have adverse impact on the business and financial results of our Company. A brief detail of such outstanding litigations as on the date of this Draft Letter of Offer are as follows:

Litigations involving our Company

Cases filed against our Company:

Nature of Litigation	Number of matters outstanding	Amount involved* (₹ in lakhs)
Proceedings involving issues of moral turpitude or criminal liability on the part of our Company	Nil	Nil
Tax Proceedings	Nil	Nil
Proceedings involving violations of statutory regulations by our Company	Nil	Nil
Labour Matters	Nil	Nil
Economic offences	Nil	Nil
Material civil litigations above the materiality threshold	Nil	Nil
Other civil litigation considered to be material by our Company's Board of Directors	Nil	Nil

**To the extent quantifiable*

Cases filed by our Company:

Nature of Litigation	Number of matters outstanding	Amount involved* (₹ in lakhs)
Criminal matters	01	14.97
Direct Tax Matters	Nil	Nil
Indirect Tax Matters	Nil	Nil
Other civil litigation considered to be material by our Company's Board of Directors	01	20.00

**To the extent quantifiable*

Litigations involving our Promoters / Directors

Nature of Litigation	Number of matters outstanding	Amount involved* (₹ in Lakhs)
Criminal matters	Nil	Nil
Direct tax matters	Nil	Nil
Indirect tax matters	Nil	Nil
Other civil litigation considered to be material by our Company's Board of Directors	Nil	Nil
Proceedings involving statutory authorities against our promoter and director	1	15.00

**To the extent quantifiable*

Litigations involving our Group Companies

Nature of Litigation	Number of matters outstanding	Amount involved* (₹ in Lakhs)
Criminal matters	Nil	Nil
Direct tax matters	Nil	Nil
Indirect tax matters	Nil	Nil
Other civil litigation considered to be material by our Company's Board of Directors	Nil	Nil

We cannot provide any assurance that these matters will be decided in our favour. Further, there is no assurance that legal proceedings will not be initiated against our Company, its Directors or Promoter in future. For further details on the outstanding litigation proceedings, see "Outstanding Litigation and Material Developments" on Page 154.

16. Our success depends largely on our senior management and our ability to attract and retain our key personnel. Any significant changes in the key managerial personnel, may affect the performance of our Company.

Our success depends on the continued services and performance of the members of the senior management team and other key employees. Competition for senior and experienced personnel in the industry is intense at present. The loss of the services of senior management or other key personnel could seriously impair our ability to continue to manage and expand our business, which may adversely affect our financial condition.

17. 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 activities in the recent past, the details of which are provided below:

(₹ in '000)

Particulars	Audited	
	March 31, 2024	March 31, 2023
Net Cash Flow from / (used in) Operating Activities	24,143.64	4,840.27
Net Cash Flow from / (used in) Investment Activities	(6,644.31)	(14,126.96)
Net Cash Flow from / (used in) Financing Activities	(15,949.38)	8,600.00

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.

18. *Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants in our financing arrangements.*

We have not paid any dividend during the last 3 years. Our Company may retain all our future earnings, if any, for use in the operations, and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholder's investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate.

19. *Any regulatory actions and penalties for any past or future non-compliance may adversely affect our business or reputation, or both.*

We have to comply with numerous regulatory filings, maintenance of record etc under the Companies Act, 2013, Securities Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 ("SEBI Listing Regulation"), Securities Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulation, 2011 and any other laws and regulation as applicable. While we have been generally compliant and there have been no penalties in the form of fines or other punitive action in the past, any non-compliance of the applicable laws they may impose the penalty on the Company. Such penalty may impact the profitability of the Company.

20. *The deployment of funds is entirely at our discretion and as per the details mentioned in the section titled 'Objects of the Issue'.*

As the Issue size is not more than ₹10,000 lakhs, under Regulation 82 of the SEBI (ICDR) Regulations it is not required that a monitoring agency be appointed by our Company, for overseeing the deployment and utilisation of funds raised through this Issue. Therefore, the deployment of the funds towards the Objects of this Issue is entirely at the discretion of our Board of Directors and is not subject to monitoring by external independent agency. Our Board of Directors along with the Audit Committee will monitor the utilisation of Issue proceeds and shall have the flexibility in applying the proceeds of this Issue.

21. *The Company does not own the premises on which its registered office is situated. Any failure on the part of the lessee to renew the lease agreement or any disruption of our rights as a lessee or termination of the agreements with the lessors would adversely impact our business.*

The premises on which the Registered Office of the Company is situated is not owned by us. The Company has entered into a formal lease agreement with Owner of the premises and pay rent at a regular interval. The owners may demand that we vacate the premises at any point and in that event, the Company would need to arrange for the Registered office on an urgent basis at such rent as may be applicable as per the market rate applicable upon happening of such event which may adversely affect our profitability as additional expenditure would need to be incurred for the same.

There is no assurance that our Company will be able to enter into the fresh lease agreements in a timely manner and in favourable terms or at all. Further, there is no assurance that we will not face any disruption in our activities which could adversely affect our business operations.

22. *Our Company has not passed a Special Resolution for the re-appointment of Mr Dhirubhai Desai as non – executive Independent Director although he is more than 75 years old.*

We have reappointed Mr. Dhirubhai Desai as a non-executive Independent Director with effect from April 28, 2022 by way of Ordinary Resolution, which is in non-compliance with Regulation 17(1A) of the SEBI LODR Regulations.

Further both the Independent Directors Mr. Dhirubhai Desai and Mr Rajendra Shah have been re-appointed by way of Ordinary Resolution with effect from April 28, 2022 which is in violation of Regulation 25(2A) of the SEBI Listing Regulations read with the provisions of the Companies Act, 2013.

23. *We have in the past entered into related party transactions and we may continue to do so in the future.*

We have entered into certain related party transactions as on the date of this Draft Letter of Offer. While we believe that all our related party transactions have been conducted on an arm's length basis, we cannot assure you that we may not have achieved more favourable terms had such transactions been entered into with unrelated parties. There can be no assurance that such transactions, individually or taken together, will not have an adverse effect on our business, prospects, results of operations and financial condition, including because of potential conflicts of interest or otherwise. For further details, please refer to the chapter titled — "*Financial Information-Related Party Transactions*" at page 135 of this Draft Letter of Offer.

24. *Your holdings may be diluted by additional issuances of equity by us, which may adversely affect the market price of our Equity Shares.*

Any future issuance of our Equity Shares may dilute the holdings of investors in our Equity Shares, which could adversely affect the market price of our Equity Shares. Additionally, sales of a large number of our Equity Shares by our principal shareholder could adversely affect the market price of our Equity Shares. The perception that any such sale may occur could also adversely affect the market price of our Equity Shares.

25. *We are subject to cyber security risks and security breaches and may incur increasing costs in an effort to minimize those risks and to respond to cyber incidents. Security breaches of customers' confidential information that we store may harm our reputation and expose us to liability*

A number of other companies have disclosed cyber-attacks and security breaches, some of which have involved intentional attacks. Attacks may be targeted at us, our customers, or both. Although we devote significant resources to maintain and regularly upgrade our systems and processes that are designed to protect the security of our computer systems, software, networks and other technology assets and the confidentiality, integrity and availability of information belonging to us and our customers, our security measures may not provide absolute security. Despite our efforts to ensure the integrity of our systems, it is possible that we may not be able to anticipate or to implement effective preventive measures against all security breaches of these types, especially because the techniques used change frequently or are not recognized until launched, and because cyber-attacks can originate from a wide variety of sources, including third parties outside the Company such as persons who are involved with organized crime or associated with external service providers or who may be linked to terrorist organizations or hostile foreign governments. A successful penetration or circumvention of the security of our systems could cause serious negative consequences, including significant disruption of our operations, misappropriation of our confidential information or that of our customers, or damage to our computers or systems or those of our customers and counterparties, and could result in violations of applicable privacy and other laws, financial loss to us or to our customers, loss of confidence in our security measures, customer dissatisfaction, significant litigation exposure, and affect to our reputation, all of which could have a material adverse effect on us.

Our servers are also vulnerable to computer viruses, physical or electronic break-ins, and similar disruptions. We may need to expend significant resources to protect against security breaches or to address problems caused by breaches. Security breaches, including any breach of our systems or by persons with whom we have commercial relationships that result in the unauthorized release of customers' or businesses' personal information, could damage our reputation and expose us to a risk of loss or litigation and possible liability.

We store customers' bank information, credit information and other sensitive data. Any accidental or wilful security breaches or other unauthorized access could cause the theft and criminal use of this data. Security breaches or unauthorized access to confidential information could also expose us to liability related to the loss of the information, time-consuming and expensive litigation and negative publicity. If security measures are breached because of third party action, employee error, malfeasance or otherwise, or if design flaws in our software are exposed and exploited, and, as a result, a third party obtains unauthorized access to customer data, our relationships with customers will be severely damaged, and we could incur significant liability. Further, we engage with certain third-party service providers, and although our contracts with them restrict the usage of client data and impose protective precautions, there can be no assurance that they will abide by such contractual terms or that the contracts will be found to be in compliance with data protection laws

26. *Failure to stay up to date with technological changes, as well as the uses and regulation of the internet, might be detrimental to our Company.*

The industry of delivering finance products and services via a mobile app or the internet is dynamic and fresh. We must keep up with changing technical breakthroughs, customer and small company usage habits, internet security threats, system failure or inadequacy hazards, and governmental regulation and taxation, all of which could have a negative influence on our Company.

If we are unable to adequately react to such developments, decreased demand for loans as a result of higher savings or income could result in a loss of revenues or a fall in profitability. The demand for loan products in the markets we serve could fall as a result of a variety of factors, including regulatory restrictions that limit customer access to specific products, the availability of competing or alternative products, or changes in customers' financial circumstances, such as increases in income or savings. A shift in focus from borrowing to saving would also lessen demand. Our revenues could be severely reduced if we fail to adjust to a significant change in our clients' desire for, or access to, our financing products. Customers may refuse or reject products whose changes make them less appealing or less available, even if we make adjustments or launch new products to meet customer demand.

27. *We have not commissioned an industry report for the disclosures made in the section titled 'Industry Overview' and made disclosures based on the data available on the internet and such third-party data has not been independently verified by us.*

We have neither commissioned an industry report, nor sought consent from the quoted website source for the disclosures which need to be made in the section titled "Industry Overview" on page 50 of this Draft Letter of Offer. We have made disclosures in the said section based on the relevant industry related data available online for which relevant consents have not been obtained. We have not independently verified such third-party data. We cannot assure you that any assumptions made are correct or will not change and, accordingly, our position in the market may differ from that presented in this Draft Letter of Offer. Further, the industry data mentioned in this Draft Letter of Offer or sources from which the data has been collected are not recommendations to invest in our Company. Accordingly, investors should read the industry related disclosure in this Draft Letter of Offer in this context.

28. *The outbreak of COVID-19, or outbreak of any other severe communicable disease could have a potential impact on our business, financial condition and results of operations.*

The outbreak, or threatened outbreak, of any severe communicable disease (particularly COVID-19) could materially adversely affect overall business sentiment and environment, particularly if such outbreak is inadequately controlled. The spread of any severe communicable disease could adversely affect our business, financial condition and results of operations. The outbreak of COVID-19 has resulted in authorities implementing several containment measures such as travel bans and restrictions, quarantines and shutdowns. These measures may have an impact on the workforce and our operations and the operations of our customers. A rapid increase in severe cases and deaths where measures taken by governments fail or are lifted prematurely, may further cause significant economic disruption across India. The scope, duration and frequency of such measures and the adverse effects of COVID-19 remain uncertain and could be severe. Our ability to meet our ongoing disclosure obligations might be adversely affected, despite our best efforts. If any of our employees were suspected of contracting COVID-19 or any other epidemic disease, this could require us to quarantine some or all of these employees or disinfect the facilities used for our operations. In addition, our revenue and profitability could be impacted to the extent that a natural disaster, health epidemic or other outbreak harms the Indian economy in general.

The COVID-19 outbreak has significantly increased economic uncertainty. It is likely that the current outbreak or continued spread of COVID-19 will cause an economic slowdown. The spread of COVID-19 has caused us to modify our business practices (including employee travel, employee work locations, and cancellation of physical participation in meetings, events and conferences), and we may take further actions as may be required by government authorities or that we determine are in the best interests of our employees and customers. There is no certainty that such measures will be sufficient to mitigate the risks posed by the outbreak. The extent to which COVID-19 further impacts our results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and the actions taken to contain the coronavirus or treat its impact, among others. The degree to which COVID-19 may impact our results will depend on future developments, which are highly uncertain and cannot be predicted, including, but not limited to, the duration and spread of the outbreak, its severity, the actions taken to contain the

outbreak or the ability to treat its impact, and how quickly and to what extent normal economic and operating conditions can resume. The above risks can threaten the safe operation of our facilities and cause disruption of operational activities, loss of life, injuries and impact the wellbeing of our people.

EXTERNAL RISK FACTORS

29. Significant differences exist between Ind AS, Indian GAAP and other accounting principles, such as US GAAP and IFRS, which investors may be more familiar with and consider material to their assessment of our financial condition.

Our audited summary statements of assets and liabilities as at March 31, 2024 and March 31, 2023 and audited summary statements of profit and loss (including other comprehensive income), cash flows and changes in equity for the Financial Year 2024 and 2023 have been prepared in accordance with the Ind AS, read with the Ind AS Rules and audited in accordance with the SEBI ICDR Regulations, the SEBI Circular and the Prospectus Guidance Note.

We have not attempted to quantify the impact of US GAAP, IFRS or any other system of accounting principles on the financial data included in this Draft Letter of Offer, nor do we provide a reconciliation of our financial statements to those of US GAAP, IFRS or any other accounting principles. US GAAP and IFRS differ in significant respects from Ind AS and Indian GAAP. Accordingly, the degree to which the Audited Financial Information included in this Draft Letter of Offer will provide meaningful information is entirely dependent on the reader's level of familiarity with Ind AS, Indian GAAP and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Letter of Offer should accordingly be limited.

30. Political, economic or other factors that are beyond our control may have adversely affect our business and results of operations.

The Indian economy is influenced by economic developments in other countries. These factors could depress economic activity which could have an adverse effect on our business, financial condition and results of operations. Any financial disruption could have an adverse effect on our business and future financial performance.

We are dependent on domestic, regional and global economic and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the health of the economy in which we operate. There have been periods of slowdown in the economic growth of India. Demand for our services may be adversely affected by an economic downturn in domestic, regional and global economies.

Economic growth is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports, global economic uncertainty and liquidity crisis, volatility in exchange currency rates, and annual rainfall which affects agricultural production.

Consequently, any future slowdown in the Indian economy could harm our business, results of operations and financial condition. Also, a 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 and high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins.

31. A slowdown in economic growth in India could cause our business to suffer.

We are incorporated in India, and all of our assets and employees are located in India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations are significantly affected by factors influencing the Indian economy. A slowdown in the Indian economy could adversely affect our business, including our ability to grow our assets, the quality of our assets, and our ability to implement our strategy.

Factors that may adversely affect the Indian economy, and hence our results of operations, may include:

- any increase in Indian interest rates or inflation;
- any scarcity of credit or other financing in India;
- prevailing income conditions among Indian consumers and Indian corporations;

- changes in India's tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries;
- prevailing regional or global economic conditions; and
- other significant regulatory or economic developments in or affecting India

Any slowdown in the Indian economy or in the growth of the sectors we participate in or future volatility in global commodity prices could adversely affect our borrowers and contractual counterparties. This in turn could adversely affect our business and financial performance and the price of our Equity Shares.

32. *Financial instability in both Indian and international financial markets could adversely affect our results of operations and financial condition.*

The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in emerging market in Asian countries. Financial turmoil in Asia, Europe, the United States and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have an adverse effect on the securities of companies in other countries. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in the Indian economy in general. Any global financial instability, including further deterioration of credit conditions in the U.S. market, could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our results of operations and financial condition.

The Indian economy is also influenced by economic and market conditions in other countries. This includes, but is not limited to, the conditions in the United States, Europe and certain economies in Asia. Financial turmoil in Asia and elsewhere in the world in recent years has affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and its business.

Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby impact the Indian economy. Financial disruptions in the future could adversely affect our business, prospects, financial condition and results of operations. The global credit and equity markets have experienced substantial dislocations, liquidity disruptions and market corrections.

There are concerns that a tightening of monetary policy in emerging markets and some developed markets will lead to a moderation in global growth. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, have implemented a number of policy measures designed to add stability to the financial markets. However, the overall long-term impact of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have had the intended stabilizing effects. Any significant financial disruption in the future could have an adverse effect on our cost of funding, loan portfolio, business, future financial performance and the trading price of the Equity Shares.

33. *Inflation in India could have an adverse effect on our profitability and if significant, on our financial condition.*

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of salaries, and other expenses relevant to our business.

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 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 increase our rates to 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.

Further, the GoI has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

34. *Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares.*

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies, including those specified under FEMA. Such regulatory restrictions limit our financing sources for our projects under development and hence could constrain our ability to obtain financing on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that the required approvals will be granted to us without onerous conditions, or at all. Limitations on foreign debt may adversely affect our business growth, results of operations and financial condition.

Further, under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the income tax authority. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

35. *Any downgrading of India's debt rating by an independent agency may harm our ability to raise financing.*

Any adverse revisions to India's credit ratings international debt by international rating agencies may adversely affect our ability to raise additional overseas financing and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our ability to fund our growth on favourable terms or at all, and consequently adversely affect our business and financial performance and the price of our Equity Shares.

36. *The occurrence of natural or man-made disasters could adversely affect our results of operations, cash flows and financial condition. Hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect the financial markets and our business.*

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, tornadoes, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions including wars amongst nations like the current Russia Ukraine conflict could adversely affect our results of operations, cash flows or financial condition. In addition, any deterioration in international relations, especially between India and its neighbouring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares. In addition, India has witnessed local civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse effect on our business.

Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the market price of the Equity Shares.

ISSUE SPECIFIC RISKS

37. *Our Company will not distribute the Letter of Offer and Application Form to certain overseas Shareholders who have not provided an address in India for service of documents.*

Our Company will dispatch the Letter of Offer, the Abridged Letter of Offer, Rights Entitlement Letter and Application Form (the "**Offering Materials**") to such Shareholders who have provided an address in India for the service of documents. The Offering Materials will not be distributed to addresses outside India on account of restrictions that apply to the circulation of such materials in various overseas jurisdictions. However, the Companies Act requires companies to serve documents at any address, which may be provided by the members as well as through e-mail. Presently, there is a lack of clarity under the Companies Act and the rules thereunder, with respect to the distribution of Offering Materials to retail individual shareholders in overseas jurisdictions where such distribution may be prohibited under applicable laws of such jurisdictions.

38. SEBI has by way of circulars dated January 22, 2020, May 6, 2020, January 19, 2021, April 22, 2021, October 01, 2021 and May 19, 2022 streamlined the process of rights issues. You should follow the instructions carefully, as stated in such SEBI circulars and in this Draft Letter of Offer.

The concept of crediting Rights Entitlements into the demat accounts of the Eligible Equity Shareholders has recently been introduced by the SEBI. Accordingly, the process for such Rights Entitlements has been recently devised by capital market intermediaries. Eligible Equity Shareholders are encouraged to exercise caution, carefully follow the requirements as stated in the SEBI circulars dated January 22, 2020, May 6, 2020, January 19, 2021, April 22, 2021, October 01, 2021 and May 19, 2022 and ensure completion of all necessary steps in relation to providing/updating their demat account details in a timely manner. For details, see “Terms of the Issue” on page 165 of this Draft Letter of Offer.

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI Listing Regulations; or (b) Equity Shares held in the account of IEPF authority; or (c) the demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or (d) credit of the Rights Entitlements returned/reversed/failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings.

39. Failure to exercise or sell the Rights Entitlements will cause the Rights Entitlements to lapse without compensation and result in a dilution of shareholding.

The Rights Entitlements that are not exercised prior to the end of the Issue Closing Date will expire and become null and void, and Eligible Equity Shareholders will not receive any consideration for them. The proportionate ownership and voting interest in our Company of Eligible Equity Shareholders who fail (or are not able) to exercise their Rights Entitlements will be diluted. Even if you elect to sell your unexercised Rights Entitlements, the consideration you receive for them may not be sufficient to fully compensate you for the dilution of your percentage ownership of the equity share capital of our Company that may be caused as a result of the Issue. Renouncee(s) may not be able to apply in case of failure in completion of renunciation through off-market transfer in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee(s) prior to the Issue Closing Date. Further, in case, the Rights Entitlements do not get credited in time, in case of On Market Renunciation, such Renouncee will not be able to apply in this Issue with respect to such Rights Entitlements.

40. You 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. However, any gain realized on the sale of listed equity shares on or before March 31, 2018 on a stock exchange held for more than 12 months was not subject to long term capital gains tax in India if STT was paid on the sale transaction and, additionally, as stipulated by the Finance Act, 2017, STT had been paid at the time of acquisition of such equity shares on or after October 1, 2004, except in the case of such acquisitions of equity shares which are not subject to STT, as notified by the Central Government under notification no. 43/2017/F. No. 370142/09/2017-TPL on June 5, 2017. However, the Finance Act, 2018, has now levied taxes on long-term capital gains arising from sale of equity shares. However, where specified conditions are met, such long-term capital gains are only taxed to the extent they exceed Rs. 100,000.00 and unrealized capital gains earned up to January 31, 2018, continue to be exempt. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of 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. 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.

Investors should consult their own tax advisors about the consequences of investing or trading in the Equity Shares. Investors are advised to consult their own tax advisors and to carefully consider the potential tax consequences of owning Equity Shares.

41. *You may not receive the Equity Shares that you subscribe in the Issue until fifteen days after the date on which this Issue closes, which will subject you to market risk.*

The Equity Shares that you subscribe in the Issue may not be credited to your demat account with the depository participants until approximately 15 days from the Issue Closing Date. You can start trading such Equity Shares only after receipt of the listing and trading approval in respect thereof. There can be no assurance that the Equity Shares allocated to you will be credited to your demat account, or that trading in the Equity Shares will commence within the specified time period, subjecting you to market risk for such period.

42. *There is no guarantee that our Equity Shares will be listed in a timely manner or at all which may adversely affect the trading price of our Equity Shares.*

In accordance with Indian law and practice, final approval for listing and trading of the Equity Shares will not be granted by the Stock Exchange until after those Equity Shares have been issued and allotted. Approval will require all relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on Stock Exchanges. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares. Further, historical trading prices, therefore, may not be indicative of the prices at which the Equity Shares will trade in the future which may adversely impact the ability of our shareholders to sell the Equity Shares or the price at which shareholders may be able to sell their Equity Shares at that point of time.

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

Under the Companies Act, 2013, any company incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages prior to the 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 shares voted on such resolution, unless our Company has obtained government approval to issue without such rights. However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without us filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights unless we make such a filing. We may elect not to file a registration statement in relation to pre-emptive rights otherwise available by Indian law to you. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, your proportional interests in us would be reduced.

44. *Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may adversely affect 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 Exchange. 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 equity shareholders. For example, the exchange rate between the Rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to fluctuate substantially in the future, which may adversely affect the trading price of our Equity Shares and returns on our Equity Shares, independent of our operating results.

45. *Sale of Equity Shares by our Promoter or other significant shareholder(s) may adversely affect the trading price of the Equity Shares.*

Any instance of disinvestments of equity shares by our Promoter or by other significant shareholder(s) may significantly affect the trading price of our Equity Shares. Further, our market price may also be adversely affected even if there is a perception or belief that such sales of Equity Shares might occur.

46. Rights of shareholders under Indian laws may be more limited than 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 as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

SECTION III: INTRODUCTION

THE ISSUE

The Issue has been authorised by way of resolution passed by our Board on May 30, 2024, pursuant to section 62(1)(a) of the Companies Act, 2013 and other applicable provisions. The terms of the Issue including the Record Date and Rights Entitlement Ratio have been approved by the Board of Directors at their meeting held on [●].

The following is a summary of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, more detailed information in “*Terms of the Issue*” on page 165 of this Draft Letter of Offer.

Rights Equity Shares being offered by our Company	[●] Rights Equity Shares
Rights Entitlement for the Rights Equity Shares	[●] Rights Equity Share for every [●] Equity Shares held on the Record Date
Record Date	[●]
Face Value per Equity Share	₹1/- each
Issue Price	₹ [●] per Rights Equity Share (including a premium of ₹ [●] per Rights Equity Share). On Application, Investors will have to pay ₹ [●] per Rights Equity Share, which constitutes 100% of the Issue price including premium.
Issue Size	[●] Equity Shares of face value of ₹ 1 each for cash at a price of ₹ [●] per Rights Equity Share up to an amount of Rs. 4,990 Lakhs * <i>*Assuming full subscription</i>
Voting Rights and Dividend	The Equity Shares issued pursuant to this Issue shall rank <i>pari-passu</i> in all respects with the Equity Shares of our Company.
Fractional Entitlement	For Equity Shares being offered on a rights basis under the Issue, if the shareholding of any of the Eligible Equity Shareholders is less than [●] ([●]) Equity Shares or is not in multiples of [●] ([●]), the fractional entitlement of such Eligible Equity Shareholders shall be ignored for computation of the Rights Entitlement. However, Eligible Equity shareholders whose fractional entitlements are being ignored earlier will be given preference in the Allotment of one additional Equity Share each, if such Eligible Equity Shareholders have applied for additional Equity Shares over and above their Rights Entitlement, if any.
Equity Shares issued, subscribed and paid up and outstanding prior to the Issue	11,56,37,500 Equity Shares issued subscribed and paid-up. For details, please see “Capital Structure” on page 41 of this Draft Letter of Offer.
Equity Shares outstanding after the Issue (assuming full subscription for and Allotment of the Rights Equity Shares)	[●] Equity Shares* <i>*assuming full subscription</i>
Security Codes for the Equity Shares	ISIN: INE069B01023 BSE Code: 530109
ISIN for Rights Entitlements	[●]
Terms of the Issue	For details, please see “ <i>Terms of the Issue</i> ” on page 165 of this Draft Letter of Offer.
Use of Issue Proceeds	For details, please see “ <i>Objects of the Issue</i> ” on page 44 of this Draft Letter of Offer

GENERAL INFORMATION

Our Company was originally incorporated as “Vantage Financial Consultancy Services Private Limited” at Mumbai, on May 16, 1991 as a private limited company, under the Companies Act, 1956 and a Certificate of Incorporation was issued by the Registrar of Companies, Maharashtra at Mumbai (RoC). We were converted into a public limited company consequent to the special resolution of the shareholders and the name of our Company was also changed along with the conversion to “Vantage Financial Services Limited” on October 30, 1992 and a fresh Certificate of Incorporation was obtained from the RoC. Our name was once again changed to “Vantage Corporate Services Limited” on January 6, 1999 and a fresh Certificate of Incorporation was obtained from the RoC on January 06, 1999. The name of our Company was changed to its current name on September 27, 2018 and a fresh Certificate of Incorporation was obtained from the RoC on October 10, 2018. Our Company is registered under section 45-IA of The Reserve Bank of India Act, 1934 (“**RBI**”) as Non-Systemically Important Non-Deposit taking Non-Banking Finance Company (**NSI-ND-NBFC**). The registration number is B-13.00707 vide Certificate of Registration dated April 20, 1998.

Changes in the registered office of our Company

Except as disclosed below, there has been no change in the address of the registered office of our Company since the date of incorporation:

Date of change	Details of change in the registered office
June 01, 2017	Change of the registered office address from 427/429, SVP Road, K N Bhatia Trust Building, Opp New H N Hospital, Charni Road, Mumbai 400 004 to 502, Corporate Arena, D.P. Piramal Road, Goregaon (W), Mumbai, Maharashtra, 400104

Registered Office of our Company

Anupam Finserv Limited

502, Corporate Arena, D.P. Piramal Road,
Goregaon (W), Mumbai,
Maharashtra, 400104
Tel: +9122 46050267; **Fax:** N.A
Email: compliance@anupamfinserv.com
Website: www.anupamfinserv.com
CIN Number: L74140MH1991PLC061715

Registrar of Companies

Our Company is registered with the Registrar of Companies, Mumbai Maharashtra at the following address:

100, Everest
Marine Drive
Mumbai – 400 002
Maharashtra

Board of Directors of our Company

Set forth below are the details of our Board of Directors as on the date of this Draft Letter of Offer:

Name	Age	Designation	Address	DIN
Nirmala Pravin Gala	58	Managing Director	2501 Angelica, Mahindra Eminente, S.V. Road, Goregaon (West), Mumbai - 400104	00894497
Pravin Nanji Gala	60	Chairman and Whole Time Director	2501 Angelica, Mahindra Eminente, S.V. Road, Goregaon (West), Mumbai – 400104	00786492
Siddharth Pravinchandra Gala	33	Executive Director	2501 Angelica, Mahindra Eminente, S.V. Road, Goregaon (West), Mumbai – 400104	08128110

Name	Age	Designation	Address	DIN
Darshan Jajal	45	Non-Executive Independent Director	401, Harshita Building, Liberty Garden Cross Road No. 04, Above Amar Dairy, Malad West, Mumbai 400064	02875401
Rajendra Shah	60	Non-Executive Independent Director	Flat no. 202, Plot no. 12, Landmark Building, 5th N.S. Road, Friendly Society, JVPD Scheme, Vile Parle, Mumbai 400056	00022112
Dhirubhai Desai	79	Non-Executive Independent Director	A-18, Pushpanjalee Co-op Hsg Society, Near Thakare Swimming Pool, Vile Parle East, Mumbai 400057	00340309

For detailed profile of our directors, please refer to the chapter titled “*Our Management*” on page 64 of this Draft Letter of Offer.

Chief Financial Officer

Mr Pravin Gala is the Chief Financial Officer of the Company. His Contact details are:

502, Corporate Arena, D.P. Piramal Road,
Goregaon (W), Mumbai,
Maharashtra, 400104
Tel: +91 22 46050267; **Fax:** NA
Email ID: info@anupamfinserv.com

Company Secretary and Compliance Officer

Ms Sheetal Dedhia is the Company Secretary and Compliance Officer of our Company. Her contact details are:

502, Corporate Arena, D.P. Piramal Road,
Goregaon (W), Mumbai,
Maharashtra, 400104
Tel: +91 22 46050267; **Fax:** N.A
Email ID: compliance@anupamfinserv.com

Details of Key Intermediaries pertaining to this Issue:

Registrar to the Company / Issue

Purva Shareregistry (I) Private Limited
Unit No. 9, Shiv Shakti Industrial Estate,
J.R. Boricha Marg, Lower Parel (E),
Mumbai - 400011, Maharashtra.
Contact Details: +91 22 4961 4132/ +91 22 3199 8810
Email Address: newissue@purvashare.com;
Website: www.purvashare.com;
Contact Person: Ms. Deepali Dhuri;
SEBI Registration Number: INR000001112

Statutory and Peer Review Auditor of our Company

M/s. J K Shah & Co
Chartered Accountants
Office No. 5, 5th Floor,
Aman Chambers, Opera House,
Mumbai – 400 004, Maharashtra, India.
Email: sanjaydhruva@yahoo.com

Telephone: +91 22 4022 5581 / 82
Contact Person: Mr Sanjay Dhruva
Firm Registration Number: 109606W
Peer Review Certificate Number: 015917

Bankers to the Issue/ Refund Bank

[•]

The Banker to the Issue/ the Refund Bank shall be appointed prior to filing of the Letter of Offer.

Designated Intermediaries

Self-Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided at the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time. For details on Designated Branches of SCSBs collecting the Application Forms, refer to the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. On Allotment, the amount will be unblocked and the account will be debited only to the extent required to pay for the Rights Equity Shares Allotted.

Inter-se Allocation of Responsibilities

Since there is no lead manager, a statement of inter se allocation of responsibilities is not required.

Expert Opinion

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

Our Company has received written consent dated June 27, 2024 from the Statutory Auditors to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations in this Draft Letter of Offer as an “Expert” as defined under Section 2(38) of the Companies Act, 2013 to the extent and in its capacity as an independent Statutory Auditor and in respect of its Audited Financials Statements dated May 30, 2024 for the financial year ended March 31, 2024, and (ii) Statement of Special Tax Benefits dated June 27, 2024 in this Draft Letter of Offer and such consent has not been withdrawn as on the date of this Draft Letter of Offer. However, the term “Expert” shall not be construed to mean an “Expert” as defined under the Securities Act, 1933.

Investor grievances

Investors may contact the Company Secretary and Compliance Officer for any pre-Issue/ post-Issue related matters such as non-receipt of Letters of Allotment/ share certificates/ demat credit/ Refund Orders, etc.

Investors are advised to contact the Registrar to the Issue or our Company Secretary and Compliance Officer for any pre- Issue or post-Issue related problems such as non-receipt of Abridged Letter of Offer/ Application Form and Rights Entitlement Letter/ Letter of Allotment, Split Application Forms, Share Certificate(s) or Refund Orders, etc. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSBs, giving full details such as name, address of the applicant, ASBA Account number and the Designated Branch of the SCSBs, number of Equity Shares applied for, amount blocked, where the Application Form and Rights Entitlement Letter or the plain paper application, in case of Eligible Equity Shareholder, was submitted by the ASBA Investors through ASBA process.

Credit Rating

As this is a Rights Issue of Equity Shares, credit rating is not required.

Debenture Trustees

As this is a Rights Issue of Equity Shares, the appointment of Debenture trustees is not required.

Monitoring Agency

Since the size of the issue is less than Rs.10,000 lacs, under Regulation 82 of the SEBI ICDR Regulations, a monitoring agency is not required to be appointed by our Company.

Filing

SEBI *vide* the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020 has amended Regulation 3(b) of the SEBI ICDR Regulations as per which the threshold of filing of Draft Letter of Offer with SEBI for rights issues has been increased to Rupees fifty crores. Since the size of this Issue falls below this threshold, the Draft Letter of Offer has been filed with the Stock Exchange and not with SEBI. However, the Letter of Offer will be submitted with SEBI for information and dissemination and will be filed with the Stock Exchange.

Changes in Auditors during the last three years

There has been no change in the Statutory Auditor of our Company in last three years immediately preceding the date of this Draft Letter of Offer.

Underwriting Agreement

This Issue is not underwritten, and our Company has not entered into any underwriting arrangement.

Issue Schedule

The subscription will open upon the commencement of the banking hours and will close upon the close of banking hours on the dates mentioned below:

Event	Indicative Date
Issue Opening Date	[●]
Last Date for On Market Renunciation of Rights	[●]
Issue Closing Date*	[●]

* *The Board of Directors or the Rights Issue Committee will have the right to extend the Issue period as it may determine from time to time, provided that the Issue will not remain open in excess of 30 (thirty) days from the Issue Opening Date.*

The above schedule is indicative and does not constitute any obligation on our Company.

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two (2) Working Days prior to the Issue Closing Date, i.e., [●] [●] to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date, being [●],[●] 2024.

Investors are advised to ensure that the Applications are submitted on or before the Issue Closing Date. Neither our Company nor the Registrar to the Issue will be liable for any loss on account of non-submission of Applications on or before the Issue Closing Date. For details on submitting Application Forms, see “Terms of the Issue” on page 165.

Please note that if no Application is made by the Eligible Equity Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall lapse and shall be extinguished after the Issue Closing Date. No Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the amount paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an Application to apply for Equity Shares offered under Rights Issue for subscribing to the Equity Shares offered under Issue.

Minimum Subscription

The objects of this Issue are to augment the capital of the Company, Further, our Promoters and our Promoter Group have undertaken that they will subscribe to the full extent of their Rights Entitlements and that they shall not renounce their Rights Entitlements except to the extent of renunciation by any of them in favour of any other member of our Promoter Group subject to the aggregate shareholding of our Promoters and our Promoter Group being compliant with the minimum public shareholding requirements under the SCRR and the SEBI Listing Regulations. Accordingly, in terms of Regulation 86 of the SEBI ICDR Regulations, the requirement of minimum subscription is not applicable to the Issue.

Any participation by our Promoters and our Promoter Group, over and above their Rights Entitlements, shall not result in a breach of the minimum public shareholding requirements prescribed under applicable law.

CAPITAL STRUCTURE

The equity share capital of our Company as at the date of this Draft Letter of Offer, and the details of the Equity Shares proposed to be issued in the Issue, and the issued, subscribed and paid-up share capital after the Issue, are set forth below.

(₹ Lakhs except share data)

Sr. No.	Particulars	Aggregate Value at Face Value	Aggregate Value at Issue Price
A	AUTHORISED SHARE CAPITAL*		
	12,00,00,000 Equity Shares of ₹1 each	1200.00	
B	ISSUED SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE ISSUE		
	11,56,37,500 Equity Shares of ₹1 each	1156.37	
C	PRESENT ISSUE IN TERMS OF THIS LETTER OF OFFER⁽¹⁾		
	Up to [●] Rights Equity Shares, at a premium of ₹[●] per Rights Equity Share, i.e., at a price of ₹[●] per Rights Equity Share ⁽²⁾	[●]	Up to 4990.00
D	ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE ISSUE⁽³⁾		
	Up to [●] Equity Shares	[●]	
E	SECURITIES PREMIUM ACCOUNT		
	Before the Issue		Nil
	After the Issue		[●] ⁽³⁾

⁽¹⁾ The present Issue has been authorised vide a resolution passed at the meeting of the Board of Directors dated [●], 2024

⁽²⁾ On Application, Investors will have to pay [●] per Rights Equity Share which constitutes 100% of the Issue Price.

⁽³⁾ Assuming full subscription for and Allotment of the Rights Equity Shares.

Note: *Our company has proposed to increase of authorized capital from Rs. 1,200 Lakhs to Rs. 3,600 Lakhs in its Board meeting held on May 30, 2024, subject to shareholders' approval, which is in-process and will be completed before the Issue Opening.

NOTES TO CAPITAL STRUCTURE

- Intention and extent of participation by our Promoters and Promoter Group in the Issue:** Pursuant to letter dated June 17, 2024 our Promoters and Promoter Group have confirmed that they intend to (i) subscribe, to the full extent of their Rights Entitlements and have also confirmed that the promoters and all the members of the promoter group intend to subscribe, jointly and / or severally, to their Rights Entitlements and will not renounce them in favour of third parties. Please refer page 16 of this Draft Letter of Offer for their intention.
- The ex-rights price of the Rights Equity Shares as per Regulation 10(4)(b) of the Takeover Regulations is ₹ [●] per equity share.
- At any given time, there shall be only one denomination of the Equity Shares of our Company.
- All Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Draft Letter of Offer. For details on the terms of this Issue, see "Terms of the Issue" on page 165.
- Shareholding Pattern of our Company as per the last filing with the Stock Exchange:

i. The summary statement of the shareholding pattern of our Company as on March 31, 2024, is as follows:

Category (I)	Category of Shareholder (II)	No. of Shareholders (III)	No. of fully paid-up Equity Shares held (IV)	No. of Partly paid-up Equity Shares held (V)	No. of shares underlying depository receipts (VI)	Total No. of shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of Equity Shares (calculated as per SCRR) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			No. of Shares underlying outstanding convertible securities (including warrants)	Shareholding as a % assuming full conversion of convertible securities No. (a)	No. of locked-in Equity Shares (XII)		Number of Equity Shares pledged or otherwise encumbered (XIII)		No. of Equity Shares held in dematerialized form (XIV)
								Class (Equity)	Total	Total as a % of (A+B+C)			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
(A)	Promoter and Promoter Group	6	33915700	0	0	33915700	29.33	33915700	33915700	29.33	0	0	0	0	0	0	33915700
(B)	Public	54610	81721800	0	0	81721800	70.67	81721800	81721800	70.67	0	0	0	0	0	0	79550891
(C)	Non-Promoter-Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying depository receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by employee trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total		54616	115637500	0	0	115637500	100.00	115637500	115637500	100.00	0	0	0	0	0	0	113466591

ii. The statement of the shareholding pattern of our Company as on March 31, 2024 is as follows:

Category of Shareholder	No. of Shareholders	No. of fully paid up Equity Shares held	Total no of Equity Shares held	Shareholding as a % of total no. of Equity Shares (calculated as per SCRR, 1957) As a% of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	Number of Equity Shares held in dematerialized form
(A) Promoter & Promoter Group	6	3,39,15,700	3,39,15,700	29.33	3,39,15,700	29.33	3,39,15,700
(B) Public	54,610	8,17,21,800	8,17,21,800	70.67	8,17,21,800	70.67	7,95,50,891
Grand Total	54,616	11,56,37,500	11,56,37,500	100.00	11,56,37,500	100.00	11,34,66,591

iii. Statement showing holding securities of persons belonging to the category Promoters and Promoter Group" as at March 31, 2024:

Category of Shareholder	No. of Shareholders	No. of fully paid up Equity Shares held	Total no of Equity Shares held	Shareholding as a % of total no. of Equity Shares (calculated as per SCRR, 1957) As a% of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	Number of Equity Shares held in dematerialized form
A1) Indian							
Individuals/ Hindu Undivided Family	6	3,39,15,700	3,39,15,700	29.33	3,39,15,700	29.33	3,39,15,700
Pravin Nanji Gala		1,81,25,000	1,81,25,000	15.67	1,81,25,000	15.67	1,81,25,000
Nanji Bhuralal Gala		66,00,000	66,00,000	5.71	66,00,000	5.71	66,00,000
Siddharth Pravinchandra Gala		57,80,000	57,80,000	5.00	57,80,000	5.00	57,80,000
Nirmala Pravinchandra Gala		25,10,000	25,10,000	2.17	25,10,000	2.17	25,10,000
Dhrumil Pravinchandra Gala		7,50,000	7,50,000	0.65	7,50,000	0.65	7,50,000
Meena Pravin Chheda		1,50,700	1,50,700	0.13	1,50,700	0.13	1,50,700
Sub- total of A1	6	3,39,15,700	3,39,15,700	29.33	3,39,15,700	29.33	3,39,15,700
A2) Foreign							
Sub-total of A2	-	-	-	-	-	-	-
A= A1+ A2	6	3,39,15,700	3,39,15,700	29.33	3,39,15,700	29.33	3,39,15,700

iv. Statement showing holding of securities of persons belonging to the “public” category as on March 31, 2024:

Category of Shareholder	Nos. of Shareholders	No. of fully paid up Equity Shares held	Total no of Equity Shares held	Shareholding as a % of total no. of Equity Shares (Calculated as per SCRR, 1957) As a% of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	Number of Equity Shares held in dematerialized form
B1) Institutions							
Foreign Portfolio Investors	-	-	-	-	-	-	-
B2) Institutions (Domestic)							
Banks	1	24200	24200	0.02	24200	0.02	24200
Sub Total B2	1	24200	24200	0.02	24200	0.02	24200
B3) Central Government/ State Government(s) / President of India	-	-	-	-	-	-	-
Sub Total B3	-	-	-	-	-	-	-
B4) Non-Institutions							
Individual share capital up to ₹ 2 Lakhs	54,364	6,56,73,665	6,56,73,665	56.79	6,56,73,665	56.79	6,48,64,545
Individual share capital in excess of ₹ 2 Lakhs	21	1,12,61,541	1,12,61,541	9.74	1,12,61,541	9.74	1,12,61,541
Any Other							
IEPF	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-
Non-Resident Indian (NRI)	81	8,97,808	8,97,808	0.78	8,97,808	0.78	8,97,808
Clearing Members	2	23,540	23,540	0.02	23,540	0.02	23,540
Bodies Corporate	19	13,37,765	13,37,765	1.16	13,37,765	1.16	13,35,565
HUF	120	11,42,042	11,42,042	0.99	11,42,042	0.99	11,42,042
LLP	1	1,650	1,650	0.00	1,650	0.00	1,650
Suspense Account	1	13,59,589	13,59,589	1.18	13,59,589	1.18	-
Sub-total B4	54,609	8,16,97,600	8,16,97,600	70.65	8,16,97,600	70.65	7,95,26,691
B= B1+B2+B3 +B4	54,610	8,17,21,800	8,17,21,800	70.67	8,17,21,800	70.67	7,95,50,891

- v. *Details of shareholders of our Company holding 1% or more of the paid-up capital of the issuer as last disclosed to the stock exchanges: i.e. March 31, 2024*

S. No.	Name of the Shareholders	No. of Equity Shares	% of Pre-Issue Equity Share Capital
1.	Pravin Nanji Gala	18125000	15.67%
2.	Nanji Bhuralal Gala	66,00,000	5.71%
3.	Siddharth Pravinchandra Gala	57,80,000	5.00%
4.	Dinesh Khimjibhai Savla	45,38,046	3.92%
5.	Nirmalal Pravinchandra Gala	25,10,000	2.17%
6.	Unclaimed or Suspense or Escrow Account	13,59,589	1.18%

- vi. *Details of shares locked-in, pledged, encumbrance by the Promoters and the Promoter Group:*

As on date of this Draft Letter of Offer, none of the shares held by the promoter are locked-in, pledged or encumbered

- vii. *Details of shares acquired by Promoters and Promoter Group in the last one year immediately preceding the date of filing of this Draft Letter of Offer:*

S. No.	Name of the Promoter and Promoter Group	Number of shares acquired	Mode of Acquisition	Date
NIL				

7. There are no outstanding options or convertible securities, including any outstanding warrants or rights to convert debentures, loans or other instruments convertible into Equity Shares as on the date of filing of this Draft Letter of Offer.

OBJECTS OF THE ISSUE

Objects of the Issue

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

1. To augment our capital base and provide for our fund requirements for increasing our operational scale with respect to our NBFC activities; and
 2. General Corporate Purposes.
- (Collectively, referred to hereinafter as the “**Objects**”)

We intend to utilize the gross proceeds raised through the Issue (the “**Issue Proceeds**”) after deducting the Issue related expenses (“**Net Proceeds**”) for the abovementioned Objects.

The objects set out in the Memorandum of Association enable us to undertake our existing activities and the activities for which funds are being raised by us through the Issue .

Net Proceeds

The details of the proceeds of the Issue are set forth in the following table:

(₹ in lakhs)

Particulars	Amount
Gross Proceeds from the Issue	4,990.00
Less: Issue related expenses	[●]
Net Proceeds from the Issue	[●]

Requirement of Funds

The details of the Net Proceeds are set forth in the following table:

(₹ in lakhs)

Particulars	Amount
To augment our capital base and provide for our fund requirements for increasing our operational scale with respect to our NBFC activities	4,800.00
General Corporate Purposes	[●]
Net proceeds from the Issue	[●]

Means of Finance

Our Company proposes to meet the entire requirement of funds for the proposed objects of the Issue from the Net Proceeds. Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Issue.

Schedule of Implementation and Deployment of Funds

The fund requirement and deployment are based on internal management estimates and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to change in the light of changes in external circumstances or costs or other financial conditions and other external factors.

The funds deployment described herein is based on management estimates and current circumstances of our business and operations. Given the dynamic nature of our business, we may have to revise our funding requirements and deployment on account of variety of factors such as our financial condition, business strategy, including external factors which may not be within the control of our management. This may entail rescheduling and revising the planned funding requirements and deployment and increasing or decreasing the funding requirements from the planned funding requirements at the discretion of our management. Accordingly, the Net Proceeds of the Issue would be used to meet all or any of the purposes of the funds requirements described herein.

Details of the Objects of the Issue

1. *To augment our capital base and provide for our fund requirements for increasing our operational scale with respect to our NBFC activities.*

We are a Registered Non Deposit taking Non-Banking Finance Company and currently provide short term and long term, secured and unsecured finance to businesses and individuals such as working capital loans to businesses, personal loans, loans against property, loans against shares, working capital loans to hospitals, loans for solar energy installations etc. We have also ventured into the leasing business by way of vehicle operational leases.

We intend to utilise the proceeds from the issue to the extent of ₹ 4800 lakhs towards providing additional finance for our existing lending and leasing business segments, providing working capital loans / equipment loans to hospitals, fund solar energy installations and also provide loans towards the purchase of electric and non electric vehicles, providing finance through bills receivables discounting or any other viable financing and lending opportunities as may arise from time to time.

We have entered into agreements with Dream Road Technologies Private Limited, Spocotech Green Ventures Private Limited and BG Networks Private Limited for providing credit facilities to their customers. For more details please refer to “Our Business – Our Partners” on page 61 of this Draft Letter of Offer. We expect business opportunities from our partners and are proposing allocation from from the Issue Proceeds for providing these credit facilities.

2. *General Corporate Purposes*

In terms of Regulation 62(2) of the SEBI ICDR Regulations, the extent of the Issue Proceeds proposed to be used for general corporate purposes shall not exceeding 25% of the Gross proceeds of the Issue. Our Board will have flexibility in applying the balance amount towards general corporate purposes, including repayment of outstanding loans, meeting our working capital requirements, capital expenditure, funding our growth opportunities, including strategic initiatives, meeting expenses incurred in the ordinary course of business including salaries and wages, administration expenses, insurance related expenses, meeting of exigencies which our Company may face in course of business and any other purpose as may be approved by the Board or a duly appointed committee from time to time, subject to compliance with the necessary provisions of the Companies Act.

Our management will have flexibility in utilizing any amounts for general corporate purposes under the overall guidance and policies of our Board. The quantum of utilization of funds towards any of the purposes will be determined by the Board, based on the amount actually available under this head and the business requirements of our Company, from time to time.

Undertaking by our Promoter and Promoter Group

Please refer to page 16 of this Draft Letter of Offer regarding the intention of the promoters and extent of subscription in the issue.

Interest of Promoters and Directors in the objects of the Issue

None of our Promoter, members of the Promoter Group and Directors have any interest in the objects of the Issue. No part of the Net Proceeds will be paid by our Company as consideration to our Promoter, Promoter Group, Directors and Key Managerial Personnel of our Company.

Issue Related Expenses

The Issue related expenses include, among others, fees to various advisors, printing and distribution expenses, advertisement expenses and registrar and depository fees. The estimated Issue related expenses are as follows:

Particulars	Amount* (Rs. In Lakhs)	As a percentage of total expenses*	As a percentage of Issue size*#
Fees of the Bankers to the Issue, Registrar to the Issue, Legal Advisor, Auditor's fees, including out of pocket expenses etc.	[●]	[●]	[●]
Expenses relating to advertising, printing,	[●]	[●]	[●]

Particulars	Amount* (Rs. In Lakhs)	As a percentage of total expenses*	As a percentage of Issue size**
distribution, marketing and stationery expenses			
Regulatory fees, filing fees, listing fees and other miscellaneous expenses	[●]	[●]	[●]
Total estimated Issue expenses[^]	[●]	[●]	[●]

* Subject to finalisation of Basis of Allotment. In case of any difference between the estimated Issue related expenses and actual expenses incurred, the shortfall or excess shall be adjusted with the amount allocated towards general corporate purposes. All Issue related expenses will be paid out of the Gross Proceeds received at the time of receipt of the subscription amount to the Rights Equity Shares.

The amount utilized towards Issue expenditure is ₹ [●] Lakhs which is certified by the Statutory auditor [●] & Associates vide his certificate dated [●] ; bearing UDIN No: [●].

[^]Excluding taxes

[#]Assuming full subscription.

Interim use of funds

Our Company, in accordance with the policies established by our Board from time to time, will have the flexibility to deploy the Net Proceeds. Pending utilization for the purposes described above, our Company intends to temporarily deposit the funds in the scheduled commercial banks included in the second schedule of Reserve Bank of India Act, 1934 as may be approved by our Board of Directors. Our Company confirms that pending utilization of the Net Proceeds for the Objects of the Issue, our Company shall not use the Net Proceeds for any investment in the equity markets.

Appraisal and Bridge Financing Facilities

Our Company has not raised any bridge loan from any bank or financial institution as on the date of the Letter of Offer, which are proposed to be repaid from the Net Proceeds.

Monitoring of utilization of funds

Since the Issue is for an amount not exceeding ₹ 10,000 lakhs, in terms of Regulation 82(1) of the SEBI ICDR Regulations, our Company is not required to appoint a monitoring agency for the purposes of the Issue. As required under the SEBI Listing Regulations, the Audit Committee appointed by the Board shall monitor the utilization of the proceeds of the Issue. We will disclose the details of the utilization of the Net Proceeds of the Issue, including interim use, under a separate head in our financial statements specifying the purpose for which such proceeds have been utilized or otherwise disclosed as per the disclosure requirements.

As per the requirements of Regulations 18 of the SEBI Listing Regulations, we will disclose to the Audit Committee the uses/ applications of funds on a quarterly basis as part of our quarterly declaration of results. Further, on an annual basis, we shall prepare a statement of funds utilized for purposes other than those stated in the Letter of Offer and place it before the Audit Committee. The said disclosure shall be made till such time that the Gross Proceeds raised through the Issue have been fully spent. The statement shall be certified by our Auditor.

Further, in terms of Regulation 32 of the SEBI Listing Regulations, we will furnish to the Stock Exchange on a quarterly basis, a statement indicating material deviations, if any, in the use of proceeds from the objects stated in the Letter of Offer. Further, this information shall be furnished to the Stock Exchange along with the interim or annual financial results submitted under Regulations 33 of the SEBI Listing Regulations and be published in the newspapers simultaneously with the interim or annual financial results, after placing it before the Audit Committee in terms of Regulation 18 of the SEBI Listing Regulations.

Other Confirmations

No part of the Net Proceeds will be paid by our Company as consideration to our Promoter and Promoter Group, Directors, Key Managerial Personnel of our Company.

STATEMENT OF TAX BENEFITS

To,
The Board of Directors
Anupam Finserv Limited
502, Corporate Arena,
D.P. Piramal Road, Goregaon (W),
Mumbai, Maharashtra, 400104.

Dear Sir / Madam,

SUBJECT: STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS ("THE STATEMENT") AVAILABLE TO ANUPAM FINSERV LIMITED ("THE COMPANY") AND ITS SHAREHOLDERS PREPARED IN ACCORDANCE WITH THE REQUIREMENTS IN SCHEDULE VI OF THE SECURITIES EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL DISCLOSURE REQUIREMENTS) REGULATIONS 2018, AS AMENDED ("THE REGULATIONS").

We hereby report that the enclosed annexure, prepared by the Management of the Company, states the possible special tax benefits available to the Company and the shareholders of the Company under the Income-tax Act, 1961 ("the Act"), as amended by the Finance Act, 2023, presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the Act. Hence, the ability of the Company or its shareholders to derive the special tax benefits is dependent upon fulfilling such conditions which, based on business imperatives the Company may face in the future, the Company may or may not choose to fulfil.

The benefits discussed in the enclosed annexure cover only special tax benefits available to the Company and its shareholders and do not cover any general tax benefits available to the Company or its shareholders. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. A shareholder is advised to consult his/her/its own tax consultant with respect to the tax implications arising out of his/her/its participation in the proposed issue, particularly in view of the ever-changing tax laws in India.

Our views are based on the existing provisions of the Act and its interpretations, which are subject to change or modification by subsequent legislative, regulatory, administrative, or judicial decisions. Any such change, which could also be retroactive, could have an effect on the validity of our views stated herein. We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein.

We do not express any opinion or provide any assurance as to whether:

- the Company or its shareholders will continue to obtain these benefits in the future; or
- the conditions prescribed for availing the benefits have been/would be met; or
- the revenue authorities/courts will concur with the views expressed herein.

The contents of this annexure are based on information, explanations, and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and the provisions of the tax laws.

This certificate may be relied upon by the Company and the legal counsel to the Issue for the purpose of any defence the Company may wish to advance in any claim or actual/potential proceeding before any statutory/regulatory authority/stock exchange in connection with the contents of the Draft Letter of Offer or any actual/potential dispute relating to or connected with the Draft Letter of Offer and Letter of Offer.

We shall not be liable to the Company for any claims, liabilities, or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct.

We hereby consent to (a) this certificate, or parts thereof, being used in the Draft Letter of Offer of the Company or any other material in connection with the Issue; and/or (b) the submission of this certificate, as may be necessary, to the Stock Exchange, Securities and Exchange Board of India, or any other regulatory authority;

and/or (c) this certificate being used for the records maintained by the Company in connection with the Issue and in accordance with applicable law.

The enclosed annexure is intended for your information and for inclusion in the Draft Letter of Offer and Letter of Offer or any other issue-related material in connection with the proposed rights issue of equity shares and is not to be used, referred to, or distributed for any other purpose without our written consent.

For J.K. Shah & CO.
Chartered Accountants
FRN 109606W

Sd/-

Sanjay Dhruva
Partner
Membership No. 038480

UDIN: 24038480BKBGJJ5915
Place : Mumbai
Date : July 27, 2024

ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS

Outlined below are the possible special tax benefits available to the Company and its shareholders under the current direct tax laws in India.

YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE INDIAN TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING, AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION.

A. SPECIAL TAX BENEFITS TO THE COMPANY UNDER THE INCOME TAX ACT, 1961 (THE “ACT”)

The Company is not entitled to any special tax benefits under the Act.

B. SPECIAL TAX BENEFITS TO THE SHAREHOLDERS UNDER THE INCOME TAX ACT, 1961 (THE “ACT”)

The Shareholders of the Company are not entitled to any special tax benefits under the Act.

Note:

1. All the above benefits are as per the current tax laws and will be available only to the sole/first name holder where the shares are held by joint holders.
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefits under any other law.
3. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities, or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

**For J.K. Shah & CO.
Chartered Accountants
FRN 109606W**

Sd/-

**Sanjay Dhruva
Partner
Membership No. 038480**

UDIN: 24038480BKBGJJ5915

**Place : Mumbai
Date: July 27, 2024**

SECTION IV – ABOUT THE COMPANY

INDUSTRY OVERVIEW

The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither We or any of our affiliates or advisors nor any other person connected with Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. The information may not be consistent with other information compiled by third parties within or outside India. Industry sources and publications generally state that the information contained therein has been obtained from sources it believes to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured. Industry and government publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry and government sources and publications may also base their information on estimates, forecasts and assumptions which may prove to be incorrect.

Before deciding to invest in the Equity Shares, prospective investors should read this entire Draft Letter of Offer, including the information in the sections "Risk Factors" and "Audited Financial Information" on pages 20 and 70 of this Draft Letter of Offer respectively. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with an investment in the Equity Shares, please see the section 'Risk Factors' on page 20 of this Draft Letter of Offer. Accordingly, investment decisions should not be based on such information.

Indian Economy

Strong economic growth in the first quarter of FY23 helped India overcome the UK to become the fifth-largest economy after it recovered from the COVID-19 pandemic shock. Nominal GDP or GDP at Current Prices in the year 2023-24 is estimated at Rs. 293.90 lakh crores (US\$ 3.52 trillion), against the First Revised Estimates (FRE) of GDP for the year 2022-23 of Rs. 269.50 lakh crores (US\$ 3.23 trillion). The growth in nominal GDP during 2023-24 is estimated at 9.1% as compared to 14.2% in 2022-23. Strong domestic demand for consumption and investment, along with Government's continued emphasis on capital expenditure are seen as among the key driver of the GDP in the first half of FY24. During the period January-March 2024, India's exports stood at US\$ 119.10 billion, with Engineering Goods (25.01%), Petroleum Products (17.88%) and Organic and Inorganic Chemicals (7.65%) being the top three exported commodity. Rising employment and increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

Future capital spending of the government in the economy is expected to be supported by factors such as tax buoyancy, the streamlined tax system with low rates, a thorough assessment and rationalisation of the tariff structure, and the digitization of tax filing. In the medium run, increased capital spending on infrastructure and asset-building projects is set to increase growth multipliers. The contact-based services sector has demonstrated promise to boost growth by unleashing the pent-up demand. The sector's success is being captured by a number of HFIs (High-Frequency Indicators) that are performing well, indicating the beginnings of a comeback.

India has emerged as the fastest-growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships. India's appeal as a destination for investments has grown stronger and more sustainable because of the current period of global unpredictability and volatility, and the record amounts of money raised by India-focused funds in 2022 are evidence of investor faith in the "Invest in India" narrative.

Market Size

Real GDP or GDP at Constant (2011-12) Prices in the year 2023-24 is estimated at Rs. 172.90 lakh crores (US\$ 2.07 trillion), against the First Revised Estimates (FRE) of GDP for the year 2022-23 of Rs. 160.71 lakh crores (US\$ 1.92 trillion). The growth in real GDP during 2023-24 is estimated at 7.6% as compared to 7.0% in 2022-23. There are 113 unicorn startups in India, with a combined valuation of over US\$ 350 billion. As many as 14 tech startups are expected to list in 2024 Fintech sector poised to generate the largest number of future unicorns in India. With India presently has the third-largest unicorn base in the world. The government is also focusing on renewable sources by achieving 40% of its energy from non-fossil sources by 2030. India is committed to achieving the country's ambition of Net Zero Emissions by 2070 through a five-pronged strategy, 'Panchamrit'. Moreover, India ranked 3rd in the renewable energy country attractive index.

According to the McKinsey Global Institute, India needs to boost its rate of employment growth and create 90 million non-farm jobs between 2023 to 2030 in order to increase productivity and economic growth. The net employment rate needs to grow by 1.5% per annum from 2023 to 2030 to achieve 8-8.5% GDP growth between same time period. India's current account deficit (CAD) narrowed to 1.2% of GDP in the October-December quarter. The CAD stood at US\$ 10.5 billion for the third quarter of 2023-24 compared to US\$ 11.4 billion or 1.3% of GDP in the preceding quarter. This was largely due to higher service exports.

Exports fared remarkably well during the pandemic and aided recovery when all other growth engines were losing steam in terms of their contribution to GDP. Going forward, the contribution of merchandise exports may waver as several of India's trade partners witness an economic slowdown. According to Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles Mr. Piyush Goyal, Indian exports are expected to reach US\$ 1 trillion by 2030.

(Source : <https://www.ibef.org/economy>)

Introduction to the Financial Services Industry

India has a diversified financial sector undergoing rapid expansion both in terms of strong growth of existing financial services firms and new entities entering the market. The sector comprises commercial banks, insurance companies, non-banking financial companies, co-operatives, pension funds, mutual funds and other smaller financial entities. The banking regulator has allowed new entities such as payment banks to be created recently, thereby adding to the type of entities operating in the sector. However, the financial sector in India is predominantly a banking sector with commercial banks accounting for more than 64% of the total assets held by the financial system.

The Government of India has introduced several reforms to liberalise, regulate and enhance this industry. The Government and Reserve Bank of India (RBI) have taken various measures to facilitate easy access to finance for Micro, Small and Medium Enterprises (MSMEs). These measures include launching Credit Guarantee Fund Scheme for MSMEs, issuing guidelines to banks regarding collateral requirements and setting up a Micro Units Development and Refinance Agency (MUDRA). With a combined push by Government and private sector, India is undoubtedly one of the world's most vibrant capital markets.

(Source : <https://www.ibef.org/industry/financial-services-india>)

Historical Context

Historically, NBFCs have been a vital cornerstone of the Indian financial ecosystem as important financial intermediaries channelizing savings and investments, especially for small-scale and retail sectors as well as underserved areas and unbanked sectors of the Indian economy.

A Non-Banking Financial company (NBFC) is a company registered under the Companies Act, 1956 or under Companies Act, 2013 engaged in the business of loans and advances, acquisition of shares /stocks /bonds /debentures /securities issued by Government or local authority or other marketable securities of a like nature, leasing, hire-purchase, insurance business, chit business but does not include any institution whose principal business is that of agriculture activity, industrial activity, purchase or sale of any goods (other than securities) or providing any services and sale/purchase/construction of immovable property. A non-banking institution which is a company and has principal business of receiving deposits under any scheme or arrangement in one lump sum or in instalments by way of contributions or in any other manner, is also a non-banking financial company (Residuary non-banking company).

In terms of Section 45-IA of the RBI Act, 1934, no Non-banking Financial Company can commence or carry on business of a non-banking financial institution without a) obtaining a certificate of registration from the Bank and without having a Net Owned Funds of ₹ 25 lakhs (₹ Two crore since April 1999). However, in terms of the powers given to the Bank, to obviate dual regulation, certain categories of NBFCs which are regulated by other regulators are exempted from the requirement of registration with RBI viz. Venture Capital Fund/Merchant Banking companies/Stock broking companies registered with SEBI, Insurance company holding a valid Certificate of Registration issued by IRDA, Nidhi companies as notified under Section 620A of the Companies Act, 1956, Chit companies as defined in clause (b) of Section 2 of the Chit Funds Act, 1982, Housing Finance Companies regulated by National Housing Bank, Stock Exchange or a Mutual Benefit Company.

A Company incorporated under the Companies Act, 1956 and desirous of commencing business of non-banking financial institution as defined under Section 45-IA of the RBI Act, 1934 should comply with the following:

1. it should be a company registered under Section 3 of the companies Act, 1956
2. It should have a minimum net owned fund of ₹ 200 lakh.

(Source: <https://www.rbi.org.in/Scripts/FAQView.aspx?Id=92>)

Categories of NBFCs

NBFCs are categorized

- a) in terms of the type of liabilities into Deposit and Non-Deposit accepting NBFCs,
- b) non deposit taking NBFCs by their size into non-systemically important and other non-deposit holding companies (NBFC-NDSI and NBFC-ND) and
- c) by the kind of activity they conduct.

Within this broad categorization the different types of NBFCs are as follows:

1. **Asset Finance Company (AFC):** An AFC is a company which is a financial institution carrying on as its principal business the financing of physical assets supporting productive/economic activity, such as automobiles, tractors, lathe machines, generator sets, earth moving and material handling equipment, moving on own power and general purpose industrial machines. Principal business for this purpose is defined as aggregate of financing real/physical assets supporting economic activity and income arising therefrom is not less than 60% of its total assets company total income respectively.
2. **Investment Company (IC):** IC means any Company which is a financial institution carrying on as its principal business the acquisition of securities,
3. **Loan Company (LC):** LC means any company which is a financial institution carrying on as its principal business the providing of finance whether by making loans or advances or otherwise for any activity other than its own but does not include an Asset Finance Company.
4. **Infrastructure Finance Company (IFC):** IFC is a non-banking finance company a) which deploys at least 75 per cent of its total assets in infrastructure loans, b) has a minimum Net Owned Funds of ₹ 300 crore, c) has a minimum credit rating of 'A 'or equivalent d) and a CRAR of 15%.
5. **Systemically Important Core Investment Company (CIC-ND-SI):** CIC-ND-SI is an NBFC carrying on the business of acquisition of shares and securities which satisfies the following conditions:
 - a. it holds not less than 90% of its Total Assets in the form of investment in equity shares, preference shares, debt or loans in group companies;
 - b. its investments in the equity shares (including instruments compulsorily convertible into equity shares within a period not exceeding 10 years from the date of issue) in group companies constitutes not less than 60% of its Total Assets;
 - c. it does not trade in its investments in shares, debt or loans in group companies except through block sale for the purpose of dilution or disinvestment;
 - d. it does not carry on any other financial activity referred to in Section 45I(c) and 45I(f) of the RBI Act, 1934 except investment in bank deposits, money market instruments, government securities, loans to and investments in debt issuances of group companies or guarantees issued on behalf of group companies.
 - e. Its asset size is ₹ 100 crore or above; and
 - f. It accepts public funds
6. **Infrastructure Debt Fund: Non- Banking Financial Company (IDF-NBFC):** IDF-NBFC is a company registered as NBFC to facilitate the flow of long term debt into infrastructure projects. IDF-NBFC raise resources through issue of Rupee or Dollar denominated bonds of minimum 5 year maturity. Only Infrastructure Finance Companies (IFC) can sponsor IDF-NBFCs.
7. **Non-Banking Financial Company - Micro Finance Institution (NBFC-MFI):** NBFC-MFI is a non-deposit taking NBFC having not less than 85% of its assets in the nature of qualifying assets which satisfy the following criteria:

- a. loan disbursed by an NBFC-MFI to a borrower with a rural household annual income not exceeding ₹ 1,00,000 or urban and semi-urban household income not exceeding ₹ 1,60,000;
 - b. loan amount does not exceed ₹ 50,000 in the first cycle and ₹ 1,00,000 in subsequent cycles;
 - c. total indebtedness of the borrower does not exceed ₹ 1,00,000;
 - d. tenure of the loan not to be less than 24 months for loan amount in excess of ₹ 15,000 with prepayment without penalty;
 - e. loan to be extended without collateral;
 - f. aggregate amount of loans, given for income generation, is not less than 50 per cent of the total loans given by the MFIs;
 - g. loan is repayable on weekly, fortnightly or monthly instalments at the choice of the borrower
 - h. **Non-Banking Financial Company – Factors (NBFC-Factors):** NBFC-Factor is a non-deposit taking NBFC engaged in the principal business of factoring. The financial assets in the factoring business should constitute at least 50 percent of its total assets and its income derived from factoring business should not be less than 50 percent of its gross income.
8. **Mortgage Guarantee Companies (MGC)** - MGC are financial institutions for which at least 90% of the business turnover is mortgage guarantee business or at least 90% of the gross income is from mortgage guarantee business and net owned fund is ₹ 100 crore.
 9. **NBFC- Non-Operative Financial Holding Company (NOFHC)** is financial institution through which promoter / promoter groups will be permitted to set up a new bank. It's a wholly-owned Non-operative Financial Holding Company (NOFHC) which will hold the bank as well as all other financial services companies regulated by RBI or other financial sector regulators, to the extent permissible under the applicable regulatory prescriptions.

(Source: <https://www.rbi.org.in/Scripts/FAQView.aspx?Id=92>)

Evolution

Over the years, NBFCs have evolved given the extensive changes in the regulatory framework for NBFCs in India which have moved from simplified regulations to stringent and extensive regulations as well as towards rationalisation per the currently revised NBFC regulatory framework. Given these high levels of regulation, NBFCs have also emerged as preferred options to meet credit needs since the low cost of operations has provided these NBFCs an edge over banks.

Financial Access and Supportive Government Schemes

Additionally, NBFCs have gradually become important mechanisms to fuel growth and entrepreneurship due to the launch of government-backed schemes including Pradhan Mantri Jan-Dhan Yojana which has contributed to a significant increase in the number of bank accounts.

These NBFCs have also been key in being able to mitigate and manage the spread of risks during times of financial duress and have increasingly become recognized as complementary services to banks.

NBFCs have become integral for all business services, including loans and credit facilities, retirement planning, money markets, underwriting and merger activities. As such these companies play an important role in providing credit to the unorganized sector and for small borrowers at local level. Additionally, hire purchase finance is also the largest activity of NBFCs and the rapid growth of NBFCs has gradually blurred the lines between banks and NBFCs although commercial banks have retained importance. These NBFCs facilitate long term investment and financing, which is challenging for banking sector, and the growth of NBFCs widens range of products available for individuals/institutions with resources to invest.

As of March 31, 2024, there were 9,327 NBFCs registered with the RBI categorized as Asset Finance Companies, Loan Companies, Infrastructure Finance Companies (IFCs), Systematically Important Core Investment Company (NBFC – CIC – ND – SI), Infrastructure Debt Fund (NBFC – IDF) and Micro Finance Institutions (NBFC – MFIs).

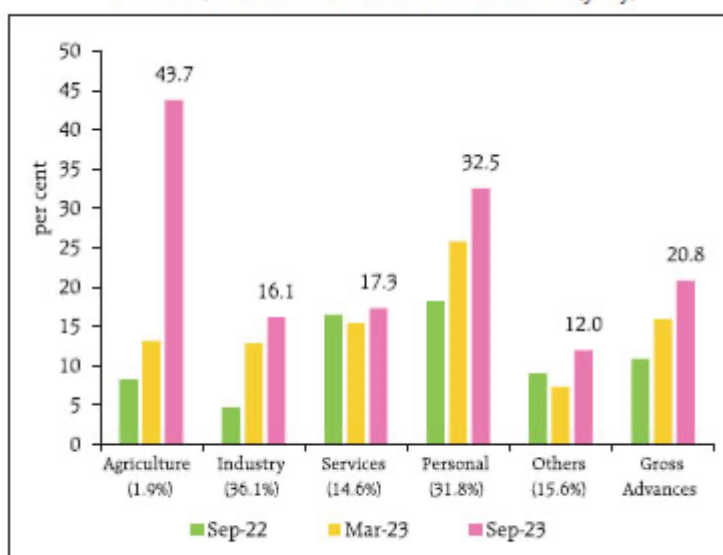
Growth of the NBFCs

Aggregate lending by NBFCs rose by 20.8 per cent (y-o-y) in September 2023 from 10.8 per cent a year ago, primarily led by personal loans and loans to industry ([Chart 2.27](#)). Growth in industrial advances was largely contributed by the Government NBFCs (18.3 per cent y-o-y), that account for 43 per cent of total credit by NBFCs. During the last four years, the compound annual growth rate (CAGR) for personal loans (nearly 33 per cent) has far exceeded that for overall credit growth (nearly 15 per cent) for the NBFC sector. Going forward, the recent increase in risk weights of select retail loan categories may have implications for NBFC credit growth at the overall, sectoral and sub-sectoral levels.

Credit growth by the NBFC sector in the post-pandemic period has accelerated for investment and credit companies (NBFC-ICCs), moving to double digits for infrastructure finance companies (NBFC-IFCs), and exceeding 30 per cent for micro-finance institutions (NBFC-MFI) ([Chart 2.28](#)).

The GNPA ratio of NBFCs continued on its downward trajectory with improvement across sectors. Among major sectors, the personal loans segment, which had grown rapidly in the last few years, continues to have the lowest GNPA ratio in September 2023 (3.6 per cent) ([Chart 2.29](#)). The GNPA ratio relating to Government and private NBFCs moderated further to 2.5 per cent and 6.1 per cent, respectively, but that of private NBFCs' industrial advances remains high at 12.5 per cent, despite a recent fall and constitutes 21.6 per cent of overall GNPA of the NBFC sector. The aggregate NNPA ratio of NBFCs continued to improve with PCR remaining at a robust level ([Chart 2.30](#)).

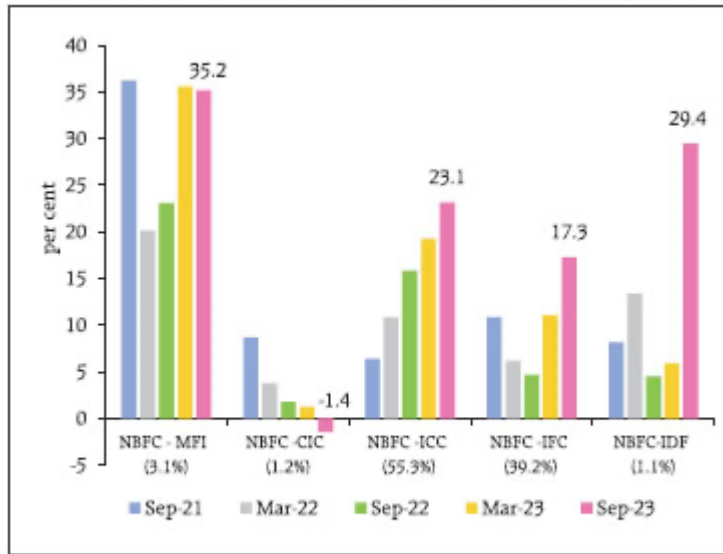
Chart 2.27: Sectoral Credit Growth of NBFCs (y-o-y)



Note: Figures in bracket represent shares in outstanding loans in Sep-23.

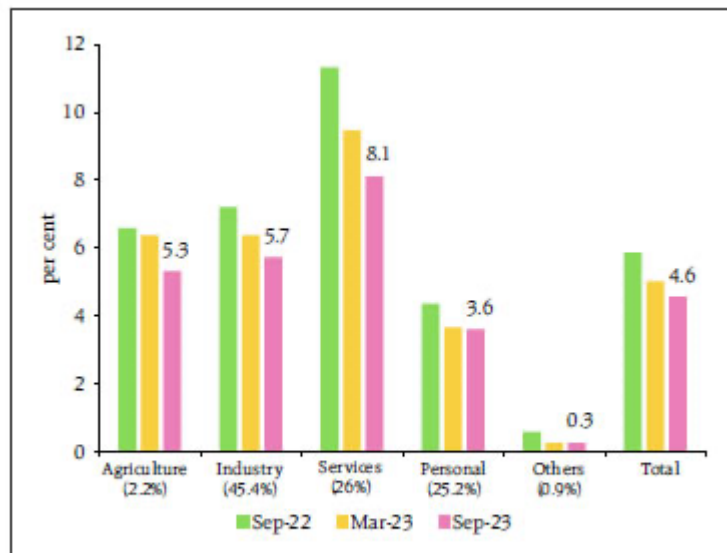
Sources: RBI supervisory returns and staff calculations.

Chart 2.28: Credit Growth of NBFCs Classified by Activity (y-o-y)



Note: Figures in bracket represent shares in outstanding loans in Sep-23.
Sources: RBI supervisory returns and staff calculations.

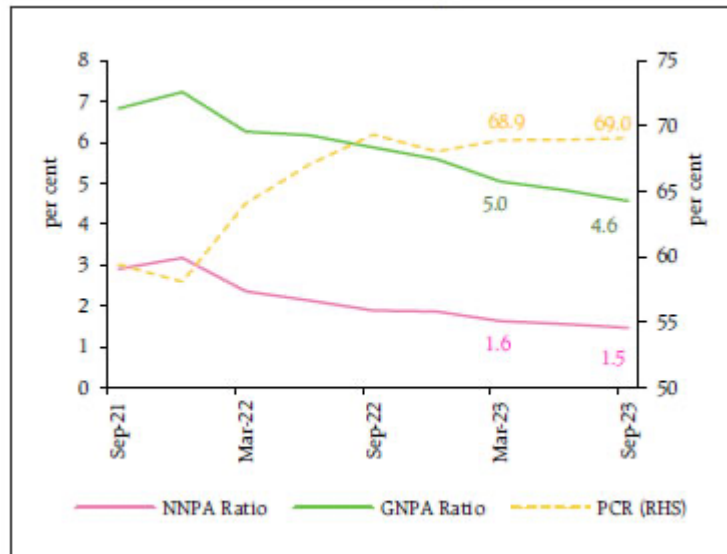
Chart 2.29: Sectoral GNPA Ratio of NBFCs



Note: Figures in brackets represent sectoral shares in GNPA in Sep-23.
Sources: RBI supervisory returns and staff calculations.

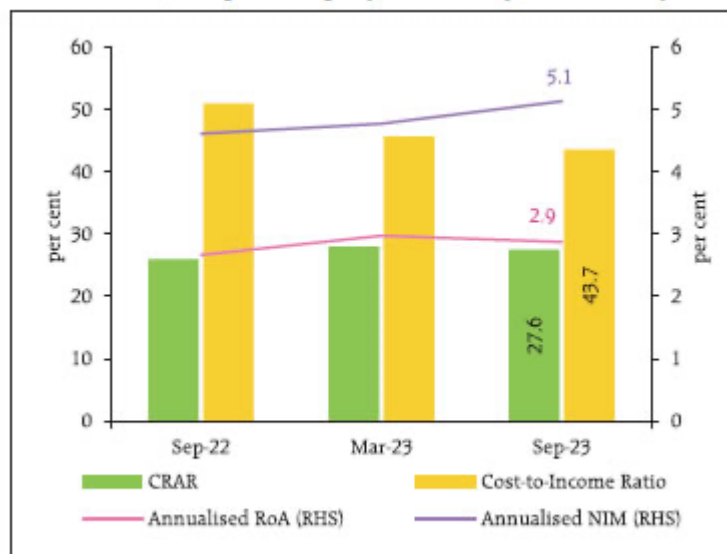
The capital position of NBFCs remained healthy, with CRAR at 27.6 per cent in September 2023, much above the regulatory minimum requirement of 15 per cent. The RoA ratio and net interest margin (NIM) stood strong and the cost-to-incomeratio³⁶ has improved gradually (Chart 2.31).

Chart 2.30: Asset Quality of NBFCs



Sources: RBI supervisory returns and staff calculations.

Chart 2.31: Capital Adequacy, Profitability and Efficiency



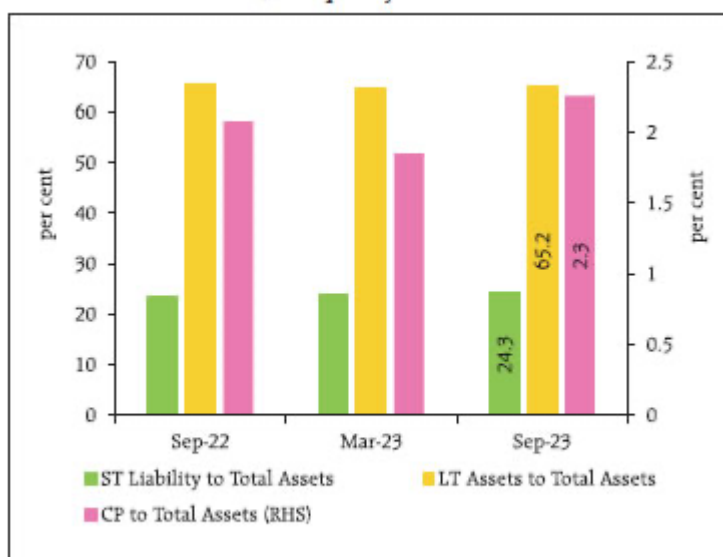
Sources: RBI supervisory returns and staff calculations.

Various liquidity stock measures for NBFCs show a stable position ([Chart 2.32](#)). Based on past 5-year data, an analysis of the ALM profile of top 50 NBFCs (accounting for about 70 per cent of the assets of the NBFC sector) shows that 88 per cent of the bonds issued by these NBFCs had residual maturity of up to 5 years in September 2018 which reduced to 76 per cent in September 2023, indicating elongation in tenor of bonds. There has also been a shift away from short-term borrowing for these top 50 NBFCs as the share of short-term borrowings in total borrowings came down from 47.7 per cent in September 2018 to 37.3 per cent over this period. Together with their increasing preference for longer term sources of funds, there has also been a shift towards long-term uses of funds. On the asset side, about 80 per cent of loans and advances for these top 50 NBFCs had a maturity of less than three years in September 2018, which reduced to 67 per cent in September 2023.

Share capital, reserves and surplus of NBFCs decreased during H1:2023-24 to constitute 27.9 per cent of their total liabilities. Mobilisation of resources through debentures also declined. The reliance on funding from banks has gradually risen over the years ([Table 2.9](#)). Over three fourth of resources mobilised from banks were secured

in nature and more than 85 per cent of such borrowings were by highly rated NBFCs (AA- and above) ([Chart 2.33](#)). Large NBFCs (viz., asset size above ₹25,000 crore) accounted for nearly 80 per cent of resources mobilised from banks by the sector ([Chart 2.34](#)).

Chart 2.32: Liquidity Stock Measures



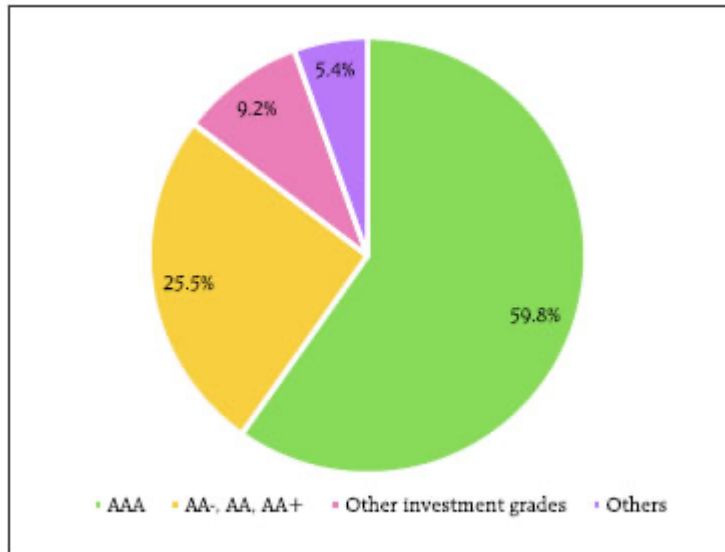
Sources: RBI supervisory returns and staff calculations.

Table 2.9: NBFCs' Sources of Funds

(per cent)				
Item Description	Mar-21	Mar-22	Mar-23	Sep-23
1. Share Capital, Reserves and Surplus	26.7	29.4	29.1	27.9
2. Total Borrowings	63.0	60.6	61.5	62.1
Of which:				
2(i) Borrowing from banks	19.8	20.6	21.9	22.2
2(ii) CPs subscribed by banks	0.4	0.4	0.3	0.4
2(iii) Debentures subscribed by banks	3.0	2.9	2.7	2.4
Total from banks [2(i)+2(ii)+2(iii)]	23.2	23.8	25.0	25.0
2(iv) CPs excluding 2(ii)	1.6	1.4	1.5	1.9
2(v) Debentures excluding 2(iii)	22.8	20.4	19.5	19.6
3. Others	10.2	10.0	9.5	10.0
Total	100.0	100.0	100.0	100.0

Source: RBI supervisory returns and staff calculations.

Chart 2.33: Rating-wise Distribution of NBFCs Resources Mobilised from Banks



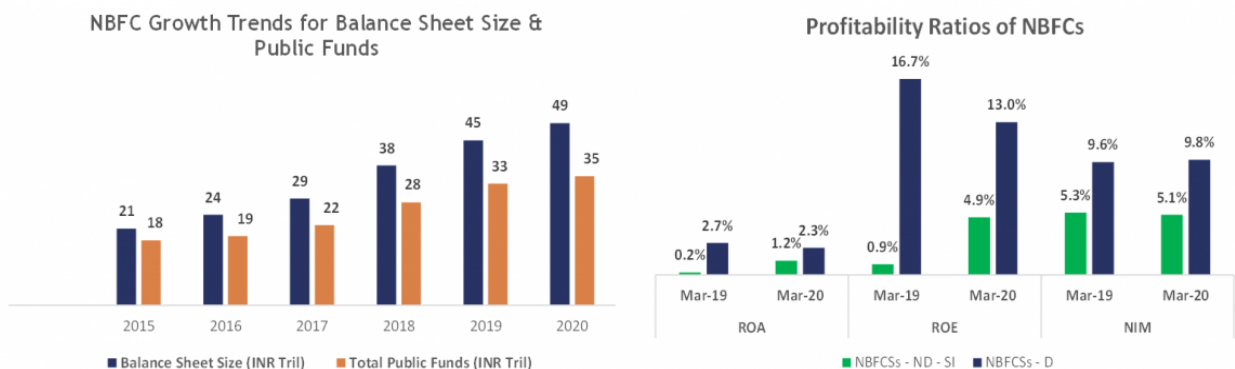
Sources: RBI supervisory returns and staff calculations.

The scale based regulatory structure of NBFCs comprises of four layers based on their size, activity and perceived riskiness. As of September 2023, NBFCs in the base, middle and upper layers had shares of 6.0 per cent, 71.0 per cent and 23.0 per cent, respectively, in total assets of NBFCs, while the top layer is empty. NBFCs in the upper layer recorded a healthy growth in H1:2023-24 and their GNPA ratio gradually improved while capital position remained robust.

(Source : <https://www.rbi.org.in/scripts/PublicationReportDetails.aspx?ID=1254>)

NBFC Engines of Growth as Growth Drivers

NBFCs have also been an integral cornerstone of key financing to MSMEs, and been driven by significant growth in rural, small scale and unbanked sectors. Structural catalysts include a large vibrant start-up and entrepreneurial ecosystem which has created NBFC demand and government policy initiatives such as Pradhan Mantri Yojana and National Rural Financial plan further augmenting the industry. These include diversified financial needs of Indian economy driven by growth in lending, credit, and vehicle financing. As a result of these growth drivers, we see that NBFCs have seen bigger balance sheets & increasing public funds. Improved profitability ratios of NBFCs has been observed for NBFC-ND-SIs across metrics for ROA, ROE and NIMs with impressive returns Y-o-Y returns between 2019-2020. For NBFC-Ds the ROA has been relatively flat, ROE has declined while NIMs improved Y-o-Y for 2019-2020.



Source: RBI; Pradhan Mantri Jan Dhan Yojana; Indian Banks' Association - Indian Banking Sector 2020

Challenges in NBFC sector:

- Business is highly regulated, and it may be adversely affected by future regulatory changes.
- Financial performance is vulnerable to interest rate risk, as most of the funding is from banking channels.
- Greater competition from NBFCs/banks/fintech could impact growth in AUM and profits.

The Road Ahead

NBFC segments provides huge growth opportunities particularly after the development of last few years. We have witnessed reasonable degree of consolidation in the NBFC sector. Liability side stress in the sector has largely reduced in last couple of years led by focussed efforts from the regulators side. With the passing of the second COVID wave, the outlook is brightening. During the year under review, the balance sheet of NBFCs expanded at a faster rate than a year ago, driven essentially by growth in credit and investments of NBFCs-ND-SI.

(Source: <https://www.investindia.gov.in/team-india-blogs/importance-nbfc-india>;
https://m.rbi.org.in/scripts/BS_ViewBulletin.aspx?Id=21206#)

OUR BUSINESS

Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. Before deciding to invest in the Equity Shares, Shareholders should read this entire Draft Letter of Offer. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with investment in the Equity Shares, you should read "Risk Factors" on page 20 of this Draft Letter of Offer, for a discussion of the risks and uncertainties related to those statements, as well as "Audited Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 70 and 144 respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Unless otherwise stated, the financial information used in this section is derived from our Audited Financial Statements.

Overview

Our Company was originally incorporated as "Vantage Financial Consultancy Services Private Limited" at Mumbai, on May 16, 1991 as a private limited company, under the Companies Act, 1956 and a Certificate of Incorporation was issued by the Registrar of Companies, Maharashtra at Mumbai (RoC). We were converted into a public limited company consequent to the special resolution of the shareholders and the name of our Company was also changed along with the conversion to "Vantage Financial Services Limited" on October 30, 1992 and a fresh Certificate of Incorporation was obtained from the RoC. Our name was once again changed to "Vantage Corporate Services Limited" on January 6, 1999 and a fresh Certificate of Incorporation was obtained from the RoC on January 06, 1999. The name of our Company was changed to its current name on September 27, 2018 and a fresh Certificate of Incorporation was obtained from the RoC on October 10, 2018. Our Company is registered under section 45-IA of The Reserve Bank of India Act, 1934 ("RBI") as Non-Systemically Important Non-Deposit taking Non-Banking Finance Company (NSI-ND-NBFC). The registration number is B-13.00707 vide Certificate of Registration dated April 20, 1998.

Our Company has been taken over by our current promoters Mr Pravin Gala, Ms Nirmala Gala and Mr Siddharth Gala vide a public announcement for an open offer issued under the SEBI Takeover Regulations on November 25, 2016. The current promoters had entered into a Share Purchase Agreement to acquire 6,18,101 Equity Shares constituting 11.21% of the Paid-up Share Capital of the Company. The current promoters acquired control of the Company on April 28, 2017.

As on the date of this Draft Letter of Offer, our Promoters and members of the promoter group hold 3,39,15,700 Equity Shares of ₹ 1/- each aggregating to 29.33% of the total paid-up capital of the Company.

Our Business

Our primary business is solution-based lending. We believe in enabling our customers to pursue ambitious growth strategies through speedy, personalized, and structured lending and financing solutions. Our loan book currently comprises of short time business and working capital loans to business houses, Personal Loans, Loans against Property, Loans against Shares, short-term working capital Loans to hospitals. We have recently forayed into lease finance of cars/vehicles to Corporates through customized and flexible lease schemes to meet their Business and Employee mobility solutions with ease.

The revenue streams of the company are through generation of interest income on loans given to the customers, fee income from various services, lease Income and other Investment incomes.

We propose to explore customized lending opportunities in sectors with green initiatives like funding Solar Energy installations and Electric Vehicle financing. We also plan to explore opportunities in equipment financing to Hospitals. This along with new customer additions and new geographies will further diversify our portfolio. We plan to augment our business through improved social media presence, print ads and B2B partnerships that enable credit lines to the end customer. We have accordingly entered into agreements for providing vehicle lease, lease finance for hospital equipment and providing finance for the purchase of solar equipment, EV batteries and such other green assets.

Set out below is a summary of our financial and operational performance, for the periods indicated.

(Amount in ₹ '000)

Particulars	Fiscal 2024	Fiscal 2023
	<i>Audited</i>	
Total Income from operations	31,748.04	25,303.92
EBITDA	17,049.96	14,262.96
Profit / (Loss) after Tax	9,373.02	7,734.21
Equity Share Capital	1,15,637.50	1,15,637.50
Net worth	1,55,668.16	1,46,295.15
Earnings Per Share (In Rs)	0.08	0.07
Net Asset Value (In Rs)	1.35	1.2

Our segment wise revenue for the two fiscals have been as under:

Particulars	Fiscal 2024		Fiscal 2023	
	<i>Audited</i>			
	Amount	Percentage to total income	Amount	Percentage to total income
Interest Income	17,000.08	53.55	14,104.12	55.74
Dividend Income	22.60	0.07	53.97	0.21
Lease Income	13,888.25	43.75	10,307.88	40.74
Fees and Commission Income	383.21	1.21	0.00	0.00

Our Business Partners

1. We have entered into an agreement with Dream Road Technologies Private Limited, a company having its office at Gurgaon India on June 04, 2021 as per which we have agreed to provide a lease facility of vehicles on an operating lease basis. As per the agreement, Dream Road shall provide the vehicles to be purchased and based on the due diligence, we advance the amount to be paid to the seller directly. Lease rentals are collected on a monthly basis from the lessee with an option to buyback the vehicle at a agreed consideration at the end of the lease tenure.
2. We have entered into an agreement with BG Networks Private Limited, Thane, Maharashtra, on August 22, 2023 our business partner for the purpose of providing short term loans to hospitals referred by the Partner.
3. We have entered into an agreement with Spoctech Green Ventures Private Limited, Borivali, Mumbai which is engaged in the business of providing green asset solutions including installing solar power generating systems for both roof top and open access. Through an agreement dated May 31, 2024, we have agreed with Spoctech, our business partner to provide financial assistance under the category "Green Asset Loan Products" to the sub asset class like solar installations, EV Chargers, EV Batteries and Electric Vehicles to its customers across commercial, residential, institutional and industrial base. Spoctech will provide a list of customers who will require assistance. We will provide necessary assistance after necessary due diligence process and our partner will be responsible for the recovery of the loan amount and monitoring the assets / provide monthly impact reports.

Our Business Strategies

The digital lending in India has sharply risen, especially during the COVID-19 pandemic. Banks and NBFCs are increasingly lending either directly through their own digital platforms or through a digital lending platform under an outsourcing arrangement. Our business strategies are as under:

1. **To explore customized lending opportunities in sectors with green initiatives like funding Solar Energy installations:** We intend to provide loans to corporates which are in the installation of solar energy panels and such other equipment. We are exploring the opportunities in this sector currently and intend to provide loans which will suit the needs of such corporates.
2. **To provide finance to companies which are in the manufacture of electric vehicles:** The electric vehicle (EV) revolution in India is gaining momentum, driven by technological advancements, environmental consciousness, and government initiatives. As the demand for EVs continues to rise, the

need for reliable financing options becomes crucial. We intend to provide financing solutions for electric two-wheelers, three-wheelers, and four-wheelers by offering competitive interest rates, flexible repayment options and quick loan disbursals.

3. **To explore opportunities for equipment finance to hospitals:** We intend to provide loans to hospitals for the purchase of equipment like CT Scanners, Colour Dopplers, X-ray machines, Sonography Machines and the like.
4. **To explore opportunities for bills receivable discounting:** We intend to foray into funding solutions to business such as financing their Outstanding Invoices and Bills for a discount.

Our Subsidiaries

We do not have any subsidiary as on the date of this Draft Letter of Offer.

Competition

We operate in a highly competitive industry. We face competition from the full spectrum of public sector banks, private sector banks (including foreign banks), financial institutions, captive finance affiliates of players in various industries, small finance banks and other NBFCs who are active in SME, retail and individual lending. Many of our competitors may 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. They may also have greater geographical reach, long-standing partnerships and may offer their customers other forms of financing that we may not be able to provide. Competition in our industry depends on, amongst others, the ongoing evolution of government and regulatory policies, the entry of new participants and the extent to which there is consolidation among banks and financial institutions in India.

Collaborations/Tie Ups/ Joint Ventures

As on date of this Draft Letter of Offer, we do not have any Collaboration/Tie Ups/ Joint Ventures except the ones mentioned under ‘Our Business Partners’ on page 61 of this Draft Letter of Offer.

Human Resources

We believe that our employees are key contributors to our business success. As on March 31, 2024, we have 11 employees including our Directors, who look after our business operations, management administrative, secretarial, marketing and accounting functions in accordance with their respective designated goals.

Following is a department wise employee break-up:

Department	Number of Employees
Top level management	3
Accounts	2
Credit and Operations	4
Secretarial	1
Others	1
Total	11

Intellectual Property

Our Company does not own any intellectual property rights as on date of this Draft Letter of Offer.

Corporate Social Responsibility

We as a responsible corporate citizen are committed to take up different developmental projects, towards improving the quality of lives of the underprivileged sections of the society and other stakeholders. We are not required to constitute a Corporate Social Responsibility Committee as our Company does not fall within purview of Section 135(1) of the Companies Act, 2013. We are also not required to formulate a policy on corporate social responsibility.

Insurance

We do not have any insurance policy as on the date of this Draft Letter of Offer.

Our Immovable Properties

We carry out business operations from the following properties:

a) *Leasehold/Rental property:*

Sr. no.	Details of the Deed/Agreement	Particulars of the property, description and area	Consideration	Usage
1.	Leave & License Agreement dated February 17, 2023	502, Corporate Arena, D.P. Piramal Road, Goregaon (W), Mumbai, Maharashtra, 400104 Area: 311 sq. ft built up	Rs. 50,000 per month plus taxes	Registered Office

OUR MANAGEMENT

Board of Directors

The composition of the Board is governed by the provisions of the Companies Act, 2013, the SEBI Listing Regulations and the Articles of Association. In accordance with the Articles, unless otherwise determined by our Company in general meeting, our Company shall not have more than 15 Directors. As at the date of this Draft Letter of Offer, our Board comprises of 6 Directors, including three executive Directors (including one woman Director), and three non-executive Independent Directors.

The following table provides details regarding the Board of Directors of our Company as at the date of filing this Draft Letter of Offer:

Name, address, designation, occupation, term, period of directorship, DIN and date of birth	Age (in years)	Other directorships
Nirmala PravinGala DIN: 00894497 Date of Birth: October 13, 1965 Designation: Managing Director Address: 2501 Angelica, Mahindra Eminente, S.V. Road, Goregaon (West), Mumbai - 400104 Occupation: Business Term: For a period of 5 years from April 28, 2022, Liable to retire by rotation Original Date of Appointment: April 27, 2017 Nationality: Indian	58	Indian Companies: 1. Nipra Trading Private Limited 2. GM Mercantile Private Limited
Pravin Nanji Gala DIN: 00786492 Date of Birth: November 02, 1964 Designation: Chairman and Whole Time Director Address: 2501 Angelica, Mahindra Eminente, S.V. Road, Goregaon (West), Mumbai - 400104 Occupation: Business Term: For a period of 5 years from July 17, 2023 to July 16, 2028, Liable to retire by rotation Original Date of Appointment: April 27, 2017 Nationality: Indian	59	Indian Companies: 1. Anupam Realities Private Limited 2. Nipra Trading Private Limited 3. GM Mercantile Private Limited
Siddharth Pravinchandra Gala DIN: 08128110 Date of Birth: May10, 1991 Designation: Executive Director Address: 2501 Angelica, Mahindra Eminente, S.V. Road, Goregaon (West), Mumbai - 400104 Occupation: Business Term: Liable to retire by rotation Original Date of Appointment: July 17, 2018 Nationality: Indian	33	Indian Companies: 1. Anupam Wealth Private Limited

Name, address, designation, occupation, term, period of directorship, DIN and date of birth	Age (in years)	Other directorships
<p>Darshan Jajal DIN: 02875401 Date of Birth: September 12, 1978 Designation: Non-Executive Independent Director Address: 401, Harshita Building, Liberty Garden Cross Road No. 04, Above Amar Dairy, Malad West, Mumbai 400064 Occupation: Service Term: For a period of 5 years from August 27, 2019 Original Date of Appointment: 27.08.2014 Nationality: Indian</p>	45	Nil
<p>Rajendra Shah DIN: 00022112 Date of Birth: April 27, 1964 Designation: Non-Executive Independent Director Address: Flat no. 202, Plot no. 12, Landmark Building, 5th N.S. Road, Friendly Society, JVPD Scheme, Vile Parle, Mumbai 400056 Occupation: Business Term: For a period of 5 years from April 28, 2022 Original Date of Appointment: April 27, 2017 Nationality: Indian</p>	60	<ol style="list-style-type: none"> 1. Flamingo Auto Industries Pvt Ltd, 2. Vichi Agro Products Pvt Ltd, 3. Shrishti Retail Pvt Ltd, and 4. Vichi Foods Pvt Ltd
<p>Dhirubhai Desai DIN: 00340309 Date of Birth: September 26, 1944 Designation: Non-Executive Independent Director Address: A-18, Pushpanjalee Co-op Hsg Society, Near Thakare Swimming Pool, Vile Parle East, Mumbai 400057 Occupation: Retired Banker Term: For a period of 5 years from April 28, 2022. Original Date of Appointment: April 27, 2017 Nationality: Indian</p>	79	Nil

Mr. Pravin Gala is a qualified Chartered Accountant and has more than 40 years of experience in the field of finance and capital markets. He is founder Director of Anupam Realities Pvt Ltd, Nipra Trading Pvt Ltd, GM Merchantile Pvt Ltd

Mr. Siddharth Pravinchandra Gala has completed his Bachelors in Computer Engineering from Rajiv Gandhi Institute of Technology and Masters of Science in Financial Engineering from Stevens Institute of Technology. He has over 5 years of experience in data analytics and equity research. He was associated with Acme SF, United States and presently is Promoter Director of Companies such as Anupam Wealth Pvt Ltd, Artinfinity Distributions LLP.

Ms. Nirmala Pravin Gala has completed Higher Secondary Education from Maharashtra State Board. She has expertise in marketing and distribution of financial products. She is the Co-founder Director of Nipra Trading Private Limited. Her insight and understanding of Micro and Retail loans is helpful to the company in expanding its Retail Loan Portfolio. She is involved with various NGOs which helps women to earn their livelihood.

Mr. Darshan Jajal has Bachelors in Banking, Financial Services & Insurance, Tata Institute of Social Sciences. He has experience more than 20 years in Broking and Capital Markets. He was associated with companies such as Triveni Management, Inventure Growth & Securities Pvt. Ltd., Anupam Stock Broking Pvt. Ltd.

Mr. Rajendra Shah is a qualified Chartered Accountant from Institute of Chartered Accountants of India. He is an established Industrialist in Manufacturing and Marketing of Agro Products. He is associated with and is Promoter Director of Companies such as Flamingo Auto Industries Pvt Ltd, Vichi Agro Products Pvt. Ltd., Shrishti Retail Pvt. Ltd., Vichi Foods Pvt. Ltd.

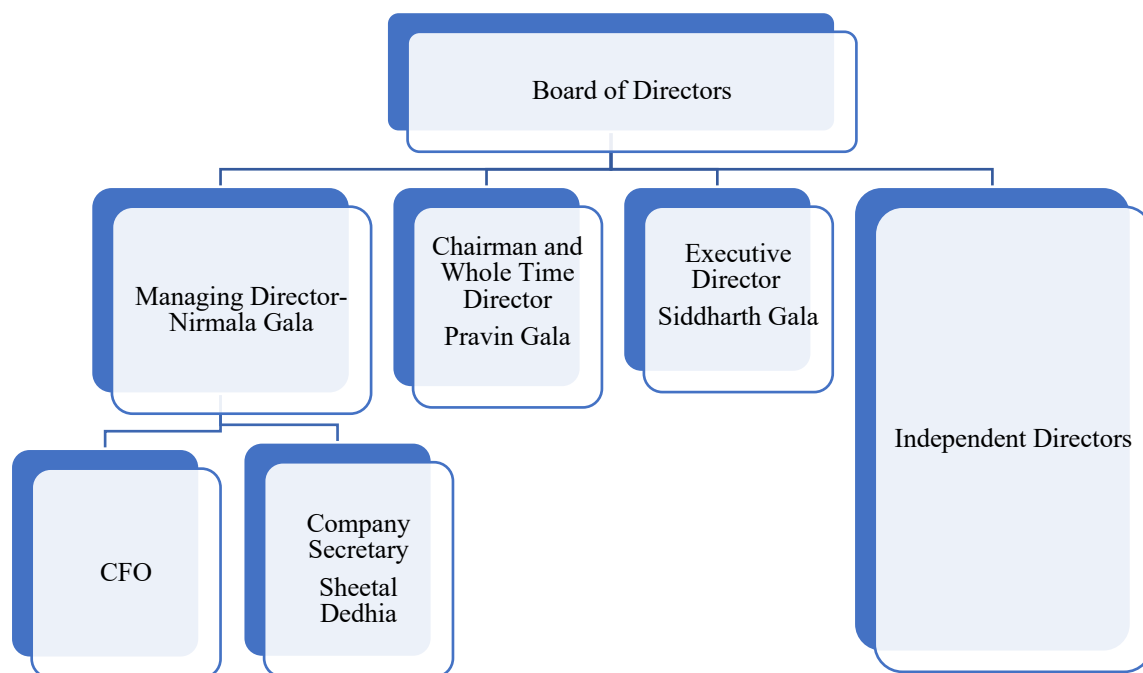
Mr. Dhirubhai Desai is Bachelors in Science from University of Mumbai. He has more than 25 years of association with Bank of India in various senior positions in domain of banking and risk management.

Confirmations

1. None of our Directors of our Company have held or currently hold directorship in any listed company whose shares have been or were suspended from being traded on any of the stock exchanges in the five years preceding the date of filing of this Draft Letter of Offer, during the term of his/ her directorship in such company.
2. Further, none of our Directors of our Company are or were associated in the capacity of a director with any listed company which has been delisted from any stock exchange(s) at any time in the past.

Management Organization Structure

The following is the Organisation Structure of our Company:



Our Key Managerial Personnel

In addition to our Managing Director, whose details have been provided under paragraph above titled '*Brief Profile of our Directors*', set forth below are the details of our Key Managerial Personnel as on the date of filing of this Draft Letter of Offer:

Ms Sheetal Dedhia, aged 45 years, is the Company Secretary and Compliance Officer of our Company and was appointed with effect from May 28, 2018. She holds a Master's degree in Commerce from Mumbai University and Gen LLB from GJ Advani Law College. She is an Associate member of The Institute of Company Secretaries

of India with membership number ACS 52175. She has more than 7 years of experience in the field of secretarial compliances. She is responsible for handling corporate secretarial and compliance work of our company.

All our Key Managerial Personnel are permanent employees of our Company.

None of our Key Managerial Personnel are entitled to receive any termination or retirement benefits.

Relationship of Key Managerial Personnel with our Key Managerial Personnel

None of the Key Managerial Personnel are related to each other or to the Directors and Promoters of the Company.

RELATED PARTY TRANSACTIONS

For details of the related party transactions, during the last two Fiscals, as per the requirements under the relevant accounting standards and as reported in the Audited Financial Information, see section titled “*Financial Information*” at page 70 of this Draft Letter of Offer.

DIVIDEND POLICY

The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. The dividend, if any, will depend on a number of factors, including but not limited, consolidated net operating profit after tax, working capital requirements, capital expenditure requirements, cash flow required to meet contingencies, outstanding borrowings, and applicable taxes payable by our Company. In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under loan or financing arrangements of our Company is currently availing of or may enter into to finance our fund requirements for our business activities.

Dividends paid on Equity Shares:

We have not paid any dividends for the last 3 years. For details in relation to the risk involved, see “*Risk Factor No. 18 – “Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants in our financing arrangements.”*” on page 26 of this Draft Letter of Offer.

SECTION V – FINANCIAL INFORMATION

AUDITED FINANCIAL INFORMATION

S. No.	Details	Page Number
1.	Audited Financial Statements as at and for the year ended March 31, 2024.	72
2.	Accounting Ratios	142
3.	Statement of Capitalisation	143

(The remainder of this page has been intentionally left blank)

Audited Financial Statement for the year ended March 31, 2024

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

To
The Members of Anupam Finserv Limited

Opinion

We have audited the accompanying financial statements of **Anupam Finserv Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2024, the statement of Profit and Loss, including the statement of Other Comprehensive Income, the cash flow statement and the statement of changes in equity for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2024, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year ended 31st March, 2024. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the following matters to be the key audit matters to be communicated in our report:

Sr. No.	Key Audit Matter	Auditor's Response
a.	<p>Impairment of financial assets (expected credit losses) (as described in Note No 5 of the financial statements)</p> <p>Ind AS 109 requires the Company to recognise impairment loss allowance towards its financial assets (designated at amortised cost) using the expected credit loss (ECL) approach. Such ECL allowance is required to be measured considering the guiding principles of Ind AS 109 including:</p> <ul style="list-style-type: none"> • unbiased, probability weighted outcome under various scenarios; • time value of money; • impact arising from forward looking macro-economic factors and; • availability of reasonable and supportable information without undue costs. <p>Applying these principles involves significant estimation in various aspects, such as:</p> <ul style="list-style-type: none"> • grouping of borrowers based on homogeneity; • staging of loans and estimation of behavioural life; • determining macro-economic factors impacting credit quality of receivables; • estimation of losses for loan products with no / minimal 	<p>Principal Audit Procedures:</p> <p>We read and assessed the Company's accounting policies for impairment of financial assets and their compliance with Ind AS 109 read with RBI guidelines.</p> <ul style="list-style-type: none"> • We tested the criteria for staging of loans based on their past-due status to check compliance with requirement of Ind AS 109 read with RBI guidelines. Tested a sample of performing (stage 1) loans to assess whether any loss indicators were present requiring them to be classified under stage 2 or 3 and vice versa. • We evaluated the reasonableness of the management estimates by understanding the process of ECL estimation and tested the controls around data extraction and validation. • Tested the ECL model, including assumptions and underlying computation.

	<p>historical defaults.</p> <p>Considering the significance of such allowance to the overall financial statements and the degree of estimation involved in computation of expected credit losses, this area is considered as a key audit matter.</p>	
b.	<p>Evaluation of Loans and Advances Given: Being a non-banking finance Company holding registration under section 45IA of the Reserve Bank of India Act, 1934, the loans and advances given by the Company constitute the major component out of the total assets of the Company. Therefore, there is a significant inherent exposure of such risk-bearing assets to the uncertainties of default in interest or principle or both.</p>	<p>Principle Audit Procedures:</p> <p>Our Audit Procedures involved assessment of Company's policy and control system along with the review of procedures adopted for determining eligibility and thereafter sanctioning of the loans and advances. Furthermore, we have selected a sample of loan agreements/ contracts and through inspection of evidence and material available and placed on record, verified whether the same comply with set policies of the Company for determining the operating effectiveness of such controls.</p>

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and

obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the financial year ended 31st March, 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, in our opinion and to the best of our information and according to the explanations given to us, the Company has not paid/ provided for any remuneration to its directors during the year.

As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

- (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) the company has no branch offices whose accounts are audited by branch auditors;
- (d) the Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Statement of Cash Flow and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- (e) in our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015;
- (f) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

- (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- (h) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. there are no pending litigations against the Company.
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2024.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. The Company's Board of Director has not proposed any dividend for the financial year covered under Audit. The Company had not paid dividend in respect of previous financial year.
- vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024

For J. K. Shah & Co.
Chartered Accountants
Firm's registration number: 109606W

CA Sanjay Dhruva
Partner
Membership Number: 038480
UDIN: 24038480BKBGIZ1123

Place: Mumbai
Date: May 30, 2024

Annexure - A to the Independent Auditors' Report

Annexure A referred to in paragraph under the heading 'Report on other legal and regulatory requirements' of our report of even date

- (i)
- a)
- A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipments.
- B. The Company does not have any intangible assets.
- b) These Property, Plant & Equipments have been physically verified by the management at regular interval considering the size of the Company and nature of assets. No material discrepancies have been noticed on such verification.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not own any immovable properties. In respect of immovable properties of land and building that have been taken on lease, the lease agreements are in the name of the Company.
- d) The Company has not revalued any of its Property, Plant and Equipment during the year.
- e) According to the information and explanations given to us, the records examined by us, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made there under.
- (ii) The Company's business does not involve inventories and, accordingly, the requirements under clause 3(ii) of the Order are not applicable to the Company.
- (iii) One of the core business activity of the company is to grant loans. Accordingly, the provision of clause 3(iii) (a) of the Order is not applicable to it.
- (b) The Company, is a Non-Banking Financial Company ('NBFC'), registered under provisions of RBI Act, 1934. In our opinion and according to the information and explanations given to us, the terms and conditions of the grant of all loans and advances in the nature of loans provided are not prejudicial to the Company's interest.
- (c) The Company, being a NBFC, registered under provisions of RBI Act, 1934 and rules made thereunder, in pursuance of its compliance with provisions of the said Act/Rules, particularly, the Income Recognition, Asset Classification and Provisioning Norms, monitors repayments of principal and payment of interest by its customers as stipulated. In our opinion and according to the information and explanations given to us, in respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated and in cases where repayment of principal and

payment of interest is not received as stipulated, the cognizance thereof is taken by the Company in course of its periodic reporting. According to the information and explanation made available to us, reasonable steps are taken by the Company for recovery thereof.

(d) The Company, being a NBFC, registered under provisions of RBI Act, 1934 and rules made thereunder, in pursuance of its compliance with provisions of the said Act/Rules, particularly, the Income Recognition, Asset Classification and Provisioning Norms, monitors the total amount overdue including principal and/or payment of interest by its customers for more than 90 days. In cases where repayment of principal and payment of interest is not received as stipulated, the cognizance thereof is taken by the Company. During the year under consideration the amount overdue is INR 1,827.25. According to the information and explanation made available to us, reasonable steps are taken by the Company for recovery thereof.

(e) Since the Company's principal business is to give loans, the provision of clause 3(iii)(e) of the Order is not applicable to it.

(f) Based on our audit procedures and according to the information and explanation made available to us, the Company has during the year under consideration granted loan to its promoters & other related parties as defined under section 2(76) of Companies Act, 2013. The said loan is repayable on demand. The company has granted a loan of INR 1,45,551.21. Out of the said amount INR 11,450.00 pertains to promoters & other related parties as defined under section 2(76) of Companies Act, 2013. Thus, the percentage of loans granted to the promoters or their relatives to total loan granted is 7.87%.

- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Act are applicable and hence not commented upon.
- (v) In our opinion and according to the information and explanations given to us, the Company being a non-banking financial company registered with the Reserve Bank of India, the provisions of sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014, as amended, with regard to the deposits accepted are not applicable to the Company. We are being informed by the Management that the company is registered as a non-deposit taking NBFC with the RBI.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under section (1) of section 148 of the Companies Act, 2013, with respect to the Company.
- (vii) a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Income tax have been regularly deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of such statutory dues were in arrears as at 31st March, 2024 for a period of more than six months from the date they became payable.

- b) According to information and explanation given to us, there are no disputed dues with statutory authorities.
- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) a) According to the records of the Company, it has not defaulted in repayment of loans or other borrowings or in payment of interest to any lenders.
- b) According to the information and explanations given to us, the Company has not been declared willful defaulter by any bank or financial institution or other lender.
- c) The Company has not taken any term loan during the year. Hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.
- e) Since the company has no subsidiaries / associates / joint ventures, reporting under clause 3(ix)(e) of the Order is not applicable.
- f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries or associate companies and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- (x) a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- b) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xi) Based upon the audit procedures performed by us and according to the information and explanations given to us
- a) No fraud on or by the Company has been noticed or reported during the year.
- b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

- c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, Clause (xii) of the Order is not applicable
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) a) The Company has an internal audit system in place. In our opinion and based on our examination, we are of the opinion that the internal audit system needs to be strengthened to commensurate with the size and the nature of its business
- b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) a) The Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and the Company has obtained the required registration.
- b) According to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid CoR from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- c) According to the information and explanation given to us, the Company is not a Core Investment Company (CIC) and there is no CIC within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi) (c) and (d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year and accordingly reporting under clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial

liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) The Company is not covered under CSR provisions as per criteria laid down in sub-section (5) of Section 135 of the Companies Act 2013. Accordingly, reporting under clause 3(xx)(a) and 3(xx)(b) of the Order is not applicable for the year.
- (xxi) Since the company is not required to prepare consolidated financial statement, reporting under clause 3(xxi) of the Order is not applicable for the year.

For J. K. Shah & Co.
Chartered Accountants
Firm's registration number: 109606W

CA Sanjay Dhruva
Partner
Membership Number: 038480
UDIN: 24038480BKBGIZ1123

Place: Mumbai
Date: May 30, 2024

Annexure -B to the Independent Auditors' Report

Annexure B referred to in paragraph under the heading 'Report on other legal and regulatory requirements' of our report of even date

Report on the Internal Financial Controls under Clause (i) of Sub-section (3) of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of **Anupam Finserv Limited** ("the Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls with reference to Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls with reference to Financial Statements (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial statements and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

J.K. SHAH & CO.
CHARTERED ACCOUNTANTS

**OFFICE No.5, 5th FLOOR,
AMAN CHAMBERS,
OPERA HOUSE,
MUMBAI 400 004
TEL. : 4022 5581
4022 5582
email: info@jkshah.co.in**

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal control with reference to financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls With reference to Financial Statements issued by the Institute of Chartered Accountants of India.

For J. K. Shah & Co.
Chartered Accountants
Firm's registration number: 109606W

CA Sanjay Dhruva
Partner
Membership Number: 038480
UDIN: 24038480BKBGIZ1123

Place: Mumbai
Date: May 30, 2024

ANUPAM FINSERV LIMITED
BALANCE SHEET AS AT MARCH 31, 2024

(Amount in Rupees '000)

Particulars	Note No.	As at Mar 31, 2024	As at Mar 31, 2023
ASSETS			
I Financial Assets			
(a) Cash and Cash Equivalents	3	2,685.70	1,135.75
(b) Bank Balance other than (a) above	4	2,836.55	2,836.55
(c) Receivables	5		
Trade Receivables		755.78	877.39
(d) Loans	6	1,45,551.21	1,49,237.52
(e) Investments	7	6,834.30	6,345.46
(f) Other Financial Assets	8	680.43	1,574.31
Total Financial Assets		1,59,343.97	1,62,006.97
II Non-Financial Assets			
(a) Property, Plant and Equipment	9	22,369.93	24,015.94
(b) Other Non-Financial Assets	10	268.25	987.97
Total Non-Financial Assets		22,638.18	25,003.91
Total Assets		1,81,982.15	1,87,010.88
LIABILITIES AND EQUITY			
LIABILITIES			
I Financial Liabilities			
(a) Payables	11		
(I) Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		446.13	119.74
(II) Other Payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		330.30	144.00
(b) Borrowings (Other than debt securities)	12	23,550.62	39,500.00
(c) Other Financial Liabilities	13	1,273.86	727.17
Total Financial Liabilities		25,600.91	40,490.91

ANUPAM FINSERV LIMITED**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024****(Amount in Rupees '000)**

Particulars	Note No.	Year ended March 31, 2024	Year ended March 31, 2023
I Revenue from operations			
(i) Interest Income	19	17,000.08	14,104.12
(ii) Dividend Income	20	22.60	53.97
(iii) Lease Income	21	13,888.25	10,307.88
(iv) Fees Income	22	383.21	-
(v) Net gain on fair value changes	27	-	837.94
(vi) Impairment on financial instruments reversal	23	453.90	-
Total Revenue from operations		31,748.05	25,303.92
II Other Income	24	306.01	0.26
III Total Income		32,054.06	25,304.18
IV Expenses			
(i) Finance Costs	25	3,020.72	3,068.10
(ii) Fees and Commission Expenses	26	1,908.78	-
(iii) Net loss on fair value changes	27	1,658.61	-
(iv) Net loss on de-recognition of financial instruments under amortised cost category	28	52.47	-
(v) Impairment on financial instruments	23	-	302.47
(vi) Employee Benefits Expenses	29	3,676.22	1,430.33
(vii) Depreciation, amortization and impairment	30	4,898.06	3,977.84
(viii) Others expenses	31	4,381.29	6,240.06
Total Expenses		19,596.15	15,018.79
V Profit / (Loss) before tax (III -IV)		12,457.91	10,285.39
VI Tax Expenses:			
Current Tax		3,200.00	3,000.00
Deferred Tax		29.39	(305.40)
Earlier Year tax		(144.50)	(143.42)
Total Tax Expenses		3,084.89	2,551.18
VII Profit / (Loss) after tax for the year		9,373.02	7,734.21

ANUPAM FINSERV LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024

(Amount in Rupees '000)

Particulars	Note No.	Year ended March 31, 2024	Year ended March 31, 2023
VIII Other Comprehensive Income			
Items that will not be reclassified to profit and loss		-	-
Items that will be reclassified to profit and loss		-	-
Total Other comprehensive income		-	-
IX Total Comprehensive Income for the year (VII+VIII) [Comprising Profit/(Loss) and other Comprehensive Income for the year]		9,373.02	7,734.21
X Earnings per Equity Share [Nominal Value of share Rs 1/- (Previous year Rs. 1/-)]			
Basic (Rs.)	39	0.08	0.07
Diluted (Rs.)	39	0.08	0.07

Notes forming an Integral part of these Ind-AS financial 1 to 49 statements

As per our report of even date
For J. K. Shah & Co.
Chartered Accountants
Firm Registration No. 109606W

For and on behalf of the board of directors of
Anupam Finserv Limited
CIN: L74140MH1991PLC061715

CA Sanjay Dhruva
Partner
Membership No : 038480

Nirmala Gala
Managing
Director
DIN: 00894497

Pravin Gala
Whole Time
Director & CFO
DIN: 00786492

Sheetal Dedhia
Compay Secretary
M. No.: A52175

Place: Mumbai
Date : May 30, 2024

Place: Mumbai
Date : May 30, 2024

ANUPAM FINSERV LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024

(Amount in Rupees '000)

S.No.	Particulars	March 31, 2024		March 31, 2023	
A	Cash Flow From Operating Activities				
	Profit before tax		12,457.91		10,285.39
	Adjustments for:				
	Interest income on loans	(16,770.46)		(13,940.44)	
	Dividend Income	(22.60)		(53.97)	
	Fees and Commission	(383.21)		-	
	Impairment in valuation of investments	500.00		-	
	Depreciation, amortization and impairment	4,898.06		3,977.84	
	Net (gain) / loss on financial instruments at fair value through profit or loss	1,658.61		(837.94)	
	Net loss on de-recognition of financial instruments under amortised cost category	52.47		-	
	Interest expense	3,020.72		3,068.10	
	Impairment on financial instruments	(453.90)		302.47	
	Loans Written off	-		476.25	
	Loss on sale of PPE	692.33		2,745.85	
			(6,807.99)		(4,261.85)
			5,649.92		6,023.54
	Cash inflow from interest on loans		18,523.00		14,671.70
	Cash inflow from dividends		22.60		53.97
	Cash inflow from fees and commission		383.21		-
	Cash outflow towards finance cost		(3,313.52)		(3,350.46)
	Cash generated from operating activities before working capital changes		21,265.21		17,398.76
	Working Capital Changes				
	(Increase)/Decrease in trade receivables	121.61		(194.12)	
	(Increase)/Decrease in loans	4,140.21		(11,295.50)	
	(Increase)/Decrease in other financial assets	(19.17)		194.20	
	(Increase)/Decrease in other non-financial assets	719.73		1,673.78	
	Increase/(Decrease) in trade payables	512.69		(263.32)	
	Increase/(Decrease) in other financial liabilities	-		(39.80)	
	Increase/(Decrease) in other non-financial liabilities	136.36		(21.79)	
	Changes in working capital		5,611.43		(9,946.55)
	Cash Generated from/(used in) operating activities		26,876.65		7,452.21
	Direct Taxes Paid (Net of refunds)		(2,733.00)		(2,611.94)
	Net Cash generated from/(used in) operating activities (A)		24,143.64		4,840.27
B	Cash Flow From Investing Activities				
	Purchase of investments measured at FVTPL		(39,475.00)		(26,700.00)
	Purchase of debentures measured at amortized cost		(500.00)		(2,050.00)
	Redemption of debentures at amortized cost		1,248.95		980.69
	Purchase of Property, plant & Equipments		(13,251.78)		(21,629.92)
	Sale of Property, plant & Equipments		9,307.40		5,412.21
	Sale of investments measured at FVTPL		36,026.11		29,860.05
	Net Cash generated from/(used in) Investing Activities (B)		(6,644.31)		(14,126.96)
C	Cash Flow From Financing Activities				
	Loans raised/(repaid) (net)		(15,949.38)		8,600.00
	Net Cash used in Financing Activities (C)		(15,949.38)		8,600.00
D	Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)		1,549.95		(686.69)
E	Cash and cash Equivalent at beginning		1,135.75		1,822.44
F	Cash and cash Equivalent at the end		2,685.70		1,135.75

ANUPAM FINSERV LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024

Notes

i) The above statement of cash flows has been prepared under the indirect method as set out in Ind AS 7 'Statement of Cash Flow'

ii) Components of cash and cash equivalents are disclosed in note no. 3

As per our report of even date
For J. K. Shah & Co.
Chartered Accountants
Firm Registration No. 109606W

For and on behalf of the board of directors of
Anupam Finserv Limited
CIN: L74140MH1991PLC061715

CA Sanjay Dhruva
Partner
Membership No : 038480

Nirmala Gala
Managing Director
DIN: 00894497

Pravin Gala
Whole Time Director & CFO
DIN: 00786492

Sheetal Dedhia
Company Secretary
M. No.: A52175

Place: Mumbai
Date : May 30, 2024

Place: Mumbai
Date : May 30, 2024

ANUPAM FINSERV LIMITED
STATEMENT OF CHANGES IN EQUITY

A Equity Share Capital (Refer Note No. 17)

(Amount in Rupees '000)

As at April 01, 2022	1,15,637.50
Changes in Equity Share Capital due to prior period errors	-
Restated balance at the beginning of the current reporting period	1,15,637.50
Changes in equity shares capital	-
As at March 31, 2023	1,15,637.50
Changes in Equity Share Capital due to prior period errors	-
Restated balance at the beginning of the current reporting period	1,15,637.50
Changes in equity shares capital	-
As at March 31, 2024	1,15,637.50

B Other Equity (Refer Note No. 18)

(Amount in Rupees '000)

Particulars	Reserve and Surplus			Total
	Demerger Reconstruction Account	Special Reserve (NBFC Regulations)	Retained Earnings	
As at April 1, 2022 (A)	(9,409.72)	9,359.77	22,973.38	22,923.43
Add/(Less):				
Profit / (Loss) for the year	-	-	7,734.21	7,734.21
Additions during the Year	-	1,547.00	-	1,547.00
Transfers to special reserve	-	-	(1,547.00)	(1,547.00)
Total adjustments (B)	-	1,547.00	6,187.21	7,734.21
As at March 31, 2023 (C=A+B)	(9,409.72)	10,906.77	29,160.59	30,657.65
Add/(Less):				
Profit / (Loss) for the year	-	-	9,373.02	9,373.02
Additions during the Year	-	1,874.60	-	1,874.60
Transfers to special reserve	-	-	(1,874.60)	(1,874.60)
Total adjustments (D)	-	1,874.60	7,498.41	9,373.02
As at March 31, 2024 (E=C+D)	(9,409.72)	12,781.37	36,659.01	40,030.66

As per our report of even date
For J. K. Shah & Co.
Chartered Accountants
Firm Registration No. 109606W

For and on behalf of the board of directors of
Anupam Finserv Limited
CIN: L74140MH1991PLC061715

CA Sanjay Dhruva
Partner
Membership No : 038480

Nirmala Gala
Managing Director
DIN: 00894497

Pravin Gala
Whole Time
Director & CFO
DIN: 00786492

Sheetal Dedhia
Company Secretary
M. No.: A52175

Place: Mumbai
Date : May 30, 2024

Place: Mumbai
Date : May 30, 2024

Anupam Finserv Limited

Notes to the Ind-AS financial statements for the year ended March 31, 2024

1. CORPORATE INFORMATION

1.1 Nature of Operations

Anupam Finserv Limited ('the Company') is a company limited by shares, incorporated on May 16, 1991 under the provisions of the Companies Act, 1956 and domiciled in India. The company is a non-deposit accepting Non-Banking Finance Company (NBFC) registered with the Reserve Bank of India (RBI) with effect from 20th April, 1998 with Registration No. B-13.00707.

The audited financial statements were subject to review and recommendation of Audit Committee and approval of Board of Directors. On 30th May, 2024 Board of Directors of the Company approved and recommended the audited financial statements for consideration and adoption by the shareholders in its annual general meeting.

1.2 Basis of preparation and statement of compliance with Ind AS

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under section 133 of the Companies Act, 2013 (the Act) along with other relevant provisions of the Act and the Master Direction - Non-Banking Financial Company - Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 ('the NBFC Master Directions') issued by RBI. The financial statements have been prepared on a going concern basis. The Company uses accrual basis of accounting except in case of significant uncertainties.

1.3 Presentation of financial statements

The Company presents its Balance Sheet in order of liquidity.

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- the normal course of business
- the event of default
- the event of insolvency of bankruptcy of the Company/ or its counter-parties

1.4 Critical accounting estimates and judgments

The preparation of the Company's financial statements requires Management to make use of estimates and judgments. In view of the inherent uncertainties and a level of subjectivity involved in measurement of items, it is possible that the outcomes in the subsequent financial years could differ from those on which the Management's estimates are based.

1.5 Functional and presentation currency and Rounding off of the amounts

The functional and presentation currency of the company is Indian Rupees (INR). These financial statements are presented and stated in INR and have been rounded off to the nearest rupee.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Income

(i) Interest income

The Company recognises interest income using Effective Interest Rate (EIR) on all financial assets subsequently measured at amortised 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 amortised cost of a financial liability.

The Company recognises 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. 2.4(i)] regarded as 'stage 3', the Company recognises interest income on the amortised cost net of impairment loss of the financial asset at EIR. If the financial asset is no longer credit-impaired [as outlined in note no. 2.4(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 recognised on realisation.

Interest on financial assets subsequently measured at fair value through profit or loss (FVTPL) is recognised at the contractual rate of interest.

(ii) Dividend income

Dividend income on equity shares is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

(iii) Lease Income

The Company as a lessor, classifies leases as either operating lease or finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Initially asset held under finance lease is recognised in balance sheet and presented as a receivable at an amount equal to the net investment in the lease. Finance income is recognised over the lease term, based on a pattern reflecting a constant periodic rate of return on Company's net investment in the lease. A lease which is not classified as a finance lease is an operating lease. Accordingly, the Company recognises lease payments as income on a straight-line basis in case of assets given on operating leases. The Company presents underlying assets subject to operating lease in its balance sheet under the respective class of asset.

(iv) Other revenue from operations

The Company recognises 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 recognises 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 recognises loan processing fees to its loan customers on satisfactory completion of service delivery.

b) Net gain on fair value changes

Financial assets are subsequently measured at fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI), as applicable. The Company recognises gains/losses on fair value change of financial assets measured as FVTPL and realised gains/losses on de-recognition of financial asset measured at FVTPL and FVOCI.

(v) Taxes

Incomes are recognised net of the Goods and Services Tax/Service Tax, wherever applicable.

2.2 Expenditures

(i) Finance costs

Borrowing costs on financial liabilities are recognised using the EIR [refer note no. 2.1(i)].

(ii) Fees and commission expenses

Fee and commission expenses with regards to services are accounted for as and when the services are delivered.

(iii) Other Expenses

All other expenses are recognised in the period they occur.

(iv) Taxes

Expenses are recognised net of the Goods and Services Tax/Service Tax, except where credit for the input tax is not statutorily permitted.

2.3 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments maturing within 3 months from the date of acquisition that are readily convertible into known amounts of cash along with bank overdrafts and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities.

2.4 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.

All the financial instruments are recognised on the date when the Company becomes party to the contractual provisions of the financial instruments. For tradable securities, the Company recognises the financial instruments on settlement date.

(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.

Initial measurement

All financial assets are recognised initially at fair value including transaction costs that are attributable to the acquisition of financial assets except in the case of financial assets recorded at FVTPL where the transaction costs are charged to profit or loss.

Subsequent measurement

For the purpose of subsequent measurement, financial assets are classified into four categories:

- (a) Debt instruments at amortised cost
- (b) Debt instruments at FVOCI
- (c) Debt instruments at FVTPL
- (d) Equity instruments designated at FVOCI

(a) Debt instruments at amortised cost

The Company measures its financial assets at amortised 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.

To make the SPPI assessment, the Company applies judgment and considers relevant factors such as the nature of portfolio and the period for which the interest rate is set.

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. 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 financial assets going forward.

The business model of the Company for assets subsequently measured at amortised 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 amortised cost on effective interest rate (EIR). For further details, refer note no. 2.1(i).

(b) Debt instruments 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.

Debt instruments included within the FVOCI category are measured at each reporting date at fair value with such changes being recognised in other comprehensive income (OCI). The interest income on these assets is recognised 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 de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified to profit or loss.

(c) Debt instruments 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. Gain and losses on changes in fair value of debt instruments are recognised on net basis through profit or loss.

The Company's investments into shares and mutual funds (trading portfolio) for trading and short term cash flow management have been classified under this category.

De-recognition of Financial Assets

The Company derecognises 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 derecognised, the Company does not have any continuing involvement in the same.

On de-recognition of a financial asset in its entirety, the difference between:

- the carrying amount (measured at the date of de-recognition) and
- the consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss.

Impairment of financial assets

ECL are recognised for financial assets held under amortised 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 recognised. 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 recognised 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 recognises 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, 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.

Interest income is recognised by applying the EIR to the net amortised cost amount i.e. gross carrying amount less ECL allowance.

(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. However, unless identified at an earlier stage, 30 days past due is considered as an indication of financial assets to have suffered a significant increase in credit risk.

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 behavioural 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.

(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 recognised for financial instruments in stage 1. The Company has ascertained default possibilities on past behavioural trends witnessed for each homogenous portfolio using application/behavioural 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 using a rate which is a reasonable approximation of EIR.

- Determination of PD is covered above for each stages 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 realised and the time value of money.

A more detailed description of the methodology used for ECL is covered in the 'credit risk' section of Note No. 33.

(ii) Financial liabilities

Financial liabilities include liabilities that represent a contractual obligation to deliver cash or another financial assets 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 recognised 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 amortised cost using the EIR [Refer note no. 2.1(i)]. Any gains or losses arising on de-recognition of liabilities are recognised in the Statement of Profit and Loss.

De-recognition

The Company derecognises a financial liability when the obligation under the liability is discharged, cancelled or expired.

(iii) 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 recognised amounts with an intention to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

2.5 Property, Plant and Equipment (PPE)

Property, Plant & Equipments are stated at cost of acquisition less accumulated depreciation and accumulated impairment losses, if any. PPE is recognized when the cost of an asset can be reliably measured and it is probable that the entity will obtain future economic benefits from the asset.

PPE is measured initially at cost. Cost includes the fair value of the consideration given to acquire the asset (net of discounts and rebates) and any directly attributable cost of bringing the asset to working condition for its intended use (inclusive of import duties and non-refundable purchase taxes).

The Company has elected to use the exemption available under Ind AS 101 to continue the carrying value for all of its PPE as recognised in the standalone financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition (April 1, 2018).

2.6 Depreciation/Amortization

Depreciation on Property, Plant & Equipments is calculated as per the useful life specified in Schedule II to the Act.

The management believes that the estimated useful lives are realistic and reflects fair approximation of the period over which the assets are likely to be used. At each financial year end, management reviews the residual values, useful lives and method of depreciation of property, plant and equipment and values of the same are adjusted prospectively where needed.

2.7 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Cost comprises the acquisition price, development cost and any attributable / allocable incidental cost of bringing the asset to its working condition for its intended use. The useful life of intangible assets is assessed as either finite or indefinite. All finite-lived intangible assets, are accounted for using the cost model whereby intangible assets are stated at cost less accumulated amortisation and impairment losses, if any. Intangible assets are amortised over the estimated useful economic life. Residual values and useful lives are reviewed at each reporting date. Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

When an intangible asset is disposed of, the gain or loss on disposal is determined as the difference between the proceeds and the carrying amount of the asset, and is recognised in the statement of profit and loss within 'other income' or 'other expenses' respectively.

2.8 Impairment of non-financial Assets

The company assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets be impaired. If any such indication exists the recoverable amount of an asset is estimated to determine the extent of impairment, if any.

An impairment loss is recognized in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

2.9 Fair value measurement

The Company measures certain financial instruments at fair value at each balance sheet date. Certain accounting policies and disclosures require the measurement of fair values, for both financial and nonfinancial assets and liabilities. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The best estimate of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Company determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently that difference is recognised in Statement of Profit and Loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statement are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

- Level 1 – quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3 – inputs that are unobservable for the asset or liability

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 as explained above.

2.10 Leases

The company has elected not to recognise right-of-use assets and lease liabilities for short term leases of real estate properties that have a lease term of 12 months and for leases of low-value assets. The company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

2.11 Employee benefits

The liability for retirement benefits, if any payable as per applicable laws and common practices followed by the Company, is provided for in books of accounts.

2.12 Income Taxes

The tax expense for the period comprises current and deferred tax. Taxes are recognised in the statement of profit and loss, except to the extent that it relates to the items recognised in the comprehensive income or in Equity in which case, the tax is also recognised in the comprehensive income or in Equity.

2.12.1. Current tax

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income-tax Act. Current income tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (either in OCI or in equity).

2.12.2. Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the standalone financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary timing difference. Deferred tax assets are recognized for deductible temporary differences to the extent that they are probable that taxable profit will be available against which the deductible temporary difference can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and adjusted 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. 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 liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted on the reporting date.

Current and deferred tax for the year are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

2.13 Earnings per share

Basic EPS is calculated by dividing the profit or loss for the period attributable to the equity holders of the parent company by the weighted average number of ordinary shares outstanding (including adjustments for bonus and rights issues).

Diluted EPS is calculated by adjusting the profit or loss and the weighted average number of ordinary shares by taking into account the conversion of any dilutive potential ordinary shares.

Basic and diluted EPS are presented in the statement of profit and loss for each class of ordinary shares in accordance with Ind AS 33.

2.14 Provisions, Contingent Liabilities and Contingent Assets

2.14.1 Provisions

- a. Provisions are recognized when the company has present obligation (legal or constructive) as a result of past event and it is probable that outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense related to a provision is presented in the statement of profit and loss net of any reimbursement/contribution towards provision made.
- b. If the effect of the time value of money is material, estimate for the provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.
- c. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates.
- d. When some or all the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of receivable can be measured reliably.

2.14.2 Contingent liability

a. Contingent liability is disclosed in the case;

- When there is a possible obligation which could arise from past event and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or;
- A present obligation that arises from past events but is not recognized as expense because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or;
- The amount of the obligation cannot be measured with sufficient reliability.

b. Commitments

Commitments include the value of the contracts for the acquisition of the assets net of advances.

2.14.3 Contingent assets

Contingent asset is disclosed in case a possible asset arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

2.15 Cash flow statements

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments.

ANUPAM FINSERV LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

3 Cash and cash equivalents**(Amount in Rupees '000)**

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Cash on hand	15.66	14.34
Balance with Banks in current accounts	170.04	1,121.41
Fixed Deposit (Maturity less than 3 months)	2,500.00	-
Total	2,685.70	1,135.75

4 Bank Balance other than above**(Amount in Rupees '000)**

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Balances with Banks (unpaid fractional bonus shares)	16.17	16.17
Balance with banks in current accounts (Refer Note no. 44)	2,820.38	2,820.38
Total	2,836.55	2,836.55

ANUPAM FINSERV LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

5 Receivables

(Amount in Rupees '000)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Trade receivables		
Considered Good - unsecured	755.78	877.39
Total	755.78	877.39

Financial Year 2023-24

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed							
Considered Goods	755.78	-	-	-	-	-	755.78
which have significant increase in credit risk	-	-	-	-	-	-	-
Credit Impaired	-	-	-	-	-	-	-
Disputed							
Considered Goods	-	-	-	-	-	-	-
which have significant increase in credit risk	-	-	-	-	-	-	-
Credit Impaired	-	-	-	-	-	-	-
Total	755.78	-	-	-	-	-	755.78

Financial Year 2022-23

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed							
Considered Goods	877.39	-	-	-	-	-	877.39
which have significant increase in credit risk	-	-	-	-	-	-	-
Credit Impaired	-	-	-	-	-	-	-
Disputed							
Considered Goods	-	-	-	-	-	-	-
which have significant increase in credit risk	-	-	-	-	-	-	-
Credit Impaired	-	-	-	-	-	-	-
Total	877.39	-	-	-	-	-	877.39

ANUPAM FINSERV LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

6 Loans
 (at amortised cost)

(Amount in Rupees '000)

	Particulars	As at Mar 31, 2024	As at Mar 31, 2023
(A)	Loans		
(i)	Loans Repayable on Demand	1,15,220.27	1,50,347.21
(ii)	Term Loans	33,307.73	2,321.00
	Total (A) - Gross	1,48,528.00	1,52,668.21
	Less: Impairment loss allowance	2,976.78	3,430.69
	Total (A) - Net	1,45,551.21	1,49,237.52
(B)	Out of above		
(i)	Secured by		
	tangible assets	16,247.21	11,423.98
	Total (i) - Gross	16,247.21	11,423.98
	Less: Impairment loss allowance	1,397.21	2,159.08
	Total (i) - net	14,850.00	9,264.90
(ii)	Unsecured (ii) - Gross	1,32,280.78	1,41,244.23
	Less: Impairment loss allowance	1,579.57	1,271.61
	Total (ii) - net	1,30,701.21	1,39,972.63
	Total B = (i+ii) - Gross	1,48,528.00	1,52,668.21
	Less: Impairment loss allowance	2,976.78	3,430.69
	Total B = (i+ii) - net	1,45,551.21	1,49,237.52
(C)	Out of above		
(I)	Loans in India		
(i)	Public Sector	-	-
	Less: Impairment loss allowance	-	-
	Total (i) - net	-	-
(ii)	Others	1,48,528.00	1,52,668.21
	Less: Impairment loss allowance	2,976.78	3,430.69
	Total (ii) - net	1,45,551.21	1,49,237.52
	Total (C) (I) - Gross	1,48,528.00	1,52,668.21
	Less: Impairment loss allowance	2,976.78	3,430.69
	Total(C) (I)-Net	1,45,551.21	1,49,237.52

6 Loans
(at amortised cost)

(Amount in Rupees '000)

	Particulars	As at Mar 31, 2024	As at Mar 31, 2023
(II)	Loans outside India	-	-
	Less: Impairment loss allowance	-	-
	Total(C) (II)-Net	-	-
	Total C = (I+II) - Gross	1,48,528.00	1,52,668.21
	Less: Impairment loss allowance	2,976.78	3,430.69
	Total B = (I+II) - net	1,45,551.21	1,49,237.52

Type of Borrower	Amount of Loans and Advance in the nature of Loan Outstanding Mar 31, 2024	Percentage of Total Loans and Advances in the Nature of Loans Mar 31, 2024
Promoters	3,000.00	2.06%
Directors	-	0.00%
KMPs	-	0.00%
Related Parties	8,450.00	5.81%

Type of Borrower	Amount of Loans and Advance in the nature of Loan Outstanding Mar 31, 2023	Percentage of Total Loans and Advances in the Nature of Loans Mar 31, 2023
Promoters	4,100.00	2.75%
Directors	-	0.00%
KMPs	-	0.00%
Related Parties	13,000.00	8.71%

ANUPAM FINSERV LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

7 Investments

(At fair value through Profit or Loss)

(Amount in Rupees '000)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
(A) In Mutual Funds (Designated at FVTPL) Unquoted, fully paid-up		
Edelweiss Crossover Opportunities Fund (March 2024 No. of Units Nil; March 2023; 5897.033 Units)	-	2,186.54
Infrastructure Yiled Plus IIA - Class 1A (March 2024 No. of Units 350; March 2023; Nil)	3,500.00	-
SBI Magnum Ultra Short Duration Fund Direct Growth (March 2024 No. of Units 542.857; March 2023; 194.136)	3,008.55	1,001.43
Total (A)	6,508.55	3,187.97
(B) In Equity instruments (Equity Shares) (at FVTPL) Quoted, fully paid-up		
Ballarpur Industries Ltd. of Rs 2 each No. of shares Mar 31, 2024 : 30,000 No. of shares Mar 31, 2023 : 30,000	-	18.30
Glenmark Life Limited of Rs 2 each No. of shares Mar 31, 2024 : Nil No. of shares Mar 31, 2023 : 56	-	21.93
State Bank of India Ltd. of Re 1 each No. of shares Mar 31, 2024 : Nil No. of shares Mar 31, 2023 : 2,000	-	1,047.40
Yes Bank Ltd. of Rs 2 each No. of shares Mar 31, 2023 : 8,250 No. of shares Mar 31, 2022 : 8,250	191.40	124.16
Total (B)	191.40	1,211.79

ANUPAM FINSERV LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

7 Investments

(At fair value through Profit or Loss)

(Amount in Rupees '000)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
(C) In Debentures (at amortized cost)		
Freyr PPA SVP of Rs. 25,000 each No. of debentures Mar 31, 2024 : Nil No. of debentures Mar 31, 2023 : 10	-	64.39
Qans Consumer of Rs. 25,0000 each No. of debentures Mar 31, 2023 : 20 No. of debentures Mar 31, 2022 : Nil	500.00	508.75
Qdesq Realtech of Rs. 25,000 each No. of debentures Mar 31, 2024 : Nil No. of debentures Mar 31, 2023 : 10	-	103.03
Technicolor Dreampants of Rs. 25,000 each No. of debentures Mar 31, 2024 : Nil No. of debentures Mar 31, 2023 : 12	-	115.78
Transteeel Seating of Rs. 25,000 each No. of debentures Mar 31, 2024 : Nil No. of debentures Mar 31, 2023 : 10	-	153.73
Qdesq # 3 of Rs. 25,000 each No. of debentures Mar 31, 2024 : 20 No. of debentures Mar 31, 2023 : Nil	88.12	-
V&RO Hospitality of Rs. 25,000 each No. of debentures Mar 31, 2024 : 20 No. of debentures Mar 31, 2023 : 20	46.23	500.00
Impairment in valuation of investment	(500)	-
Total (C)	134.35	1,445.69
(D) Share application pending allotment		
Infrastructure Yiled Plus IIA - Class 1A	-	500.00
Total (A+B+C+D)	6,834.30	6,345.46
Out of above		
In India	6,834.30	6,345.46
Outside India	-	-
Total	6,834.30	6,345.46
Total - Net	6,834.30	6,345.46

ANUPAM FINSERV LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

8 Other financial assets

(Amount in Rupees '000)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Interest receivable on Loan*	656.26	1,569.31
Staff Advance	20.00	5.00
Other receivables	4.17	-
Total	680.43	1,574.31

* includes receivable from related parties

-

302.40

ANUPAM FINSERV LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

9 Property, Plant and Equipment

(Amount in Rupees '000)

Particulars	Computers	Vehicles (for leasing)	Vehicles	Plant and Equipments	Furniture and Fixtures	Total
Gross Block						
As at April 1, 2022	182.09	15,695.55	-	-	9.53	15,887.17
Add: Additions	35.00	19,580.04	1,986.24	28.64	-	21,629.92
Less: Deductions	-	8,955.80	-	-	-	8,955.80
As at March 31, 2023	217.09	26,319.79	1,986.24	28.64	9.53	28,561.29
Add: Additions	-	13,158.98	-	58.00	34.80	13,251.78
Less: Deductions	-	13,224.01	-	28.64	-	13,252.66
As at March 31, 2024	217.09	26,254.75	1,986.24	58.00	44.33	28,560.41
Accumulated Depreciation						
As at April 1, 2022	148.64	1,212.42	-	-	4.20	1,365.26
Add: Additions	9.69	3,776.51	188.69	2.04	0.91	3,977.84
Less: Deductions	-	797.75	-	-	-	797.75
As at March 31, 2023	158.33	4,191.19	188.69	2.04	5.10	4,545.35
Add: Additions	20.74	4,683.63	188.69	2.98	2.01	4,898.05
Less: Deductions	-	3,248.47	-	4.45	-	3,252.92
As at March 31, 2024	179.07	5,626.35	377.39	0.57	7.11	6,190.48
Net carrying amount						
As at March 31, 2023	58.76	22,128.60	1,797.55	26.60	4.43	24,015.94
As at March 31, 2024	38.02	20,628.41	1,608.86	57.43	37.22	22,369.93

ANUPAM FINSERV LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

10 Other non-financial assets

(Amount in Rupees '000)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Balance with GST authority	248.21	804.31
Others	-	163.99
Prepaid expenses	20.03	19.67
Total	268.25	987.96

12 Borrowings (other than debt securities)

(Amount in Rupees '000)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
(A) In India		
At amortised cost:		
Loans From related parties	500.00	-
Loans repayable on demand from others	23,050.62	39,500.00
	23,550.62	39,500.00
(B) Outside India	-	-
Total	23,550.62	39,500.00
Out of above		
Secured	-	-
Unsecured	23,550.62	39,500.00
Total	23,550.62	39,500.00

ANUPAM FINSERV LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

13 Other financial liabilities

(Amount in Rupees '000)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Interest payable on Loan*	418.20	711.00
Interest Received in Advance	839.49	-
Others	16.17	16.17
Total	1,273.86	727.17

* includes payable to related party

0.15

-

14 Current tax liabilities (net)

(Amount in Rupees '000)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Provision for Tax	3,200.00	2,849.62
Less: Taxes paid	2,876.52	2,848.64
Total	323.48	0.98

15 Deferred Tax Liabilities (Net)

(Amount in Rupees '000)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
A. Deferred tax assets		
a) Fair Valuation of Equity Shares and Mutual Fund	97.76	134.64
b) Impairment on financial instruments	749.20	863.44
c) Impairment in value of Investments (Debentures)	125.84	-
Total Deferred tax Assets	972.80	998.08
B. Deferred tax liability		
a) Property, Plant and Equipment	1,078.71	1,074.60
Total Deferred tax liabilities	1,078.71	1,074.60
Net Deferred tax assets/ (liabilities) (A-B)	105.91	76.52

16 Other non-financial liabilities

(Amount in Rupees '000)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Statutory Liabilities Payable	283.68	147.31
Total	283.68	147.31

ANUPAM FINSERV LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

11 Payables

(Amount in Rupees '000)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Trade Payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	446.13	119.74
	446.13	119.74
(II) Other Payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	330.30	144.00
	330.30	144.00
Total	776.43	263.74

Financial Year 2023-2024

Particulars	Outstanding for following periods from due date					Total
	Not Due	Less Than 1 Year	1 - 2 Years	2 - 3 Years	More Than 3 Years	
MSME	-	-	-	-	-	-
Others	776.43	-	-	-	-	776.43
Disputed Dues - MSME	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	-
Total	776.43	-	-	-	-	776.43

Financial Year 2022-2023

Particulars	Outstanding for following periods from due date					Total
	Not Due	Less Than 1 Year	1 - 2 Years	2 - 3 Years	More Than 3 Years	
MSME	-	-	-	-	-	-
Others	263.74	-	-	-	-	263.74
Disputed Dues - MSME	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	-
Total	263.74	-	-	-	-	263.74

ANUPAM FINSERV LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

17 Equity share capital

(Amount in Rupees '000)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Authorised 12,00,00,000 (Previous Year 1,20,00,000) Equity shares of ₹ 1/- each	1,20,000.00	1,20,000.00
	1,20,000.00	1,20,000.00
Issued, Subscribed and Paid up: 11,56,37,500 (Previous Year 11,56,37,500) Equity shares of ₹ 1/- each fully paid up	1,15,637.50	1,15,637.50
	1,15,637.50	1,15,637.50

a) Terms / rights attached to equity shares

The Company has only one class of equity shares of par value ₹ 1 each. Each equity shareholder is entitled to one vote per share held, and on liquidation entitled to receive balance of net assets remaining after settlement of all debts, creditors & preferential amounts, proportionate to their respective shareholding.

b) The reconciliation of number of shares outstanding and the amount of share capital is set-out below

(Amount in Rupees '000)

Particulars	As at Mar 31, 2024		As at Mar 31, 2023	
	No.	Rs	No.	Rs
Shares outstanding at the beginning of the year of ₹ 1 each	11,56,37,500	1,15,637.50	11,56,37,500	1,15,637.50
Changes during the year	-	-	-	-
Shares outstanding at the end of the year	11,56,37,500	1,15,637.50	11,56,37,500	1,15,637.50

Equity shares movement during the five years preceding 31st March,2024

Pursuant to the approval of the shareholders on December 21, 2021, the company issued and allotted 1,05,12,500 fully paid up Bonus equity shares of Re 1 each in the ratio of 1:10 (i.e. 1 Bonus equity share for every 10 existing equity shares of the Company) to the shareholders who held equity shares on the record date i.e. February 8, 2022. Post the issuance of bonus equity shares, the total paid up equity share capital of the Company is increased from ₹ 105,125.00 to ₹ 1,15,637.50. Retained earnings of ₹ 10,512.50 have been utilised towards issuance of bonus shares.

ANUPAM FINSERV LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

17 Equity share capital

c) The details of shareholders holding more than 5% shares

Name of Shareholder	As at Mar 31, 2024		As at Mar 31, 2023	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mr. Pravin Nanji Gala	1,81,20,971	15.67%	1,81,25,000	15.67%
Nanji Gala	66,00,000	5.71%	66,00,000	5.71%

d. Share Holding of Promoters

As at Mar 31, 2024

Promoter Name	No. of Shares of FV of Re. 1/- each	% of total shares	% Change during the year
Pravin Gala	1,81,25,000	15.67%	0.02%
Nirmala Gala	25,10,000	2.17%	0.06%
Siddharth Gala	57,80,000	5.00%	0.08%
Dhrumil Gala	7,50,000	0.65%	1.70%
Meena Chheda	1,50,700	0.13%	0.00%
Nanji Gala	66,00,000	5.71%	0.00%
Total	3,39,15,700	29.33%	1.87%

As at Mar 31, 2023

Promoter Name	No. of Shares of FV of Rs. 1/- each	% of total shares	% Change during the year
Pravin Gala	1,81,20,971	15.67%	0.00%
Nirmala Gala	25,08,396	2.17%	0.00%
Siddharth Gala	57,75,440	4.99%	0.00%
Dhrumil Gala	7,37,429	0.64%	0.00%
Meena Chheda	1,50,700	0.13%	0.00%
Nanji Gala	66,00,000	5.71%	0.00%
Total	3,38,92,936	29.31%	0.00%

ANUPAM FINSERV LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

18 Other Equity

(Amount in Rupees '000)

Particulars	Reserve and Surplus			Total
	Demerger Reconstruction Account	Special Reserve (NBFC Regulations)	Retained Earnings	
As at April 1, 2022 (A)	(9,409.72)	9,359.77	22,973.38	22,923.43
Add/(Less):				
Add: Profit for the year	-	-	7,734.21	7,734.21
Add: Transfer from retained earnings	-	1,547.00	-	1,547.00
Less: Transfers to special reserve	-	-	(1,547.00)	(1,547.00)
Total adjustments (B)	-	1,547.00	6,187.21	7,734.21
As at March 31, 2023 (C=A+B)	(9,409.72)	10,906.77	29,160.59	30,657.65
Add/(Less):				
Add: Profit for the year	-	-	9,373.02	9,373.02
Add: Transfer from retained earnings	-	1,874.60	-	1,874.60
Less: Transfers to special reserve	-	-	(1,874.60)	(1,874.60)
Total adjustments (D)	-	1,874.60	7,498.41	9,373.02
As at March 31, 2024 (E=C+D)	(9,409.72)	12,781.37	36,659.01	40,030.66

ANUPAM FINSERV LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

19 Interest Income

(Amount in Rupees '000)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
On financial assets measured at amortised cost		
on loans	16,770.46	13,940.44
on debentures	227.97	163.68
On fixed deposits	0.62	-
Other Interest Income	1.03	-
Total	17,000.08	14,104.12

20 Dividend Income

(Amount in Rupees '000)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Dividend on shares	22.60	53.97
Total	22.60	53.97

21 Lease Income

(Amount in Rupees '000)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<u>Operating lease:</u>		
Lease rent on vehicles	13,888.25	10,307.88
Total	13,888.25	10,308

22 Fees and commission income

(Amount in Rupees '000)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Loan processing fees	383.21	-
Total	383.21	-

23 Impairment on financial instruments / (reversal)

(Amount in Rupees '000)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
On loans (at amortized cost)	(453.90)	302.47
Total	(453.90)	302.47

ANUPAM FINSERV LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

24 Other Income**(Amount in Rupees '000)**

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Miscellaneous Income	306.01	0.26
Total	306.01	0.26

25 Finance costs**(Amount in Rupees '000)**

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest on Borrowings on financial liabilities at amortised cost	3,018.57	3,051.50
Other Interests	2.16	16.59
Total	3,020.72	3,068.10

26 Fees and Commission Expenses**(Amount in Rupees '000)**

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Loan Processing Fees	1,908.78	-
Total	1,908.78	-

ANUPAM FINSERV LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

27 Net loss / (gain) on fair value changes

(Amount in Rupees '000)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(A) Net loss / (gain) on financial instruments measured at fair value through profit and loss		
(i) On trading portfolio:		
Realised loss / (gain) on equity shares at FVTPL	(175.35)	(81.65)
Unrealised loss / (gain) on equity shares at FVTPL	(42.09)	7.28
(ii) On financial instruments designated at fair value through profit or loss		
Realised loss / (gain) on mutual funds designated at FVTPL	1,884.75	(5,546.61)
Unrealised loss / (gain) on mutual funds designated at FVTPL	(8.70)	4,783.04
Total	1,658.61	(837.94)

28 Net loss on de-recognition of financial instruments under amortised cost category

(Amount in Rupees '000)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Loss on de-recognition of debenture	52.47	-
Total	52.47	-

29 Employee benefits expenses

(Amount in Rupees '000)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Salaries, bonus and leave	3,668.19	1,429.63
Staff welfare expenses	8.03	0.70
Total	3,676.22	1,430.33

ANUPAM FINSERV LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

30 Depreciation and amortization

(Amount in Rupees '000)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation on Property, Plant & Equipments	4,898.06	3,977.84
Total	4,898.06	3,977.84

31 Other expenses

(Amount in Rupees '000)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Advertisement & Publicity	11.78	59.08
Annual Fees -Corporate Action	823.92	603.49
Legal & Professional Fees	603.47	870.76
Auditors fees and expenses	175.00	160.00
Director Fees, allowances and expenses	50.00	52.00
GST Expenses	477.61	264.20
Communication Expenses	26.05	11.38
Printing & Stationery	1.00	7.29
Loss on Sale of Assets	692.33	2,745.85
Loans written off	-	476.25
Rent	600.00	600.00
Services Charges	157.07	160.82
Insurance	19.45	-
Impairment in valuation of investments	500.00	-
Miscellaneous Expenses	243.62	228.95
Total	4,381.29	6,240.06

Auditor's remuneration on

- Audit fees	110.00	110.00
- Taxation matters	10.00	10.00
- Other matters	55.00	40.00
Total	175.00	160.00

32 INCOME TAXES AND DEFERRED TAX LIABILITIES (NET)

A. The major components of income tax expense for the year are as under :

(Amount in Rupees '000)

Particulars	March 31, 2023	March 31, 2022
i. Tax expense recognized in the statement of profit and loss		
Current Tax expense:		
Current tax on profit for the year	3,200.00	3,000.00
Earlier year Taxes	(144.50)	(143.42)
Deferred Tax expense:		
Deferred Tax expenses	29.39	(305.40)
Total tax expense recognized in the statement of profit and loss	3,084.89	2,551.18
ii. Tax expense recognized in other comprehensive income		
Items that will not be reclassified to profit or loss	-	-
Total Tax expense recognized in other comprehensive income	-	-

B. Reconciliation of tax expense and the accounting profit for the year is under.

(Amount in Rupees '000)

Particulars	March 31, 2023	March 31, 2022
Accounting Profit before income tax expenses	12,457.91	10,285.39
Enacted tax rate in India (%)	25.17%	25.17%
Expected income tax expense	3,135.41	2,588.63
Tax effect of :		
Expenses not deductible	714.07	691.07
Income not taxable	-	(585.10)
Accelerated Capital Allowances	(620.08)	(842.41)
Tax expenses recognized in statement of profit and loss	3,229.39	2,694.60
Adjustments recognised in relation to the current tax of earlier years	(144.50)	(143.42)
Income Tax Expenses	3,084.89	2,551.18
Effective tax rate (%)	25.92%	26.20%

C The major components of deferred tax liabilities and assets arising on account of timing differences are as follows:

As at March 31, 2024 (Amount in Rupees '000)

Particulars	As at March 31, 2023	Recognized / reversed through profit and loss	Recognized in other comprehensive income	As at March 31, 2024
Tax effect of item constituting deferred tax liabilities / (assets)				
Property plant and equipment	1,074.60	4.11	-	1,078.71
Total	1,074.60	4.11	-	1,078.71
Tax effect of item constituting deferred tax assets / (liability)				
Fair Valuation of Financial Instruments	134.64	(36.88)	-	97.76
Impairment on financial instruments	863.43	(114.24)	-	749.20
Impairment in value of Investments (Debentures)	-	125.84	-	125.84
Total	998.08	(25.28)	-	972.80
Net deferred tax liability/ (asset)	76.52	29.39	-	105.91

As at March 31, 2023 (Amount in Rupees '000)

Particulars	As at March 31, 2022	Recognized / reversed through profit and loss	Recognized in other comprehensive income	As at March 31, 2023
Tax effect of item constituting deferred tax liabilities				
Property plant and equipment	481.60	593.00	-	1,074.60
Total	481.60	593.00	-	1,074.60
Tax effect of item constituting deferred tax assets				
Fair Valuation of Financial Instruments	(687.63)	822.27	-	134.64
Impairment on financial instruments	787.31	76.12	-	863.43
Total	99.68	898.40	-	998.08
Net deferred tax liability/ (asset)	381.92	(305.40)	-	76.52

ANUPAM FINSERV LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

33 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework which is responsible for developing, implementing and monitoring 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. The 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 develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit 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. The Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes regular reviews of risk management controls and procedures. The observations, management action plans and adherence to those action plans are reported to Audit Committee from time to time.

The Company has exposure to following risks arising from financial instruments:

- A) Credit risk
- B) Liquidity risk
- C) Market risk
- D) Operational risk

A) Credit risk:

Credit risk' is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's loans and advances to customers and investment debt securities.

Management of credit risk

The Company has put in place well defined product programs with credit policy parameters defining the credit appetite for each product. The credit policy gets administered through credit underwriting managers for each product across branches. In order to retain the independence of the credit function, functional reporting of the credit managers is separated from sales. The Company has put in place review mechanisms to identify and measure credit risk arising out of customer acceptance as well as credit behaviour. Further, collections teams are responsible for managing credit impaired customers with usage of appropriate tools including negotiations, legal actions and recovery proceedings. The Company has put in place a collections policy defining the role and responsibilities of collections function. The Company has also put in place mechanisms to identify risk indicator signals and take appropriate actions to address the concerns arising out of the risk indicator signals.

Credit quality analysis / Expected credit loss measurement

Ind AS 109 outlines a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below. The objective of the impairment requirements is to recognise lifetime expected credit losses for all financial instruments for which there have been significant increases in credit risk since initial recognition - whether assessed on an individual or collective basis - considering all reasonable and supportable information, including that which in forward-looking.

A financial instrument that is not credit-impaired on initial recognition is classified in 'Stage 1' and has its credit risk continuously monitored by the Company.

If significant increases in credit risk ('SICR') since initial recognition is identified, the financial instrument is moved to 'Stage 2' but is not yet deemed to be credit-impaired.

If the financial instrument is credit-impaired, the financial instrument is then moved to 'Stage 3'. Financial instruments in 'Stage 1' have their ECL measured at an amount equal to 12 months ECLs. Instruments in Stage 2 or 3 have their ECL measured based on expected credit losses on a lifetime basis. Purchased or originated credit-impaired financial assets are those financial assets that are credit impaired on initial recognition. Their ECL is always measured on a lifetime basis (Stage 3).

The measurement of ECL is calculated using three main components:

- (i) Probability of default (PD)
- (ii) Loss given default (LGD) and
- (ii) Exposure at default (EAD)

ANUPAM FINSERV LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

33 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Credit quality analysis / Expected credit loss measurement contd...

The 12 month ECL is calculated by multiplying the 12 month PD, LGD and the EAD. The 12 month and lifetime PDs represent the PD occurring over the next 12 months and the remaining maturity of the instrument respectively. The EAD represents the expected balance at default, taking into account repayment of principal and interest from the balance sheet date to the default event together with any expected drawdowns of committed facilities. The LGD represents expected credit 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 realised and the time value of money.

The Company's policies for computation of expected credit loss (ECL) are set out below:

ECL on loans and advances

ECL is computed for loans and investments portfolio of the Company. The loans and advances portfolio comprises of the following:

- (i) Demand loans
- (ii) Term loans

Investments measured at amortised cost is subjected to ECL.

Staging criteria:

Following staging criteria is used for Loans and investments :

- (i) standard and 0 - 30 days past due (DPD) as stage I;
- (ii) 31- 90 DPD as Stage II; and
- (iii) outstanding > 90 DPD as stage III.

Probability of Default (PD%)

PD represents the likelihood of a borrower defaulting on its financial obligation, either over the next 12 months (12M PD), or over the remaining lifetime (Lifetime PD) of the obligation.

The 12 month PD% is computed as follows:

In the case of both demand loans and term loans lending portfolio, the PD% is computed based on average percentage of PD for last five quarters.

Loss Given Default (LGD%)

It is the part of an asset that is lost provided the asset defaults. The recovery rate is derived as a ratio of discounted value of recovery cash flows (incorporating the recovery time) to total exposure amount at the time of default. Loss given default is computed as (1-recovery rate) in percentage terms. LGD has been applied on the basis of past observable trend of recoveries from the defaulted assets.

The following factors have been considered for computation of LGD:

- (i) Time to recovery - Time taken to recover the dues
- (ii) Amount recovered - Amount recovered against total dues (including interest accrued thereon along with any charges due)
- (iii) Discounted value of recovery cash flows

Exposure At Default (EAD)

EAD is the total amount of an asset the entity is exposed to at the time of default. EAD is defined based on the characteristics of the asset. EAD is dependent on the outstanding exposure of an asset, sanctioned amount of a loan and credit conversion factor for non-funded exposures. The current outstanding balance of loans as on 31st March 2024 and 31st March 2023 are considered for ECL computation purpose.

Write off policy

Financial assets are written off either partially or in their entirety only when the Company has stopped pursuing the recovery. Any subsequent recoveries are credited to impairment on financial instrument in statement of profit and loss.

ANUPAM FINSERV LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

33 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The table below shows the credit quality and the maximum exposure to credit risk based on year-end stage classification. The amounts presented are gross of impairment allowances.

Particulars	(Amount in Rupees '000)	
	March 31, 2024	March 31, 2023
Financial assets measured at amortised cost	1,49,184.26	1,54,237.52
Less: Impairment allowance	2,976.78	3,430.69
Financial assets measured at amortised cost (net)	1,46,207.47	1,50,806.83

The table below summarises the gross carrying values and the associated allowances for expected credit loss (ECL) stage wise for loan portfolio (inclusive of interest):

As at March 31, 2024 (Amount in Rupees '000)

Particulars	Secured		
	Stage 1	Stage 2	Stage 3
Gross carrying value	14,850.00	-	1,397.21
Allowance for ECL	-	-	1,397.21
ECL coverage ratio	0.00%	0.00%	100.00%

As at March 31, 2024 (Amount in Rupees '000)

Particulars	Unsecured		
	Stage 1	Stage 2	Stage 3
Gross carrying value	1,31,120.75	730.00	430.04
Allowance for ECL	1,088.47	61.07	430.04
ECL coverage ratio	0.83%	8.37%	100.00%

As at March 31, 2023 (Amount in Rupees '000)

Particulars	Secured		
	Stage 1	Stage 2	Stage 3
Gross carrying value	7,850.00	-	3,573.98
Allowance for ECL	-	-	2,159.08
ECL coverage ratio	0.00%	0.00%	60.41%

As at March 31, 2023 (Amount in Rupees '000)

Particulars	Unsecured		
	Stage 1	Stage 2	Stage 3
Gross carrying value	1,40,814.20	-	430.04
Allowance for ECL	841.57	-	430.04
ECL coverage ratio	0.60%	0.00%	100.00%

B) Liquidity risk:

Liquidity risk is the risk that Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. Company closely monitors its liquidity position and deploys a robust cash management system.

Such scenarios could occur when funding needed for illiquid asset positions is not available to the Company on acceptable terms. To limit this risk, management has arranged for diversified funding sources and has adopted a policy of managing assets with liquidity in mind and monitoring future cash flows and liquidity on regular basis. The Company has developed internal control processes and contingency plans for managing liquidity risk. This incorporates an assessment of expected cash flows and the availability of cash, cash equivalents and high grade collateral which could be used to secure additional funding if required.

The Company maintains a portfolio of highly marketable and diverse assets that are assumed to be easily liquidated in the event of an unforeseen interruption in cash flow. In accordance with the Company's policy, the liquidity position is assessed under a variety of scenarios, giving due consideration to stress factors relating to both the market in general and specifically to the Company.

Maturity profile of undiscounted cash flows for financial liabilities as on balance sheet date have been provided below:

ANUPAM FINSERV LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

33 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

As at March 31, 2024		(Amount in Rupees '000)			
Particulars	Less than 3 months	3 to 12 months	1 to 5 years	Over 5 years	Total
Trade payable	446.13	-	-	-	446.13
Borrowings	1,600.00	3,550.62	18,400.00	-	23,550.62
Other financial liabilities	1,257.69	-	16.17	-	1,273.86
Total	3,303.82	3,550.62	18,416.17	-	25,270.61

As at March 31, 2023		(Amount in Rupees '000)			
Particulars	Less than 3 months	3 to 12 months	1 to 5 years	Over 5 years	Total
Trade payable	119.74	-	-	-	119.74
Borrowings	-	20,500.00	19,000.00	-	39,500.00
Other financial liabilities	711.00	-	16.17	-	727.17
Total	830.74	20,500.00	19,016.17	-	40,346.91

C) Market risk:

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates. The Company primarily deploy funds in liquid securities as a part of its liquidity management approach. The Company regularly reviews its average borrowing/lending cost including proportion of fixed and floating rate borrowings/loans so as to manage the impact of changes in interest rates.

The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

i) 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 Board has established limits on the interest rate gaps for stipulated periods. The Company monitors on a regular basis to ensure positions are maintained within the established limits.

D) Operational and business risk:

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to operate effectively, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. The Company cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include maker-checker controls, effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes.

34 CAPITAL MANAGEMENT

(i) Capital management

Objective

The Company's objective is to maintain appropriate levels of capital to support its business strategy taking into account the regulatory, economic and commercial environment. The Company aims to maintain a strong capital base to support the risks inherent to its business and growth strategies. The Company endeavours to maintain a higher capital base than the mandated regulatory capital at all times.

Planning

The Company's assessment of capital requirement is aligned to its planned growth which forms part of an annual operating plan which is approved by the Board and also a long range strategy. These growth plans are aligned to assessment of risks- which include credit, liquidity and interest rate.

ANUPAM FINSERV LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

35 FAIR VALUE MEASUREMENT

A) The carrying value and Fair value of Financial assets and liabilities by categories are as follows :

Particulars	Carrying value of the financial assets/liabilities		Fair value of the financial assets/liabilities	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
(Amount in Rupees '000)				
Financial Assets at Fair value through Profit and Loss (FVTPL)				
Investments in Mutual fund	6,508.55	3,187.97	6,508.55	3,187.97
Investments in shares	191.40	1,211.79	191.40	1,211.79
Financial Assets at amortized cost				
Investment in debentures	134.35	1,445.69	134.35	1,445.69
Cash and cash equivalents	2,685.70	1,135.75	2,685.70	1,135.75
Other Bank Balance	2,836.55	2,836.55	2,836.55	2,836.55
Trade receivables	755.78	877.39	755.78	877.39
Loans	1,45,551.21	1,49,237.52	1,45,551.21	1,49,237.52
Other Financial assets	680.43	1,574.31	680.43	1,574.31
Financial liabilities at amortized cost				
Trade Payables	446.13	119.74	446.13	119.74
Borrowings	23,550.62	39,500.00	23,550.62	39,500.00
Other financial liabilities	1,273.86	727.17	1,273.86	727.17

B) Level wise disclosures of financial assets and liabilities by categories are as follows :

Particulars	March 31, 2024	March 31, 2023	Level	(Amount in Rupees '000)
				Valuation techniques and key inputs
Financial Assets at FVTPL				
Investments in Mutual fund	6,508.55	3,187.97	1	Quoted NAV in active markets.
Investments in Shares	191.40	1,211.79	1	Quoted NAV in active markets.
Financial Assets at Amortized Cost				
Investments in debentures	134.35	1,445.69	1	At amortised cost

Fair value of cash and cash equivalents, other bank balance, short term loans, trade receivables, trade payables, other financial assets/liabilities approximate their carrying amounts largely due to the short term maturities of these instruments. Methods and assumptions used to estimate the fair values are consistent with those used for the year ended March 31, 2023.

During the reporting period ended March 31, 2024 and March 31, 2023, there were no transfer of the financial instruments between the levels.

ANUPAM FINSERV LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

36 SEGMENT INFORMATION

The Company has reported segment information as per Ind AS 108 on 'Operating Segments'. As per Ind AS 108, segments are identified based on managements evaluation of financial information for locating resources and assessing performance. Accordingly, the company has identified two reportable segments (1) Financing and (2) Leasing. The Segment details are as under:-

(Amount in Rupees '000)

Particulars	Year ended	
	31-03-2024	31-03-2023
Segment Revenue		
Financing	18,165.80	14,996.30
Leasing	13,888.25	10,307.88
Unallocable	-	-
Total	32,054.06	29,565.96
Segment Result		
Financing	11,802.55	13,823.07
Leasing	7,747.69	3,785.52
Total	19,550.24	17,608.60
Less: Unallocable Expenses	7,092.33	7,323.21
Total Profit before tax	12,457.91	10,285.39
Capital Employed		
Segment Assets		
Financing	1,53,041.77	1,57,152.29
Leasing	21,384.19	23,005.99
Unallocable	7,556.19	6,852.61
Sub-Total	1,81,982.15	1,87,010.88
Segment Liabilities		
Financing	23,968.82	40,211.00
Leasing	18.05	30.90
Unallocable	2,327.11	473.84
Sub-Total	26,313.98	40,715.74
Capital Employed		
Financing	1,29,072.95	1,16,941.29
Leasing	21,366.13	22,975.08
Unallocable	5,229.08	6,378.77
Total	1,55,668.16	1,46,295.15

ANUPAM FINSERV LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

37 RELATED PARTY DISCLOSURES AS REQUIRED UNDER IND-AS 24, "RELATED PARTY DISCLOSURES", ARE GIVEN BELOW:

a. Companies under control of key management personnel and relatives with whom transactions have taken place during the year

- 1 Nipra Trading Private Limited
- 2 G. M. Mercantile Private Limited
- 3 Anupam Stationery Limited
- 4 Anupam Wealth Private Limited
- 5 Anupam Realities Private Limited
- 6 Anupam Stock Broking Private Limited

b. Key Management Personnel (KMP) and relative

- | | |
|-----------------------|---|
| 1 Mr. Pravin Gala | Whole-time Director + Chief Financial Officer |
| 2 Mrs. Nirmala Gala | Managing Director |
| 3 Mr. Darshan Jajal | Independent Director |
| 4 Mr. Dhirubhai Desai | Independent Director |
| 5 Mr. Rajendra Shah | Independent Director |
| 6 Mrs. Sheetal Dedhia | Company Secretary |

c. Relative

- | | |
|------------------|--------------------|
| 1 Mr. Nanji Gala | Father of Director |
|------------------|--------------------|

d. Related Party transactions

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

Name of Related Party	Nature of Transaction/ Balances	(Amount in Rupees '000)	
		March 31, 2024	March 31, 2023
Companies under control of key management personnel and relatives :			
1 Nipra Trading Pvt. Ltd.	Loan given	3,900.00	-
	Repayment of loan given	5,450.00	9,000.00
	Receivable at year end	8,450.00	10,000.00
	Interest income	699.53	1,260.46
2 Anupam Realities Pvt. Ltd.	Loan given	-	4,000.00
	Repayment of loan given	3,000.00	1,000.00
	Receivable at year end	-	3,000.00
	Interest income	23.08	543.06
	Interest receivable	-	302.40
3 Anupam Stock Broking Private Limited	Loan given	-	20,500.00
	Repayment of loan given	-	22,500.00
	Receivable at year end	-	-
	Interest income	-	44.63

ANUPAM FINSERV LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

37 RELATED PARTY DISCLOSURES AS REQUIRED UNDER IND-AS 24, "RELATED PARTY DISCLOSURES", ARE GIVEN BELOW

d. Related Party transactions

Name of Related Party	Nature of Transaction/ Balances	(Amount in Rupees '000)	
		March 31, 2024	March 31, 2023
Companies under control of key management personnel and relatives contd.:			
4 Anupam Stationery Limited	Loan given	67,800.00	15,500.00
	Repayment of loan given	67,800.00	15,500.00
	Interest income	377.33	23.43
5 G. M. Mercantile Private Limited	Loan given	-	3,050.00
	Repayment of loan given	-	3,050.00
	Interest income	-	26.60
	Loan taken	11,700.00	19,317.69
	Repayment of loan taken	11,200.00	22,717.69
	Payable at year end	500.00	-
	Interest paid	13.82	48.87
	Interest payable	0.15	-
6 Anupam Wealth Private Limited	Re-imbursement of Expenses	3.44	-
Key Management Personnel and relatives :			
1 Mr. Darshan Jajal	Director Sitting fees	20.00	20.00
2 Mr. Dhirubhai Desai	Director Sitting fees	10.00	12.00
3 Mr. Rajendra Shah	Director Sitting fees	20.00	20.00
4 Mrs. Sheetal Dedhia	Remuneration	390.00	330.00
	Advance repaid	-	80.00
5 Nirmala Gala	Rent paid	600.00	600.00
6 Nanji Gala	Receivable at year end	3,000.00	4,100.00
	Repayment of loan given	1,100.00	400.00
	Interest income	276.50	354.08

38 LEASES**Operating Lease: company as lessee**

The Company has an existing lease agreement for taking on leave and license basis office premises which shall expire on October 31, 2024 with no renewal option.

In respect of the said existing lease for which the lease term expires within 12 months from the date of initial application of Ind AS 116, the company has elected to choose the exemption given in para C10 (c) of Ind AS 116 and chose to apply the short-term lease exemption to it. Following are the disclosure requirements relating to leases treated as short term lease:

Particulars	(Amount in Rupees '000)	
	March 31, 2024	March 31, 2023
Expenses relating to short term leases	600.00	600.00

ANUPAM FINSERV LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Operating Lease : Company is a lessor.

The Company has given motor cars under lease. The income from lease recognised in the Statement of Profit and Loss are Rs. 13,888.25 (March 31, 2023: 10,307.88). Agreements provide for cancellation by either party or contain clause for escalation and renewal of agreements.

Future minimum lease rental receivable are as follows:

Particulars	(Amount in Rupees '000)	
	March 31, 2024	March 31, 2023
Not later than five years	9,716.52	12,669.01
Later than five years	-	-

39 EARNINGS PER SHARE (EPS)

The following reflects the profit and share data used in the basic and diluted EPS computations:

Particulars	(Amount in Rupees '000)	
	March 31, 2024	March 31, 2023
Profit after tax	9,373.02	7,734.21
Net profit for calculation of basic and diluted EPS	9,373.02	7,734.21
	No. of Shares	No. of Shares
Weighted average number of equity shares in calculating basic and diluted EPS	11,56,37,500	11,56,37,500
Basic and diluted Earnings per share	0.08	0.07

40 DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER THE MSMED ACT 2006 *

Particulars	(Amount in Rupees '000)	
	March 31, 2024	March 31, 2023
a The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due to micro and small enterprises	-	-
Interest due on above	-	-
b The amount of interest paid by the buyer in terms of section 16 of the Micro and Small enterprise Development Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
c 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) but without adding the interest specified under Micro and Small Enterprise Development Act, 2006.	-	-
d The amount of interest accrued and remaining unpaid at the end of each accounting year;	-	-
e The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure	-	-

* The company has initiated the process of identification of suppliers registered under Micro and Small Enterprise Development Act, 2006, by obtaining confirmations from all suppliers. Information has been collated only to the extent of information received as at standalone balance sheet date.

ANUPAM FINSERV LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

41 THE DISCLOSURES AS REQUIRED BY THE NBFC MASTER DIRECTIONS ISSUED BY RBI

(Disclosures are made as per Ind AS financial statements except otherwise stated)

A. Borrower group-wise classification of loans and advances:

As at March 31, 2024		(Amount in Rupees '000)		
Loans and advances	Amount net of provisions			
	Secured	Unsecured	Total	
(i) Related Parties				
Companies in the same group	-	8,450.00	8,450.00	
Other related parties	-	3,000.00	3,000.00	
(ii) Other than related parties	16,247.21	1,17,854.00	1,34,101.21	
Total	16,247.21	1,29,304.00	1,45,551.21	

As at March 31, 2023		(Amount in Rupees '000)		
Loans and advances	Amount net of provisions			
	Secured	Unsecured	Total	
(i) Related Parties				
Companies in the same group	-	13,000.00	13,000.00	
Other related parties	-	4,100.00	4,100.00	
(ii) Other than related parties	11,854.01	1,20,283.51	1,32,137.52	
Total	11,854.01	1,37,383.51	1,49,237.52	

B. Others

Particulars	(Amount in Rupees '000)	
	As at Mar 31, 2024	As at Mar 31, 2023
(i) Gross-non performing assets		
Related parties	-	-
Other than related parties	1,833.16	4,009.93
(ii) Net-non performing assets		
Related parties	-	-
Other than related parties	-	1,414.90

ANUPAM FINSERV LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

- 42 Disclosure pursuant to RBI Notification - RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 Dated 13 March 2020 - A comparison between provisions required under Income recognition, asset classification and provisioning (IRACP) and impairment allowances as per Ind AS 109 'Financial instruments'

As at March 31, 2024

(Amount in Rupees '000)

Asset classification as per RBI norms	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
a	b	c	d	e=c-d	f	g=d-f
Performing Assets						
Standard	Stage 1	1,46,585.39	1,082.56	1,45,502.84	366.46	716.09
	Stage 2	35.70	-	35.70	0.09	(0.09)
	Stage 3	730.00	61.07	668.93	1.83	59.24
Subtotal		1,47,351.09	1,143.62	1,46,207.47	368.38	775.24
Non-Performing Assets (NPA)						
Substandard	Stage 3			-		-
Doubtful - upto						
1 year	Stage 3	435.95	435.95	-	435.95	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		435.95	435.95	-	435.95	-
Loss	Stage 3	1,397.21	1,397.21	-	1,397.21	-
Subtotal for NPA		1,833.16	1,833.16	-	1,833.16	-
Other items	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		-	-	-	-	-
Total	Stage 1	1,46,585.39	1,082.56	1,45,502.84	366.46	716.09
	Stage 2	35.70	-	35.70	0.09	(0.09)
	Stage 3	2,563.16	1,894.23	668.93	1,834.99	59.24
	Total	1,49,184.26	2,976.78	1,46,207.47	2,201.54	775.24

ANUPAM FINSERV LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

- 42 Disclosure pursuant to RBI Notification - RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 Dated 13 March 2020 - A comparison between provisions required under Income recognition, asset classification and provisioning (IRACP) and impairment allowances as per Ind AS 109 'Financial instruments'

As at March 31, 2023

(Amount in Rupees '000)

Asset classification as per RBI norms	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
a	b	c	d	e=c-d	f	g=d-f
Performing Assets						
Standard	Stage 1	1,50,227.59	388.96	1,49,838.63	375.57	13.39
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		1,50,227.59	388.96	1,49,838.63	375.57	13.39
Non-Performing Assets (NPA)						
Substandard	Stage 3	-	-	-	-	-
Doubtful - upto						
1 year	Stage 3	435.95	435.95	-	435.95	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	2,176.77	761.87	1,414.90	1,088.38	(326.51)
Subtotal for doubtful		2,612.71	1,197.82	1,414.90	1,524.33	(326.51)
Loss	Stage 3	1,397.21	1,397.21	-	1,397	-
Subtotal for NPA		4,009.93	2,595.03	1,414.90	2,921.54	(326.51)
Other items	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		-	-	-	-	-
Total	Stage 1	1,50,227.59	388.96	1,49,838.63	375.57	13.39
	Stage 2	-	-	-	-	-
	Stage 3	4,009.93	2,595.03	1,414.90	2,921.54	(326.51)
	Total	1,54,237.52	2,983.99	1,51,253.53	3,297.11	(313.12)

ANUPAM FINSERV LIMITED**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024****43 ANALYTICAL RATIOS**

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
CRAR (%)	92.65	86.04
Tier I CRAR (%)	92.65	86.04
Tier II CRAR (%)	1.52	1.00
Liquidity Coverage Ratio	0.48	-2.13

44 Since Feb 2021, a Bank account of the Company having balance of Rs. 2,820.38 has been frozen by the cybercell, Hyderabad, as the account was linked to its fintech partner Yomoyo Blossom Technology Private Limited. The Company has not received any formal communication or summons for the same from the cybercell.

45 CONTINGENT LIABILITY

There are no contingent liabilities.

46 TRANSACTION WITH STRUCK-OFF COMPANIES

The Company doesn't have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

47 BENAMI PROPERTIES

There are no Benami properties held by the Company. Also, there has been no proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

48 WILFULL DEFAULTER

The Company has not been declared as a wilfull defaulter by any bank or financial institution or other lender in the financial years ended March 31, 2024 and March 31, 2023.

49 PREVIOUS YEAR FIGURES

Previous year's figures are regrouped / rearranged / recasted wherever considered necessary.

As per our report of even date
For J. K. Shah & Co.
Chartered Accountants
Firm Registration No. 109606W

For and on behalf of the board of directors of
Anupam Finserv Limited
CIN: L74140MH1991PLC061715

CA Sanjay Dhruva
Partner

Nirmala Gala **Pravin Gala**
Managing Director Whole Time Director & CFO

Membership No : 038480

DIN: 00894497 DIN: 00786492

Sheetal Dedhia
Company Secretary
M. No.: A52175

Place: Mumbai
Date : May 30, 2024

Place: Mumbai
Date : May 30, 2024

ACCOUNTING RATIOS AND CAPITALISATION STATEMENT

Accounting Ratios

The following table sets forth the accounting ratios as at March 31, 2024 and March 31, 2023:

(all amounts in ₹ '000, unless stated otherwise)

Particulars	March 31, 2024	March 31, 2023
Net Worth (A)	1,55,668.16	1,46,295.15
Profit attributable to the owners of the equity (B)	9,373.02	7,734.21
Number of the shares outstanding at the end of the year (C)	1,15,637.50	1,15,637.50
Weighted Number of the shares outstanding at the end of the year		
- for basic earnings per share (D)	1,15,637.50	1,15,637.50
- for diluted earnings per share (E)	1,15,637.50	1,15,637.50
Basic earnings per share (B/D)	0.08	0.07
Diluted earnings per share (B/E)	0.08	0.07
Return on net worth (%) (B/A)		5.29%
Net Asset Value per share		
- based on weighted average number of shares (A/D)	1.35	1.27
- assuming actual number of equity shares with fully diluted capital in prior years (A/E)	1.35	1.27
EBITDA	17,049.96	14,262.96
Face value	1.00	1.00

The formulae used in the computation of the above ratios are as follows:

Basic EPS	Profit and loss attributable to Equity shareholders of Company / Weighted average number of Equity shares outstanding at the end of the period
Diluted EPS	Profit and loss attributable to Equity shareholders of Company / Weighted average number of Equity shares outstanding at the end of the period as adjusted for treasury shares and for the effects of all dilutive potential equity shares
Return on Net Worth	Profit/(loss) after tax for the period as presented in the consolidated statement of profit and loss in the Financial Statements / Net Worth
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
Net Asset Value per Equity Share	Net Worth / Number of Equity Shares subscribed and fully paid outstanding as at the end of March 31, 2024
EBITDA	Profit/(loss) after tax for the period adjusted for income tax expense, depreciation and amortisation expenses and exceptional items as presented in the Audited Consolidated Financial Statements

Statement of Capitalization

(In ₹ '000)

Particulars		Pre-Issue as at March 31, 2024	As adjusted for the issue (Post Issue) *
Borrowings:			
Current borrowings	A	0.00	[●]
Non-current borrowings	B	23,550.62	[●]
Total borrowings	C=A+B	23,550.62	[●]
Shareholder's fund (Net worth)			[●]
Share Capital	D	1,15,637.50	[●]
Other Equity [^]	E	40.030.66	[●]
Total shareholder's fund (Net worth)	F=D+E	1,55,668.16	[●]
Non-current borrowing's/shareholder's fund (Net worth) ratio	B/F	0.15	[●]
Total borrowings /shareholders' funds (Net worth) ratio	C/F	0.15	[●]

**To be updated in the Letter of Offer*

^excludes non-controlling interest

Notes:

1. Non-current borrowings are considered as borrowings other than short term borrowings and include current maturities of long-term borrowings.
2. The amounts disclosed above are based on the audited Financial Statements of the Company for the year March 31, 2024.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following is intended to convey our management's perspective of our financial condition and operating performance as at and for the financial years ended March 31, 2024 and March 31, 2023 and should be read in conjunction with our Audited Financial Results, including the respective notes thereto, and the related auditors' reports thereon, included in "Financial Statements" on page 70 of this Draft Letter of Offer. Unless otherwise stated, the financial information used in this section has been derived from our Audited Financial Statement.

Our Fiscal commences on April 1 and ends on March 31 of the immediately subsequent year, and references to a particular Fiscal are to the 12 months ended March 31 of that particular year. In this Draft Letter of Offer, unless specified otherwise, any reference to "the Company" or "our Company" refers to Anupam Finserv Limited, and a reference to "we", "us" or "our" is a reference to our Company.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements. Given these uncertainties, prospective investors are cautioned not to place undue reliance on such forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those discussed in "Risk Factors" and "Our Business" on pages 20 and 60 of this Draft Letter of Offer, respectively, which discuss a number of factors and contingencies that could affect our financial condition and results of operations. Also see "Forward Looking Statements" on page 14 of this Draft Letter of Offer.

Business Overview

Our primary business is solution-based lending. We believe in enabling our customers to pursue ambitious growth strategies through speedy, personalized, and structured lending and financing solutions. Our loan book currently comprises of short time business and working capital loans to business houses, Personal Loans, Loans against Property, Loans against Shares, short-term working capital Loans to hospitals. We have recently forayed into lease finance of cars/vehicles to Corporates through customized and flexible lease schemes to meet their Business and Employee mobility solutions with ease.

The revenue streams of the company are through generation of interest income on loans given to the customers, fee income from various services, lease Income and other Investment incomes.

We propose to explore customized lending opportunities in sectors with green initiatives like funding Solar Energy installations and Electric Vehicle financing. We also plan to explore opportunities in equipment financing to Hospitals. This along with new customer additions and new geographies will further diversify our portfolio. We plan to augment our business through improved social media presence, print ads and B2B partnerships that enable credit lines to the end customer.

Our Business Strategies

- 1. To explore customized lending opportunities in sectors with green initiatives like funding Solar Energy installations:** We intend to provide loans to corporates which are in the installation of solar energy panels and such other equipment. We are exploring the opportunities in this sector currently and intend to provide loans which will suit the needs of such corporates.
- 2. To provide finance to companies which are in the manufacture of electric vehicles:** The electric vehicle (EV) revolution in India is gaining momentum, driven by technological advancements, environmental consciousness, and government initiatives. As the demand for EVs continues to rise, the need for reliable financing options becomes crucial. We intend to provide financing solutions for electric two-wheelers, three-wheelers, and four-wheelers by offering competitive interest rates, flexible repayment options and quick loan disbursals.
- 3. To explore opportunities for equipment finance to hospitals:** We intend to provide loans to hospitals for the purchase of equipment like CT Scanners, Colour Dopplers, X-ray machines, Sonography Machines and the like.
- 4. To explore opportunities for bills receivable discounting:** We intend to foray into funding solutions to business such as financing their Outstanding Invoices and Bills for a discount.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our financial condition and results of operations are affected by numerous factors and uncertainties, including those discussed in the section titled ‘Risk Factors’ on page 20 of this Draft Letter of Offer. The following is a discussion of certain factors that have had, and we expect will continue to have, a significant effect on our financial condition and results of operations:

- adverse effect of competition on our market share and profits;
- Adherence to exposure limits and prudential norms as approved by the Board of Directors of the Company and the regulatory authorities.
- Erosion in the value of our investments
- our ability to:
 - manage our growth effectively;
 - manage our credit risk;
 - manage our quality of services;
 - hire and retain senior management personnel and other skilled manpower;
 - manage our operating costs;
 - handle cyber frauds
 - successfully implement our business strategies and expansion plans;
 - maintain effective internal controls;
- changes in general, political, social and economic conditions in India and elsewhere;
- general levels of GDP growth, and growth in employment and personal disposable income; and
- economic uncertainties, fiscal crises or instability in India.

SIGNIFICANT ACCOUNTING POLICIES

The accounting policies have been applied consistently to the periods presented in the Financial Statements. For details of our significant accounting policies, please refer section titled “Audited Financial Information” on page 70 of this Draft Letter of Offer.

CHANGE IN ACCOUNTING POLICIES IN PREVIOUS 3 YEARS

Except as mentioned in the Notes to the Accounts in the chapter “Audited Financial Information” on page 70 of this Draft Letter of Offer has been no change in accounting policies in last 3 years.

RESERVATIONS, QUALIFICATIONS AND ADVERSE REMARKS

The Audit Report issued by our Statutory Auditors has no reservations, qualifications and adverse remarks.

RESULTS OF OPERATIONS

The following table sets out selected data from the Audited Financial Statements for Financial Year 2024 and Financial Year 2023, together with the percentage that each line item represents of our total revenue for the periods presented.

(₹ in '000)

Particulars	FY 2024		FY 2023	
	Amount	% of total income	Amount	% of total income
Income				
Revenue from operations	31,748.05	99.05	25,303.92	99.99
Other Income	306.01	0.95	0.26	0.01
Total Income	32,054.06	100.00	25,304.18	100.00
Expenses				
Finance Costs	3,020.72	9.42	3,068.10	12.12
Fees and Commission Expense	1,908.78	5.95	0.00	0.00
Net Loss on Fair Value Changes	1,658.61	5.17	0.00	0.00
Net loss on derecognition of financial instruments under amortised cost category	52.47	0.16	0.00	0.00
Impairment on Financial Instruments	0.00	0.00	302.47	1.20
Employee Benefit Expenses	3,676.22	11.47	1,430.33	5.65
Depreciation, amortization and impairment expense	4,898.06	15.28	3,977.84	15.72
Loss on sale of property, equipment	692.33	2.16	2,745.85	10.85
Other Expenses	3,688.96	11.51	3,494.21	13.81
Total Expenses	19,596.15	61.13	15,018.79	59.35
Profit / (Loss) before exceptional items and Tax	12,457.91	38.87	10,285.39	40.65
Exceptional Items	0.00	0.00	0.00	
Profit /(Loss) before tax	12,457.91	38.87	10,285.39	40.65
Tax Expense				
Current Tax	3,200.00	9.98	3,000.00	11.86
Deferred Tax	29.39	0.09	(305.40)	-1.21
Prior Period Tax Adjustments	(144.50)	(0.45)	(143.42)	-0.57
Profit / (Loss) After Tax	9,373.02	29.24	7,734.21	305.65
Other Comprehensive Income/(Loss)	0.00		0.00	
Total Comprehensive Income /(Loss)for the Year	9,373.02	29.24	7,734.21	305.65
Earnings per Share (Basic) (in Rs.)	0.08		0.07	
Earnings per Share (Diluted) (in Rs)	0.08		0.07	

Total income

Revenue from operations

Our revenue from operations comprises of interest income, dividend income, lease income, fees and commission and impairment on financial instruments reversal.

Other Income

Other income comprises of miscellaneous income.

Expenses

Our expenses consist of finance costs, fees and commission, employee benefit expense, impairment provisions, depreciation and amortisation expenses and other expenses.

Employee benefit expenses

Employee benefit expense consists of salaries, wages, bonus and other staff welfare expenses

Impairment provisions

Impairment consists of provisions on stage 3 assets (unquoted equity instruments valued through FVOCI).

Depreciation and amortisation expenses

Depreciation and amortization expenses consist of depreciation on tangible and intangible assets owned by our company.

Other expenses

Other expenses include advertisement expenses, legal expenses, auditors' fees. Directors. fees, GST Expenses, Communication expenses, printing and stationery, rent expenses, loss on sale of assets and insurance.

Tax expenses

Tax expense comprises of current tax and deferred tax. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with applicable tax rates and the provisions of applicable tax laws. Deferred tax liability or credit is recognized based on the difference between taxable profit and book profit due to the effect of timing differences and treatment of expenses. Our deferred tax is measured based on the applicable tax rates and tax laws that have been enacted or substantively enacted by the relevant balance sheet date.

Comparison of Historical Results of Operations

Financial Year 2024 compared to Financial Year 2023

Total Revenue

The total revenue for financial year ended March 31, 2024 increased from ₹ 25,304.18 thousands during the financial year ended March 31, 2023 to ₹ 32,054.06 thousands an increase of ₹ 6,749.88 thousands or 26.67%. The increase in total revenue was primarily due to an increase in interest income and lease income.

Revenue from operations

Our revenue from operations increased from ₹ 25,303.92 thousands during the financial year ended March 31, 2023 to ₹31,748.05 thousands in financial year ended March 31, 2024, representing an increase of ₹ 6444.13 thousands or 25.47%. This increase was mainly due to an increase in interest income, lease income and commission income during the financial year ended March 31, 2024 as compared to the previous year.

Other Income

Other income increased from Rs.0.26 thousands to ₹ 306.01 thousands, an increase of ₹ 305.75 thousands. This increase was due to an increase in miscellaneous income.

Total Expenses

Out total expenses increased from ₹15,018.79 thousands for the financial year ended March 31, 2023 to ₹ 19,596.15 thousands for the financial year ended March 31, 2024 which was an increase of ₹ 4577.36 thousands or 0.48% This was due to an increase in finance costs, fees and commission expenses, net loss fair value charges, net loss on derecognition of financial instruments, employee benefit expenses and other expenses.

Finance Costs

Finance Costs for the year ended March 31, 2024 was ₹ 3,020.79 thousands compared to ₹3068.10 thousands for the year ended March 31, 2023. This was a decrease of ₹ 47.31 thousand or 1.54 % over the previous year. This was due to a reduction in borrowings during the financial year ended March 31, 2024.

Fees and Commission Expenses

Fees and Commission expenses for the year ended March 31, 2024 was ₹ 1,908.78 thousands compared to Nil for the year ended March 31, 2023. This was an increase of 100% over the previous year due to the incurring of loan processing expenses during the financial year March 31, 2024.

Net Loss on Fair Value Charges

Net loss on Fair Value Charges for the year ended March 31, 2024 was ₹ 1,658.61 thousands compared to Nil for the year ended March 31, 2023. This was an increase of 100% over the previous year.

Impairment on Financial Instruments

Impairment on Financial Instruments for the year ended March 31, 2024 was ₹ Nil compared to ₹ 302.47 thousands for the year ended March 31, 2023. This was a decrease by 100% over the previous year.

Employee benefit expenses

Employee benefits expense for the year ended March 31, 2024 was ₹3,676.22 thousands compared to ₹ 1,430.33 thousands for the year ended March 31, 2023. This was an increase of ₹2,245.89 thousands or 157.02 % over the previous year. This was due to an increase in salary and other employee benefit expenses.

Depreciation and Amortisation Expense

Depreciation and amortization expense for the year ended March 31, 2024 was ₹4,898.06 thousands as compared to ₹ 3,977.44 thousands for the year ended March 31, 2023, an increase of ₹ 920.62 thousands or 23.13%. This was due to the depreciation and amortisation on leased assets

Other expenses

Other expenses for the year ended March 31, 2024 was ₹ 4381.29 thousands as compared to ₹6,240.06 thousands for the year ended March 31, 2023, a decrease of ₹1858.77 thousands lakhs or 29.78% over the previous year. This was due to an increase in all expenses but offset by the absence in loss of sale of assets.

Profit/(Loss) before Tax

The profit before tax for the year ended March 31, 2024 was ₹ **12,457.91** thousands as compared to ₹ **10,285.39** thousands for the year ended March 31, 2023, an increase of ₹ 2172.52 thousands or 21.12% . This was due to an increase in revenues and a moderate increase in the expenses

Taxation

Total tax expense for the year ended March 31, 2024 was ₹ 3,084.89 thousands as compared to ₹ 2,551.81 thousands for the year ended March 31, 2023 an increase of ₹ 533.08 lakhs.

Profit/Loss after Tax

As a result of the aforesaid, Our Company has made a Profit after Tax for the year ended March 31, 2024 of ₹ 9373.02 thousands as compared to a profit of ₹ 7734.21 thousands for the financial year ended March 31, 2023, an increase of ₹ 1638.81 thousands.

CASH FLOWS

The following table sets forth certain information relating to our cash flows:

Particulars	(₹ in '000s)	
	March 31, 2024	March 31, 2023
Net Cash Flow generated from/ (used in) Operating Activities (A)	24,143.64	4,840.27
Net Cash Flow generated from / (used) in Investing Activities (B)	(6,644.31)	(14,126.91)
Net Cash Flow generated from / (used) in Financing Activities (C)	(15,949.38)	8,600.00
Net increase / (Decrease) in Cash & Cash Equivalents (A+B+C)	1,549.95	(686.69)
Cash and cash equivalents at the beginning of the year/period	1,135.75	1,822.44
Cash and cash equivalents at year/ period end	2,685.70	1,135.75

Cash generated from Operating Activities

Net cash generated from operating activities for the year ended March 31, 2024 was ₹24,143.64 thousands as compared to the profit/(loss) before tax of ₹12,457.91 thousands for the same period. This difference is primarily on account of adjustments for interest income, dividend income, fees and commission, depreciation and impairment, net loss on financial instruments, impairment in valuation of investments, interest expense and impairment in value of financial instrument. There has been a cash inflow from interest, dividends and fees and commission while there has been a cash outflow towards finance costs.

Net cash used in operating activities for the year ended March 31, 2023 was ₹ 4,840.27 thousands as compared to the profit/(loss) before tax of ₹ 10,285.39 thousands the same period. This difference is primarily on account of adjustments for interest income, dividend income, fees and commission, depreciation and impairment, net loss on financial instruments, impairment in valuation of investments, interest expense and impairment in value of financial instrument. There has been a cash inflow from interest and dividends while there has been a cash outflow towards finance costs.

Net Cash used in Investing Activities

Net cash used in investing activities for the year ended March 31, 2024 was ₹ (6644.31) thousands. This was on account of purchase of investments, at FVTPL and at amortised cost and purchase of property plant and equipment.

Net cash generated in investing activities for the year ended March 31, 2023 was ₹ (14,126,91) thousands. This was on account of purchase of investments, at FVTPL and at amortised cost and purchase of property plant and equipment.

Net Cash flow used in Financing Activities

Net cash flows used in financing activities for the year ended March 31, 2024 was ₹ (15,949.38) thousands due to loans repaid.

Net cash flows generated in financing activities for the year ended March 31, 2023 was ₹ 8,600 thousands due to increase in loans.

Contingent Liabilities

There were no contingent liabilities as on March 31, 2024.

Off-Balance Sheet Arrangements

We do not have any other off-balance sheet arrangements or other relationships with unconsolidated entities, such as special purpose vehicles, that have been established for the purposes of facilitating off-balance sheet arrangements.

QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT FINANCIAL RISK

Our Board has overall responsibility for the establishment and oversight of our risk management framework. Our risk management policies are established to identify and analyse the risks faced, 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 our activities. We have exposure to the following risks:

(a) Market Risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates. The Company primarily deploy funds in liquid securities as a part of its liquidity management approach. The Company regularly reviews its average borrowing/lending cost including proportion of fixed and floating rate borrowings/loans so as to manage the impact of changes in interest rates.

(b) 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 Board has established limits on the interest rate gaps for stipulated periods. The Company monitors on a regular basis to ensure positions are maintained within the established limits.

(c) Operational Risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to operate effectively, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. The Company cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include maker-checker controls, effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes.

(d) Liquidity Risk

Liquidity risk is the risk that Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. Company closely monitors its liquidity position and deploys a robust cash management system.

The Company maintains a portfolio of highly marketable and diverse assets that are assumed to be easily liquidated in the event of an unforeseen interruption in cash flow. In accordance with the Company's policy, the liquidity position is assessed under a variety of scenarios, giving due consideration to stress factors relating to both the market in general and specifically to the Company

(e) Credit Risk

Credit risk' is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's loans and advances to customers and investment debt securities. The Company has put in place well defined product programs with credit policy parameters defining the credit appetite for each product. The credit policy gets administered through credit underwriting managers for each product across branches. In order to retain the independence of the credit function, functional reporting of the credit managers is separated from sales. The Company has put in place review mechanisms to identify and measure credit risk arising out of customer acceptance as well as credit behaviour. Further, collections teams are responsible for managing credit impaired customers with usage of appropriate tools including negotiations, legal actions and recovery proceedings. The Company has put in place a collections policy defining the role and responsibilities of collections function. The Company has also put in place mechanisms to

identify risk indicator signals and take appropriate actions to address the concerns arising out of the risk indicator signals.

RELATED PARTY TRANSACTIONS

For details of our related party transactions, see “Audited Financial Information - Related Party Transactions” on page 135 of this Draft Letter of Offer.

Qualitative Disclosure about Market Risk

Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations

Other than as described in the section titled “*Risk Factors*” and chapter titled “*Management's Discussion and Analysis of Financial Conditions and Results of Operations*” on page 20 and page 144 respectively of this Draft Letter of Offer, to our knowledge there are no known trends or uncertainties that have or are expected to have a material adverse impact on our income from continuing operations.

Unusual or Infrequent Events or Transactions

Except as described elsewhere in this Draft Letter of Offer, there have been no unusual or infrequent events or transactions including unusual trends on account of business activity, unusual items of income, change of accounting policies and discretionary reduction of expenses.

Significant economic/regulatory changes

Government policies governing the sector in which we operate as well as the overall growth of the Indian economy has a significant bearing on our operations. Except as disclosed in this Draft Letter of Offer, to our knowledge, there are no significant regulatory changes that materially affected or are likely to affect our income from continuing operations.

Major changes in these factors can significantly impact income from continuing operations.

There are no significant economic changes that materially affected our Company’s operations or are likely to affect income except as mentioned in the section titled “*Risk Factors*” on page 20 of this Draft Letter of Offer.

Expected future changes in relationship between costs and revenues, in case of events such as future increase in interest rate that will cause a material change are known

Other than as described in the section titled “*Risk Factors*” and chapter titled “*Management's Discussion and Analysis of Financial Conditions and Results of Operations*” on page 20 and 144 respectively, and elsewhere in this Draft Letter of Offer, there are no known factors to our knowledge which would have a material adverse impact on the relationship between costs and income of our Company. Our Company’s future costs and revenues will be determined by demand/supply situation and government policies.

The extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices

The increase in revenue is by and large linked to increase in volume of all the activities carried out by the Company.

Competitive Conditions

We expect competition in the sector from existing and potential competitors to vary. However, on account of our core strengths we will be able to stay competitive. For further details, kindly refer the chapter titled “*Our Business*” on page 60 of this Draft Letter of Offer.

Total Turnover of Each Major Business Segment

We are operating only in one segment which is to provide loans and lease financing.

New Product or Business Segment

Except as disclosed in “*Our Business*” on page 60 of this Draft Letter of Offer, we have not announced and do not expect to announce in the near future any new products or business segments.

Seasonality of Business

Our Company’s business is not seasonal in nature.

Significant dependence on a Single or Few Suppliers or Customers

Other than as described in this Draft Letter of Offer, to our knowledge, there is no significant dependence on a single or few customers or suppliers.

Significant Developments since last balance sheet date

To our knowledge no circumstances have arisen since March 31, 2024, the date of the last financial information disclosed in this Draft Letter of Offer which materially and adversely affect or are likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 months.

FINANCIAL INDEBTEDNESS

Set forth below is a brief summary of all the borrowings of our Company together with a brief description of certain significant terms of such financing arrangements. As on March 31, 2024, our total outstanding secured borrowing was ₹ Nil and the total outstanding unsecured borrowing was ₹ 2,35,50,620.

SECURED BORROWINGS BY OUR COMPANY

As on March 31, 2024 the aggregated outstanding borrowings of our Company as under:

Category of borrowing	Sanctioned amount as on March 31, 2024	Outstanding amount as on March 31, 2024
Borrowings other than debt securities	Nil	Nil

UNSECURED BORROWINGS

Our Company has availed the following unsecured loans as under:

Category of borrowing	Sanctioned amount as on March 31, 2024 (₹ in '000)	Outstanding amount as on March 31, 2024 (₹ in '000)
Borrowings other than debt securities	<u>23,550.62</u>	<u>23,550.62</u>

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no outstanding (i) criminal proceedings involving our Company, Directors, Subsidiaries or Promoters; (ii) actions by any statutory or regulatory authorities involving our Company, Directors, Subsidiaries or Promoters; or (iii) claim involving our Company, Directors, Subsidiaries or Promoters for any direct or indirect tax liabilities (disclosed in a consolidated manner giving the total number of claims and total amounts involved), (iv) proceeding involving our Company, Directors, Subsidiaries or Promoters (other than proceedings covered under (i) to (iii) above) which has been determined to be “material” pursuant to the materiality policy approved by our Board in its meeting held on February 14, 2023 (“Materiality Policy”) (as disclosed herein below).

In terms of the Materiality Policy, other than outstanding criminal proceedings, actions taken by any statutory or regulatory authority and claims for any direct or indirect tax liabilities mentioned in point (i) to (iii) above, all other pending litigation:

- A. involving our Company, Promoters and Directors:
- i. where the aggregate monetary claim made by or against our Company, in any such pending litigation proceeding is in excess of 5% of gross turnover or 5% of the networth whichever is lower as on the last financial year i.e. March 31, 2024. Accordingly, we have disclosed all such outstanding litigation proceedings where the aggregate monetary claim made by or against our Company, in any such pending litigation proceeding is in excess of 5% of gross turnover or 5% of the networth whichever is lower; and
 - ii. where the monetary liability is not quantifiable, or which does not fulfil the threshold specified in (i) above, but the outcome of which could, nonetheless may have a material adverse effect on the position, business, operations, prospects or reputation of our Company have been considered “material”.
- B. involving our Directors and our Promoters (individually or in aggregate), the outcome of which would materially and adversely affect the business, operations, prospects, financial position or reputation of our Company, irrespective of the amount involved, has been considered as material.

Further, except as disclosed in this section, there are no (i) disciplinary action taken against any of our Promoters by SEBI or the Stock Exchange in the five Fiscals preceding the date of this Letter of Offer which may have a material impact on our Company.

Further, in accordance with the Materiality Policy, a creditor of our Company, shall be considered to be material creditor (except banks and financial institutions from whom the Company has availed financing facilities) for the purpose of disclosure in the offer documents, if amounts due to such creditor exceeds 5% (five per cent) of the gross turnover or 5% of the networth whichever is lower of our Company as per the most recently completed Fiscal as per the Audited Financial Information. Accordingly, we have disclosed information of outstanding dues owed to any creditors of our Company, separately giving details of number of cases and amount for all dues where each of the dues 5% (five per cent) of the gross turnover or 5% of the networth whichever is lower of our Company as at March 31, 2024 as per the Audited Financial Information) (“**Material Dues**”). Further, in accordance with the Materiality Policy for the disclosure of the outstanding dues to any party which is a micro, small or a medium enterprise (“**MSME**”) will be based on information available with our Company regarding status of the creditor as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006, as amended.

Unless stated to the contrary, the information provided in this section is as of the date of this Draft Letter of Offer. All terms defined in a summary pertaining to a particular litigation shall be construed only in respect of the summary of the litigation where such term is used.

1. LITIGATION INVOLVING OUR COMPANY

i. Litigation against our Company

1. *Criminal Proceedings*
Nil
2. *Actions taken by Statutory/Regulatory Authorities*
Nil
3. *Tax Proceedings*
Nil
4. *Other Material Litigations*
Nil
5. *Disciplinary action against our Company by SEBI or any stock exchange in the last five Fiscals*
Nil

ii. Litigation by our Company

1. *Criminal Proceedings*

Case No: 701907/SS/2018 dated June 11, 2018: Our Company has filed a Summons Triable Summary compliant/petition under Section 138 read with Section 141 of the Negotiable Instruments Act, 1881 against S D Corporation, a partnership firm and its partners Mr Omprakash Yadav and Mr Rajesh Yashwant Bari for the recovery of an amount of ₹14,97,215 due to dishonouring of the cheque issued by them due to “insufficient balance” at the Additional Metropolitan Magistrate Court, Dadar. Bailable warrant had been issued by the Magistrate Court on January 08, 2022, against the partners, however the defendant is not traceable. The matter is posted for orders and the next date of hearing is 27th July, 2024.

2. *Civil and other Material Litigations*

Case No: Spl. C.S./117/2023 dated April 28, 2023 filed in the Court of Civil Judge, Senior Division, Vasai: Our Company has filed a case against S D Corporation and Competent Authority for Land Acquisition (CALA) Sub-Divisional Officer Vasai.

S D Corporation had taken a loan of Rs.15,00,000 from our Company for the purpose of business. The loan was granted with a secured charge of mortgage of title deeds of two office premises owned by SD Corporation executed in favour of the company. S D Corporation defaulted on the repayment of the loan and the cheques issued by them towards the payment of instalment have been returned by the Bank with the remark “insufficient funds”. It has come to the notice of our Company that the CALA proposes to acquire the land wherein the the shops the charge for which has been created in favour of the Company are situated. A civil suit has been filed in the Vasai Court with a request not to permit the acquisition of the said property and to claim the outstanding amount or security over the property. The claim amount is estimated to be worth ₹ 20,00,000.

The matter is posted for cross examination and the next date of hearing is 12th July, 2024.

2. LITIGATION INVOLVING OUR PROMOTERS

Cases filed against our Promoters

1. *Criminal Proceedings*

Nil

2. *Actions taken by Statutory/Regulatory Authorities*

Our Promoter and Director Mr Pravin Nanji Gala had received a show cause notice dated October 31, 2017 from the Adjudicating Officer, SEBI alleging certain violations of the SEBI (ICDR) Regulations, 2009 read with Section 12 of the SEBI Act, 1992 and the SEBI (FUTP) Regulations, 2003 which was issued to

him in his capacity of a past directorship in Inventure Growth and Securities Limited, a SEBI registered stock broker. SEBI levied a penalty of Rs.15.00 Lakhs on Mr Pravin Gala.

Mr. Pravin Gala had filed appeals against both the SEBI orders before Hon'ble SAT, both the orders were quashed and set aside by Hon'ble SAT and Adjudication proceedings were remanded back to the Adjudicating Officer, SEBI for proper consideration. A fresh show cause notice dated April 24, 2024 has been issued and the matter is currently pending before SEBI.

SEBI has filed Civil Appeals with Hon'ble Supreme Court against both the orders of Hon'ble SAT and an order to Issue Notice was passed by Hon'ble Supreme Court, however, no stay is granted in the matter. The matter is now listed on August 07, 2024 as per the Supreme Court case status

3. *Tax Proceedings*

Nil

4. *Other Material Litigations*

Nil

5. *Disciplinary action against our Promoters by SEBI or any stock exchange in the last five Fiscals*

Nil

Cases filed by our Promoters

1. *Criminal Proceedings*

Nil

2. *Other Material Litigations*

Nil

3. LITIGATION INVOLVING OUR DIRECTORS

Cases filed against our Directors

1. *Criminal Proceedings*

Nil

2. *Actions taken by Statutory/Regulatory Authorities*

Please refer to the matter involving our promoter Mr Pravin Gala and SEBI in the previous paragraph.

3. *Tax Proceedings*

Nil

4. *Other Material Litigations*

Nil

5. *Disciplinary action against our Directors by SEBI or any stock exchange in the last five Fiscals*

Nil

Cases filed by our Directors

1. *Criminal Proceedings*

Nil

2. *Other Material Litigations*

Nil

4. OUTSTANDING DUES TO SMALL SCALE UNDERTAKINGS OR ANY OTHER CREDITORS

As on March 31, 2024, the details of amounts outstanding towards small scale undertakings and other creditors are as follows:

<i>(₹ in lakhs)</i>		
Particulars	No. of Creditors	Amount
Outstanding dues to small scale undertakings	-	-
Outstanding dues to other creditors		776.43
Total outstanding dues		776.43

For further details, refer to the section titled “*Audited Financial Information*” on page 70 of this Draft Letter of Offer.

5. DISCLOSURES PERTAINING TO WILFUL DEFAULTERS / FRAUDULENT BORROWERS

Neither our Company, nor our Promoters, and Directors have been categorized or identified as wilful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India. There are no violations of securities laws committed by them in the past or are currently pending against any of them. None of our Promoters or Directors have been categorised as a Fraudulent Borrower.

MATERIAL DEVELOPMENTS

There have not arisen, since the date of the last financial statements disclosed in this Draft Letter of Offer, any circumstances which materially and adversely affect or are likely to affect our profitability taken as a whole or the value of our standalone assets or our ability to pay our liabilities within the next 12 months. For further details, please refer to the chapter titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on page 144 of this Draft Letter of Offer.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The Board of Directors at its meeting held on May 30, 2024 has authorised this Issue pursuant to Section 62(1)(c) of the Companies Act, 2013.

Our Board of Directors / Rights Issue Committee has, at its meeting held on [●], determined the Issue Price as ₹[●] per Rights Equity Share and the Rights Entitlement as [●] Rights Equity Share for every [●] Equity Share held on the Record Date.

The Draft Letter of Offer was approved by the Rights Issue Committee (duly constituted by the Board in their meeting on [●] pursuant to its resolution dated [●]).

Our Company has received 'in-principle' approval letter from BSE vide letter dated [●] for listing of the Rights Equity Shares to be allotted pursuant to Regulation 28(1) of SEBI Listing Regulations. Our Company will also make applications to BSE Limited to obtain their trading approval for the Rights Entitlements as required under the SEBI Rights Issue Circulars.

Our Company has been allotted the ISIN [●] for the Rights Entitlements to be credited to the respective Demat accounts of the Equity Shareholders of our Company. For details, see "*Terms of the Issue*" on page 165.

Prohibition by SEBI or other Governmental Authorities

Our Company, our Promoters, our Directors, the members of our Promoter Group and persons in control of the Promoter and the Company have not been prohibited from accessing the capital market or debarred from buying or selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any authority/court as on date of this Draft Letter of Offer.

Further, our Promoter and our Directors are not promoter or director of any other company which is debarred from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI. None of our Directors or Promoters are associated with the securities market in any manner. There is no outstanding action initiated against them by SEBI in the five years preceding the date of filing of this Draft Letter of Offer.

Neither our Promoter nor our Directors have been declared as fugitive economic offender under Section 12 of Fugitive Economic Offenders Act, 2018 (17 of 2018).

Prohibition by RBI

Neither our Company, nor our Promoter and Directors have been categorized or identified as willful defaulters or a fraudulent borrower by any bank or financial institution or consortium thereof, in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India. There are no violations of securities laws committed by them in the past or are currently pending against any of them.

Compliance with Companies (Significant Beneficial Ownership) Rules, 2018

Our Company, our Promoters and the members of our Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018, to the extent it may be applicable to them as on date of this Draft Letter of Offer.

Eligibility for the Issue

Our Company is a listed company, incorporated under the Companies Act, 1956. The Equity Shares of our Company are presently listed on the BSE. We are eligible to undertake the Issue in terms of Chapter III of SEBI ICDR Regulations and other applicable provisions of the SEBI ICDR Regulations. Further, our Company is undertaking this Issue in compliance with Part B of Schedule VI to the SEBI ICDR Regulations.

Compliance with Regulations 61 and 62 of the SEBI ICDR Regulations

Our Company is in compliance with the conditions specified in Regulations 61 and 62 of the SEBI ICDR Regulations, to the extent applicable. Further, in relation to compliance with Regulation 62(1)(a) of the SEBI ICDR Regulations, our Company undertakes to make an application to the Stock Exchange for listing of the Rights Equity Shares to be issued pursuant to the Issue. BSE Limited is the Designated Stock Exchange for the Issue.

Disclaimer Clause of SEBI

The Draft Letter of Offer has not been filed with SEBI in terms of SEBI ICDR Regulations as the size of the issue is less than ₹5000 lakhs.

Compliance with Clause (1) of Part B of Schedule VI of the SEBI ICDR Regulations

Our Company is in compliance with the provisions specified in Clause (1) of Part B of Schedule VI of SEBI ICDR Regulations as explained below:

- i. Our Company has been filing periodic reports, statements and information in compliance with the SEBI Listing Regulations, as applicable, for the last one year immediately preceding the date of filing of this Draft Letter of Offer with the BSE;
- ii. The reports, statements and information referred to in sub-clause (a) above are available on the website of the BSE; and
- iii. Our Company has an investor grievance-handling mechanism which includes meeting of the Stakeholders' Relationship Committee at frequent intervals, appropriate delegation of power by the Board as regards share transfer and clearly laid down systems and procedures for timely and satisfactory redressal of investor grievances.

As our Company satisfies the conditions specified in Clause (1) of Part B of Schedule VI of SEBI ICDR Regulations and given that the conditions specified in Clause (3) of Part B of Schedule VI of SEBI ICDR Regulations are not applicable to our Company, the disclosures in this Draft Letter of Offer are in terms of Clause (4) of Part B of Schedule VI of the SEBI ICDR Regulations.

Disclaimer from our Company and our Directors

Our Company and our Directors accept no responsibility for statements made otherwise than in this Draft Letter of Offer 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.anupamfinserv.com.

All information shall be made available by our Company 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.

Investors will be required to confirm and will be deemed to have represented to our Company 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 issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company and its 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.

No information which is extraneous to the information disclosed in this Draft Letter of Offer or otherwise shall be given by our Company or any member of the Issue management team or the syndicate to any particular section of investors or to any research analyst in any manner whatsoever, including at road shows, presentations, in research or sales reports or at bidding centre.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Draft Letter of Offer. You must not rely on any unauthorized information or representations. This Draft Letter of Offer is an offer to sell only the Rights Equity Shares and the Rights Entitlement, but only under circumstances and in the applicable jurisdictions. Unless otherwise specified, the information contained in this Draft Letter of Offer is current only as at its date.

Disclaimer in respect of Jurisdiction

This Draft Letter of Offer has been prepared under the provisions of Indian law and the applicable rules and regulations thereunder. Any disputes arising out of the Issue will be subject to the jurisdiction of the appropriate court(s) in Mumbai, Maharashtra only.

Disclaimer Clause of BSE

As required, a copy of the Draft Letter of Offer has been submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of the Draft Letter of Offer, has been included in the Letter of Offer prior to the filing with the Stock Exchange.

Designated Stock Exchange

BSE being the only stock exchange where the Company's shares are listed, the Designated Stock Exchange for the purposes of the Issue is BSE.

Selling Restrictions

This Draft Letter of Offer is solely for the use of the person who has received it from our Company or from the Registrar to the Issue. This Draft Letter of Offer is not to be reproduced or distributed to any other person.

The distribution of this Draft Letter of Offer/ Letter of Offer, Abridged Letter of Offer, Application Form and the Rights Entitlement Letter and the issue of Rights Entitlements and Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Draft Letter of Offer/ Letter of Offer, Abridged Letter of Offer Application Form and the Rights Entitlement Letter may come are required to inform themselves about and observe such restrictions. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders of our Company and will dispatch the Draft Letter of Offer/ Letter of Offer, Abridged Letter of Offer Application Form and the Rights Entitlement Letter only to Eligible Equity Shareholders who have provided an Indian address to our Company.

No action has been or will be taken to permit the Issue in any jurisdiction, or the possession, circulation, or distribution of the Draft Letter of Offer, Abridged Letter of Offer or any other material relating to our Company, the Equity Shares or Rights Entitlement in any jurisdiction, where action would be required for that purpose, except that this Draft Letter of Offer has been filed with the Stock Exchange.

Accordingly, the Rights Entitlement or Equity Shares may not be offered or sold, directly or indirectly, and this Draft Letter of Offer or any offering materials or advertisements in connection with the Issue or Rights Entitlement may not be distributed or published in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Draft Letter of Offer / Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer.

This Draft Letter of Offer and its accompanying documents are being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose. If this Letter of Offer is received by any person in any jurisdiction where to do so would or might contravene local securities laws or regulation, or by their agent or nominee, they must not seek to subscribe to the Equity Shares or the Rights Entitlement referred to in this Letter of Offer. Investors are advised to consult their legal counsel prior to applying for the Rights Entitlement and Equity Shares or accepting any provisional allotment of Equity Shares, or making any offer, sale, resale, pledge or other transfer of the Equity Shares or Rights Entitlement.

Listing

Our Company will apply to BSE for final approval for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under the Issue will trade after the listing thereof.

NO OFFER IN THE UNITED STATES

THE RIGHTS ENTITLEMENTS AND THE EQUITY SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR ANY U.S. STATE SECURITIES LAWS AND MAY NOT BE OFFERED, SOLD, RESOLD OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES, EXCEPT IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. THE RIGHTS ENTITLEMENTS AND EQUITY SHARES REFERRED TO IN THE DRAFT LETTER OF OFFER ARE BEING OFFERED IN INDIA, BUT NOT IN THE UNITED STATES. THE OFFERING TO WHICH THE DRAFT LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY EQUITY SHARES OR RIGHTS ENTITLEMENTS FOR SALE IN THE UNITED STATES OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, THE DRAFT LETTER OF OFFER SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO THE UNITED STATES AT ANY TIME.

Neither our Company, nor any person acting on behalf of our Company, will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company, or any person acting on behalf of our Company, has reason to believe is, in the United States when the buy order is made. Envelopes containing an Application Form should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer under this Draft Letter of Offer. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and this Draft Letter of Offer / Letter of Offer/ Abridged Letter of Offer, Application Form and the Rights Entitlement Letter will be dispatched to the Eligible Equity Shareholders who have provided an Indian address to our Company. Any person who acquires the Rights Entitlements and the Equity Shares will be deemed to have declared, represented, warranted and agreed, by accepting the delivery of the Draft Letter of Offer, (i) that it is not and that, at the time of subscribing for the Equity Shares or the Rights Entitlements, it will not be, in the United States when the buy order is made; and (ii) is authorised to acquire the Rights Entitlements and the Equity Shares in compliance with all applicable laws, rules and regulations.

Our Company reserves the right to treat as invalid any Application Form which: (i) appears to our Company or its agents to have been executed in or dispatched from the United States of America; (ii) does not include the relevant certification set out in the Application Form headed “Overseas Shareholders” to the effect that the person accepting and/or renouncing the Application Form does not have a registered address (and is not otherwise located) in the United States, and such person is complying with laws of the jurisdictions applicable to such person in connection with the Issue, among others; (iii) where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; or (iv) where a registered Indian address is not provided, and our Company shall not be bound to allot or issue any Equity Shares or Rights Entitlement in respect of any such Application Form.

None of the Rights Entitlements or the Equity Shares have been, or will be, registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”), or any state securities laws in the United States. Accordingly, the Rights Entitlements and Equity Shares are being offered and sold only outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales are made.

NO OFFER IN ANY JURISDICTION OUTSIDE INDIA

NO OFFER OR INVITATION TO PURCHASE RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES IS BEING MADE IN ANY JURISDICTION OUTSIDE OF INDIA, INCLUDING, BUT NOT LIMITED TO AUSTRALIA, BAHRAIN, CANADA, THE EUROPEAN ECONOMIC AREA, GHANA, HONG KONG, INDONESIA, JAPAN, KENYA, KUWAIT, MALAYSIA, NEW ZEALAND, SULTANATE OF OMAN, PEOPLE'S REPUBLIC OF CHINA, QATAR, SINGAPORE, SOUTH AFRICA, SWITZERLAND, THAILAND, THE UNITED ARAB EMIRATES, THE UNITED KINGDOM AND THE UNITED STATES. THE OFFERING TO WHICH THIS DRAFT LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY RIGHTS EQUITY SHARES OR RIGHTS ENTITLEMENT FOR SALE IN ANY JURISDICTION OUTSIDE INDIA OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, THIS LETTER OF OFFER SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO ANY OTHER JURISDICTION AT ANY TIME.

Filing

This Draft Letter of Offer is being filed with the BSE as per the provisions of the SEBI ICDR Regulations. SEBI vide the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020 has amended Regulation 3(b) of the SEBI ICDR Regulations as per which the threshold of filing of Draft Letter of Offer with SEBI for rights issues has been increased from Rupees ten crores to Rupees fifty crores. Since the size of this Issue falls below this threshold, the Draft Letter of Offer has been filed with Stock Exchange and not with SEBI. However, the Letter of Offer will be submitted to SEBI for information and dissemination and will be filed with the Stock Exchange.

Mechanism for Redressal of Investor Grievances

Our Company has adequate arrangements for redressal of investor grievances in compliance with the SEBI Listing Regulations. We have been registered with the SEBI Complaints Redress System (SCORES) as required by the SEBI Circular no. CIR/ OIAE/2/2011 dated June 3, 2011. Consequently, investor grievances are tracked online by our Company.

Our Company has a Stakeholders Relationship Committee which meets at least once a year and as and when required. Its terms of reference include considering and resolving grievances of Shareholders in relation to transfer of shares and effective exercise of voting rights. Purva Sharegistry (India) Private Limited is our Registrar and Share Transfer Agent. All investor grievances received by us have been handled by the Registrar and Share Transfer Agent in consultation with the Company Secretary and Compliance Officer.

Investor complaints received by our Company are typically disposed of within 15 days from the receipt of the complaint.

Investor Grievances arising out of this Issue

Investors may contact the Registrar to the Issue or our Company Secretary for any pre-Issue or post-Issue related matters. All grievances relating to the ASBA process may be addressed to the Registrar, with a copy to the SCSBs (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), e-mail address of the sole/first holder, folio number or demat account number, number of Rights Equity Shares applied for, amount blocked (in case of ASBA process), ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip (in case of ASBA process). For details on the ASBA process, see “*Terms of the Issue*” at page 165. The contact details of our Registrar to the Issue and our Company Secretary are as follows:

Registrar to the Issue

Purva Sharegistry (India) Private Limited

Unit No. 9, Ground Floor, Shiv Shakti Industrial Estate,
J. R. Boricha Marg, Lower Parel East,
Mumbai – 400011, Maharashtra,

Contact Details: +91 22 4961 4132/ +91 22 3199 8810

Email Address: newissue@purvashare.com;

Website: www.purvashare.com;

Contact Person: Ms. Deepali Dhuri;

SEBI Registration Number: INR000001112

Investors may contact the Company Secretary and Compliance Officer at the below mentioned address for any pre-Issue/post-Issue related matters such as non-receipt of Letters of Allotment / share certificates / demat credit /Refund Orders etc.

Ms Sheetal Dedhia is the Company Secretary and Compliance Officer of our Company. Her contact details are:

502, Corporate Arena,

D.P. Piramal Road,

Goregaon (W), Mumbai 400104

Tel: + 91 22 6783 0000; **Fax:** N.A.

Email ID: compliance@anupamfinserv.com

Consents and Expert Opinion

Consents in writing of our Directors, Company Secretary and Compliance Officer, Chief Financial Officer, legal advisor to the Issue and the Registrar to the Issue to act in their respective capacities, have been obtained and such consents have not been withdrawn up to the date of this Draft Letter of Offer.

Our Company has received written consent dated June 27, 2024 from our Statutory and Peer Review Auditor, namely J.K. Shah & Co., Chartered Accountants for inclusion of their Independent Auditors' Report dated May 30, 2024 on our Audited Financial Information for the financial years ended March 31, 2024 and March 31, 2023 and to include their name in this Draft Letter of Offer and as an 'Expert' as defined under Section 2(38) of the Companies Act, 2013 in relation to the Statement of Tax Benefits dated June 27, 2024 in the form and context in which it appears in this Draft Letter of Offer. Such consent has not been withdrawn up to the date of this Draft Letter of Offer.

SECTION VII – ISSUE INFORMATION

TERMS OF THE ISSUE

This section is for the information of the Investors proposing to apply in this Issue. Investors should carefully read the provisions contained in this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, before submitting the Application Form. Our Company is not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer. Investors are advised to make their independent investigation and ensure that the Application Form is accurately filled up in accordance with instructions provided therein and the Letter of Offer. Unless otherwise permitted under the SEBI ICDR Regulations read with the SEBI Circulars SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 (“SEBI – Rights Issue Circular”), all investors (including renounees) shall make an application for a rights issue only through ASBA facility.

OVERVIEW

The Issue and the Rights Equity Shares proposed to be issued on a rights basis, are subject to the terms and conditions contained in this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, the Application Form and the Rights Entitlement Letter, the Memorandum of Association and the Articles of Association of our Company, the provisions of Companies Act, the terms and conditions as may be incorporated in the FEMA, the SEBI ICDR Regulations, the SEBI Listing Regulations and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, approvals, if any, from the SEBI, the RBI or other regulatory authorities, the terms of Listing Agreements entered into by our Company with the Stock Exchange and terms and conditions as stipulated in the Allotment Advice.

Important:

I. DISPATCH AND AVAILABILITY OF ISSUE MATERIALS:

In accordance with the SEBI (ICDR) Regulations, and the ASBA Circular, our Company will send/dispatch at least three days before the Issue Opening Date, the Abridged Letter of Offer, the Rights Entitlement Letter, Application Form and other issue material (**‘Issue Materials’**) only to the Eligible Equity Shareholders who have provided an India address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Equity Shares is permitted under laws of such jurisdictions and does not result in and may not be construed as, a public offering in such jurisdictions. In case the Eligible Equity Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case the Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the India addresses provided by them.

Further, the Letter of Offer will be sent/dispatched, by the Registrar to the Issue on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses and have made a request in this regard.

Investors can also access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) on the websites of:

- a) Our Company at www.anupamfinserv.com ;
- b) the Registrar to the Issue at www.purvashare.com;
- c) the Stock Exchange at www.bseindia.com.

Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar to the Issue at www.purvashare.com by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company (i.e., www.anupamfinserv.com).

Further, our Company will undertake all adequate steps to reach out to the Eligible Equity Shareholders who have provided their Indian address through other means, as may be feasible.

Please note that neither our Company nor the Registrar shall be responsible for not sending the physical copies of Issue materials, including the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement

Letter and the Application Form or delay in the receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form attributable to non-availability of the e-mail addresses of Eligible Equity Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit. Resident Eligible Equity Shareholders, who are holding Equity Shares in physical form as on the Record Date, can obtain details of their respective Rights Entitlements from the website of the Registrar by entering their Folio Number.

The distribution of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the issue of Rights Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. No action has been, or will be, taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that the Letter of Offer is being filed with SEBI and the Stock Exchange. Accordingly, the Rights Entitlements and Rights Equity Shares may not be offered or sold, directly or indirectly, and the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form or any Issue related materials or advertisements in connection with this Issue may not be distributed, in any jurisdiction, except in accordance with and as permitted under the legal requirements applicable in such jurisdiction. Receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone in any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form must be treated as sent for information only and should not be acted upon for making an Application and should not be copied or re-distributed.

Accordingly, persons receiving a copy of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form should not, in connection with the issue of the Rights Equity Shares or the Rights Entitlements, distribute or send the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form in or into any jurisdiction where to do so, would, or might, contravene local securities laws or regulations or would subject our Company or its affiliates to any filing or registration requirement (other than in India). If the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to make an Application or acquire the Rights Entitlements referred to in the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form. Any person who makes an application to acquire Rights Entitlements and the Rights Equity Shares offered in the Issue will be deemed to have declared, represented and warranted that such person is authorised to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in such person's jurisdiction and India, without requirement for our Company or our affiliates to make any filing or registration (other than in India).

Our Company is undertaking this Issue on a rights basis to the Eligible Equity Shareholders and will send the Letter of Offer, Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form and other applicable Issue materials primarily to email addresses of Eligible Equity Shareholders who have provided a valid e-mail address and an Indian address to our Company.

The Letter of Offer will be provided, primarily through e-mail, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company and who make a request in this regard.

II. PROCESS OF MAKING AN APPLICATION IN THE ISSUE

In accordance with Regulation 76 of the SEBI ICDR Regulations, the SEBI Rights Issue Circulars and the ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.

The Application Form can be used by the Eligible Equity Shareholders as well as the Renounees, to make Applications in this Issue basis the Rights Entitlement credited in their respective demat accounts or demat suspense account, as applicable. For further details on the Rights Entitlements and demat suspense account, please see "*Terms of the Issue—Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders*" on page 177.

Please note that one single Application Form shall be used by Investors to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of the Rights Entitlements in the demat suspense account in case of resident Eligible Equity Shareholders holding shares in physical form as at Record Date and applying in this Issue, as applicable. In case of Investors who have provided details of demat account in accordance with the SEBI ICDR Regulations, such Investors will have to apply for the Rights Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.

Investors may apply for the Rights Equity Shares by submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors are also advised to ensure that the Application Form is correctly filled up stating therein:

- i) the ASBA Account (in case of Application through ASBA process) in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB; or
- ii) the requisite internet banking.

Applicants should note that they should very carefully fill-in their depository account details and PAN in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Please note that incorrect depository account details or PAN or Application Forms without depository account details shall be treated as incomplete and shall be rejected. For details, please see “Terms of the Issue—Grounds for Technical Rejection” on page 173. Our Company, the Registrar and the SCSBs shall not be liable for any incomplete or incorrect demat details provided by the Applicants.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that SCSBs shall accept such applications only if all details required for making the application as per the SEBI ICDR Regulations are specified in the plain paper application and that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, - please see “Terms of the Issue—Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process” on page 169.

Options available to the Eligible Equity Shareholders

The Rights Entitlement Letter will clearly indicate the number of Rights Equity Shares that the Eligible Equity Shareholder is entitled to.

If the Eligible Equity Shareholder applies in this Issue, then such Eligible Equity Shareholder can:

- i) apply for its Rights Equity Shares to the full extent of its Rights Entitlements; or
- ii) apply for its Rights Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or
- iii) apply for Rights Equity Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or
- iv) apply for its Rights Equity Shares to the full extent of its Rights Entitlements and apply for Additional Rights Equity Shares; or
- v) renounce its Rights Entitlements in full.

Making of an Application through the ASBA process

An Investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with SCSBs, prior to making the Application. Investors desiring to make an Application in this Issue

through ASBA process, may submit the Application Form in physical mode to the Designated Branches of the SCSB or online/ electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors should ensure that they have correctly submitted the Application Form and have provided an authorisation to the SCSB, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application.

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>.

Please note that subject to SCSBs complying with the requirements of the SEBI circular bearing reference number CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs. Further, in terms of the SEBI circular bearing reference number CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in this Issue and clear demarcated funds should be available in such account for such an Application.

Our Company and its directors, its employees, affiliates, associates and their respective directors and officers and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc., in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

Investors applying through the ASBA facility should carefully read the provisions applicable to such Applications before making their Application through the ASBA process.

Do's for Investors applying through ASBA:

- a. Ensure that the necessary details are filled in the Application Form including the details of the ASBA Account.
- b. Ensure that the details about your Depository Participant, PAN and beneficiary account are correct and the beneficiary account is activated as the Rights Equity Shares will be Allotted in the dematerialised form only.
- c. Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application.
- d. Ensure that there are sufficient funds (equal to {number of Rights Equity Shares (including Additional Rights Equity Shares) applied for} X {Application Money of Equity Shares}) available in ASBA Account mentioned in the Application Form before submitting the Application to the respective Designated Branch of the SCSB.
- e. Ensure that you have authorised the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the Application Form, in the ASBA Account, of which details are provided in the Application Form and have signed the same.
- f. Ensure that you have a bank account with SCSBs providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location.
- g. Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Application Form in physical form or plain paper Application.
- h. Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form and the Rights Entitlement Letter.

- i. Ensure that your PAN is linked with Aadhaar and you are in compliance with CBDT notification dated Feb 13, 2020 read with press release dated June 25, 2021 and September 17, 2021.

Don'ts for Investors applying through ASBA:

- a. Do not apply if you are not eligible to participate in the Issue under the securities laws applicable to your jurisdiction.
- b. Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or vice versa.
- c. Do not send your physical Application to the Registrar, a branch of the SCSB which is not a Designated Branch of the SCSB or our Company; instead submit the same to a Designated Branch of the SCSB only.
- d. Do not instruct the SCSBs to unblock the funds blocked under the ASBA process upon making the Application.
- e. Do not submit Application Form using third party ASBA account.

Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process

An Eligible Equity Shareholder in India who is eligible to apply under the ASBA process may make an application to subscribe to this Issue on plain paper in case of non-receipt of Application Form as detailed above. In such cases of non-receipt of the Application Form through physical delivery (where applicable) and the Eligible Equity Shareholder not being in a position to obtain it from any other source may make an application to subscribe to this Issue on plain paper with the same details as per the Application Form that is available on the website of the Registrar or the Stock Exchange. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorising such SCSB to block Application Money in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any Eligible Equity Shareholder who has not provided an Indian address.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that SCSBs shall accept such applications only if all details required for making the application as per the SEBI ICDR Regulations are specified in the plain paper application. If an Eligible Equity Shareholder makes an Application both in an Application Form as well as on plain paper, both applications are liable to be rejected.

Please note that in terms of Regulation 78 of the SEBI ICDR Regulations, the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilise the Application Form for any purpose including renunciation even if it is received subsequently.

The Application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with his/her bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

1. Name of our Company, being Anupam Finserv Limited;
2. Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
3. Folio number (in case of Eligible Equity Shareholders who hold Equity Shares in physical form as at Record Date)/DP and Client ID;
4. Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Rights Equity Shares applied for pursuant to this Issue;

5. Number of Equity Shares held as at Record Date;
6. Allotment option – only dematerialised form;
7. Number of Rights Equity Shares entitled to;
8. Number of Rights Equity Shares applied for within the Rights Entitlements;
9. Number of Additional Rights Equity Shares applied for, if any (applicable only if entire Rights Entitlements have been applied for);
10. Total number of Rights Equity Shares applied for;
11. Total amount paid at the rate of ₹[●]per Rights Equity Share;
12. Details of the ASBA Account such as the SCSB account number, name, address and branch of the relevant SCSB;
13. In case of non-resident Eligible Equity Shareholders making an application with an Indian address, details of the NRE / FCNR/ NRO account such as the account number, name, address and branch of the SCSB with which the account is maintained;
14. Authorisation to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
15. Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB);
16. An approval obtained from any regulatory authority, if required, shall be obtained by the Eligible Equity Shareholders and a copy of such approval from any regulatory authority, as may be required, shall be sent to the Registrar to the Issue at newissue@purvashare.com; and
17. All such Eligible Equity Shareholders shall be deemed to have made the representations, warranties and agreements set forth in “Restrictions on Purchases and Resales” on page 192 and shall include the following:

“I/ We hereby make representations, warranties and agreements set forth in “Restrictions on Purchases and Resales” on page 192.

I/ We acknowledge that the Company, its affiliates and others will rely upon the truth and accuracy of the representations, warranties and agreements set forth therein.”

In cases where Multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense account, as applicable, including cases where an Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected.

Investors are requested to strictly adhere to these instructions. Failure to do so could result in an Application being rejected, with our Company and the Registrar not having any liability to the Investor. The plain paper Application format will be available on the website of the Registrar at www.purvashare.com.

Our Company and the Registrar shall not be responsible if the Applications are not uploaded by the SCSB or funds are not blocked in the Investors’ ASBA Accounts on or before the Issue Closing Date.

Making of an Application by Eligible Equity Shareholders holding Equity Shares in physical form

Please note that in accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as at Record Date and desirous of subscribing to Rights Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or our Company at least two clear Working Days prior to the Issue Closing

Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

Prior to the Issue Opening Date, the Rights Entitlements of those Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and whose demat account details are not available with our Company or the Registrar, shall be credited in a demat suspense account opened by our Company.

Eligible Equity Shareholders, who hold Equity Shares in physical form as at Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in this Issue:

- a) The Eligible Equity Shareholders shall send a letter to the Registrar containing the name(s), address, e-mail address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by e-mail, post, speed post, courier, or hand delivery so as to reach to the Registrar no later than two clear Working Days prior to the Issue Closing Date;
- b) The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least one day before the Issue Closing Date;
- c) The remaining procedure for Application shall be same as set out in “*Terms of the Issue—Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process*” on page 169.

Resident Eligible Equity Shareholders who hold Equity Shares in physical form as at the Record Date will not be allowed to renounce their Rights Entitlements in the Issue. However, such Eligible Equity Shareholders, where the dematerialised Rights Entitlements are transferred from the suspense demat account to the respective demat accounts within prescribed timelines, can apply for Additional Rights Equity Shares while submitting the Application through ASBA process.

Application for Additional Rights Equity Shares

Investors are eligible to apply for Additional Rights Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Equity Shares under applicable law and they have applied for all the Rights Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of Additional Rights Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalised in consultation with the Designated Stock Exchange. Applications for Additional Rights Equity Shares shall be considered, and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner as set out in “*Terms of the Issue—Basis of Allotment*” on page 185.

Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for Additional Rights Equity Shares. Non-resident Renounees who are not Eligible Equity Shareholders cannot apply for Additional Rights Equity Shares.

Additional general instructions for Investors in relation to making of an Application

- a) Please read the Draft Letter of Offer carefully to understand the Application process and applicable settlement process.
- b) Please read the instructions on the Application Form sent to you. Application should be complete in all respects. The Application Form found incomplete with regards to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected. The Application Form must be filled in English.
- c) In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under “*Terms of the Issue—Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process*” on page 169.
- d) Applications should be submitted to the Designated Branch of the SCSB or made online/electronic through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block

Application Money payable on the Application in their respective ASBA Accounts. Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange.

- e) Applications should not be submitted to the Bankers to the Issue, our Company or the Registrar.
- f) All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income-tax Act, irrespective of the amount of the Application. Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, Applications without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be “suspended for credit” and no Allotment and credit of Rights Equity Shares pursuant to this Issue shall be made into the accounts of such Investors.
- g) Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation (“**Demographic Details**”) are updated, true and correct, in all respects. Investors applying under this Issue should note that on the basis of name of the Investors, DP ID and Client ID provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Therefore, Investors applying under this Issue should carefully fill in their Depository Account details in the Application. These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor and/or refund. The Demographic Details given by the Investors in the Application Form would not be used for any other purposes by the Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants. The Allotment Advice and the intimation on unblocking of ASBA Account or refund (if any) would be mailed to the address of the Investor as per the Indian address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Rights Equity Shares are not Allotted to such Investor. Please note that any such delay shall be at the sole risk of the Investors and none of our Company, the SCSBs, or the Registrar shall be liable to compensate the Investor for any losses caused due to any such delay or be liable to pay any interest for such delay. In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Investors (including the order of names of joint holders), (b) DP ID, and (c) Client ID, then such Application Forms are liable to be rejected.
- h) By signing the Application Forms, Investors would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.
- i) For physical Applications through ASBA at Designated Branches of SCSB, signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in any such language or thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Investors must sign the Application as per the specimen signature recorded with the SCSB.
- j) Investors should provide correct DP ID and Client ID/ Folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) while submitting the Application. Such DP ID and Client ID/ Folio number should match the demat account details in the records available with Company and/or Registrar, failing which such Application is liable to be rejected. The investor will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, SCSBs or the Registrar will not be liable for any such rejections.
- k) In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant’s name and all communication will be addressed to the first Applicant.
- l) All communication in connection with Application for the Rights Equity Shares, including any change in contact details of the Eligible Equity Shareholders should be addressed to the Registrar prior to the date of Allotment in this Issue quoting the name of the first/sole Applicant, folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as at Record Date)/DP ID and Client ID

and Application Form number, as applicable. In case of any change in contact details of the Eligible Equity Shareholders, the Eligible Equity Shareholders should also send the intimation for such change to the respective depository participant, or to our Company or the Registrar in case of Eligible Equity Shareholders holding Equity Shares in physical form.

- m) Investors are required to ensure that the number of Rights Equity Shares applied by them do not exceed the prescribed limits under the applicable law.
- n) Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.
- o) Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
- p) Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.
- q) Do not pay the Application Money in cash, by money order, pay order or postal order.
- r) Do not submit multiple Applications.
- s) An Applicant being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and FEMA Rules.
- t) Ensure that your PAN is linked with Aadhaar and you are in compliance with CBDT notification dated Feb 13, 2020 and press release dated June 25, 2021 and September 17, 2021.

Grounds for Technical Rejection

Applications made in this Issue are liable to be rejected on the following grounds:

- a) DP ID and Client ID mentioned in Application does not match with the DP ID and Client ID records available with the Registrar.
- b) Details of PAN mentioned in the Application does not match with the PAN records available with the Registrar.
- c) Sending an Application to our Company, Registrar, to a branch of a SCSB which is not a Designated Branch of the SCSB.
- d) Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money.
- e) Funds in the ASBA Account whose details are mentioned in the Application Form having been frozen pursuant to regulatory orders.
- f) Account holder not signing the Application or declaration mentioned therein.
- g) Submission of more than one Application Form for Rights Entitlements available in a particular demat account.
- h) Multiple Application Forms, including cases where an Investor submits Application Forms along with a plain paper Application.
- i) Submitting the GIR number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts).
- j) Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the Demographic Details provided by the

Depositories.

- k) Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB.
- l) Application Forms which are not submitted by the Investors within the time periods prescribed in the Application Form and this Draft Letter of Offer.
- m) Physical Application Forms not duly signed by the sole or joint Investors, as applicable.
- n) Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, money order, postal order or outstation demand drafts.
- o) If an Investor is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Investor to subscribe to their Rights Entitlements.
- p) Applications which: (i) appear to our Company or its agents to have been executed in, electronically transmitted from or dispatched from jurisdictions where the offer and sale of the Rights Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is outside the United States, and is eligible to subscribe for the Rights Equity Shares under applicable securities laws and is complying with laws of jurisdictions applicable to such person in connection with this Issue; and our Company shall not be bound to issue or allot any Rights Equity Shares in respect of any such Application Form.
- q) Applications which have evidence of being executed or made in contravention of applicable securities laws.
- r) Application from Investors that are residing in U.S. address as per the depository records.

Multiple Applications

In case where multiple Applications are made using same demat account, such Applications shall be liable to be rejected. A separate Application can be made in respect of Rights Entitlements in each demat account of the Investors and such Applications shall not be treated as multiple applications. Similarly, a separate Application can be made against Equity Shares held in dematerialised form and Equity Shares held in physical form, and such Applications shall not be treated as multiple applications. Further supplementary Applications in relation to further Rights Equity Shares with/without using Additional Rights Entitlement will not be treated as multiple application. A separate Application can be made in respect of each scheme of a mutual fund registered with SEBI and such Applications shall not be treated as multiple applications. For details, please see “*Terms of the Issue—Procedure for Applications by Mutual Funds*” on page 176.

In cases where Multiple Application Forms are submitted, including cases where (a) an Investor submits Application Forms along with a plain paper Application or (b) multiple plain paper Applications (c) or multiple applications on through ASBA, such Applications shall be treated as multiple applications and are liable to be rejected, other than multiple applications submitted by any of our Promoters or members of our Promoter Group to meet the minimum subscription requirements applicable to this Issue as described in “*Capital Structure*” on page 41.

Procedure for Applications by certain categories of Investors

Procedure for Applications by FPIs

In terms of applicable FEMA 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 (including its investor group (which means multiple entities registered as foreign portfolio investors and directly and indirectly having common ownership of more than 50% of common control)) shall be below 10% of our post-Issue Equity Share capital. 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 or 10% or more of the paid-up value of any series of debentures or preference shares or share

warrants that may be issued by our Company, the total investment made by the FPI or investor group will be reclassified as FDI subject to the conditions as specified by SEBI and RBI in this regard and our Company and the investor will also be required to comply with applicable reporting requirements. Further, the aggregate limit of all FPIs investments is up to the sectoral cap applicable to the sector in which our Company operates (i.e., 100% under automatic route).

FPIs are permitted to participate in this Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. FPIs who wish to participate in the Issue are advised to use the Application Form for non-residents. 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 may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons registered as Category I FPI under the SEBI FPI Regulations; (ii) such offshore derivative instruments are issued only to persons who are eligible for registration as Category I FPIs (where an entity has an investment manager who is from the Financial Action Task Force member country, the investment manager shall not be required to be registered as a Category I FPI); (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) compliance with other conditions as may be prescribed by SEBI.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to, inter alia, the following conditions:

- a) such offshore derivative instruments are transferred only to persons in accordance with the SEBI FPI Regulations; and
- b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre – approved by the FPI.

Procedure for Applications by AIFs, FVCIs, VCFs and FDI route

The SEBI VCF Regulations and the SEBI FVCI Regulations prescribe, among other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in this Issue. Further, venture capital funds registered as Category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in this Issue. Other categories of AIFs are permitted to apply in this Issue subject to compliance with the SEBI AIF Regulations. Such AIFs having bank accounts with SCSBs that are providing ASBA in cities / centres where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection.

No investment under the FDI route (i.e., any investment which would result in the investor holding 10% or more of the fully diluted paid-up equity share capital of our Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the investors to ensure that the necessary approval or the pre-existing approval from the government is valid in order to make any investment in the Issue. Our Company will not be responsible for any Allotments made by relying on such approvals.

Procedure for Applications by NRIs

Investments by NRIs are governed by the FEMA Rules. Applications will not be accepted from NRIs that are ineligible to participate in this Issue under applicable securities laws.

As per the FEMA Rules, an NRI or Overseas Citizen of India ("OCI") may purchase or sell capital instruments of a listed Indian company on repatriation basis, on a recognised stock exchange in India, subject to the conditions,

inter alia, that the total holding by any individual NRI or OCI will not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together will not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants. The aggregate ceiling of 10% may be raised to 24%, if a special resolution to that effect is passed by the general body of the Indian company.

Further, in accordance with press note 3 of 2020, the FDI Circular 2020 has been amended to state that all investments by entities incorporated in a country which shares land border with India or where beneficial owner of an investment into India is situated in or is a citizen of any such country (“**Restricted Investors**”), will require prior approval of the Government of India. It is not clear from the press note whether or not an issue of the Rights Equity Shares to Restricted Investors will also require prior approval of the Government of India and each Investor should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval has been obtained, the Investor shall intimate our Company and the Registrar about such approval within the Issue Period.

Procedure for Applications by Mutual Funds

A separate application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such applications shall not be treated as multiple applications. The applications made by asset management companies or custodians of a mutual fund should clearly indicate the name of the concerned scheme for which the application is being made.

Procedure for Applications by Systemically Important Non-Banking Financial Companies (“NBFC-SI”)

In case of an application made by NBFC-SI registered with RBI, (a) the certificate of registration issued by RBI under Section 45IA of RBI Act, 1934 and (b) net worth certificate from its statutory auditors or any independent chartered accountant based on the last audited financial statements is required to be attached to the application.

Last date for Application

The last date for submission of the duly filled in the Application Form or a plain paper Application is [●], 2024, i.e., Issue Closing Date. Our Board or any committee thereof may extend the said date for such period as it may determine from time to time, subject to the Issue Period not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

If the Application Form is not submitted with an SCSB, uploaded with the Stock Exchange and the Application Money is not blocked with the SCSB, on or before the Issue Closing Date or such date as may be extended by our Board or any committee thereof, the invitation to offer contained in this Draft Letter of Offer shall be deemed to have been declined and our Board or any committee thereof shall be at liberty to dispose of the Equity Shares hereby offered, as set out in “*Terms of the Issue—Basis of Allotment*” on page 185.

Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange.

Please ensure that the Application Form and necessary details are filled in. In place of Application number, Investors can mention the reference number of the e-mail received from Registrar informing about their Rights Entitlement or last eight digits of the demat account. Alternatively, SCSBs may mention their internal reference number in place of application number.

Withdrawal of Application

An Investor who has applied in this Issue may withdraw their Application at any time during Issue Period by approaching the SCSB where application is submitted. However, no Investor, whether applying through ASBA facility, may withdraw their Application post the Issue Closing Date.

Disposal of Application and Application Money

No acknowledgment will be issued for the Application Money received by our Company. However, the Designated Branches of the SCSBs receiving the Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Application Form.

Our Board reserves its full, unqualified and absolute right to accept or reject any Application, in whole or in part, and in either case without assigning any reason thereto.

In case an Application is rejected in full, the whole of the Application Money will be unblocked in the respective ASBA Accounts, in case of Applications through ASBA. Wherever an Application is rejected in part, the balance of Application Money, if any, after adjusting any money due on Rights Equity Shares Allotted, will be refunded / unblocked in the respective bank accounts from which Application Money was received / ASBA Accounts of the Investor within a period of 4 days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

For further instructions, please read the Application Form carefully.

III. CREDIT OF RIGHTS ENTITLEMENTS IN DEMAT ACCOUNTS OF ELIGIBLE EQUITY SHAREHOLDERS

Rights Entitlements

As your name appears as a beneficial owner in respect of the issued and paid-up Equity Shares held in dematerialised form or appears in the register of members of our Company as an Eligible Equity Shareholder in respect of our Equity Shares held in physical form, as at the Record Date, you may be entitled to subscribe to the number of Rights Equity Shares as set out in the Rights Entitlement Letter.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (www.purvashare.com) by entering their DP ID and Client ID or folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as at Record Date) and PAN. The link for the same shall also be available on the website of our Company (i.e., www.anupamfinserv.com).

In this regard, our Company has made necessary arrangements with NSDL and CDSL for crediting of the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders in a dematerialised form. A separate ISIN for the Rights Entitlements has also been generated which is [●]. The said ISIN shall remain frozen (for debit) until the Issue Opening Date. The said ISIN shall be suspended for transfer by the Depositories post the Issue Closing Date.

Additionally, our Company will submit the details of the total Rights Entitlements credited to the demat accounts of the Eligible Equity Shareholders and the demat suspense account to the Stock Exchange after completing the corporate action. The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar after keying in their respective details along with other security control measures implemented thereat.

Rights Entitlements shall be credited to the respective demat accounts of Eligible Equity Shareholders before the Issue Opening Date only in dematerialised form. Further, if no Application is made by the Eligible Equity Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall lapse and shall be extinguished after the Issue Closing Date. No Rights Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the premium paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an Application to apply for Rights Equity Shares offered under Rights Issue for subscribing to the Rights Equity Shares offered under Issue.

If Eligible Equity Shareholders holding Equity Shares in physical form as at Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two clear Working Days prior to the Issue Closing Date, to enable the credit of the Rights Entitlements by way of transfer from the demat suspense account to their respective demat accounts, at least one day before the Issue Closing Date. Such Eligible Equity Shareholders holding shares in physical form can update the details of their respective demat accounts on the website of the Registrar

www.purvashare.com. Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialised form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense account (namely, “[●] RE Suspense Account”) opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in the account of the IEPF authority; or (b) the demat accounts of the Eligible Equity Shareholder which are frozen or the Equity Shares which are lying in the unclaimed suspense account (including those pursuant to Regulation 39 of the SEBI Listing Regulations) or details of which are unavailable with our Company or with the Registrar on the Record Date; or (c) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as at Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (d) credit of the Rights Entitlements returned/reversed/failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings, if any; or (f) non-institutional equity shareholders in the United States.

Eligible Equity Shareholders are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to our Company or the Registrar not later than two clear Working Days prior to the Issue Closing Date, i.e., by [●], 2024 to enable the credit of their Rights Entitlements by way of transfer from the demat suspense account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to our Company or the Registrar account is active to facilitate the aforementioned transfer.

IV. RENUNCIATION AND TRADING OF RIGHTS ENTITLEMENT

Renounees

All rights and obligations of the Eligible Equity Shareholders in relation to Applications and refunds pertaining to this Issue shall apply to the Renounee(s) as well.

Renunciation of Rights Entitlements

This Issue includes a right exercisable by Eligible Equity Shareholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and vice versa shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

The renunciation of Rights Entitlements credited in your demat account can be made either by sale of such Rights Entitlements, using the secondary market platform of the Stock Exchange or through an off-market transfer. In accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020 read with SEBI circular SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020, the Eligible Equity Shareholders, who hold Equity Shares in physical form as at Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, will not be able to renounce their Rights Entitlements.

Procedure for Renunciation of Rights Entitlements

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the Stock Exchange (the “**On Market Renunciation**”); or (b) through an off-market transfer (the “**Off Market Renunciation**”), during the Renunciation Period. The Investors should have the demat Rights Entitlements credited / lying in his/her own

demat account prior to the renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of trading in the Rights Entitlements. Investors who intend to trade in the Rights Entitlements should consult their tax advisor or stock-broker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Rights Entitlements.

Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.

Payment Schedule of Rights Equity Shares

₹[●] per Rights Equity Share (including premium of ₹[●] per Rights Equity Share) shall be payable on Application.

Our Company accepts no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage), and such costs will be incurred solely by the Investors.

a) On Market Renunciation

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchange through a registered stock-broker in the same manner as the existing Equity Shares.

In this regard, in terms of provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circulars, the Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchange under ISIN: [●] subject to requisite approvals. Prior to the Issue Opening Date, our Company will obtain the approval from the Stock Exchange for trading of Rights Entitlements. No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade. The details for trading in Rights Entitlements will be as specified by the Stock Exchange from time to time.

The Rights Entitlements are tradable in dematerialised form only. The market lot for trading of Rights Entitlements is 1 (one) Rights Entitlements.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from [●] to [●]2024 (both days inclusive).

The Investors holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock-brokers by quoting the ISIN: [●] band indicating the details of the Rights Entitlements they intend to trade. The Investors can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The On Market Renunciation shall take place electronically on secondary market platform of BSE under automatic order matching mechanism and on 'T+1 rolling settlement basis', where 'T' refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock-broker will issue a contract note in accordance with the requirements of the Stock Exchange and the SEBI.

b) Off Market Renunciation

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialised form only.

Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees on or prior to the Issue Closing Date to enable Renounees to subscribe to the Rights Equity Shares in the Issue.

The Investors holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN: [●], the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Investors can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants.

The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the NSDL and CDSL from time to time.

V. MODE OF PAYMENT

All payments against the Application Forms shall be made only through ASBA facility. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility.

In case of Application through the ASBA facility, the Investor agrees to block the entire amount payable on Application with the submission of the Application Form, by authorising the SCSB to block an amount, equivalent to the amount payable on Application, in the Investor's ASBA Account. The SCSB may reject the application at the time of acceptance of Application Form if the ASBA Account, details of which have been provided by the Investor in the Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Application Form. Subsequent to the acceptance of the Application by the SCSB, our Company would have a right to reject the Application on technical grounds as set forth in this Draft Letter of Offer.

After verifying that sufficient funds are available in the ASBA Account details of which are provided in the Application Form, the SCSB shall block an amount equivalent to the Application Money mentioned in the Application Form until the Transfer Date. On the Transfer Date, upon receipt of intimation from the Registrar, and pursuant to the finalisation of the Basis of Allotment as approved by the Designated Stock Exchange, the SCSBs shall transfer such amount as per the Registrar's instruction from the ASBA Account into the Allotment Account(s) which shall be a separate bank account maintained by our Company, other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013. The balance amount remaining after the finalisation of the Basis of Allotment on the Transfer Date shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB.

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the stock invest scheme has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

Mode of payment for Resident Investors

All payments on the Application Forms shall be made only through ASBA facility. Applicants are requested to strictly adhere to these instructions.

Mode of payment for Non-Resident Investors

As regards the Application by non-resident Investors, payment must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by RBI and subject to the following:

1. In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Rights Equity Shares can be remitted outside India, subject to tax, as applicable according to the Income-Tax Act. However, please note that conditions applicable at the time of original investment in our Company by the Eligible Equity Shareholder including repatriation shall not change and remain the same for subscription in the Issue or subscription pursuant to renunciation in the Issue.
2. Subject to the above, in case Rights Equity Shares are Allotted on a non-repatriation basis, the dividend and sale proceeds of the Rights Equity Shares cannot be remitted outside India.
3. In case of an Application Form received from non-residents, Allotment, refunds and other distribution, if

any, will be made in accordance with the guidelines and rules prescribed by RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals.

4. Application Forms received from non-residents/ NRIs, or persons of Indian origin residing abroad for Allotment of Rights Equity Shares shall, amongst other things, be subject to conditions, as may be imposed from time to time by RBI under FEMA, in respect of matters including Refund of Application Money and Allotment.
5. In the case of NRIs who remit their Application Money from funds held in FCNR/NRE Accounts, refunds and other disbursements, if any shall be credited to such account.
6. Non-resident Renounees who are not Eligible Equity Shareholders must submit regulatory approval for applying for Additional Rights Equity Shares.

VI. BASIS FOR THIS ISSUE AND TERMS OF THIS ISSUE

The Rights Equity Shares are being offered for subscription to the Eligible Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of our Equity Shares held in dematerialised form and on the register of members of our Company in respect of our Equity Shares held in physical form at the close of business hours on the Record Date.

For principal terms of the Issue such as face value, Issue Price, Rights Entitlement ratio, please see “*The Issue*” on page 35.

Fractional Entitlements

The Rights Equity Shares are being offered on a rights basis to Eligible Equity Shareholders in the ratio of [●] Equity Share for every [●] Equity Shares held on the Record Date. For Equity Shares being offered on a rights basis under this Issue, if the shareholding of any of the Eligible Equity Shareholders is less than [●] Equity Shares or not in the multiple of [●] the fractional entitlement of such Eligible Equity Shareholders shall be ignored in the computation of the Rights Entitlement. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the allotment of one additional Equity Share each if they apply for additional Equity Shares over and above their Rights Entitlement, if any.

Further, the Eligible Equity Shareholders holding less than [●] Equity Shares shall have ‘zero’ entitlement in the Issue. Such Eligible Equity Shareholders are entitled to apply for additional Equity Shares and will be given preference in the allotment of one additional Equity Share if, such Eligible Equity Shareholders apply for the additional Equity Shares. However, they cannot renounce the same in favour of third parties and the application forms shall be non-negotiable.

Ranking

The Rights Equity Shares to be issued and Allotted pursuant to this Issue shall be subject to the provisions of this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association, the provisions of the Companies Act, 2013, FEMA, the SEBI ICDR Regulations, the SEBI Listing Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, the terms of the Listing Agreements entered into by our Company with the Stock Exchange and the terms and conditions as stipulated in the Allotment advice. The Rights Equity Shares to be issued and Allotted under this Issue shall, upon being fully paid-up rank *pari passu* with the existing Equity Shares, in all respects including dividends.

Listing and trading of the Rights Equity Shares to be issued pursuant to this Issue

Subject to receipt of the listing and trading approvals, the Rights Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on the Stock Exchange. Unless otherwise permitted by the SEBI ICDR Regulations, the Rights Equity Shares Allotted pursuant to this Issue will be listed as soon as practicable and all steps for completion of necessary formalities for listing and commencement of trading in the Rights Equity Shares will be taken within such period prescribed under the SEBI ICDR Regulations. Our Company has received in-principle approval from the BSE through letter bearing reference number [●] dated [●]. Our Company will apply to the Stock Exchange for final approvals for the listing and trading of the Rights Equity Shares subsequent

to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under this Issue will trade after the listing thereof.

The existing Equity Shares are listed and traded on BSE (Scrip Code: 530109) under the ISIN: INE069B01023. The Rights Equity Shares shall be credited to a temporary ISIN which will be frozen until the receipt of the final listing/ trading approvals from the Stock Exchange. Upon receipt of such listing and trading approvals, the Rights Equity Shares shall be debited from such temporary ISIN and credited to the new ISIN for the Rights Equity Shares and thereafter be available for trading and the temporary ISIN shall be permanently deactivated in the depository system of CDSL and NSDL.

The listing and trading of the Rights Equity Shares issued pursuant to this Issue shall be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading schedule.

In case our Company fails to obtain listing or trading permission from the Stock Exchange, our Company shall refund through verifiable means/unblock the respective ASBA Accounts, the entire monies received/blocked within four days of receipt of intimation from the Stock Exchange, rejecting the application for listing of the Rights Equity Shares, and if any such money is not refunded/ unblocked within four days after our Company becomes liable to repay it, our Company and every director of our Company who is an officer-in-default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at rates prescribed under applicable law.

Subscription to this Issue by our Promoters and members of our Promoter Group

Our promoter and members of our promoter group intend to subscribe to their entire Rights entitlement in this rights issue.

Rights of Holders of Rights Equity Shares

Subject to applicable laws, Equity Shareholders who have been Allotted Rights Equity Shares pursuant to the Issue shall have the following rights:

- a) The right to receive dividend, if declared;
- b) The right to receive surplus on liquidation;
- c) The right to receive offers for rights shares and be allotted bonus shares, if announced;
- d) The right to free transferability of Rights Equity Shares;
- e) The right to attend general meetings of our Company and exercise voting powers in accordance with law, unless prohibited / restricted by law and as disclosed in this Draft Letter of Offer; and
- f) Such other rights as may be available to a shareholder of a listed public company under the Companies Act, 2013, the Memorandum of Association and the Articles of Association.

VII. GENERAL TERMS OF THE ISSUE

Market Lot

The Rights Equity Shares shall be tradable only in dematerialised form. The market lot for the Rights Equity Shares in dematerialised mode is one Equity Share.

Joint Holders

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as the joint holders with the benefit of survivorship subject to the provisions contained in our Articles of Association. In case of Equity Shares held by joint holders, the Application submitted in physical mode to the Designated Branch of the SCSBs would be required to be signed by all the joint holders (in the same order as

appearing in the records of the Depository) to be considered as valid for allotment of the Rights Equity Shares offered in this Issue.

Nomination

Nomination facility is available in respect of the Rights Equity Shares in accordance with the provisions of the Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014.

Since the Allotment is in dematerialised form, there is no need to make a separate nomination for the Equity Shares to be Allotted in this Issue. Nominations registered with the respective DPs of the Investors would prevail. Any Investor holding Equity Shares in dematerialised form and desirous of changing the existing nomination is requested to inform its Depository Participant.

Arrangements for Disposal of Odd Lots

The Rights Equity Shares shall be traded in dematerialised form only and, therefore, the marketable lot shall be one Rights Equity Share and hence, no arrangements for disposal of odd lots are required.

Notices

In accordance with the SEBI ICDR Regulations and the SEBI Rights Issue Circulars, the Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other applicable Issue material will be sent/ dispatched only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be physically dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

All notices to the Eligible Equity Shareholders required to be given by our Company shall be published in one English language national daily newspaper with wide circulation, one Hindi language national daily newspaper with wide circulation and one Marathi language daily newspaper with wide circulation (Marathi being the regional language of Maharashtra, where our Registered Office is located).

This Draft Letter of Offer, the Abridged Letter of Offer and the Application Form shall also be submitted with the Stock Exchange for making the same available on their websites.

Offer to Non-Resident Eligible Equity Shareholders/Investors

As per Rule 7 of the FEMA Rules, RBI has given general permission to a person resident outside India and having investment in an Indian company to make investment in rights equity shares issued by such company subject to certain conditions. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 issued by RBI, non-residents may, amongst other things, subject to the conditions set out therein (i) subscribe for additional shares over and above their rights entitlements; (ii) renounce the shares offered to them either in full or part thereof in favour of a person named by them; or (iii) apply for the shares renounced in their favour. Applications received from NRIs and non-residents for allotment of Rights Equity Shares shall be, amongst other things, subject to the conditions imposed from time to time by RBI under FEMA in the matter of Application, refund of Application Money, Allotment of Rights Equity Shares and issue of Rights Entitlement Letters/ letters of Allotment/Allotment advice. If a non-resident or NRI Investor has specific approval from RBI or any other governmental authority, in connection with his shareholding in our Company, such person should enclose a copy of such approval with the Application details and send it to the Registrar at newissue@purvashare.com. It will be the sole responsibility of the investors to ensure that the necessary approval from the RBI or the governmental authority is valid in order to make any investment in the Issue and our Company will not be responsible for any such allotments made by relying on such approvals.

The Abridged Letter of Offer, the Rights Entitlement Letter and Application Form shall be sent only to the Indian addresses of the non-resident Eligible Equity Shareholders on a reasonable efforts basis, who have provided an Indian address to our Company and located in jurisdictions where the offer and sale of the Rights Equity Shares

may be permitted under laws of such jurisdictions, Eligible Equity Shareholders can access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) from the websites of the Registrar, our Company and the Stock Exchange. Further, Application Forms will be made available at Registered Office and Corporate Office of our Company for the non-resident Indian Applicants. Our Board may at its absolute discretion, agree to such terms and conditions as may be stipulated by RBI while approving the Allotment. The Rights Equity Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original Equity Shares against which Rights Equity Shares are issued on rights basis.

In case of change of status of holders, i.e., from resident to non-resident, a new demat account must be opened. Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company.

Please also note that pursuant to Circular No. 14 dated September 16, 2003 issued by RBI, OCBs have been derecognised as an eligible class of investors and RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of RBI and to obtain prior approval from RBI for applying in this Issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and FEMA Rules.

The non-resident Eligible Equity Shareholders can update their Indian address in the records maintained by the Registrar and our Company by submitting their respective copies of self-attested proof of address, passport, etc. by email to newissue@purvashare.com and compliance@anupamfinserv.com respectively.

ALLOTMENT OF THE RIGHTS EQUITY SHARES IN DEMATERIALISED FORM

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALISED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE. FOR DETAILS, PLEASE SEE “ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS” ON PAGE 186.

VIII. ISSUE SCHEDULE

LAST DATE FOR CREDIT OF RIGHTS ENTITLEMENTS	[●]
ISSUE OPENING DATE	[●]
LAST DATE FOR ON MARKET RENUNCIATION OF RIGHTS ENTITLEMENTS #	[●]
ISSUE CLOSING DATE*	[●]
FINALISATION OF BASIS OF ALLOTMENT (ON OR ABOUT)	[●]
DATE OF ALLOTMENT (ON OR ABOUT)	[●]
DATE OF CREDIT (ON OR ABOUT)	[●]
DATE OF LISTING (ON OR ABOUT)	[●]

Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees on or prior to the Issue Closing Date.

* *Our Board or a duly authorised committee thereof will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.*

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as at Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two clear Working Days prior to the Issue Closing Date, i.e., [●], to enable the credit of the Rights Entitlements by way of transfer from the demat suspense account to their respective demat accounts, at least one day before the Issue Closing Date, i.e., [●]. If demat account details are not provided by the Eligible Equity Shareholders holding Equity Shares in physical form to the Registrar or our Company by the date mentioned above, such shareholders will not be allotted any Rights Equity Shares nor such Rights Equity Shares be kept in suspense account on behalf of such shareholder in

this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to our Company or the Registrar, is active to facilitate the aforementioned transfer. Eligible Equity Shareholders holding Equity Shares in physical form can update the details of their demat accounts on the website of the Registrar (i.e., www.purvashare.com). Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts. Eligible Equity Shareholders can obtain the details of their Rights Entitlements from the website of the Registrar (i.e., www.purvashare.com) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company.

IX. BASIS OF ALLOTMENT

Subject to the provisions contained in the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, the Articles of Association and the approval of the Designated Stock Exchange, our Board will proceed to Allot the Rights Equity Shares in the following order of priority:

- a) Full Allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlements of Rights Equity Shares either in full or in part and also to the Renouncee(s) who has or have applied for Rights Equity Shares renounced in their favour, in full or in part.
- b) Eligible Equity Shareholders whose fractional entitlements are being ignored and Eligible Equity Shareholders with zero entitlement, would be given preference in allotment of one Additional Rights Equity Share each if they apply for Additional Rights Equity Shares. Allotment under this head shall be considered if there are any unsubscribed Rights Equity Shares after allotment under (a) above. If number of Rights Equity Shares required for Allotment under this head are more than the number of Rights Equity Shares available after Allotment under (a) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange and will not be a preferential allotment.
- c) Allotment to the Eligible Equity Shareholders who having applied for all the Rights Equity Shares offered to them as part of this Issue, have also applied for Additional Rights Equity Shares. The Allotment of such Additional Rights Equity Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there are any unsubscribed Rights Equity Shares after making full Allotment in (a) and (b) above. The Allotment of such Rights Equity Shares will be at the sole discretion of our Board or its Rights Issue Committee in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
- d) Allotment to Renouncees who having applied for all the Rights Equity Shares renounced in their favour, have applied for Additional Rights Equity Shares provided there is surplus available after making full Allotment under (a), (b) and (c) above. The Allotment of such Rights Equity Shares will be made on a proportionate basis in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
- e) Allotment to any other person, subject to applicable laws, that our Board may deem fit, provided there is surplus available after making Allotment under (a), (b), (c) and (d) above, and the decision of our Board in this regard shall be final and binding.

After taking into account Allotment to be made under (a) to (d) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed'.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Controlling Branches, a list of the Investors who have been allocated Rights Equity Shares in this Issue, along with:

1. The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for this Issue, for each successful Application;
2. The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
3. The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

Further, the list of Applicants eligible for refund with corresponding amount will also be shared with Banker to the Issue to refund such Applicants.

X. ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS

Our Company will send/ dispatch Allotment advice, refund intimations or demat credit of securities and/or letters of regret, only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, Allotment advice, refund intimations or demat credit of securities and/or letters of regret will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Allotment advice, refund intimations or demat credit of securities and/or letters of regret will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them along with crediting the Allotted Rights Equity Shares to the respective beneficiary accounts (only in dematerialised mode) or in a demat suspense account (in respect of Eligible Equity Shareholders holding Equity Shares in physical form on the Allotment Date) or issue instructions for unblocking the funds in the respective ASBA Accounts, if any, within a period of 4 (Four) days from the Issue Closing Date. In case of failure to do so, our Company and our Directors who are “officers in default” shall pay interest at 15% p.a. and such other rate as specified under applicable law from the expiry of such 4 (Four) days’ period.

The Rights Entitlements will be credited in the dematerialised form using electronic credit under the depository system and the Allotment advice shall be sent, through a mail, to the Indian mail address provided to our Company or at the address recorded with the Depository.

In the case of non-resident Investors who remit their Application Money from funds held in the NRE or the FCNR Accounts, unblocking refunds and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts.

Where an Applicant has applied for Additional Rights Equity Shares in the Issue and is Allotted a lesser number of Rights Equity Shares than applied for, the excess Application Money paid/blocked shall be unblocked. The unblocking of ASBA funds / refund of monies shall be completed be within such period as prescribed under the SEBI ICDR Regulations. In the event that there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.

XI. PAYMENT OF REFUND

Mode of making refunds

The payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through any of the following modes.

- a) Unblocking amounts blocked using ASBA facility.
- b) **NACH** – National Automated Clearing House is a consolidated system of electronic clearing service. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by RBI, where such facility has been made available. This would be subject to availability of complete bank account details including a Magnetic Ink Character Recognition (“**MICR**”) code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where Applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.
- c) **National Electronic Fund Transfer (“NEFT”)** – Payment of refund shall be undertaken through NEFT wherever the Investors’ bank has been assigned the Indian Financial System Code (“**IFSC Code**”), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as at a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Investors have registered their nine digit MICR number and their bank account number with the Registrar, to our Company or with the Depository Participant while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Investors through this method.

- d) **Direct Credit** – Investors having bank accounts with the Bankers to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne by our Company.
- e) **RTGS** – If the refund amount exceeds ₹2,00,000, the Investors have the option to receive refund through RTGS. Such eligible Investors who indicate their preference to receive refund through RTGS are required to provide the IFSC Code in the Application Form. In the event the same is not provided, refund shall be made through NACH or any other eligible mode. Charges, if any, levied by the Refund Bank(s) for the same would be borne by our Company. Charges, if any, levied by the Investor's bank receiving the credit would be borne by the Investor.
- f) For all other Investors, the refund orders will be dispatched through speed post or registered post subject to applicable laws. Such refunds will be made by cheques, pay orders or demand drafts drawn in favour of the sole/first Investor and payable at par.
- g) Credit of refunds to Investors in any other electronic manner, permissible by SEBI from time to time.

Refund payment to non-residents

The Application Money will be unblocked in the ASBA Account of the non-resident Applicants, details of which were provided in the Application Form.

XII. ALLOTMENT ADVICE OR DEMAT CREDIT OF SECURITIES

The demat credit of securities to the respective beneficiary accounts will be credited within 15 days from the Issue Closing Date or such other timeline in accordance with applicable laws.

Receipt of the Rights Equity Shares in Dematerialised Form

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR UNDER THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO (A) THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE, OR (B) THE DEPOSITORY ACCOUNT, DETAILS OF WHICH HAVE BEEN PROVIDED TO OUR COMPANY OR THE REGISTRAR AT LEAST TWO CLEAR WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE BY THE ELIGIBLE EQUITY SHAREHOLDER HOLDING EQUITY SHARES IN PHYSICAL FORM AS AT THE RECORD DATE.

Investors shall be Allotted the Rights Equity Shares in dematerialised (electronic) form. Our Company has signed two agreements with the respective Depositories and the Registrar to the Issue, which enables the Investors to hold and trade in the securities issued by our Company in a dematerialised form, instead of holding the Equity Shares in the form of physical certificates:

- a) Tripartite agreement dated June 18, 2004 amongst our Company, NSDL and the Registrar to the Issue;
- and
- b) Tripartite agreement dated July 14, 2001 amongst our Company, CDSL and the Registrar to the Issue.

INVESTORS MAY PLEASE NOTE THAT THE RIGHTS EQUITY SHARES CAN BE TRADED ON THE STOCK EXCHANGES ONLY IN DEMATERIALIZED FORM

The procedure for availing the facility for Allotment of Rights Equity Shares in this Issue in the dematerialised form is as under:

1. Open a beneficiary account with any depository participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of Investors having various folios in our Company with different joint holders, the Investors will have to open separate accounts for

such holdings. Those Investors who have already opened such beneficiary account(s) need not adhere to this step.

2. It should be ensured that the depository account is in the name(s) of the Investors and the names are in the same order as in the records of our Company or the Depositories.
3. The responsibility for correctness of information filled in the Application Form vis-a-vis such information with the Investor's depository participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in Application Form should be the same as registered with the Investor's depository participant.
4. If incomplete or incorrect beneficiary account details are given in the Application Form, the Investor will not get any Rights Equity Shares and the Application Form will be rejected.
5. The Rights Equity Shares will be allotted to Applicants only in dematerialised form and would be directly credited to the beneficiary account as given in the Application Form after verification or demat suspense account (pending receipt of demat account details for resident Eligible Equity Shareholders holding Equity Shares in physical form/ with Investor Education and Protection Fund (IEPF) authority/ in suspense, etc.). Allotment advice, refund order (if any) would be sent through physical dispatch, by the Registrar but the Applicant's depository participant will provide to him the confirmation of the credit of such Rights Equity Shares to the Applicant's depository account.
6. Non-transferable Allotment advice/ refund intimation will be directly sent to the Investors by the Registrar, through physical dispatch.
7. Renounees will also have to provide the necessary details about their beneficiary account for Allotment of Rights Equity Shares in this Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.

XIII. IMPERSONATION

Attention of the Investors 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 for fraud involving an amount of at least ₹10 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 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 ₹0.1 crore 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 lakhs or with both.

XIV. UTILISATION OF ISSUE PROCEEDS

Our Board declares that:

- A. All monies received out of this Issue shall be transferred to a separate bank account;

- B. Details of all monies utilised out of this Issue referred to under (A) above shall be disclosed, and continue to be disclosed until the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and
- C. Details of all unutilised monies out of this Issue referred to under (A) above, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilised monies have been invested.

XV. UNDERTAKINGS BY OUR COMPANY

Our Company undertakes the following:

1. The complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily.
2. All steps for completion of the necessary formalities for listing and commencement of trading at all Stock Exchange where the Equity Shares are to be listed will be taken by our Board within the period prescribed by SEBI.
3. The funds required for unblocking to unsuccessful Applicants as per the mode(s) disclosed shall be made available to the Registrar by our Company.
4. Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Applicant within 15 days of the Issue Closing Date, giving details of the banks where refunds shall be credited along with amount and expected date of electronic credit of refund.
5. In case of unblocking of the Application Money for unsuccessful Applicants or part of the Application Money in case of proportionate Allotment, a suitable communication shall be sent to the Applicants.
6. Adequate arrangements shall be made to collect all ASBA Applications.
7. As of the date of this Draft Letter of Offer, our Company had not issued any outstanding compulsorily convertible debt instruments. Further, except as disclosed in this Draft Letter of Offer, our Company has not issued any outstanding convertible debt instruments.
8. Our Company shall comply with such disclosure and accounting norms specified by SEBI from time to time.

XVI. INVESTOR GRIEVANCES, COMMUNICATION AND IMPORTANT LINKS

1. Please read this Draft Letter of Offer carefully before taking any action. The instructions contained in the Application Form, Abridged Letter of Offer and the Rights Entitlement Letter are an integral part of the conditions of this Draft Letter of Offer and must be carefully followed; otherwise the Application is liable to be rejected.
2. All enquiries in connection with this Draft Letter of Offer must be addressed (quoting the registered folio number in case of Eligible Equity Shareholders who hold Equity Shares in physical form as at Record Date or the DP ID and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and superscribed “**Anupam Finserv Limited– Rights Issue**” on the envelope and postmarked in India) to the Registrar at the following address:

Purva Sharegistry (India) Private Limited
Unit No. 9, Ground Floor, Shiv Shakti Industrial Estate,
J. R. Boricha Marg, Lower Parel East,
Mumbai – 400011, Maharashtra,
Contact Details: +91-22-4961 4132/ +91-22-3199 8810
Email Address: newissue@purvashare.com;
Website: www.purvashare.com;
Contact Person: Ms. Deepali Dhuri;

SEBI Registration Number: INR000001112

3. In accordance with SEBI Rights Issue Circulars, frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar to the Issue (www.purvashare.com). Further, helpline number provided by the Registrar for guidance on the Application process and resolution of difficulties is +91 22 4961 4132 / +91 22 3199 8810.
4. The Investors can visit following links for the below-mentioned purposes:
 - a) Frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors: www.purvashare.com
 - b) Updation of Indian address/ e-mail address/ phone or mobile number in the records maintained by the Registrar or our Company: www.purvashare.com
 - c) Updation of demat account details by Eligible Equity Shareholders holding shares in physical form: www.purvashare.com
 - d) Submission of self-attested PAN, client master sheet and demat account details by non- resident Eligible Equity Shareholders: <https://www.purvashare.com>

This Issue will remain open for a minimum 7 (Seven) days. However, our Board will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Closing Date).

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991, prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, 1991, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Accordingly, the process for foreign direct investment (“**FDI**”) and approval from the Government of India will not be handled by the concerned ministries or departments, in consultation with the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as the Department of Industrial Policy and Promotion) (“**DPIIT**”), Ministry of Finance, Department of Economic Affairs through the FDI Circular 2020 (defined below).

The DPIIT issued the Consolidated FDI Policy Circular of 2020 (“**FDI Circular 2020**”), which, with effect from October 15, 2020, consolidated and superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as at October 15, 2020. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Circular 2020 will be valid until the DPIIT issues an updated circular. The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases which are notified by RBI as amendments to FEMA. In case of any conflict, the relevant notification under the FEMA Rules will prevail. The payment of inward remittance and reporting requirements are stipulated under the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 issued by RBI.

On October 17, 2019, Ministry of Finance, Department of Economic Affairs, had notified the FEMA Rules, which had replaced the Foreign Exchange Management (Transfer and Issue of Security by a Person Resident Outside India) Regulations 2017. Foreign investment in this Offer shall be on the basis of the FEMA Rules. 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 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 Consolidated FDI Policy and the FEMA Rules. 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.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of RBI, provided that (i) the activities of the investee company falls under the automatic route as provided in the FDI Policy and FEMA and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI.

Please also note that pursuant to Circular no. 14 dated September 16, 2003 issued by RBI, Overseas Corporate Bodies (“**OCBs**”) have been derecognised as an eligible class of investors and RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and FEMA Rules. Further, while investing in the Issue, the Investors are deemed to have obtained the necessary approvals, as required, under applicable laws and the obligation to obtain such approvals shall be upon the Investors. Our Company shall not be under an obligation to obtain any approval under any of the applicable laws on behalf of the Investors and shall not be liable in case of failure on part of the Investors to obtain such approvals.

The above information is given for the benefit of the Applicants / Investors. Our Company is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Rights Equity Shares applied for do not exceed the applicable limits under laws or regulations.

RESTRICTIONS ON PURCHASES AND REALES

Eligibility and Restrictions

General

No action has been taken or will be taken to permit an offering of the Rights Entitlements or the Rights Equity Shares to occur in any jurisdiction, or the possession, circulation, or distribution of the Letter of Offer or any other Issue Material in any jurisdiction where action for such purpose is required, except that the Letter of Offer will be filed with the Stock Exchange and submitted to the SEBI for information and dissemination.

The Rights Entitlement and the Rights Equity Shares may not be offered or sold, directly or indirectly, and the Letter of Offer and any other Issue Materials may not be distributed, in whole or in part, in or into: (i) the United States, or (ii) any jurisdiction other than India except in accordance with the legal requirements applicable in such jurisdiction.

Receipt of the Letter of Offer or any other Issue Materials (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone: (i) in the United States or (ii) any jurisdiction in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, the Letter of Offer and any other Issue Materials must be treated as sent for information only and should not be acted upon for subscription to Rights Equity Shares and should not be copied or re-distributed. Accordingly, persons receiving a copy of the Letter of Offer and any other Issue Materials should not distribute or send the Letter of Offer or any such documents in or into any jurisdiction where to do so would or might contravene local securities laws or regulations or would subject our Company or its affiliates to any filing or registration requirement (other than in India). If the Letter of Offer or any other Issue Material is received by any person in any such jurisdiction or the United States, they must not seek to subscribe to the Rights Equity Shares.

Investors are advised to consult their legal counsel prior to accepting any provisional allotment of Rights Equity Shares, applying for excess Rights Equity Shares or making any offer, sale, resale, pledge or other transfer of the Rights Entitlements or the Rights Equity Shares. Rights Entitlements may not be transferred or sold to any person outside India except in accordance with applicable law.

The Letter of Offer is, and the other Issue Materials will be, supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose.

Each person who exercises the Rights Entitlements and subscribes for the Rights Equity Shares, or who purchases the Rights Entitlements or the Rights Equity Shares shall do so in accordance with the restrictions set out above and below.

Australia

The Letter of Offer does not constitute a prospectus or other disclosure document under the Corporations Act 2001 (Cth) ("**Australian Corporations Act**") and does not purport to include the information required of a disclosure document under the Australian Corporations Act. The Letter of Offer is not a disclosure document under Chapter 6D of the Corporations Act of Australia and it has not been lodged with the Australian Securities and Investments Commission ("**ASIC**") and no steps have been taken to lodge it as such with ASIC. It is not required to, and does not, contain all the information which would be required in a disclosure document.

Any offer in Australia of the Rights Entitlements and Equity Shares under the Letter of Offer may only be made to persons who are "sophisticated investors" (within the meaning of section 708(8) of the Australian Corporations Act), to "professional investors" (within the meaning of section 708(11) of the Australian Corporations Act) or otherwise pursuant to one or more exemptions under section 708 of the Australian Corporations Act so that it is lawful to offer the Rights Entitlements and Equity Shares in Australia without disclosure to investors under Part 6D.2 of the Australian Corporations Act.

If you are acting on behalf of, or acting as agent or nominee for, an Australian resident and you are a recipient of the Letter of Offer, and any offers made under the Letter of Offer, you represent to the Issuer that you will not

provide the Letter of Offer or communicate any offers made under the Letter of Offer to, or make any applications or receive any offers for Rights Entitlements or the Equity Shares for, any Australian residents unless they are a “sophisticated investor” or a “professional investor” as defined by section 708 of the Australian Corporations Act.

Any offer of the Rights Entitlements or the Equity Shares for on-sale that is received in Australia within 12 months after their issue by our Company, or within 12 months after their sale by a selling security holder under the Issue, as applicable, is likely to need prospectus disclosure to investors under Part 6D.2 of the Australian Corporations Act, unless such offer for on-sale in Australia is conducted in reliance on a prospectus disclosure exemption under section 708 of the Australian Corporations Act or otherwise. Any persons acquiring the Rights Entitlements and the Equity Shares should observe such Australian on-sale restrictions.

Bahrain

The Letter of Offer and the Rights Entitlements and the Rights Equity Shares that are offered pursuant to the Letter of Offer have not been registered, filed, approved or licensed by the Central Bank of Bahrain (“CBB”), the Bahrain Bourse, the Ministry of Industry, Commerce and Tourism (“MOICT”) or any other relevant licensing authorities in the Kingdom of Bahrain.

The CBB, the Bahrain Bourse and the MOICT of the Kingdom of Bahrain takes no responsibility for the accuracy of the statements and information contained in the Letter of Offer, nor shall they have any liability to any person, investor or otherwise for any loss or damage resulting from reliance on any statements or information contained herein. The Letter of Offer is only intended for Accredited Investors as defined by the CBB. We have not made and will not make any invitation to the public in the Kingdom of Bahrain to subscribe to the Rights Equity Shares and the Letter of Offer will not be issued to, passed to, or made available to the public generally in the Kingdom of Bahrain. All marketing and offering of the Rights Equity Shares shall be made outside the Kingdom of Bahrain. The CBB has not reviewed, nor has it approved the Letter of Offer and any related offering documents or the marketing thereof in the Kingdom of Bahrain. The CBB is not and will not be responsible for the performance of Rights Equity Shares.

British Virgin Islands

No offer or invitation to subscribe for the Rights Entitlements and the Rights Equity Shares has been or will be made to the public in the British Virgin Islands.

China

No action has been taken by our Company which would permit an offering of Rights Entitlements or the Rights Equity Shares or the distribution of the Letter of Offer in the People's Republic of China (“**PRC**”). The Letter of Offer may not be circulated or distributed in the PRC and the Rights Entitlements and the Rights Equity Shares may not be offered or sold, and will not be offered or sold to any person for re-offering or resale directly or indirectly to, or for the benefit of, legal or natural persons of the PRC except pursuant to applicable laws and regulations of the PRC. Further, no legal or natural persons of the PRC may directly or indirectly purchase any of the Rights Entitlements and the Equity Shares or any beneficial interest therein without obtaining all prior PRC’s governmental approvals that are required, whether statutorily or otherwise. Persons who come into possession of the Letter of Offer are required to observe these restrictions. For the purpose of this paragraph, PRC does not include Taiwan and the special administrative regions of Hong Kong and Macau.

Cayman Islands

No offer or invitation to subscribe for the Rights Entitlements and the Rights Equity Shares may be made to the public in the Cayman Islands.

European Economic Area

In relation to each Member State of the European Economic Area (each a “**Relevant State**”), an offer to the public of any Rights Entitlement or Rights Equity Shares may not be made in that Relevant State, except if the Rights Entitlement or Rights Equity Shares are offered to the public in that Relevant State at any time under the following exemptions under the Prospectus Regulation (EU) 2017/1129 (and any amendment thereto) (the “**Prospectus Regulation**”):

- a) to any legal entity that is a qualified investor, as defined in the Prospectus Regulation;
- b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation); or
- c) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Rights Entitlement or Rights Equity Shares shall result in a requirement for the publication by our Company of a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement of a prospectus pursuant to Article 23 of the Prospectus Regulation. The Letter of Offer is not a prospectus for the purposes of the Prospectus Regulation.

For the purposes of this subsection, the expression an “offer to the public” in relation to any Rights Entitlement or Rights Equity Shares in any Relevant State means a communication to persons in any form and by any means presenting sufficient information on the terms of the Issue so as to enable an investor to decide to purchase or subscribe for the Rights Entitlement or Rights Equity Shares.

Hong Kong

The Rights Entitlements and the Equity Shares may not be offered or sold in Hong Kong by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32, Laws of Hong Kong), or (ii) to “professional investors” within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a “prospectus” within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32, Laws of Hong Kong) and no advertisement, invitation or document relating to the Rights Entitlements and the Equity Shares may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to the Rights Entitlements and the Equity Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder.

Japan

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Law. No. 25 of 1948 as amended) (the “**FIEA**”) and disclosure under the FIEA has not been and will not be made with respect to the Rights Entitlements and the Rights Equity Shares. No Rights Entitlements or Rights Equity Shares are, directly or indirectly, being offered or sold, and may not, directly or indirectly, be offered or sold in Japan or to, or for the benefit of, any resident of Japan as defined in the first sentence of Article 6, Paragraph 1, Item 5 of the Foreign Exchange and Foreign Trade Contract Act of Japan (Law No. 228 of 1949, as amended) (“**Japanese Resident**”) or to others for re-offering or re-sale, directly or indirectly in Japan or to, or for the benefit of, any Japanese Resident except (i) pursuant to an exemption from the registration requirements of the FIEA and (ii) in compliance with any other relevant laws, regulations and governmental guidelines of Japan.

If an offeree does not fall under a “qualified institutional investor” (tekikaku kikan toshika), as defined in Article 10, Paragraph 1 of the Cabinet Office Ordinance Concerning Definition Provided in Article 2 of the Financial Instruments and Exchange Act (Ordinance of the Ministry of Finance No. 14 of 1993, as amended) (the “Qualified Institutional Investor”), the Rights Entitlements and Equity Shares will be offered in Japan by a private placement to a small number of investors (shoninzu muke kanyu), as provided under Article 23- 13, Paragraph 4 of the FIEA, and accordingly, the filing of a securities registration statement for a public offering pursuant to Article 4, Paragraph 1 of the FIEA has not been made.

If an offeree is a Qualified Institutional Investor, the Rights Entitlements and the Equity Shares will be offered in Japan by a private placement to the Qualified Institutional Investor (tekikaku kikan toshikamuke kanyu), as provided under Article 23-13, Paragraph 1 of the FIEA, and accordingly, the filing of a securities registration statement for a public offering pursuant to Article 4, Paragraph 1 of the FIEA has not been made. Any Qualified Institutional Investor purchasing Rights Equity Share agree that it will not, directly or indirectly, resell, assign,

transfer, or otherwise dispose of the Rights Equity Shares to any Japanese Resident other than to another Qualified Institutional Investor.

Kuwait

The Letter of Offer and does not constitute an offer to sell, or the solicitation of an offer to subscribe for or buy, the Rights Entitlements or the Equity Shares in the State of Kuwait. The Rights Entitlements and the Equity Shares have not been licensed for offering, promotion, marketing, advertisement or sale in the State of Kuwait by the Capital Markets Authority or any other relevant Kuwaiti government agency. The offering, promotion, marketing, advertisement or sale of the Rights Entitlements and the Equity Shares in State of Kuwait on the basis of a private placement or public offering is, therefore, prohibited in accordance with Law No. 7 of 2010 and the Executive Bylaws for Law No. 7 of 2010, as amended, which govern the issue, offer, marketing and sale of financial services/products in the State of Kuwait. No private or public offering of the Rights Entitlements or the Equity Shares is or will be made in the State of Kuwait, and no agreement relating to the sale of the Rights Entitlements or the Equity Shares will be concluded in the State of Kuwait and no marketing or solicitation or inducement activities are being used to offer or market the Rights Entitlements or the Equity Shares in the State of Kuwait.

Mauritius

The Rights Entitlements and the Rights Equity Shares may not be offered or sold, directly or indirectly, to the public in Mauritius. Neither the Letter of Offer nor any offering material or information contained herein relating to the offer of the Rights Entitlements and the Rights Equity Shares may be released or issued to the public in Mauritius or used in connection with any such offer. The Letter of Offer does not constitute an offer to sell the Rights Entitlements and the Rights Equity Shares to the public in Mauritius and is not a prospectus as defined under the Companies Act 2001.

Singapore

The Letter of Offer has not been and will not be registered as a prospectus with the Monetary Authority of Singapore under the Securities and Futures Act (Chapter 289) of Singapore (“SFA”). The offer of Rights Entitlements and Rights Equity Shares pursuant to the Rights Entitlements to Eligible Equity Shareholders in Singapore is made in reliance on the offering exemption under Section 273(1)(cd) of the SFA.

Eligible Equity Shareholders in Singapore may apply for additional Rights Equity Shares over and above their Rights Entitlements only (i) if they are an “institutional investor” within the meaning of Section 274 of the SFA and in accordance with the conditions of an exemption invoked under Section 274, (ii) if they are a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or (iii) pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where any additional Rights Equity Shares over and above their Rights Entitlements are purchased under Section 275 of the SFA by a relevant person which is: (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor, shares, debentures and units of shares and debentures of that corporation or the beneficiaries’ rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired such Rights Equity Shares pursuant to an offer made under Section 275 except: (1) to an institutional investor under Section 274 of the SFA or to a relevant person defined in Section 275(2) of the SFA, or to any person pursuant to an offer that is made on terms that such shares, debentures and units of shares and debentures of that corporation or such rights or interest in that trust are acquired at a consideration of not less than SGP\$ 200,000 (or its equivalent in a foreign currency) for each transaction, whether such amount is to be paid for in cash or by exchange of securities or other assets, and further for a corporation, in accordance with the conditions specified in Section 275 of the SFA; (2) where no consideration is or will be given for the transfer; or (3) where the transfer is by operation of law.

In connection with Section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “CMP Regulations 2018”), our Company has determined, and hereby notifies all relevant persons (as defined in Section 309(A)(1) of the SFA) that the Rights Entitlements and the Rights Equity Shares are ‘prescribed capital markets products’ (as defined in the CMP Regulations 2018) and Excluded

Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

United Kingdom

No Rights Entitlement or Rights Equity Shares may be offered in the Issue to the public in the United Kingdom prior to the publication of a prospectus in relation to the Rights Entitlement and Rights Equity Shares which is to be treated as if it had been approved by the Financial Conduct Authority in accordance with the transitional provisions in Article 74 (transitional provisions) of the Prospectus (Amendment etc.) (EU Exit) Regulations 2019/1234, except that our Company may make an offer to the public in the United Kingdom of Rights Entitlement and Rights Equity Shares at any time:

- a) to any legal entity which is a qualified investor as defined under Article 2 of the UK Prospectus Regulation;
- b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation); or
- c) in any other circumstances falling within Article 1(4) of the UK Prospectus Regulation,

provided that no such offer of Rights Entitlement or Rights Equity Shares shall result in a requirement for the publication by our Company of a prospectus pursuant to Article 3 of the UK Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation. For the purposes of this provision, the expression an “offer to the public” in relation to any Rights Entitlement or Rights Equity Shares in means a communication to persons in any form and by any means presenting sufficient information on the terms of the Issue so as to enable an investor to decide to purchase or subscribe for the Rights Entitlement or Rights Equity Shares and the expression “UK Prospectus Regulation” means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

Except for each person who is not a qualified investor as defined in the UK Prospectus Regulation and who has notified our Company of such fact in writing and has received the consent of our Company in writing to subscribe for or purchase Rights Equity Shares, each person in the United Kingdom who acquires Rights Equity Shares shall be deemed to have represented and warranted that it is a qualified investor as defined in the UK Prospectus Regulation.

In addition, the Letter of Offer may not be distributed or circulated to any person in the United Kingdom other than to (i) persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “**Financial Promotion Order**”); and (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Financial Promotion Order (each such person being referred to as a “**Relevant Person**”). If you are not a Relevant Person, you should not take any action on the basis of the Letter of Offer and you should not act or rely on it or any of its contents. Except for each person who is not a Relevant Person and who has notified our Company of such fact in writing and has received the consent of our Company in writing to subscribe for or purchase Rights Equity Shares, each person in the United Kingdom who acquires Rights Equity Shares shall be deemed to have represented and warranted that it is a Relevant Person.

United Arab Emirates (excluding the Dubai International Financial Centre)

The Letter of Offer has not been, and is not intended to be, approved by the UAE Central Bank, the UAE Ministry of Economy, the Emirates Securities and Commodities Authority or any other authority in the United Arab Emirates (the “UAE”) or any other authority in any of the free zones established and operating in the UAE. The Rights Entitlements and the Rights Equity Shares have not been and will not be offered, sold or publicly promoted or advertised in the UAE in a manner which constitutes a public offering in the UAE in compliance with any laws applicable in the UAE governing the issue, offering and sale of such securities. The Letter of Offer is strictly private and confidential and is being distributed to a limited number of investors and must not be provided to any other person other than the original recipient and may not be used or reproduced for any other purpose.

Dubai International Financial Centre

The Rights Entitlement and the Rights Equity Shares offered in the Issue are not being offered to any persons in the Dubai International Financial Centre except on that basis that an offer is: (i) an “Exempt Offer” in accordance

with the Markets Rules (MKT) (the “**Markets Rules**”) adopted by the Dubai Financial Services Authority (the “**DFSA**”); and (ii) made only to persons who meet the Professional Client criteria set out in Rule 2.3.3 of the DFSA Conduct of Business Module of the DFSA rulebook and are not natural Persons. The Letter of Offer must not be delivered to, or relied on by, any other person. The DFSA has not approved the Letter of Offer nor taken steps to verify the information set out in it and has no responsibility for it. Capitalised terms not otherwise defined in this subsection have the meaning given to those terms in the Markets Rules.

The Equity Shares may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the Rights Equity Shares offered in the Offer should conduct their own due diligence on the Equity Shares. If you do not understand the contents of the Letter of Offer, you should consult an authorised financial adviser.

United States

The Rights Entitlements and the Rights Equity Shares have not been, and will not be, registered under the 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 an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any applicable state securities laws. The Rights Entitlements and the Rights Equity Shares are only being offered and sold outside the United States in offshore transactions, as defined in and in compliance with Regulation S. Neither the receipt of the Letter of Offer nor any of its accompanying documents constitutes an offer of the Rights Entitlements or the Rights Equity Shares to any Eligible Equity Shareholder other than the Eligible Equity Shareholders who has received the Letter of Offer and its accompanying documents directly from our Company.

Representations, Warranties and Agreements by Purchasers

In addition to the applicable representations, warranties and agreements set forth above, each purchaser, by accepting the delivery of the Letter of Offer and its accompanying documents, submitting an Application Form for the exercise of any Rights Entitlements and subscription for any Rights Equity Shares and accepting delivery of any Rights Entitlements or any Rights Equity Shares, will be deemed to have represented, warranted, acknowledged and agreed as follows on behalf of itself and, if it is acquiring the Rights Entitlements or the Rights Equity Shares as a fiduciary or agent for one or more investor accounts, on behalf of each owner of such account (such person being the “purchaser”, which term shall include the owners of the investor accounts on whose behalf the person acts as fiduciary or agent):

1. The purchaser has the full power and authority to make the representations, warranties, acknowledgements, undertakings and agreements contained herein and to exercise the Rights Entitlements and subscribe for the Rights Equity Shares, and, if the purchaser is exercising the Rights Entitlements and acquiring the Rights Equity Shares as a fiduciary or agent for one or more investor accounts, the purchaser has the full power and authority to make the representations, warranties, acknowledgements, undertakings and agreements contained herein and to exercise the Rights Entitlements and subscribe for the Rights Equity Shares on behalf of each owner of such account.
2. If any Rights Entitlements were bought by the purchaser or otherwise transferred to the purchaser by a third party (other than our Company), the purchaser was in India at the time of such purchase or transfer.
3. The purchaser is aware and understands (and each account for which it is acting has been advised and understands) that an investment in the Rights Entitlements and the Rights Equity Shares involves a considerable degree of risk and that the Rights Entitlements and the Rights Equity Shares are a speculative investment.
4. The purchaser acquiring the Rights Equity Shares for one or more managed accounts, represents and warrants that the purchaser has been authorized in writing, by each such managed account to acquire the Rights Equity Shares for each managed account and make the representations, warranties, acknowledgements, undertakings and agreements herein for and on behalf of each such account, reading the reference herein to ‘the purchaser’ to include such accounts.
5. The purchaser is eligible to invest in India under applicable law, including the FEMA Rules and any notifications, circulars or clarifications issued thereunder, and have not been prohibited by SEBI, RBI or any other regulatory authority, statutory authority or otherwise, from buying, selling or dealing in securities or otherwise accessing capital markets in India. Further, the purchaser is eligible to invest in and hold the

Rights Equity Shares in accordance with the FDI Policy, read along with the press note 3 of 2020 dated April 17, 2020 issued by the Department for Promotion of Industry and Internal Trade, Government of India and the related amendments to the FEMA Rules wherein if the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, foreign direct investments can only be made through the Government approval route, as prescribed in the FEMA Rules.

6. The purchaser is investing in the Rights Equity Shares to be issued pursuant to the Issue in accordance with applicable laws and by participating in the Issue, the purchaser is not in violation of any applicable law, including but not limited to the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 and the Companies Act, 2013, each as amended and/or substituted from time to time.
7. The purchaser understands (and each account for which it is acting has been advised and understands) that no action has been or will be taken to permit an offering of the Rights Entitlements or the Rights Equity Shares in any jurisdiction (other than the filing of the Letter of Offer with the Stock Exchange and its submission with the SEBI for information and dissemination); and it will not offer, resell, pledge or otherwise transfer any of the Rights Entitlements (except in India) or the Rights Equity Shares which it may acquire, or any beneficial interests therein, in any jurisdiction or in any circumstances in which such offer or sale is not authorised or to any person to whom it is unlawful to make such offer, sale, solicitation or invitation except under circumstances that will result in compliance with any applicable laws and/or regulations.
8. The purchaser (or any account for which it is acting) is an Eligible Equity Shareholder and has received an invitation from our Company, addressed to it and inviting it to participate in the Issue.
9. None of the purchaser, any of its affiliates or any person acting on its or their behalf has taken or will take, directly or indirectly, any action designed to, or which might be expected to, cause or result in the stabilization or manipulation of the price of any security of our Company to facilitate the sale or resale of the Rights Entitlements or the Rights Equity Shares pursuant to the Issue.
10. Prior to making any investment decision to exercise the Rights Entitlements and subscribe for the Rights Equity Shares, the purchaser (i) will have consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisers in each jurisdiction in connection herewith to the extent it has deemed necessary; (ii) will have carefully read and reviewed a copy of the Letter of Offer and its accompanying documents; (iii) will have possessed and carefully read and reviewed all information relating to us and the Rights Entitlements and the Rights Equity Shares which it believes is necessary or appropriate for the purpose of making its investment decision, including, without limitation, the Exchange Information (as defined below); (iv) will have conducted its own due diligence on our Company and the Issue, and will have made its own investment decisions based upon its own judgement, due diligence and advice from such advisers as it has deemed necessary and will not have relied upon any recommendation, promise, representation or warranty of or view expressed by or on behalf of our Company (including any research reports) (other than, with respect to our Company and any information contained in the Letter of Offer); and (v) will have made its own determination that any investment decision to exercise the Rights Entitlements and subscribe for the Rights Equity Shares is suitable and appropriate, both in the nature and number of Rights Equity Shares being subscribed.
11. Without limiting the generality of the foregoing, the purchaser acknowledges that the Equity Shares are listed on BSE Limited and our Company is therefore required to publish certain business, financial and other information in accordance with the rules and practices of BSE Limited (which includes, but is not limited to, a description of the nature of our Company's business and our Company's most recent financial results, and similar statements for preceding years together with the information on its website and its press releases, announcements, investor education presentations, annual reports, collectively constitutes the "Exchange Information"), and that it has had access to such information without undue difficulty and has reviewed such Exchange Information as it has deemed necessary; and (ii) none of our Company, any of its affiliates has made any representations or recommendations to it, express or implied, with respect to our Company, the Rights Entitlements, the Rights Equity Shares or the accuracy, completeness or adequacy of the Exchange Information.

12. The purchaser acknowledges that any information that it has received or will receive relating to or in connection with the Issue, and the Rights Entitlements or the Rights Equity Shares, including the Letter of Offer and the Exchange Information, has been prepared solely by our Company.
13. The purchaser acknowledges that no written or oral information relating to the Issue, and the Rights Entitlements or the Rights Equity Shares has been or will be provided by our Company.
14. The purchaser understands that its receipt of the Rights Entitlements and any subscription it may make for the Rights Equity Shares will be subject to and based upon all the terms, conditions, representations, warranties, acknowledgements, undertakings and agreements and other information contained in the Letter of Offer and the Application Form. The purchaser understands that none of our Company, the Registrar or any other person acting on behalf of us will accept subscriptions from any person, or the agent of any person, who appears to be, or who we, the Registrar or any other person acting on behalf of us have reason to believe is in the United States or is ineligible to participate in the Issue under applicable securities laws.
15. The purchaser is aware that the Rights Entitlements and the Equity Shares have not been and will not be registered under the Securities Act or the securities law of any state of the United States and that the offer of the Rights Entitlements and the offer and sale of the Rights Equity Shares to the purchaser was made in accordance with Regulation S.
16. The purchaser was outside the United States at the time the offer of the Rights Entitlements and Rights Equity Shares was made to it and the purchaser was outside the United States when the purchaser's buy order for the Rights Equity Shares was originated.
17. The purchaser did not accept the Rights Entitlements or subscribe to the Rights Equity Shares as a result of any "directed selling efforts" (as defined in Regulation S).
18. The purchaser subscribed to the Rights Equity Shares for investment purposes and not with a view to the distribution or resale thereof. If, in the future, the purchaser decides to offer, sell, pledge or otherwise transfer any of the Rights Equity Shares, the purchaser shall only offer, sell, pledge or otherwise transfer such Rights Equity Shares: (i) outside the United States in a transaction complying with Rule 903 or Rule 904 of Regulation S and in accordance with all applicable laws of any other jurisdiction, including India or (ii) in the United States pursuant to an exemption from the registration requirements of the Securities Act and applicable state securities laws.
19. The purchaser is, and the persons, if any, for whose account it is acquiring the Rights Entitlements and the Rights Equity Shares are, entitled to subscribe for, and authorized to consummate the purchase of, the Rights Equity Shares in compliance with all applicable laws and regulations. If the purchaser is outside India:
 - a. the purchaser, and each account for which it is acting, satisfies: (i) all suitability standards for investments in the Rights Entitlements and the Rights Equity Shares imposed by all jurisdictions applicable to it, and (ii) is eligible to subscribe, and is subscribing, for the Rights Equity Shares and Rights Entitlements in compliance with applicable securities and other laws of all jurisdictions of residence; and
 - b. the sale of the Rights Equity Shares to it will not require any filing or registration by, or qualification of, our Company with any court or administrative, governmental or regulatory agency or body, under the laws of any jurisdiction which apply to the purchaser or such persons.
20. Except for the sale of Rights Equity Shares on the Stock Exchange, the purchaser agrees, upon a proposed transfer of the Rights Equity Shares, to notify any purchaser of such Equity Shares or the executing broker, as applicable, of any transfer restrictions that are applicable to the Rights Equity Shares being sold.
21. The purchaser is a highly sophisticated investor and has such knowledge and experience in financial, business and international investment matters and is capable of independently evaluating the merits and risks (including for tax, legal, regulatory, accounting and other financial purposes) of an investment in the Rights Entitlements and the Rights Equity Shares. It, or any account for which it is acting, has the financial ability to bear the economic risk of investment in the Rights Entitlements and the Rights Equity Shares, has adequate means of providing for its current and contingent needs, has no need for liquidity with respect

to any investment it (or such account for which it is acting) may make in the Rights Entitlements and the Rights Equity Shares, and is able to sustain a complete loss in connection therewith and it will not look to our Company for all or part of any such loss or losses it may suffer.

22. Each of the aforementioned representations, warranties, acknowledgements and agreements shall continue to be true and accurate at all times up to and including the Allotment, listing and trading of the Rights Equity Shares. The purchaser shall hold our Company 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 its representations, warranties, acknowledgements and agreements set forth above and elsewhere in the Letter of Offer. The indemnity set forth in this paragraph shall survive the resale of the Rights Equity Shares.
23. The purchaser acknowledges that our Company and its affiliates and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements which are given to our Company, and are irrevocable.

The purchaser agrees that any dispute arising in connection with the Issue will be governed by and construed in accordance with the laws of Republic of India, and the courts in Vadodara, Gujarat, India shall have sole and exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Letter of Offer and other Issue Materials.

SECTION VIII: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Letter of Offer) which are or may be deemed material have been entered or are to be entered into by our Company. Copies of the documents for inspection referred to hereunder, would be available for inspection at the corporate office of the Company till the issue closing date on working days and working hours between 11:00 A.M. to 5:00 P.M. and also shall be available on the website of the Company at www.anupamfinserv.com from the date of this Draft Letter of Offer until the Issue Closing Date.

Additionally, any person intending to inspect the abovementioned contracts and documents electronically, may do so, by writing an email to compliance@anupamfinserv.com.

1. Material Contracts for the Issue

- (i) Registrar Agreement dated June 18, 2024 entered into amongst our Company and the Registrar to the Issue.
- (ii) Escrow Agreement dated [●] amongst our Company, the Registrar to the Issue and the Bankers to the Issue/ Refund Bank.

2. Material Documents

- (i) Certified true copies of the Certificate of Incorporation, the Memorandum of Association and the Articles of Association of our Company as amended from time to time.
- (ii) Resolution of the Board of Directors dated May 30, 2024 in relation to the approval of this Issue.
- (iii) Resolution passed by our Rights Issue Committee dated [●] finalizing the terms of the Issue including Record Date and the Rights Entitlement ratio.
- (iv) Resolution of the Rights Issue Committed dated June 28, 2024 approving and adopting the Draft Letter of Offer.
- (v) Resolution of the Board of Directors dated [●] approving and adopting the Letter of Offer.
- (vi) Consent of our Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory and Peer Review Auditor, Legal Advisor to the Issue, the Registrar to the Issue for inclusion of their names in the Draft Letter of Offer in their respective capacities.
- (vii) Copies of Annual Reports of our Company for Financial years 2023, 2022 and 2021.
- (viii) Audit reports dated May 30, 2024 of the Statutory Auditor, on our Company's Audited Financial Statements, included in this Draft Letter of Offer.
- (ix) Statement of Tax Benefits dated June 27, 2024 from the Statutory Auditor included in this Draft Letter of Offer.
- (x) Tripartite Agreement dated June 18, 2004 between our Company, NSDL and the Registrar to the Issue.
- (xi) Tripartite Agreement dated July 14, 2001 between our Company, CDSL and the Registrar to the Issue.
- (xii) In principle listing approval dated [●] issued by BSE Limited.

Any of the contracts or documents mentioned in this Draft Letter of Offer 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 of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

I hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act, or the rules made thereunder or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

Sd/-

NIRMALA PRAVIN GALA
(Managing Director)

Sd/-

PRAVIN NANJI GALA
(Chairman – Executive Director & Chief
Financial Officer)

Sd/-

SIDDHARTH PRAVIN GALA
(Director)

Sd/-

DARSHAN M JALAL
(Independent Director)

Sd/-

RAJENDRA T. SHAH
(Independent Director)

Sd/-

DHIRUBHAI B. DESAI
(Independent Director)

Sd/-

SHEETAL DEDHIA
(Company Secretary & Compliance
Officer)

Place: Mumbai

Date: June 28, 2024