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Draft Red Herring Prospectus  
Dated: July 11, 2024  
100% Book Building Offer  
Please read Section 26 and 32 of Companies Act, 2013

**USHA FINANCIAL SERVICES LIMITED**  
CIN: U74899DL1995PLC068604

REGISTERED OFFICE	CORPORATE OFFICE	CONTACT PERSON	EMAIL & TELEPHONE	WEBSITE
330, Mezzanine Floor Functional Industrial Estate, Patparganj, Delhi- 110092, India	N.A.	Ms. Kritika Goswami Company Secretary & Compliance Officer	<a href="mailto:compliance@ushafinancial.com">compliance@ushafinancial.com</a> & 011 47019079	<a href="https://www.ushafinancial.com/">https://www.ushafinancial.com/</a>

**NAME OF THE PROMOTERS OF THE COMPANY**

**Mr. Rajesh Gupta, Mr. Anoop Garg, Ms. Geeta Goswami and M/s BR Hands Investments Private Limited**

**DETAILS OF OFFER TO PUBLIC, PROMOTERS/ SELLING SHAREHOLDERS**

Type	Fresh Issue Size (by No. of shares)	OFS* Size (by No. of shares)	Total Issue Size (by No. of shares)	Eligibility & Share Reservation among NII & RII
Fresh Issue	58,60,000	NIL	58,60,000	The Offer is being made pursuant to Regulation 229(2) of SEBI (ICDR) Regulations. For details of Share reservation among QIBs, NIIs and RIIs, see "Issue Structure" beginning on page 412.

\*OFS: Offer for Sale

**Details of OFS by Promoter(s)/ Promoter Group/ Other Selling Shareholders (upto maximum of 10 shareholders)**

Name	Type	No. of shares offered/ Amount in Rs.	WACA in Rs. Per Equity Shares
NA			

**P: Promoter, PG: Promoter Group, OSS: Other Selling Shareholders, WACA: Weighted Average Cost of Acquisition on fully diluted basis**

**RISKS IN RELATION TO THE FIRST ISSUE**

This being the first public issue of our Company, there has been no formal market for the Equity Shares. The face value of our Equity Shares is ₹10 each and the Floor Price and Cap Price are [●] times and [●] times of the face value of the Equity Shares, respectively. The Floor Price, Cap Price and Issue Price (determined and justified by our Company in consultation with the Book Running Lead Managers as stated in "Basis for Issue Price" on page 114 of this Draft Red Herring Prospectus) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

**GENERAL RISK**

Investments in Equity and Equity related securities involve a degree of risk and investors should not invest any funds in this 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 Equity Shares issued 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 Draft Red Herring Prospectus. Specific attention of the investors is invited to the section "Risk Factors" beginning on page 31 of this Draft Red Herring Prospectus.

**ISSUER'S ABSOLUTE RESPONSIBILITY**

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

**LISTING**

The Equity Shares of our Company offered through this Draft Red Herring Prospectus are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received an approval letter dated [●] from National Stock Exchange of India Limited for using its name in the Draft Red Herring Prospectus for listing of our shares on the Emerge Platform of National Stock Exchange of India Limited. For the purpose of this Issue, National Stock Exchange of India Limited shall be the Designated Stock Exchange.

**BOOK RUNNING LEAD MANAGERS TO THE ISSUE**

**REGISTRAR TO THE ISSUE**



**NARNOLIA FINANCIAL SERVICES LIMITED**  
Address: 201, 2nd Floor, Marble Arch, 236 B A.J.C Bose Road, Kolkata, West Bengal- 700020, India  
Telephone: 012 417954664  
Phn no.: +91- 8130678743  
Email: [pankaj.passi@narnolia.com](mailto:pankaj.passi@narnolia.com)  
Website: [www.narnolia.com](http://www.narnolia.com)  
Contact Person: Mr. Pankaj Pasi  
SEBI Registration Number: INM000010791  
CIN: U51909WB1995PLC072876



**UNISTONE**

**UNISTONE CAPITAL PRIVATE LIMITED\***  
Address: A/305, Dynasty Business Park, Andheri Kurla Road, Andheri East, Mumbai- 400059, Maharashtra.  
Telephone: +91 9820057533  
Email: [mb@unistonecapital.com](mailto:mb@unistonecapital.com)  
Website: [www.unistonecapital.com](http://www.unistonecapital.com)  
Contact Person: Mr. Brijesh Parekh  
SEBI Registration Number: INM000012449  
CIN: U65999MH2019PTC330850



**SKYLINE FINANCIAL SERVICES PRIVATE LIMITED**

Address: D-153 A, 1st Floor, Okhla Industrial Area, Phase - I, New Delhi-110020  
Telephone: +91-11-40450193-97  
Fax No: +91-11-26812683  
Email: [compliances@skylinerta.com](mailto:compliances@skylinerta.com)  
Website: [www.skylinerta.com](http://www.skylinerta.com)  
Contact Person: Mr. Pawan Bisht  
SEBI Registration Number: INR000003241  
CIN: U74899DL1995PTC071324

**BID/ISSUE PERIOD**

Anchor Bid opens on: [●]

Bid/ Issue open on: [●]

Bid/ Issue Closes on: [●]

\*Unistone Capital Private Limited would be involved only in the marketing of the Issue.

## USHA FINANCIAL SERVICES LIMITED

Our Company was incorporated as a Private Limited Company under the Companies Act, 1956 in the name and style of "Usha Financial Services Private Limited" bearing Certificate of Incorporation Number U74899DL1995PTC068604 issued by the Registrar of Companies, Delhi dated May 16, 1995. Further, our Company was converted into a Public Limited Company in pursuance of a special resolution passed by the members of our Company at the Extra-Ordinary General Meeting held on June 03, 2022 and the name of our Company changed from "Usha Financial Services Private Limited" to "Usha Financial Services Limited" & Registrar of Companies, Delhi issued a new certificate of incorporation consequent upon conversion dated October 12, 2022. As on date of this Draft Red Herring Prospectus, the Corporate Identification Number of our Company is U74899DL1995PLC068604. For further details of incorporation please refer to section titled "Our History and Certain Other Corporate Matters" beginning on page 183 of this Draft Red Herring Prospectus.

**Registered Office:** 330, Mezanine Floor Functional Industrial Estate, Patparganj, Delhi, India, 110092  
**Tel:** 011 47019079, **Fax:** N.A., **Website:** <https://www.ushafinancial.com/>, **E-mail:** [compliance@ushafinancial.com](mailto:compliance@ushafinancial.com)

**Company Secretary and Compliance Officer:** Ms. Kritika Goswami

**PROMOTERS:** Mr. Rajesh Gupta, Mr. Anoop Garg, Ms. Geeta Goswami and M/s BR Hands Investments Private Limited

### THE ISSUE

**INITIAL PUBLIC OFFERING OF UP TO 58,60,000 EQUITY SHARES OF RS. 10/- EACH ("EQUITY SHARES") OF USHA FINANCIAL SERVICES LIMITED ("USHA FINANCIAL" OR "UFSL" OR THE "COMPANY") FOR CASH AT A PRICE OF RS. [●]/- PER EQUITY SHARE (THE "ISSUE PRICE"), AGGREGATING TO RS. [●] LAKHS ("THE ISSUE"). OUT OF THE ISSUE, 3,20,800 EQUITY SHARES AGGREGATING TO RS. [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER ("MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 55,39,200 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH AT AN ISSUE PRICE OF RS. [●]/- PER EQUITY SHARE AGGREGATING TO RS. [●] LAKHS IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.96 % AND 25.48 %, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.**

**THE FACE VALUE OF THE EQUITY SHARES IS RS.10/- EACH AND THE FLOOR PRICE AND CAP PRICE ARE [●] TIMES AND [●] TIMES OF THE FACE VALUE OF THE EQUITY SHARES, RESPECTIVELY.**

The price band and the minimum bid lot will be decided by our company, in consultation with the book running lead managers and will be advertised in all editions of [●] (which are widely circulated English daily newspaper) and all editions of [●] (which are widely Hindi daily newspaper) and all editions of [●] the regional language being hindi, where our registered office is located, at least two working days prior to the bid/ offer opening date and shall be made available to national stock exchange of India limited ("NSE", "stock exchange") for the purpose of uploading on their respective website.

This Issue is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 229 of the SEBI ICDR Regulations and in compliance with Regulation 253 of the SEBI ICDR Regulations wherein not more than 50.00% of the Net Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs") (the "QIB Portion"), provided that our Company in consultation with the BRLMs may allocate up to 60.00% of the QIB Portion to Anchor Investors on a discretionary basis ("Anchor Investor Portion"). One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the Anchor Investor Allocation Price in accordance with the SEBI ICDR Regulations. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion (other than the Anchor Investor Portion) ("Net QIB Portion"). Further, 5.00% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5.00% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15.00% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35.00% of the Net Offer shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price. All Bidders, other than Anchor Investors, are required to participate in the Offer by mandatorily utilising the Application Supported by Blocked Amount ("ASBA") process by providing details of their respective ASBA Account (as defined hereinafter) in which the corresponding Bid Amounts will be blocked by the Self Certified Syndicate Banks ("SCSBs") or under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Offer through the ASBA process. For details, see "Issue Procedure" on page 371.

### RISKS IN RELATION TO FIRST ISSUE

This being the first public issue of our Company, there has been no formal market for our Equity Shares. The face value of the Equity Shares of our Company is Rs.10. The Issue Price, Floor Price or the Price band as stated under the chapter titled "Basis for the Issue Price" beginning on page 114 of this Draft Red Herring Prospectus should not be taken to be indicative of the market price of the Equity Shares after such Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

### GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and this Issue, including the risks involved. The Equity Shares 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 Red Herring Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" beginning on page 31 of this Draft Red Herring Prospectus.

### ISSUER'S ABSOLUTE RESPONSIBILITY

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

### LISTING

The Equity Shares of our Company offered through this Draft Red Herring Prospectus are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received an approval letter dated [●] from National Stock Exchange of India Limited for using its name in the Draft Red Herring Prospectus for listing of our shares on the Emerge Platform of National Stock Exchange of India Limited. For the purpose of this Issue, National Stock Exchange of India Limited shall be the Designated Stock Exchange.

### BOOK RUNNING LEAD MANAGERS TO THE ISSUE

**Narnolia®**  
**NARNOLIA FINANCIAL SERVICES LIMITED**  
**Address:** 201, 2nd Floor, Marble Arch, 236 B A.J.C Bose Road, Kolkata, West Bengal- 700020, India  
**Telephone:** 012 417954664  
**Phn no.:** +91- 8130678743  
**Email:** [pankaj.passi@narnolia.com](mailto:pankaj.passi@narnolia.com)  
**Website:** [www.narnolia.com](http://www.narnolia.com)  
**Contact Person:** Mr. Pankaj Passi  
**SEBI Registration Number:** INM000010791  
**CIN:** U51909WB1995PLC072876



**UNISTONE**

**UNISTONE CAPITAL PRIVATE LIMITED\***  
**Address:** A/305, Dynasty Business Park, Andheri Kurla Road, Andheri East, Mumbai-400059, Maharashtra.  
**Telephone:** +91 9820057533  
**Email:** [mb@unistonecapital.com](mailto:mb@unistonecapital.com)  
**Website:** [www.unistonecapital.com](http://www.unistonecapital.com)  
**Contact Person:** Mr. Brijesh Parekh  
**SEBI Registration Number:** INM000012449  
**CIN:** U65999MH2019PTC330850



**SKYLINE FINANCIAL SERVICES PRIVATE LIMITED**  
**Address:** D-153 A, 1st Floor, Okhla Industrial Area, Phase - I, New Delhi-110020  
**Telephone:** +91-11-40450193-97, **Fax No:** +91-11-26812683  
**Email:** [compliances@skylinerta.com](mailto:compliances@skylinerta.com)  
**Website:** [www.skylinerta.com](http://www.skylinerta.com)  
**Contact Person:** Mr. Pawan Bisht  
**SEBI Registration Number:** INR000003241  
**CIN:** U74899DL1995PTC071324

### REGISTRAR TO THE ISSUE

### BID/ISSUE PERIOD

**Anchor Bid opens on: [●]**

**Bid/ Issue open on: [●]**

**Bid/ Issue Closes on: [●]**

\*Unistone Capital Private Limited would be involved only in the marketing of the Issue.

***THIS PAGE HAS BEEN LEFT BLANK PURSUANT TO SCHEDULE VI OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.***



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## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

*Unless the context otherwise indicates, requires or implies, the following terms shall have the following meanings in this Draft Red Herring Prospectus. References to statutes, rules, regulations, guidelines and policies will be deemed to include all amendments, modifications or re-enactments notified thereto.*

*Notwithstanding the foregoing, terms in “Main Provisions of the Articles of Association”, “Statement of Special Tax Benefits”, “Industry Overview”, “Key Industry Regulations and Policies”, “Financial Statements”, “Outstanding Litigation and Other Material Developments”, will have the meaning ascribed to such terms in these respective sections.*

*In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document (as defined below), the definitions given below shall prevail.*

*The words and expressions used but not defined in this Draft Red Herring Prospectus will have the same meaning as assigned to such terms under the Companies Act, the Securities and Exchange Board of India Act, 1992 (“SEBI Act”), the SEBI ICDR Regulations, the SCRA, the Depositories Act and the rules and regulations made thereunder, as applicable.*

#### General Terms

Term	Description
“Usha Financial Services Limited” or “UFSL” or “Usha Financial”, “We” or “us” or “the Issuer” or “the/our Company”	Unless the context otherwise requires, refers to Usha Financial Services Limited, a company incorporated under the Companies Act, 1956, vide Corporate Identification Number U74899DL1995PLC068604 and having registered office at 330, Mezanine Floor Functional Industrial Estate, Patparganj, Delhi- 110092, India.
“you”, “your”, or “yours”	Prospective Investor in this issue

#### Company Related Terms

Terms	Description
<b>Articles / Articles of Association</b>	Unless the context otherwise requires, refers to the Articles of Association of Usha Financial Services Limited, as amended from time to time.
<b>Associate Companies</b>	A body corporate in which any other company has a significant influence, but which is not a subsidiary of the company having such influence and includes a joint venture company.
<b>Audit Committee</b>	The committee of the Board of Directors constituted as the Company’s Audit Committee is in accordance with Section 177 of the Companies Act, 2013 and rules made thereunder and disclosed as such in the chapter titled “Our Management” on page 189 of this Draft Red Herring Prospectus.
<b>Auditors/ Statutory Auditors</b>	The Statutory Auditors of our Company, being M/s KRA & Co., Chartered Accountants having firm registration number 020266N and peer review certificate number 012550.
<b>Board of Directors /</b>	The Board of Directors of Usha Financial Services Limited, including all duly

<b>Board/ Director(s)</b>	constituted committees thereof.
<b>Central Registration Centre (CRC)</b>	It's an initiative of Ministry of Corporate Affairs (MCA) in Government Process Re-engineering (GPR) with the specific objective of providing speedy incorporation related services in line with global best practices. For more details please refer <a href="http://www.mca.gov.in/MinistryV2/central+registration+centre+content+page.html">http://www.mca.gov.in/MinistryV2/central+registration+centre+content+page.html</a>
<b>Companies Act</b>	The Companies Act, 2013
<b>Chief Financial Officer</b>	The Chief Financial Officer of our Company being Mr. Prashant Raghuwanshi.
<b>Company Secretary and Compliance Officer</b>	The Company Secretary and Compliance Officer of our Company being Ms. Kritika Goswami.
<b>Depositories Act</b>	The Depositories Act, 1996, as amended from time to time.
<b>Director</b>	The Director(s) of our Company, unless otherwise specified.
<b>Equity Shares</b>	Equity Shares of our Company of Face Value of Rs.10/- each unless otherwise specified in the context thereof.
<b>Equity Shareholders</b>	Persons holding equity shares of our Company.
<b>Group Companies</b>	In terms of SEBI ICDR Regulations, the term “Group Companies” includes companies (other than promoters and subsidiary) with which there were related party transactions as disclosed in the Restated Financial Statements as covered under the applicable accounting standards, and any other companies as considered material by our Board, in accordance with the Materiality Policy, as described in “Our Group Companies” on page 222 of this Draft Red Herring Prospectus.
<b>HUF</b>	Hindu Undivided Family.
<b>Independent Director</b>	A Non- executive, Independent Director as per the Companies Act, 2013 and the Listing Regulations.
<b>Indian GAAP</b>	Generally Accepted Accounting Principles in India.
<b>ISIN</b>	International Securities Identification Number, in this case being INE0LS001014.
<b>Key Managerial Personnel / Key Managerial Employees</b>	Key Management Personnel of our Company in terms of the SEBI Regulations and the Companies Act, 2013. For details, see section entitled “Our Management” on page 189 of this Draft Red Herring Prospectus.
<b>MOA / Memorandum of Association</b>	Memorandum of Association of Usha Financial Services Limited.
<b>Non-Residents</b>	A person resident outside India, as defined under FEMA.
<b>Nomination and Remuneration Committee</b>	The committee of the Board of Directors constituted as the Company's Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and rules made thereunder and disclosed as such in the chapter titled “Our Management” on page 189 of this Draft Red Herring Prospectus.
<b>NRIs / Non-Resident Indians</b>	A person resident outside India, as defined under FEMA Regulation and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 as amended from time to time.

<b>Peer Review Auditor</b>	Statutory Auditor having a valid Peer Review certificate in our case being M/s KRA & Co, Chartered Accountants (FRN: 020266N) having their office at H -1 1208, Garg Tower, Netaji Subhash Place, Pitampura, New Delhi -1 I 0034 and Peer Review Number is 012550.
<b>Person or Persons</b>	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company, partnership, limited liability Company, joint venture, or trust or any other entity or organization validity constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
<b>Promoters or Our Promoters</b>	Mr. Rajesh Gupta, Mr. Anoop Garg, Ms. Geeta Goswami and M/s BR Hands Investments Private Limited.
<b>Promoters Group</b>	The companies, individuals and entities (other than companies) as defined under Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018, which is provided in the chapter titled “Our Promoters Group”. For further details refer page 220 of this Draft Red Herring Prospectus.
<b>Registered Office</b>	The Registered of our company which is located at 330, Mezanine Floor Functional Industrial Estate, Patparganj, Delhi- 110092, India.
<b>Restated Financial Statements</b>	The Restated Financial statements of our Company, which comprises the restated statement of Assets and Liabilities for year ended as at March 31, 2024; March 31, 2023; & March 31, 2022 and the restated statements of profit and loss and the restated cash flows for the period ended March 31, 2024; March 31, 2023; & March 31, 2022 of our Company prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018, as amended from time to time, and the Revised Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, together with the schedules, notes and annexure thereto.
<b>RoC</b>	Registrar of Companies, Delhi.
<b>SEBI</b>	Securities and Exchange Board of India, constituted under the SEBI Act, 1992.
<b>SEBI Act</b>	Securities and Exchange Board of India Act 1992, as amended from time to time.
<b>SEBI (ICDR) Regulations</b>	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.
<b>SEBI Insider Trading Regulations</b>	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
<b>SEBI (LODR) Regulations</b>	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
<b>SEBI (Takeover) Regulations or SEBI (SAST) Regulations</b>	SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time.
<b>Stakeholders’ Relationship Committee</b>	The committee of the Board of Directors constituted as the Company’s Stakeholders’ Relationship Committee is in accordance with Section 178 of the Companies Act, 2013 and rules made thereunder and disclosed as such in the chapter titled “Our Management” on page 189 of this Draft Red Herring Prospectus.
<b>Stock Exchange</b>	Unless the context requires otherwise, refers to, the Emerge Platform of National Stock Exchange of India Limited.
<b>Subsidiary</b>	For details of our Subsidiary, refer section titled “History and Certain Corporate

	Matters” beginning on page no. 183 of this Draft Red Herring Prospectus.
<b>Subscribers to MOA</b>	Initial Subscribers to the MOA & AOA being Mr. Satya Parkash Gupta and Ms. Usha Gupta.

### Issue Related Terms

<b>Terms</b>	<b>Description</b>
<b>Abridged Prospectus</b>	Abridged Prospectus to be issued as per SEBI ICDR Regulations and appended to the Application Form.
<b>Acknowledgement Slip</b>	The slip or document issued by a Designated Intermediary to a Bidder as proof of registration of the Bid cum Application Form.
<b>Allocation Note</b>	Shares which will be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange.
<b>Allotment/ Allot/ Allotted</b>	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Fresh Issue to the successful Applicants.
<b>Allotment Advice</b>	Note or advice or intimation of Allotment sent to the Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
<b>Allottee</b>	The successful applicant to whom the Equity Shares are being /have been allotted.
<b>Anchor Investor</b>	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Draft Red Herring Prospectus/ Red Herring Prospectus and who has Bid for an amount of at least Rs. 200 lakhs.
<b>Anchor Investor Allocation Price</b>	The price at which Equity Shares will be allocated to the Anchor Investors in terms of the Draft Red Herring Prospectus/ Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the Book Running Lead Managers during the Anchor Investor Bid/Offer Period.
<b>Anchor Investor Application Form</b>	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Draft Red Herring Prospectus/ Red Herring Prospectus and the Prospectus.
<b>Anchor Investor Bidding Date</b>	The day, being one Working Day prior to the Bid/Offer Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the Book Running Lead Managers will not accept any Bids from Anchor Investors, and allocation to Anchor Investors shall be completed.
<b>Anchor Investor Offer Price</b>	The final price at which the Equity Shares will be issued and Allotted to Anchor Investors in terms of the Draft Red Herring Prospectus/ Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company in consultation with the BRLMs.
<b>Anchor Investor Portion</b>	Up to 60% of the QIB Portion, which may be allocated by our Company, in consultation with the BRLMs, to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, out of which one third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations.
<b>Applicant/ Investor</b>	Any prospective investor who makes an application for Equity Shares of our

	Company in terms of this Draft Red Herring Prospectus.
<b>Application Amount</b>	The amount at which the Applicant makes an application for Equity Shares of our Company in terms of this Draft Red Herring Prospectus.
<b>Application Form</b>	The Form in terms of which the prospective investors shall apply for our Equity Shares in the Issue.
<b>ASBA/ Application Supported by Blocked Amount.</b>	Applications Supported by Blocked Amount (ASBA) means an application for Subscribing to the Issue containing an authorization to block the application money in a bank account maintained with SCSB.
<b>ASBA Account</b>	Account maintained with an SCSB and specified in the Application Form which will be blocked by such SCSB or account of the RIIs blocked upon acceptance of UPI Mandate request by RIIs using the UPI mechanism to the extent of the appropriate Bid / Application Amount in relation to a Bid / Application by an ASBA Applicant.
<b>ASBA Application Location(s)/ Specified Cities</b>	Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata, Ahmedabad, Hyderabad, Pune, Baroda and Surat.
<b>ASBA Investor/ASBA applicant</b>	Any prospective investor(s)/applicant(s) in this Issue who apply(ies) through the ASBA process.
<b>Banker(s) to the Issue/ Public Issue Bank/ Refund Banker.</b>	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account will be opened and in this case being [●].
<b>Basis of Allotment</b>	The basis on which Equity Shares will be Allotted to the successful Applicants under the issue and which is described under chapter titled “Issue Procedure” beginning on page 371 of this Draft Red Herring Prospectus.
<b>Bid</b>	An indication to make an Offer during the Bid/Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bidding Date by an Anchor Investor, pursuant to the submission of a Bid cum Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations in terms of the Draft Red Herring Prospectus/ Red Herring Prospectus and the Bid cum Application Form.
<b>Bidder</b>	Any investor who makes a Bid pursuant to the terms of the Draft Red Herring Prospectus/ Red Herring Prospectus and the Bid cum Application Form, and unless otherwise stated or implied, includes an Anchor Investor.
<b>Bid Amount</b>	The highest value of optional Bids indicated in the Bid cum Application Form and, in the case of RIBs Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such RIBs and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidder, as the case may be, upon submission of the Bid
<b>Bid cum Application Form</b>	Anchor Investor application form or ASBA form (with and without the use of UPI, as may be applicable), whether physical or electronic, which will be considered as the application for Allotment in terms of the Draft Red Herring Prospectus/ Red Herring Prospectus.
<b>Bid Lot</b>	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.
<b>Bidding/Collection Centres</b>	Centres at which the Designated intermediaries shall accept the ASBA Forms, i.e Designated SCSB Branch for SCSBs, specified locations for syndicate, broker

	centre for registered brokers, designated RTA Locations for RTAs and designated CDP locations for CDPs.
<b>Book Building Process</b>	The book building process, as described in Part A, Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue will be made
<b>Book Running Lead Managers or BRLMs</b>	The book running lead managers to the Issue, namely Narnolia Financial Services Limited and Unistone Capital Private Limited.
<b>Business Day</b>	Monday to Friday (except public holidays).
<b>CAN or Confirmation of Allocation Note</b>	The note or advice or intimation sent to Anchor investors indicating the Equity Shares which will be Allotted, after approval of Basis of Allotment by the designated stock exchange.
<b>Cap Price</b>	The higher end of the Price Band, above which the Offer Price and Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted. The Cap Price shall be at least 105% of the Floor Price.
<b>Client ID</b>	Client Identification Number maintained with one of the Depositories in relation to Demat account.
<b>Collecting Depository Participants or CDPs</b>	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 Issued by SEBI.
<b>Controlling Branch</b>	Such branch of the SCSBs which coordinate Applications under this Issue by the ASBA Applicants with the Registrar to the Issue and the Stock Exchange and a list of which is available at <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> , or at such other website as may be prescribed by SEBI from time to time.
<b>Demographic Details</b>	The demographic details of the Applicants such as their address, PAN, occupation and bank account details.
<b>Designated Branches</b>	Such branches of the SCSBs which shall collect the ASBA Forms from the ASBA Applicants and a list of which is available at <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> , or at such other website as may be prescribed by SEBI from time to time.
<b>Designated Date</b>	The date on which relevant amounts blocked by SCSBs are transferred from the ASBA Accounts to the Public Offer Account or the Refund Account, as the case may be, and the instructions are issued to the SCSBs (in case of RIIs using UPI Mechanism, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Offer Account or the Refund Account, as the case may be, in terms of the Draft Red Herring Prospectus following which Equity Shares will be Allotted in the Offer.
<b>Designated Intermediaries/ Collecting Agent</b>	In relation to ASBA Forms submitted by RIIs authorizing an SCSB to block the Application Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by RIIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism, Designated Intermediaries shall mean syndicate members, sub-syndicate members, Registered Brokers, CDPs and RTAs. In relation to ASBA Forms submitted by QIBs and NIBs, Designated Intermediaries shall mean SCSBs, syndicate members, sub- syndicate members, Registered Brokers, CDPs and RTAs.
<b>Designated CDP Locations</b>	Such locations of the CDPs where Applicant can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants

	eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. <a href="http://www.nseindia.com">www.nseindia.com</a> .
<b>Designated SCSB Branches</b>	Such branches of the SCSBs which shall collect the ASBA Forms (other than ASBA Forms submitted by RIIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism), a list of which is available on the website of SEBI at Intermediaries [ <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> ] or at such other website as may be prescribed by SEBI from time to time.
<b>Designated Stock Exchange</b>	Emerge Platform of National Stock Exchange of India Limited. (NSE EMERGE).
<b>Draft Red Herring Prospectus</b>	This Draft Red Herring Prospectus dated July 11, 2024, issued in accordance with Section 26 and 32 of the Companies Act, 2013 and the SEBI (ICDR) Regulations and filed with NSE EmERGE for obtaining In- Principle Approval.
<b>Eligible NRIs</b>	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom this Draft Red Herring Prospectus constitutes an invitation to subscribe to the Equity Shares offered herein.
<b>Emerge Platform of NSE Limited</b>	The EmERGE Platform of National Stock Exchange of India Limited for listing equity shares offered under Chapter IX of the SEBI (ICDR) Regulation which was approved by SEBI as an SME Exchange.
<b>FII/ Foreign Institutional Investors</b>	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
<b>First/ Sole Applicant</b>	The applicant whose name appears first in the Application Form or Revision Form.
<b>Floor Price</b>	The lower end of the Price Band, subject to any revision thereto, at or above which the Offer Price and the Anchor Investor Offer Price will be finalized and below which no Bids will be accepted.
<b>General Information Document / GID</b>	The General Information Document for investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and certain other amendments to applicable laws and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, the circular (CIR/CFD/DIL/1/2016) dated January 1, 2016 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 and circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 notified by SEBI and included in the chapter “ <i>Issue Procedure</i> ” on page no. 371 of this Draft Red Herring Prospectus.
<b>Issue/ Issue Size/ Initial Public Offer/Initial Public Offering/ IPO</b>	Initial Public Issue of 58,60,000 Equity Shares of face value of Rs.10/- each fully paid up of our Company for cash at a price of Rs. [●]/- per Equity Share (including a premium of Rs. [●]/- per Equity Share) aggregating Rs. [●] Lakhs.
<b>Infomercials Report</b>	The Industry Report Titled “NBFC Industry Report” taken from Infomercials Analytics and Research Private Limited.
<b>Issue Agreement/ Memorandum of Understanding (MOU)</b>	The agreement/MOU dated July 08, 2024, between our Company and the BRLMs namely Narnolia Financial Services Limited and Unistone Capital Private Limited, pursuant to which certain arrangements are agreed to in relation to the Issue.
<b>Issue Closing Date</b>	The date on which Issue closes for subscription i.e. [●]

<b>Issue Opening Date</b>	The date on which Issue opens for subscription i.e. [●]
<b>Issue Period</b>	The period between the Issue Opening Date and the Issue Closing Date inclusive of both the days during which prospective investors may submit their application.
<b>Issue Price</b>	The final price at which Equity Shares will be Allotted to successful ASBA Bidders in terms of the Draft Red Herring Prospectus/ Red Herring Prospectus which will be decided by our Company in consultation with the BRLMs, on the Pricing Date, in accordance with the Book-Building Process and in terms of the Draft Red Herring Prospectus/ Red Herring Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price, which will be decided by our Company in consultation with the BRLMs, on the Pricing Date, in accordance with the Book-Building Process and in terms of the Draft Red Herring Prospectus/ Red Herring Prospectus.
<b>Issue Proceeds</b>	Proceeds from the Issue will be, being Rs. [●] Lakhs.
<b>Listing Agreement</b>	The equity listing agreement to be signed between our Company and the NSE Limited.
<b>Market Maker</b>	Market Makers appointed by our Company from time-to-time [●] having SEBI registration number [●] who have agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for any other period as may be notified by SEBI from time to time.
<b>Market Making Agreement</b>	The Agreement entered into between the BRLMs, Market Maker and our Company dated [●].
<b>Market Maker Reservation</b>	The Reserved Portion of 3,20,800 equity shares of face value of Rs.10/- each fully paid for cash at a price of Rs. [●] /- per equity share aggregating Rs. [●] Lakh for the Market Maker in this Issue.
<b>Mutual Fund(s)</b>	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.
<b>Net Issue/ Offer</b>	The Issue (excluding the Market Maker Reservation Portion) of 55,39,200 Equity Shares of Rs.10/- each of Issuer at Rs. [●] /- (including share premium of Rs. [●] /- per equity share aggregating to Rs. [●] /- Lakhs.
<b>Net Proceeds</b>	The Issue Proceeds, less the Issue related expenses, received by the Company. For information about use of the Issue Proceeds and the Issue expenses, please refer to the chapter titled “Objects of the Issue” beginning on page 105 of this Draft Red Herring Prospectus.
<b>Non-Institutional Applicants</b>	All Applicants that are not Qualified Institutional Buyers or Retail Individual Investors and who have applied for Equity Shares for an amount more than Rs. 2,00,000.
<b>OCB / Overseas Corporate Body</b>	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trust in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under Foreign Exchange Management (Deposit) Regulations, 2000. OCBs are not allowed to invest in this Issue
<b>Payment through electronic transfer of funds</b>	Payment through ECS / NECS, Direct Credit, RTGS or NEFT, as applicable.
<b>Price Band</b>	The price band ranging from the Floor Price of Rs. [●] per Equity Share to the Cap Price of Rs. [●] per Equity Share, including any revisions thereto. The Price Band and minimum Bid Lot, as decided by our Company in consultation with the

	BRLMs, will be advertised in all editions of [●] (a widely circulated English national daily newspaper) and all editions of [●] (a widely circulated Hindi national daily newspaper, all editions of [●] being the regional language of West Bengal, where our Registered Office is located), at least two Working Days prior to the Bid/Offer Opening Date with the relevant financial ratios calculated at the Floor Price and at the Cap Price, and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites.
<b>Pricing Date</b>	The date on which our Company, in consultation with the BRLMs, will finalise the Offer Price.
<b>Prospectus</b>	The Prospectus to be filed with the RoC containing, inter alia, the Issue opening and closing dates and other information.
<b>Public Issue Account</b>	Account opened with the Banker to the Issue/Public Issue Bank i.e. [●] by our Company to receive monies from the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date.
<b>Qualified Institutional Buyers / QIBs</b>	As defined under the SEBI ICDR Regulations, including public financial institutions as specified in Section 4A of the Companies Act, scheduled commercial banks, mutual fund registered with SEBI, FII and sub-account (other than a sub-account which is a foreign corporate or foreign individual) registered with SEBI, multilateral and bilateral development financial institution, venture capital fund registered with SEBI, foreign venture capital investor registered with SEBI, state industrial development corporation, insurance company registered with Insurance Regulatory and Development Authority, provident fund with minimum corpus of Rs. 2,500 Lakh, pension fund with minimum corpus of Rs. 2,500 Lakh, NIF and insurance funds set up and managed by army, navy or air force of the Union of India, Insurance funds set up and managed by the Department of Posts, India.
<b>Red Herring Prospectus/RHP</b>	The Red Herring Prospectus to be issued in accordance with Section 32 of the Companies Act, 2013, and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the Offer Price and the size of the Offer, including any addenda or corrigenda thereto. The Red Herring Prospectus will be filed with the RoC at least three days before the Bid/Offer Opening Date.
<b>Refund Account</b>	Account(s) to which monies to be refunded to the Applicants shall be transferred from the Public Issue Account in case listing of the Equity Shares does not occur.
<b>Refund Bank</b>	The bank(s) which is/are clearing members and registered with SEBI as Banker(s) to the Issue, at which the Refund Account for the Issue will be opened in case listing of the Equity Shares does not occur, in this case being [●].
<b>Refunds through electronic transfer of funds</b>	Refunds through electronic transfer of funds means refunds through ECS, Direct Credit or RTGS or NEFT or the ASBA process, as applicable
<b>Registrar/ Registrar to the Offer</b>	Registrar to the Offer being Skyline Financial Services Private Limited. For more information, please refer “General Information” on page 66 of this Draft Red Herring Prospectus.
<b>Registrar Agreement</b>	The agreement dated July 08, 2024, entered into between our Company and the Registrar to the issue in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer.
<b>Regulations</b>	Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018 as amended from time to time.
<b>Retail Individual</b>	Individual investors (including HUFs, in the name of Karta and Eligible NRIs)

<b>Investors</b>	who apply for the Equity Shares of a value of not more than Rs. 2,00,000.
<b>Revision Form</b>	The form used by the Applicants to modify the quantity of the Equity Shares or the Application Amount in any of their Application Forms or any previous Revision Form(s). QIBs and Non-Institutional Investors are not allowed to withdraw or lower their Application Amounts (in terms of quantity of Equity Shares or the Application Amount) at any stage. Retail Individual Applicants can withdraw or revise their Application until Offer Closing Date).
<b>SCSB</b>	Shall mean a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which offer the service of making Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on <a href="http://www.sebi.gov.in/cms/sebi_data/attachdocs/1480483399603.html">http://www.sebi.gov.in/cms/sebi_data/attachdocs/1480483399603.html</a> or at such other website as may be prescribed by SEBI from time to time.
<b>Sponsor Bank</b>	Sponsor Bank means a Banker to the Issue registered with SEBI which is appointed by the Issuer to act as a conduit between the Stock Exchanges and NPCI in order to push the mandate collect requests and / or payment instructions of the retail investors into the UPI. In this case being [●].
<b>Underwriter</b>	Underwriter to this Issue is [●].
<b>Underwriting Agreement</b>	The agreement dated [●] entered into between [●] and our Company
<b>UPI/ Unified Payments Interface</b>	Unified Payments Interface (UPI) is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between any two persons bank accounts using a payment address which uniquely identifies a person's bank a/c
<b>Working Days</b>	In accordance with Regulation 2(1)(mmm) of SEBI ICDR Regulations, working days means, all days on which commercial banks in the city as specified in this Draft Red Herring Prospectus are open for business. <ol style="list-style-type: none"> <li>1. However, in respect of announcement of price band and bid/ Offer period, working day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in the city as notified in the Draft Red Herring Prospectus are open for business.</li> <li>2. In respect to the time period between the bid/ Offer closing date and the listing of the specified securities on the stock exchange, working day shall mean all trading days of the stock exchange, excluding Sundays and bank holidays in accordance with circular issued by SEBI.</li> </ol>

## Abbreviations

Abbreviation	Full Form
A/c	Account
ACS	Associate Company Secretary
AGM	Annual General Meeting
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India
ASBA	Applications Supported by Blocked Amount
AY	Assessment Year
BIS	Bureau of Indian Standards
BSE	BSE Limited

<b>CAGR</b>	Compounded Annual Growth Rate
<b>CDSL</b>	Central Depository Services (India) Limited
<b>CFO</b>	Chief Financial Officer
<b>CIN</b>	Corporate Identification Number
<b>CIT</b>	Commissioner of Income Tax
<b>DCS</b>	Distributed Control System
<b>DGFT</b>	Directorate General of Foreign Trade
<b>DIN</b>	Director Identification Number
<b>DP</b>	Depository Participant
<b>ECS</b>	Electronic Clearing System
<b>EGM</b>	Extraordinary General Meeting
<b>EMDEs</b>	Emerging Markets and Developing Economies
<b>EPS</b>	Earnings Per Share
<b>FDI</b>	Foreign Direct Investment
<b>FEMA</b>	Foreign Exchange Management Act, 1999, as amended from time to time, and theregulations framed there under
<b>FII</b> s	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
<b>FIPB</b>	Foreign Investment Promotion Board
<b>F&amp;NG</b>	Father and Natural Guardian
<b>FY</b> / <b>Fiscal/Financial Year</b>	Period of twelve months ended March 31 of that particular year, unless otherwise stated
<b>GDP</b>	Gross Domestic Product
<b>GoI/Government</b>	Government of India
<b>GST</b>	Goods and Service Tax
<b>HUF</b>	Hindu Undivided Family
<b>I.T. Act</b>	Income Tax Act, 1961, as amended from time to time
<b>ICSI</b>	Institute of Company Secretaries of India
<b>EPC</b>	Engineering, Procurement and Construction
<b>MAPIN</b>	Market Participants and Investors' Integrated Database
<b>Merchant Banker</b>	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
<b>MoF</b>	Ministry of Finance, Government of India
<b>MOU</b>	Memorandum of Understanding
<b>NA</b>	Not Applicable
<b>NAV</b>	Net Asset Value
<b>NGT</b>	National Green Tribunal
<b>NPV</b>	Net Present Value
<b>NRE Account</b>	Non-Resident External Account
<b>NRI</b> s	Non-Resident Indians
<b>NRO Account</b>	Non-Resident Ordinary Account
<b>NSDL</b>	National Securities Depository Limited
<b>NSE</b>	National Stock Exchange of India Limited
<b>OCB</b>	Overseas Corporate Bodies
<b>OSP</b>	Other Service Provider

<b>p.a.</b>	per annum
<b>P/E Ratio</b>	Price/Earnings Ratio
<b>PAC</b>	Persons Acting in Concert
<b>PAN</b>	Permanent Account Number
<b>PAT</b>	Profit After Tax
<b>PCB</b>	Pollution Control Board
<b>PFC</b>	Power Finance Corporation Ltd
<b>PPA</b>	Power Purchase Agreement
<b>PSU</b>	Public Sector Undertaking
<b>QA/QC</b>	Quality Assurance / Quality Control
<b>QIC</b>	Quarterly Income Certificate
<b>RBI</b>	The Reserve Bank of India
<b>ROE</b>	Return on Equity
<b>RONW</b>	Return on Net Worth
<b>Bn</b>	Billion
<b>Rs.</b>	Rupees, the official currency of the Republic of India
<b>RTGS</b>	Real Time Gross Settlement
<b>RERA</b>	Real Estate Regulatory Authority
<b>SCRA</b>	Securities Contract (Regulation) Act, 1956, as amended from time to time
<b>SCRR</b>	Securities Contracts (Regulation) Rules, 1957, as amended from time to time.
<b>Sec.</b>	Section
<b>SPV</b>	Special Purpose Vehicle
<b>STT</b>	Securities Transaction Tax
<b>Super Area</b>	The built-up area added to share of common areas which includes staircases, reception, lift shafts, lobbies, club houses and so on
<b>TPDS</b>	Targeted Public Distribution System
<b>US/United States</b>	United States of America
<b>USD/ US\$/ \$</b>	United States Dollar, the official currency of the Unites States of America
<b>UPI/ Unified Payments Interface</b>	Unified Payments Interface (UPI) is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between any two persons bank accounts using a payment address which uniquely identifies a person's bank a/c
<b>UPI Circulars</b>	SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular number SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/51 dated April 20, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/2022/75 dated May 30, 2022 and any subsequent circulars or notifications issued by SEBI in this regard.
<b>UPI ID</b>	ID created on Unified Payment Interface (UPI) for single-window mobile payment

	system developed by the National Payments Corporation of India (NPCI).
<b>UPI Mandate Request</b>	The request initiated by the Sponsor Bank and received by an RII using the UPI Mechanism to authorize blocking of funds on the UPI mobile or other application equivalent to the Bd Amount and subsequent debit of funds in case of Allotment.
<b>UPI Mechanism</b>	The bidding mechanism that may be used by a RIB to make an application in the Issue in accordance with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018.
<b>UPI PIN</b>	Password to authenticate UPI transaction
<b>VCF / Venture Capital Fund</b>	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
<b>WEO</b>	World Economic Outlook

### Technical / Industry related Terms

Term	Description
<b>CAGR</b>	Compound Annual Growth Rate
<b>CRIF</b>	Centre for Research in International Finance
<b>CRL</b>	Code for Responsible Lending
<b>CRR</b>	Cash reserve ratio
<b>DNBS</b>	Department of Non-Banking Supervisions
<b>EXIM</b>	Export-Import Bank of India
<b>GDP</b>	Gross Domestic Product
<b>GLP</b>	Gross Loan Portfolio
<b>GNPA</b>	Gross Non-Performing Assets
<b>GST</b>	Goods and Service Tax
<b>IBBI</b>	Insolvency Bankruptcy Board In India
<b>IMF</b>	International Monetary Fund
<b>IU</b>	Information Utilities
<b>Infomeric</b>	Infomeric Report
<b>KYC</b>	Know Your Customer
<b>MSME</b>	Ministry of Micro, Small & Medium Enterprises
<b>NBFC</b>	Non-Banking Finance Company
<b>NBFC-BL</b>	Non-Banking Finance Company-Base layer
<b>NBFC-D</b>	Deposit taking NBFC
<b>NBFC-ML</b>	Non-Banking Finance Company-Middle Layer
<b>NBFC-ND</b>	Non-Deposit taking NBFC
<b>NBFC-SI</b>	Systematically Important NBFC
<b>NBFC</b>	Non-Banking Finance Company
<b>NBFC-BL</b>	Non-Banking Finance Company-Base layer
<b>NBFC-TL</b>	Non-Banking Finance Company-Top Layer
<b>NBFC-UL</b>	Non-Banking Finance Company-Upper Layer
<b>NPA</b>	Non-Performing Assets
<b>ROA</b>	Return On Assets
<b>ROE</b>	Return On equity
<b>SCB</b>	Schedule Commercial Bank
<b>SME</b>	Small and Medium Enterprises

*Notwithstanding the foregoing:*

1. *In the section titled “Main Provisions of the Articles of Association” beginning on page number 417 of the Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;*
2. *In the chapters titled “Summary of Offer Documents” and “Our Business” beginning on page numbers 63 and 150 respectively, of the Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;*
3. *In the section titled “Risk Factors” beginning on page number 31 of the Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;*
4. *In the chapter titled “Statement of Tax Benefits” beginning on page number 123 of the Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;*
5. *In the chapter titled “Management’s Discussion and Analysis of Financial Conditions and Results of Operations” beginning on page number 288 of the Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section.*

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## PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

### Certain Conventions

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

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

### Financial Data

Unless stated or the context requires otherwise, the financial information and financial ratios in this Draft Red Herring Prospectus are derived from our Restated Financial Statements which comprise the restated statement of assets and liabilities as at March 31, 2024, March 31, 2023, and March 31, 2022, the restated statement of profits and loss (including other comprehensive income), and the restated statement of cash flows for the Financial Years ended March 31, 2024, March 31, 2023, and March 31, 2022 together with the summary statement of significant accounting policies, and other explanatory information thereon, each derived from the audited financial statements of our Company for the Financial Years March 31, 2024, March 31, 2023 and March 31, 2022, each prepared in accordance with Indian GAAP, and restated in accordance with the requirements of the SEBI ICDR Regulations, as amended from time to time, and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI and included in "Summary of Financial Information", "Restated Financial Information" and "Management Discussion and Analysis of Financial Condition and Results of Operations" on page 63, 249 and 288, respectively.

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

There are significant differences between Ind AS, Indian GAAP, U.S. GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our Company’s financial data. For details in connection with risks involving difference between Ind AS, U.S. GAAP and IFRS see “Risk Factors – ***Significant differences exist between Ind AS and other accounting principles, such as IFRS and US GAAP, which may be material to investors’ assessments of our financial condition, result of operations and cash flows***” on page 51. The degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, the Companies Act 2013, Ind AS, and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Draft Red Herring Prospectus should, accordingly, be limited. Further, any figures sourced from third – party industry sources may be rounded off to other than two decimal points to conform to their respective sources.

Unless the context otherwise indicates, any percentage amounts, as set forth in "Risk Factors", "Our Business" and "Management’s Discussion and Analysis of Financial Conditional and Results of Operations" on pages 31, 150 and 288 respectively, and elsewhere in this Draft Red Herring Prospectus have been calculated on the basis

of amounts based on or derived from our Restated Financial Statements.

### Currency and units of presentation

In this Draft Red Herring Prospectus, All references to:

1. ‘Rupees’ or ‘₹’ or ‘Rs.’ are to Indian Rupees, the official currency of the Republic of India
2. ‘U.S.\$’, ‘U.S. Dollar’, ‘USD’ or ‘U.S. Dollars’ are to United States Dollars, the official currency of the United States of America.

In this Draft Red Herring Prospectus, our Company has presented certain numerical information. All figures have been expressed in "lakhs" units or in whole numbers where the numbers have been too small to be represented in lakhs. One lakh represents 1,00,000 and ten lakhs represents 10,00,000 and one crore represents 1,00,00,000 and ten crores represents 10,00,00,000. However, where any figures that may have been sourced from third-party industry sources may be expressed in denominations other than lakhs, such figures have been expressed in this Draft Red Herring Prospectus in such denominations as provided in their respective sources.

### Exchange Rates

This Draft Red Herring Prospectus may contain conversions of certain other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of 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.

Unless otherwise particularly stated in the Draft Red Herring prospectus, the following table set forth, for period indicated, information with respect to the exchange rate between the Rupee and other foreign currencies:

Currency	Exchange rate as on		
	March 2024*	March 2023	March 2022
1 USD	83.37	82.22	75.81

Source: [www.rbi.org.in](http://www.rbi.org.in) and [www.fbil.org.in](http://www.fbil.org.in)

\* Since March 31, 2024, was a Sunday, the exchange rate was considered as on March 28, 2024, being the last working day prior to March 31, 2024.

### Industry and Market Data

Unless stated otherwise, industry and market data used in this Draft Red Herring Prospectus has been obtained or derived from the Infomerics Analytics and Research Private Limited (“Infomerics”) or and publicly available information as well as other industry publications and sources.

Infomerics is an independent agency which has no relationship with our Company, our Promoters, any of our directors or Key Managerial Personnel or the Book Running Lead Managers. The Infomerics Report has been exclusively commissioned pursuant to an engagement letter with Infomerics, for the purpose of confirming our understanding of the industry in which the Company operates, in connection with the Offer. The Infomerics Report will be made available on the website of our Company at <https://www.ushafinancial.com> from the date of the Draft Red Herring Prospectus till the Bid/ Offer Closing Date.

Excerpts of the Infomerics Report are disclosed in this Draft Red Herring Prospectus and there are no parts,

information or data from the Infomerics Report which would be relevant for the Offer that have been left out or changed in any manner by our Company for the purposes of this Draft Red Herring Prospectus. The data used in these sources may have been re-classified by us for the purposes of presentation. Data from these sources may also not be comparable, on account of there being 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.

Accordingly, the extent to which the market and industry data used in this Draft Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data.

Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in ***“Risk Factors – This Draft Red Herring Prospectus contains information from third parties, including an industry report prepared by an independent third-party research agency, Infomerics Analytics and Research Private Limited, which we have commissioned and paid for purposes of confirming our understanding of the industry exclusively in connection with the Offer.”***, on page 52. Accordingly, investment decisions should not be based solely on such information.

***Disclaimer of Infomerics Analytics and Research Private Limited***

This Draft Red Herring Prospectus contains data and statistics from report of Infomerics Analytics and Research Private Limited, which is subject to the following disclaimer:

Infomerics / Gradings / Due Diligence / Industry reports and other credit assessment related services do not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a buyer's or lender's independent assessment. Rating / Grading / Due Diligence/ Industry reports are based on the information provided by the rated entity and obtained by Infomerics from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true and correct, Infomerics makes no representation or warranty, expressed or implied with respect to the accuracy, adequacy or completeness of the information relied upon. Infomerics is not responsible for any errors or omissions and especially states that it has no financial liability, whatsoever, for any direct, indirect or consequential loss of any kind arising from the use of its Ratings / Gradings / Assessments / Reports.

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## FORWARD LOOKING STATEMENTS

*All statements contained in the Draft Red Herring Prospectus that are not statements of historical facts constitute forward-looking statements". All statements regarding our expected financial condition and results of operations, business, objectives, strategies, plans, goals and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, our revenue and profitability, planned projects and other matters discussed in the Draft Red Herring Prospectus regarding matters that are not historical facts. These forward looking statements and any other projections contained in the Draft Red Herring Prospectus (whether made by us or any third party) are predictions and involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections.*

*These forward looking statements can generally be identified by words or phrases such as "will", "aim", "will likely result", "believe", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "contemplate", "seek to", "future", "objective", "goal", "project", "should", "will pursue" and similar expressions or variations of such expressions. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:*

- our inability to maintain business relationship with our business partners;
- our dependence on limited number of customers for a significant portion of our revenues;
- The risk of non-payment or default by our borrowers may adversely affect our business, results of operations and financial condition.
- We depend on the accuracy and completeness of information provided by our customers and certain third party service providers and our reliance on any erroneous or misleading information may affect our judgement of their creditworthiness, as well as the value of and title to the collateral.
- 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.
- Not being able to sustain our growth or manage it effectively.
- changes in the competition landscape;
- our ability to successfully implement strategy, growth and expansion plans;
- our ability to attract and retain qualified personnel;
- Changes in laws and regulations relating to the sectors/areas in which we operate
- Failure to obtain, maintain or renew statutory and regulatory licenses, permits and approvals required to operate our business both in India and abroad;
- our ability to finance our business growth and obtain financing on favorable terms;
- general social and political conditions in India which have an impact on our business activities or investments;
- impact of Covid 19 pandemic or any future pandemic;
- market fluctuations and industry dynamics beyond our control;
- developments affecting the Indian economy;

For a further discussion of factors that could cause our current plans and expectations and actual results to differ, please refer to the chapters titled "Risk Factors", "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 31, 150 and 288, respectively of this Draft Red Herring Prospectus.

Forward looking statements reflects views as of the date of the Draft Red Herring Prospectus and not a guarantee of future performance. By their nature, certain market risk disclosures are only estimates and could be materially

different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Neither our Company / our Directors nor the BRLMs, nor any of its affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company and the BRLMs will ensure that investors in India are informed of material developments until such time as the listing and trading permission is granted by the Stock Exchange(s).

*This space has been left blank intentionally.*

## SECTION II - SUMMARY OF OFFER DOCUMENTS

### SUMMARY OF OUR BUSINESS OVERVIEW

Our Company was incorporated as a Private Limited Company under the Companies Act, 1956 in the name and style of “Usha Financial Services Private Limited” bearing Certificate of Incorporation Number U74899DL1995PTC068604 issued by the Registrar of Companies, Delhi dated May 16, 1995. Further, our Company was converted into a Public Limited Company in pursuance of a special resolution passed by the members of our Company at the Extra-Ordinary General Meeting held on June 03, 2022, and the name of our Company changed from “Usha Financial Services Private Limited” to “Usha Financial Services Limited” & Registrar of Companies, Delhi issued a new certificate of incorporation consequent upon conversion dated October 12, 2022. As on date of this Draft Red Herring Prospectus, the Corporate Identification Number of our Company is U74899DL1995PLC068604. For further details of incorporation please refer to section titled “Our History and Certain Other Corporate Matters” beginning on page 183 of this Draft Red Herring Prospectus.

We are a non-banking finance company (“NBFC”) incorporated in the year 1995 registered with the Reserve Bank of India as a NBFC-ICC (Investment & Credit) - base layer- non-systemically important non-deposit taking NBFC with over 9 years of lending experience. We provide lending solutions to fellow NBFCs and corporates, MSMEs, and individual, particularly to women entrepreneurs. Our services also extend to Electric vehicle (EV) financing. We provide a diversified range of financial products to individuals, body corporates, NBFCs and MSMEs.

### SUMMARY OF OUR INDUSTRY

#### GLOBAL NBFC INDUSRTY

##### **Global Key Impacts:**

##### **Enhanced Operational Efficiency:**

The integration of digital technologies such as RPA, AI, and ML streamlines operational processes, reduces manual interventions, and enhances accuracy. This leads to significant cost savings, faster loan approvals, and improved customer service. Automation also enables NBFCs to handle higher volumes of transactions efficiently (PwC) (Blog).

##### **Improved Risk Management:**

Advanced analytics and AI enable NBFCs to better assess and manage risks. Predictive models and real-time data analysis help in identifying potential defaulters and mitigating credit risks. Enhanced risk management practices contribute to the stability and resilience of NBFCs, ensuring sustainable growth (PwC) (Blog).

##### **Increased Market Competitiveness:**

Technological advancements and strategic partnerships enhance the competitiveness of NBFCs in the financial market. By adopting innovative solutions and expanding their service offerings, NBFCs can differentiate themselves from traditional banks and fintech competitors. This competitive edge is crucial for attracting and retaining customers in a dynamic market (PwC) (KPMG).

##### **Financial Inclusion and Economic Growth:**

NBFCs significantly contribute to financial inclusion by providing credit to underserved populations. This support for MSMEs, rural communities, and other niche segments drives economic growth and development. By fostering entrepreneurship and enabling access to financial services, NBFCs play a critical role in reducing poverty and promoting social equity (KPMG) (Blog).

**Growth Rate:** The NBFC sector in India has recorded a year-on-year growth rate of 25.8%, supported by strategic importance in financial inclusion and digital transformation.

**Economic Contributions:** NBFCs have been instrumental in providing credit to underserved populations and supporting the growth of various economic sectors, including housing, consumer goods, and infrastructure (World Economic Forum) (McKinsey & Company) (Deloitte United States).

## **INDIAN NBFC INDUSTRY**

### **Market Size and Future Growth Projections:**

As of 2023, the Non-Banking Financial Companies (NBFC) sector in India has reached an impressive market size of USD 326 billion, underscoring its expansive influence within the financial landscape. This growth highlights the sector's robust performance and strategic importance, driven by various factors such as increasing digital penetration, favourable government policies, and innovative service delivery to underserved regions. Such specific figures demonstrate the significant role NBFCs play in the broader economic framework and validate the projected compound annual growth rate (CAGR) of 13-15% between 2023 and 2025.

This integration of precise market size data not only substantiates the growth narrative but also aligns with industry-reported statistics to strengthen the overall impact and trustworthiness of your report.

The market size of NBFCs in India has experienced robust growth. From 2021 to 2023, the sector saw significant increases in its assets and customer base. As of 2023, the assets under management (AUM) of NBFCs are estimated to have grown substantially, supported by the factors mentioned above.

This overview encapsulates the dynamic and rapidly expanding landscape of NBFCs in India, underpinned by technological advancements, supportive governmental frameworks, and shifting consumer preferences.

### **Future Outlook**

The future of NBFCs in India remains promising, with several opportunities for further expansion and innovation. The continued focus on digital transformation, coupled with supportive government policies aimed at financial inclusion, is expected to drive further growth in the sector. Additionally, the increasing consumer demand for convenient and fast financial services suggests that NBFCs that continue to innovate and adapt to digital trends will thrive.

In conclusion, the NBFC sector in India is poised for continued growth, powered by technological advancements, regulatory support, and a deep understanding of consumer financial needs. As they navigate through the complexities of the financial landscape, NBFCs are expected to play an even more critical role in India's economic development, particularly in fostering financial inclusion across diverse demographic segments.

*(Source: Infomerics Report on “NBFC Industry”)*

## **PROMOTERS OF OUR COMPANY**

The promoter of our Company is Mr. Rajesh Gupta, Mr. Anoop Garg, Ms. Geeta Goswami and M/s BR Hands Investments Private Limited. For detailed information, please refer to the chapter titled “Our Promoters” and “Our Promoter Group” on page number 214 and 220 respectively of this Draft Red Herring Prospectus.

## ISSUE SIZE

The issue size comprises of a fresh issue of 58,60,000 Equity Shares of face value of Rs.10/- each fully paid-up of the Company for cash at price of Rs. [●]/- per Equity Share (including premium of Rs. [●]/- per Equity Share) aggregating total issue size amounting to Rs. [●] Lakhs.

## OBJECTS OF THE ISSUE

Our Company intends to utilize the Net Proceeds for the following objects:

S. N.	Particulars	Amount (In Rs. Lakh)
1.	Augment the capital base of our Company	7,000.00
2.	General Corporate Purposes	[●]
<b>Total</b>		[●]

*\*The amount utilized for general corporate purposes shall not exceed 25% of the gross proceeds of the Issue.*

## AGGREGATE PRE-ISSUE SHAREHOLDING OF THE PROMOTER AND PROMOTER GROUP AS A PERCENTAGE OF THE PAID-UP SHARE CAPITAL OF THE ISSUER

S. No.	Name of shareholder	Pre issue		Post issue	
		No. of equity Shares	As a % of Issued Capital	No. of equity Shares	As a % of Issued Capital
<b>Promoters</b>					
1.	Rajesh Gupta	4096876	25.80%	4096876	18.85%
2.	Anoop Garg	2730373	17.20%	2730373	12.56%
3.	Geeta Goswami	208950	1.32%	208950	0.96%
4.	BR Hands Investment Private Limited	2840107	17.89%	2840107	13.07%
<b>Total – A</b>		<b>9876306</b>	<b>62.20%</b>	<b>9876306</b>	<b>45.43%</b>
<b>Promoter Group</b>					
5.	Shikha Gupta	1681200	10.59%	1681200	7.73%
6.	Priya Garg	1652250	10.41%	1652250	7.60%
7.	Uninav Developers Pvt Ltd	1902499	11.98%	1902499	8.75%
8.	Sumer Chand Garg HUF	144750	0.91%	144750	0.67%
9.	Sandhya Gupta	187500	1.18%	187500	0.86%
10.	Arushi Garg	21,900	0.14%	21,900	0.10%
11.	Nupur Gupta	24,450	0.15%	24,450	0.11%
12.	Rajesh Gupta HUF	87,000	0.55%	87,000	0.40%
13.	Anoop Garg HUF	90,000	0.57%	90,000	0.41%
14.	S C Garg	28,500	0.18%	28,500	0.13%
<b>Total – B</b>		<b>5820049</b>	<b>36.66%</b>	<b>5820049</b>	<b>26.77%</b>
<b>Grand Total (A+B)</b>		<b>15696355</b>	<b>98.86%</b>	<b>15696355</b>	<b>72.21%</b>

## SUMMARY OF FINANCIAL INFORMATION

(Amount in Lakhs)

Particulars	For the Year ended 31 <sup>st</sup> March 2024	For the Year ended 31 <sup>st</sup> March 2023	For the Year ended 31 <sup>st</sup> March 2022
Share Capital	1,587.76	941.81	658.17
Reserve & Surplus	9,014.87	7,265.57	4,109.41
Net Worth	10,602.63	8,207.38	4,767.58
Revenue from operation	6322.20	4563.17	2502.62
Profit after Tax	1344.95	1016.55	414.42
EPS Basic and Diluted	8.64	7.42	3.51
NAV per Equity Share (in Rs.)	66.78	51.69	30.03
Total borrowings			
- Long Term	7368.15	11042.33	4564.23
- Short Term	10760.07	13709.08	5158.99

## QUALIFICATIONS OF AUDITORS

The restated financial statements of our Company do not contain any qualification requiring adjustments by the Peer review auditors.

## SUMMARY OF OUTSTANDING LITIGATIONS & MATERIAL DEVELOPMENTS

A summary of pending legal proceedings and other material litigations involving our Company is provided below:

Name	Criminal Proceedings	Tax Proceedings	Statutory or regulatory actions	Civil Proceedings	Other Material litigations	Aggregate amount involved*
<b>Company</b>						
<i>By</i>	63	-	-	1	-	3,08,94,011/-
<i>Against</i>	-	-	-	-	-	-
<b>Promoter</b>						
<i>By</i>	-	-	-	-	-	-
<i>Against</i>	1	-	-	-	-	NA
<b>Director/KMP</b>						
<i>By</i>	-	-	-	-	-	-
<i>Against</i>	-	-	-	-	-	-
<b>Subsidiary</b>						
<i>By</i>	-	-	-	-	-	-
<i>Against</i>	-	-	-	-	-	-
<b>Group Companies</b>						
<i>By</i>	-	-	-	-	-	-
<i>Against</i>	-	-	-	-	-	-

*Note: There were certain income tax demands and notices issued against the company and the group companies. The details of which are mentioned in the chapter titled "Outstanding Litigations and Material developments" on page 303 of this Draft Red Herring Prospectus.*

*For further details, please refer to the chapter titled "Outstanding Litigations & Material Developments" beginning on page 303 of this Draft Red Herring Prospectus.*

## RISK FACTORS

For details relating to risk factors, please refer to the section titled “*Risk Factors*” beginning on page 31 of this Draft Red Herring Prospectus.

## SUMMARY OF CONTINGENT LIABILITIES OF OUR COMPANY

A summary of contingent liabilities involving our Company is provided below:

### *Contingent Liabilities and Commitments*

The company received a demand from the Income Tax Department for the AY 21-22 on 18 March 2023. The company did not agree with the demand as the tax computation has been done incorrectly. Company has submitted the response and is expected to get a favorable order.

Issued Under Act and section	Assessment Year	Amount in Rs.
Income Tax Act,1961/ Section 154	2021-22	5,888,420

For Further details, please refer the chapter titled “*Financial Statement as restated*” on page 249 of this Draft Red Herring Prospectus.

## SUMMARY OF RELATED PARTY TRANSACTIONS

The details of Related Party Transactions are as Follows:

- a) List of related parties

Category	Name	Relationship with company
<b>Key Management Personnel (KMP)</b>	Rajesh Gupta	Director
	Anoop Garg	Director
	Geeta Goswami	Director
	Nupur Gupta	Director
	Amit Kumar Bhardwaj	Company Secretary (Dec 20 to Feb-22)
	Neha Sharma	Company Secretary (Feb-22 to Jan 24)
	Kritika Goswami	Company Secretary (Jan-24 to till Date)
<b>Relatives of KMP</b>	Arushi Garg	Daughter of Director
	Kanta Rani	Mother of Director
	Nupur Gupta	Daughter of Director
	Priya Garg	Wife of Director
	Sandhya Gupta	Sister of Director
	Shikha Gupta	Wife of Director
	Sumer Chand Garg	Director's Father
<b>Entities in which KMP / Relatives of KMP can exercise significant influence</b>	Sumer Chand Garg HUF	Concern of Father of Director
	Nupur Recyclers Ltd	Common Director
	Nupur Infratech Pvt Ltd	Common Director
	Uninav Developers Pvt Ltd	Common Director
	Vertex Buildwell Pvt Ltd	Common Director
	Rajesh Gupta HUF	Director's Concern
	Anoop Garg HUF	Director's Brother's Concern

	Wellvest Capitals India Pvt. Ltd	Common Director
	B R Hands Investments Pvt Ltd.	Common Director
	Paravest Educom Private Limited	Common Director
	Frank Metals Recyclers pvt Ltd	Common Director

**b) Transactions with related parties**

*(Amount in Lakhs)*

Nature of Transaction	Key Management Personnel (KMP)	Relatives of KMP	Entities in which KMP / Relatives of KMP can exercise significant influence	Total
<b>Interest on Loan Paid</b>				
31 March, 2024	0.15	0.02	123.00	123.17
31 March, 2023	0.98	2.90	118.07	121.95
31 March, 2022	-	-	3.02	3.02
<b>Loan Repayment</b>				
31 March, 2024	513.15	7.00	3,362.00	3,882.15
31 March, 2023	81.50	146.75	376.00	604.25
31 March, 2022	-	-	290.00	290.00
<b>Loan Taken</b>				
31 March, 2024	517.15	3.00	437.00	957.15
31 March, 2023	35.00	14.00	3,191.00	3,240.00
31 March, 2022	46.50	136.75	396.00	579.25
<b>Loan Taken Back</b>				
31 March, 2024	-	-	1,436.00	1,436.00
31 March, 2023	-	-	2,252.93	2,252.93
31 March, 2022	-	-	1,525.73	1,525.73
<b>Director Remuneration</b>				
31 March, 2024	117.93	-	-	117.93
31 March, 2023	110.20	-	-	110.20
31 March, 2022	97.20	-	-	97.20
<b>Interest on NCD</b>				
31 March, 2024	0.98	2.55	2.87	6.40
31 March, 2023	0.31	2.14	2.10	4.55
31 March, 2022	2.34	32.84	0.52	35.70
<b>Investment in NCD</b>				
31 March, 2024	8.00	4.00	2.00	14.00
31 March, 2023	5.00	14.00	21.00	40.00
31 March, 2022	12.00	2.00	-	14.00
<b>Loan Given</b>				
31 March, 2024	-	-	1,373.00	1,373.00
31 March, 2023	-	-	2,262.93	2,262.93
31 March, 2022	-	-	716.22	716.22
<b>Interest Received</b>				

31 March, 2024	-	-	38.05	38.05
31 March, 2023	-	-	48.93	48.93
31 March, 2022	-	-	113.72	113.72
<b>Redemption of NCD</b>				
31 March, 2024	7.00	6.00	4.00	17.00
31 March, 2023		8.00	2.00	10.00
31 March, 2022	27.00	37.00	-	64.00
<b>Salary</b>				
31 March, 2024	12.93	-	-	12.93
31 March, 2023	5.00	-	-	5.00
31 March, 2022	6.14	-	-	6.14
<b>Call Money on Shares</b>				
31 March, 2024	37.80	1,003.50	9.00	1,050.30
31 March, 2023	394.13	85.13	1,244.63	1,723.88
31 March, 2022	90.51	21.54	-	112.05

c) Balance outstanding

(Amount in Lakhs)

Nature of Transaction	Key Management Personnel (KMP)	Relatives of KMP	Entities in which KMP / Relatives of KMP can exercise significant influence	Total
<b>Remuneration Payable</b>				
31 March, 2024	3.10	-	-	3.10
31 March, 2023	22.95	-	-	22.95
31 March, 2022	1.42	-	-	1.42
<b>Interest on NCD Payable</b>				
31 March, 2024	0.07	0.17	0.21	0.45
31 March, 2023	0.09	0.24	0.27	0.60
31 March, 2022	0.27	0.38	0.06	0.70
<b>Loan given</b>				
31 March, 2024	-	-	107.00	107.00
31 March, 2023	-	-	170.00	170.00
31 March, 2022	-	-	160.00	160.00
<b>NCD</b>				
31 March, 2024	7.00	17.00	21.00	45.00
31 March, 2023	6.00	19.00	23.00	48.00
31 March, 2022	1.00	13.00	4.00	18.00
<b>Unsecured Loan Taken</b>				
31 March, 2024	4.00			4.00
31 March, 2023	-	4.00	2,921.00	2,925.00
31 March, 2022	46.50	136.75	106.00	289.25
<b>Interest on Loan Payable</b>				
31 March, 2024	0.15			0.15

31 March, 2023		0.16	33.38	33.54
31 March, 2022	0.15	1.39	0.89	2.44
<b>Interest Receivable</b>				
31 March, 2024	-	-	2.10	2.10
31 March, 2023	-	-	-	-
31 March, 2022	-	-	-	-
<b>Salary Payable</b>				
31 March, 2024	-	1.13	-	1.13
31 March, 2023	0.34	-	-	0.34
31 March, 2022	0.87	-	-	0.87

*For Further details of Related Party Transaction, please refer “Note 31” under the chapter titled “Financial Statement as restated” on page 196 of this Draft Red Herring Prospectus.*

## FINANCING ARRANGEMENTS

There have been no financing arrangements whereby our Promoters, members of the Promoter Group, our directors and their relatives have financed the purchase by any other person of securities of our Company during a period of six (6) months immediately preceding the date of this Draft Red Herring Prospectus.

## WEIGHTED AVERAGE COST OF ACQUISITION OF EQUITY SHARES BY OUR PROMOTERS IN LAST ONE YEAR

The weighted average cost of acquisition of equity shares by our promoters in last one year which has been calculated by taking average amount paid by them to acquire our equity shares is as follows:

Name of Promoter	No. of shares bought	Weighted Average Price (in Rs.)
Rajesh Gupta	40,96,876	0.00
Anoop Garg	27,30,373	0.00
Geeta Goswami	2,08,950	0.00
BR Hands Investment Private Limited	28,40,107	45.69

*\* As Certified by M/s KRA & Co., Chartered Accountants dated July 09, 2024.*

## AVERAGE COST OF ACQUISITION

The average cost of acquisition per Equity Share by our promoters which has been calculated by taking the average amount paid by them to acquire our Equity Shares, is as follows:

Name of the Promoter	No. of Shares held	Average cost of Acquisition (in Rs.)
Rajesh Gupta	40,96,876	24.44
Anoop Garg	27,30,373	20.10
Geeta Goswami	2,08,950	50.36
BR Hands Investment Private Limited	28,40,107	61.07

*\* As Certified by M/s KRA & Co., Chartered Accountants dated July 09, 2024.*

**DETAILS OF PRE-ISSUE PLACEMENT**

Our Company does not contemplate any issuance or placement of Equity Shares from the date of this Draft Red Herring Prospectus until the listing of the Equity Shares.

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

Following are the details of equity shares issued in the last one year for consideration other than cash or through bonus:

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Consideration	Nature of Allotment
12-06-2024	52,92,541	10	Nil	Other than cash	Bonus Issue

**SPLIT / CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR**

Our Company has not done any sub-division or consolidation of its Equity shares in the last one year.

**EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS, IF ANY, GRANTED BY SEBI**

Our Company has not filed any exemption application with SEBI as on date of Draft Red Herring prospectus.

*This space has been left blank intentionally.*

## SECTION III- RISK FACTORS

*An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties summarized below, before making an investment in our Equity Shares. The risks described below are relevant to the industries our Company is engaged in, our Company and our Equity Shares. To obtain a complete understanding of our Company, you should read this section in conjunction with the chapters titled “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page numbers 150 and 288, respectively, of this Draft Red Herring Prospectus as well as the other financial and statistical information contained in this Draft Red Herring Prospectus. Prior to making an investment decision, prospective investors should carefully consider all of the information contained in the section titled “Financial Information, as Restated” beginning on page number 249 of this Draft Red Herring Prospectus.*

*If any one or more of the following risks as well as other risks and uncertainties discussed in the Draft Red Herring Prospectus were to occur, our business, financial condition and results of our operation could suffer material adverse effects, and could cause the trading price of our Equity Shares and the value of investment in the Equity Shares to materially decline which could result in the loss of all or part of investment. Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is therefore subject to a legal and regulatory environment that may differ in certain respects from that of other countries.*

*Unless otherwise indicated, the industry-related information contained in this section is derived from the industry report titled “NBFC Industry Report” dated June 29, 2024, prepared by Infomeric Analytics and Research Private Limited (“Infomeric” and such report, the “Infomeric Report”). We have commissioned and paid for the Infomeric Report for the purpose of confirming our understanding of the industry exclusively in connection with the Offer. We officially engaged Infomeric in connection with the preparation of the Infomeric Report pursuant to the engagement letter. A copy of the Infomeric Report shall be available on the website of our Company from the date of this Draft Red Herring Prospectus until the Bid/Offer Closing Date. The data included in this section includes excerpts from the Infomeric Report and may have been re-ordered by us for the purposes of presentation.*

*This Draft Red Herring Prospectus also contains forward looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of many factors, including the considerations described below and elsewhere in the Draft Red Herring Prospectus. These risks are not the only ones that our Company faces. Our business operations could also be affected by additional factors that are not presently known to us or that we currently consider to be immaterial to our operations. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify financial or other implication of any risks mentioned herein.*

*Unless otherwise indicated or the context otherwise requires, in this section, references to “we”, “us” and “our” are to Usha Financial Services Limited.*

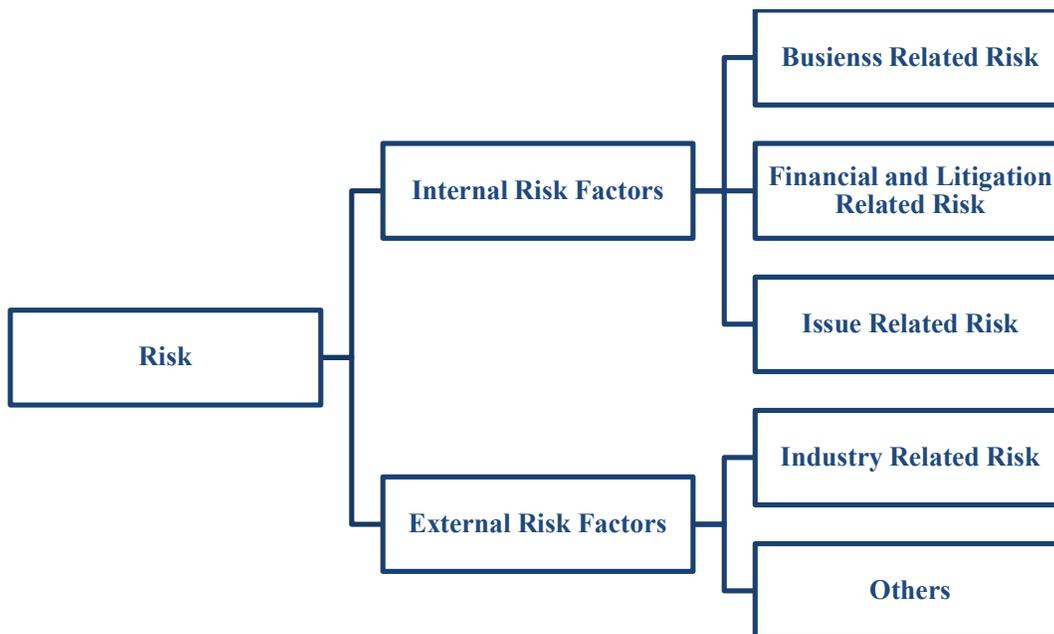
### **Materiality**

The Risk factors have been determined based on their materiality, which has been decided based on following factors:

1. Some events may not be material individually but may be material when considered collectively.
2. Some events may have an impact which is qualitative though not quantitative.

3. Some events may not be material at present but may have a material impact in the future.

### Classification of Risk Factors



### Internal Risk Factors

- We require substantial capital for our business and any disruption in the cost and availability of capital, including our sources of financing, could have an adverse effect on our business, results of operations, financial condition and cash flows.*

Our business depends on our ability to raise equity and debt capital from external sources on acceptable terms and in a timely manner. Our financing requirements have historically been met from several sources, including from proceeds of loans, and non-convertible debentures, etc.

The table below sets out the details of our total borrowings as of March 31, 2024, March 31, 2023, and March 31, 2022.

*(Rupees in lakhs)*

Particulars	March 2024	March 2023	March 2022
Short Term Borrowings	10,760.07	13,709.08	5,158.99
Long Term Borrowings	7,368.15	11,042.33	4,564.23

For additional details, see “Restated Financial Information” and on pages 249 of this Draft Red Herring Prospectus.

Our ability to raise funds in a timely manner on acceptable terms, or at all, depends on several factors including, our current and future results of operations, our risk management policies, our credit ratings, the regulatory environment and policy initiatives in India. While we have not faced any instances of delays in repayment of our outstanding borrowings in the last three Financial Years, we cannot assure you that our business will continue to generate sufficient cash flows to enable us to service our existing and future borrowings or to fund our other

liquidity needs. Any inability to raise capital could have an adverse effect on our business, results of operation, financial condition and cash flows.

**2. Any deterioration in the credit quality of our loans could adversely affect our business, results of operations, financial condition and cash flows.**

Delinquencies are an important indicator of the credit quality of our loan book, and several factors can have an impact on borrower delinquencies such as economic conditions (including inflationary or recessionary environments and pandemics such as the COVID-19 pandemic, immigration regulation changes, personal circumstances and hardships, among others. Our ability to manage the credit quality of our loans, which we measure through non-performing assets (“NPAs”) and overdue loans, is a key driver of our results of operations. We classify NPAs in accordance with the ‘NBFC Scale Based Regulations’ of the RBI and the requirements of Indian GAAP – “Financial Instruments”. Defaults by our borrowers for a period of more than 90 days may result in such loans being classified as NPAs. The following table sets forth the breakdown of our product-wise NPAs.

*(Rupees in Lakhs)*

Our Products	March 2024	March 2023	March 2022
Loan to NBFCs and corporates	704.00	0.00	0.00
MSME loan	396.12	681.55	766.10
Green Financing	1.20	0.00	0.00
<b>Total</b>	<b>1,101.32</b>	<b>681.55</b>	<b>766.10</b>

**3. While we have applied for consent to undertake the Offer from certain of our lenders, we have not received consents from some of these lenders as on the date of this Draft Red Herring Prospectus. Any failure to obtain these consents could lead to changes in our plans or strategies, including our capital raising plan through the Offer.**

We have entered into agreements in relation to financing arrangements for loans from certain banks and financial institutions. Some of the financing arrangements entered into by us include conditions that require our Company to obtain lenders’ consents prior to undertaking certain actions. These restrictive covenants vary depending on conditions negotiated under the financing documents entered into with these lenders. The agreements with respect to our borrowings contain restrictive covenants in relation to our ability to undertake the Offer, including, but not limited to, making any amendments to our Company’s constitutional documents; effecting any changes to or alteration our Company’s capital structure or shareholding pattern or ownership; effecting any changes in the management of our Company, including changes in the composition of the Board of Directors. As on the date of this Draft Red Herring Prospectus, we have received consent from 2 banks (2) lenders constituting 12.10% of our total borrowings as on March 31, 2024. While, we have sought consents from the rest of the lenders to enable us to undertake the Offer. We cannot assure you that such consents will be granted in time or at all, or such lenders will not seek additional undertakings, impose further terms and conditions which may be onerous for us. Any failure to obtain these consents could lead to changes in our plans or strategies, including our capital raising plan through the Offer. Such failure could also result in consequent termination of facilities availed by us from these lenders which could adversely affect our business, financial condition, results of operations and cash flows.

**4. We depend on the accuracy and completeness of information provided by our borrowers. Any misleading information provided to us by our borrowers may affect our judgement of their credit worthiness, which could have an adverse effect on our business, cash flows, results of operations, financial condition.**

While deciding to extend credit to borrowers, we rely, to a significant extent, on the information provided to us

for certain key elements of the credit assessment process. This includes several factors such as educational backgrounds, future income and repayment capacity. We follow the know your customer (“KYC”) guidelines prescribed by the RBI for potential borrowers. Moreover, for our educational institution loan business, we undertake a valuation of collateral.

We also rely on certain representations from borrowers as to the accuracy and completeness of that information and depend on credit information companies or credit bureaus. Our reliance on any misleading information may affect our judgement of the creditworthiness of potential borrowers, which may adversely affect our business, results of operations, financial condition and cash flows.

We offer loans to small business owners and individuals under a retail lending business model relying on our business partners. Our business partner evaluates the creditworthiness of the lender under MSME Loans. We may also not receive updated information regarding any change in the financial condition of our borrowers or may receive inaccurate or incomplete information as a result of any fraudulent misrepresentation by our borrowers or employees. Difficulties in assessing credit risks associated with our day-to-day lending operations may lead to an increase in the level of our nonperforming assets. Increases in NPAs could adversely affect our business and results of operations. Moreover, any delays on our part to take immediate action in connection with enforcement of security, delays in bankruptcy foreclosure proceedings, economic downturns, defects in security and fraudulent transfers by borrowers post-availing the loan may hinder our ability to realize the full value of security, which may result in an adverse effect on our business, cash flows, results of operations, financial condition and cash flows.

5. ***A major portion of our expenses is incurred in Portfolio Management charges included in other expenses. Our inability to effectively reduce and control these expenses may adversely impact our profitability in the future.***

A significant portion of our revenue from operations is allocated on Portfolio Management fees to our business partners within the category of “Other Expenses”. Failure to effectively manage and minimize these expenses could lead to adverse effects on our future profitability. Further details regarding this expenditure are provided below.

**(Rupees in Lakhs)**

Particulars	March 31, 2024	March 31, 2023	March 31, 2022
Revenue from Operations	6,322.20	4,563.17	2,502.62
Total expenses	4,623.63	3,239.89	1,983.45
Portfolio Management Services	722.11	441.58	235.50
<b>Percentage (%) of Revenue from operations</b>	11.42%	9.68%	9.41%
<b>Percentage (%) of Total expenses</b>	15.62%	13.63%	11.87%

For further information regarding the Freight & Forwarding charges and other expenses, please refer to the chapter titled “Restated financial information” on page 249 of this Draft Red Herring Prospectus.

6. ***We depend on a limited number of customers for a significant portion of our revenues. The loss of a major customer or significant reduction in demand from any of our major customers may adversely affect our business, financial condition, results of operations and prospects.***

At present, we derive most of our revenues from interest income on loans to a limited number of customers.

**(Rupees in Lakhs)**

Particulars	March 31, 2024	March 31, 2023	March 31, 2022
Revenue from Operations	6,322.20	4,563.17	2,502.62

Top ten (10) Customers	1,121.24	1,027.86	648.51
<b>% of top ten (10) Customers to Revenue from Operations*</b>	17.73%	22.53%	25.91%

\*The % has been derived by dividing the total amount received from top ten customers with the Revenue from operations of the company in the relevant year as mentioned in the Profit and Loss Statement as given in restated financials of the company.

As our business is currently concentrated among relatively few significant customers, we may experience reduction in cash flows and liquidity and our business would be negatively affected if we lose one or more of our major customers or if the amount of business from one or more of them is significantly reduced for any reason, including as a result of a dispute with or disqualification by a major customer.

For further details related to our top ten (10) customers for the stub period ended on March 31, 2024, March 31, 2023, and March 31, 2022, refer to the Chapter “Our Business” on page no. 150 of this Draft Red Herring Prospectus.

**7. Our top two states contribute our major revenue for the year ended 31st March 2024, 2023, 2022. Any loss of business from one or more of these states may adversely affect our revenues and profitability.**

Our company operates its business operations from its registered office in Delhi. However, our company have its presence allover India. These states contribute to a substantial portion of our revenues for the year ended on March 31, 2024, 2023 & 2022. Any factors relating to political and geographical changes, growing competition and any change in demand may adversely affect our business. We cannot assure that we shall generate the same quantum of business, or any business at all, from these states, and loss of business from one or more of them may adversely affect our revenues and profitability.

The contribution of top two states to our total revenue is as follows:

Particulars	<i>(Rupees in Lakhs)</i>		
	March 31, 2024	March 31, 2023	March 31, 2022
<b>Revenue from operations</b>	<b>6,322.20</b>	<b>4,563.17</b>	<b>2,502.62</b>
Delhi	1,463.95	1,344.01	715.57
<b>% of Revenue from operations</b>	23.16%	29.45%	28.59%
West Bengal	1,214.52	600.95	296.90
<b>% of Revenue from operations</b>	19.21%	13.17%	11.86%

For further information, please refer to the chapter titled “Our Business” on page 150 of this Draft Red Herring Prospectus.

**8. Our contingent liabilities as stated in our Restated Financial Statements could adversely affect our financial conditions.**

Below are the contingent liabilities, as on March 31, 2024, as disclosed in our Restated Financial Statements in accordance with applicable accounting standards:

***Contingent Liabilities and Commitments***

The company received a demand from the Income Tax Department for the AY 21-22 on 18 March 2023. The company did not agree with the demand as the tax computation has been done incorrectly. The company has

submitted the response and is expected to get a favourable order.

Issued Under Act and section	Assessment Year	Amount in Rs.
Income Tax Act,1961/ Section 154	2021-22	5,888,420

In the event, that any of these contingent liabilities or a significant proportion of these contingent liabilities materialize, our future financial condition, result of operations and cash flows may be adversely affected. For further information about the contingent liabilities, Please refer to the chapter titled “Financial Information” on page 249 of this Draft Red Herring Prospectus.

**9. *Our underwriting, risk management and collection processes may not be able to effectively identify, monitor or mitigate the risks in our lending operations.***

We fine-tune our underwriting, risk management and collection processes through continuous training of our risk-detection models. Our loan disbursement process is completely manual. In case of any human errors or if the criteria or parameters we use for the analysis of customers credit profiles are inaccurate, the risk management models are flawed or ineffective or the customer insights we develop or receive for credit assessment are incorrect or stale, our credit assessment process related to the loans could be negatively affected, resulting in incorrect approvals, incorrect denials of loans, mispriced loans or biased rejection rates for potential customers we assess. Further, our underwriting models are dependent on data from various sources and our inability to access such data (on account of regulatory or other changes in the ecosystem) could negatively impact the efficacy of such models. If any of the foregoing were to occur, the performance of our credit assessment will be compromised. As a result, our business, brand, reputation, results of operations and financial condition may be adversely affected.

**10. *We are required to comply with guidelines issued by regulatory authorities in India, which are evolving and may increase our compliance costs and subject us to penalties.***

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

Additionally, with the introduction of Digital Personal Data Protection Act, 2023 (“DPDP Act”) new requirement of compliance can be imposed on the company. The DPDP Act seeks to balance the rights of individuals to protect their personal data with the need to process personal data for lawful and other incidental purposes. The DPDP Act requires companies that collect and deal with high volumes of personal data to fulfil certain additional obligations such as appointment of a data protection officer for grievance redressal and a data auditor to evaluate compliance with the DPDP Act. The DPDP Act provides that personal data may be processed only in accordance with the DPDP Act, and for a lawful purpose after obtaining the consent of the individual or for certain legitimate uses. The DPDP Act outlines prescriptive compliance controls across enterprises managing

the personal information of Indian citizens. We cannot assure you that no actions will be taken against us by the regulatory authorities in the future for any alleged contravention of the DPDP Act which could adversely impact our business, results of operations, financial condition, cash flows and the price of the Equity Shares.

**11. Any downgrade in our credit ratings in the future may increase interest rates for refinancing our borrowings, which would increase our cost of borrowings, and adversely affect our ability to borrow on a competitive basis.**

The cost and availability of capital depends in part on our short-term and long-term credit ratings. Credit ratings reflect the opinions of ratings agencies on our financial strength, operating performance, strategic position and ability to meet our obligations. Our credit ratings for our outstanding debt instruments as of March 31, 2024, March 31, 2023, and March 31, 2022, are set out below:

Rating Agency	Instrument	June 10, 24	July 25, 23	July 26, 22
Infomerics Valuation and Ratings	Credit Ratings	BBB/Stable	BBB/Stable	-BBB/Stable

While we have not witnessed any downgrade in our credit ratings during the last three Financial Years, any downgrade in our credit ratings could increase borrowing costs, resulting in an event of default under certain of our financing arrangements and adversely affect our access to capital. In addition, it could increase the probability of our lenders imposing additional terms and conditions to any financing or refinancing arrangements we enter into in the future. The ratings provided by credit rating agencies may be suspended, withdrawn or revised at any time by the assigning rating agency and should be evaluated independently of any other rating. These ratings are not a recommendation to buy, sell or hold securities and investors should take their own decisions. These instances could adversely affect our business, results of operations, financial condition and cash flows, with any downgrade in the future potentially impacting our ability to raise debt and equity capital.

**12. Our business could be adversely affected if we are unable to maintain our capital to risk weighted assets ratio.**

The Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulations) Directions, 2023 (“NBFC Scale Based Directions”) currently require NBFCs such as our Company to comply with a capital to risk weighted assets ratio (“CRAR”) consisting of Tier I and Tier II capital. As per the NBFC Scale Based Directions, we are required to maintain a minimum capital ratio, consisting of Tier I capital and Tier II capital of not less than 15% of its aggregate risk weighted assets on-balance sheet and of risk adjusted value of off-balance sheet items. In line with the NBFC Scale Based Directions, at a minimum, Tier I capital of an NBFC (except NBFC-ML and NBFC primarily engaged in lending against gold jewelry), at any point of time, cannot be less than 10%.

The table below sets forth details of our Company’s capital to risk weighted assets ratio as of March 31, 2024, 2023 and 2022, and Tier I and Tier II capital as a percentage of risk weighted assets (on a standalone basis):

Particulars	March 2024	March 2023	March 2022
CAR (Tier I) %	32.13%	21.90%	29.28%
CAR (Tier II) %	0.90%	0.60%	1.18%
CAR (Overall) %	33.03%	22.50%	30.46%

Tier I Capital <sup>(1)</sup>	10,512.98	8,132.98	4,699.97
Tier II Capital <sup>(2)</sup>	294.25	224.03	189.81
Total Tier I and Tier II capital <sup>(3)</sup>	10,807.23	8,357.01	4,889.78
Risk Weighted Assets	32,721.33	37,140.98	16,050.85

(1) CAR (Tier I) %= Tier I Capital / Risk Weighted Assets

(2) CAR (Tier II) % = Tier II Capital / Risk Weighted Assets

(3) CAR (Overall) %= Total Tier I and Tier II capital / Risk Weighted Asset

As we continue to grow our loan portfolio and asset base, we may be required to raise additional Tier I and Tier II capital in order to remain in compliance with the applicable capital to risk weighted assets ratios. We cannot assure you that we will be able to raise additional Tier I and Tier II capital in order to remain in compliance with applicable capital to risk weighted assets ratios. Further, the RBI may increase its current capital to risk weighted assets ratio requirements, which may require us to raise additional capital. While we currently are in compliance with the aforementioned NBFC Scale Based Regulations, we cannot assure you that we will be able to raise adequate additional capital in the future on terms favorable to us, or at all, which may adversely affect the growth of our business.

**13. We are subjected to supervision and regulation by the RBI as a non-systemically important NBFC, and changes in RBI's regulations governing us could adversely affect our business.**

We are subject to the RBI's guidelines on financial regulation of NBFCs, including capital adequacy, exposure and other prudential norms. The RBI also regulates the credit flow by banks to NBFCs and provides guidelines to commercial banks with respect to their investment and credit exposure norms for lending to NBFCs. The RBI's regulations of NBFCs could change in the future which may require us to restructure our activities, incur additional cost or could otherwise adversely affect our business and our financial performance. Through the Master Directions, RBI has amended the regulatory framework governing NBFCs to address concerns pertaining to risks, regulatory gaps and arbitrage arising from differential regulations and aims to harmonize and simplify regulations to facilitate a smoother compliance culture among NBFCs.

Even though the RBI, has not provided for any restriction on interest rates that can be charged by non -deposit taking NBFCs, there can be no assurance that the RBI and/or the Government will not implement regulations or policies, including policies or regulations or legal interpretations of existing regulations, relating to or affecting interest rates, taxation, inflation or exchange controls, or otherwise take action, that could have an adverse effect on non -deposit taking NBFCs. In addition, there can be no assurance that any changes in the laws and regulations relative to the Indian financial services industry will not adversely impact our business.

**14. Our inability to meet our obligations under our financing agreements and instruments could adversely affect our business, results of operations, financial condition and cash flows.**

Our ability to meet our debt service obligations and repay our outstanding financial indebtedness will depend primarily on the cash generated from our business, which depends on the timely repayment by our borrowers.

The table below sets out details of our total borrowings and debt to equity ratio, as of March 31, 2024, 2023 and 2022:

<i>(Rupees in Lakhs)</i>			
Particulars	March 2024	March 2023	March 2022
Total Borrowings	18,128.22	24,751.41	9,723.22
Total Equity	10,602.63	8,207.38	4,767.58

Debt to equity ratio	1.71	3.02	2.04
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Our financing agreements and instruments contain certain restrictive covenants that limit our ability to undertake fundraising activities, any of which could adversely affect our business, results of operations, financial condition and cash flow.

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

We are required to comply with applicable anti-money-laundering (“AML”), counter-terrorism financing (“CTF”) and anti-terrorism laws and other regulations in India. These laws and regulations require us, among other things, to adopt and enforce AML, CTF and KYC policies and procedures. In the ordinary course of our operations, we are exposed to the risk of failing to comply with the prescribed KYC procedures and the consequent risk of fraud and money laundering by dishonest borrowers and assessment of penalties or imposition of sanctions against us for such compliance failures despite having implemented systems and controls designed to prevent the occurrence of these risks. Although, we have instituted internal policies, processes and systems in place to prevent and detect any AML activity and ensure KYC compliance, we cannot assure you that we will be able to fully control instances of any potential or attempted violation by other parties. Any inability on our part to detect such activities fully and on a timely basis, may subject us to regulatory actions including imposition of fines and penalties and adversely affect our business and reputation.

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

Our company has applied for the registration of its logo under class 36 with the Registrar of Trademarks under the Trademarks Act. Certain of these registrations are in the process of being renewed. There can be no assurance that we will be able to successfully register our trademark in a timely manner or at all. As a result, we may not be able to prevent infringement of our trademarks and a passing off action may not provide sufficient protection until such time that this registration is granted. We may also be harmed by the actions of or negative press relating to entities which have similar names. Any unauthorized or inappropriate use of our brand, trademarks and other related intellectual property rights by others in their corporate names or product brands or otherwise could harm our brand image, competitive advantages and business, and dilute or harm our reputation and brand recognition.

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

***17. Fluctuation of Interest rate may adversely affect the Company’s business.***

For meeting capital requirement in ordinary course of our business for general capital purpose, we have or may enter into certain borrowing agreements to meet those requirements. In the event interest rates increase, the cost of borrowing will also be increased and which will have the adversely effect on cash flow and profitability.

As on March 31, 2024, our Company has a total outstanding secured borrowings from banks and financial institutions aggregating to Rs. 14,410.06 lakhs secured NCDs of Rs. 3,578.00 Lakhs and Unsecured Loan aggregating to Rs. 140.16 Lakhs, as per the certificate issued by M/s KRA & Co., Chartered Accountants, dated June 29, 2024.

Set forth below is a summary of our aggregate borrowings from banks and financial institutions March 31, 2024:

**SECURED LOAN:**

*(Rupees in Lakhs)*

S. No.	Name of persons/companies	Loan Amounts	Rate of Interest	Nature of Tenure	Maturity Date	Outstanding as on March 31, 2024
1	Au Small Finance Bank Limited	500.00	14.70%	Monthly	03-04-2024	55.56
2	South Indian Bank Term Loan-1	1,000.00	11.00%	Monthly	31-12-2024	149.82
3	South Indian Bank Term Loan-2	350.00	11.00%	Monthly	19-07-2026	163.13
4	South Indian Bank Term Loan-3	400.00	10.75%	Monthly	01-11-2026	355.55
5	State Bank Of India	2,970.00	11.05%	Monthly	30-11-2025	1709.97
6	HDFC Car Loan	37.91	8.50%	Monthly	05-06-2028	33.20
7	City Union Bank	1,200.00	10.60%	Monthly	03-01-2029	1175.91
8	Alwar General Finance Co Pvt Ltd	200.00	15.00%	Monthly	15-06-2024	28.40
9	Ambit Finvest Private Limited-1	500.00	14.00%	Monthly	05-02-2025	246.48
10	Ambit Finvest Private Limited-2	400.00	13.00%	Monthly	05-09-2025	309.48
11	Grow Money Capital Private Limited-1	1,000.00	14.00%	Monthly	16-09-2024	138.34
12	Grow Money Capital Private Limited-2	1,000.00	14.00%	Monthly	28-05-2024	47.20
13	Ikf Finance Limited-1	1,000.00	14.50%	Monthly	03-04-2027	770.83
14	Ikf Finance Limited-2	1,000.00	15.00%	Monthly	03-02-2028	1,000.00
15	Incred Financial Services Limited-1	687.00	14.00%	Monthly	10-07-2024	144.29
16	Incred Financial Services Limited-2	522.50	14.00%	Monthly	10-06-2024	13.87
17	Incred Financial Services Limited-3	825.00	14.00%	Monthly	10-01-2026	764.43
18	Incred Financial Services Ltd-4	500.00	14.00%	Monthly	10-10-2024	229.88

19	Maanaveeya Financial Services Limited	1,500.00	15.00%	Monthly	27-12-2024	643.20
20	Mas Financial Services Ltd 19A	500.00	14.35%	Monthly	04-10-2025	395.83
21	Mas Financial Services Ltd 19B	500.00	14.35%	Monthly	04-10-2025	395.83
22	Mas Financial Services Ltd TI-18A	350.00	15.00%	Monthly	23-08-2024	72.92
23	Mas Financial Services Ltd TI-18B	150.00	15.00%	Monthly	23-08-2024	31.25
24	Muthoot Capital Services Ltd	750.00	15.00%	Monthly	31-07-2024	166.67
25	Nabsamruddhi Finance Ltd	1,000.00	15.00%	Monthly	28-02-2025	556.56
26	Rar Fincare Limited	300.00	14.00%	Monthly	29-03-2025	160.71
27	Rar Fincare Limited- TI 2	200.00	14.00%	Monthly	10-07-2025	140.63
28	Real Touch Finance Ltd	500.00	14.00%	Monthly	05-03-2025	267.37
29	Satin Creditcare Network Limited-1	500.00	15.00%	Monthly	02-02-2025	247.38
30	Satin Creditcare Network Ltd-2	2,500.00	14.00%	Monthly	03-09-2026	1,906.32
31	Satin Finserv Limited-1	500.00	15.00%	Monthly	05-02-2025	247.38
32	Tata Capital Financial Services Limited	300.00	12.00%	Monthly	05-01-2025	125.00
33	Vivriti Capital Limited-1	1,000.00	14.00%	Monthly	11-06-2025	833.33
34	Vivriti Capital Limited-2	300.00	14.00%	Monthly	29-09-2025	300.00
35	Western Capital Advisors Private Limited	1,000.00	13.00%	Monthly	01-10-2024	583.33
<b>Total</b>		25,942.41				14,410.06

**SECURED NCD:**

*(Rupees in Lakhs)*

S.No.	Name of persons/companies	Loan Amounts	Rate of Interest	Nature of Tenure	Maturity Date	Outstanding as on March 31, 2024
1	NCD F Series-1	450.00	12.00%	on Maturity	02-03-2024	2.00
2	NCD G Series-1	465.00	12.00%	on Maturity	12-10-2024	464.00

3	NCD G Series-2	297.00	12.00%	on Maturity	31-10-2024	277.00
4	NCD H Series-1	485.00	12.00%	on Maturity	05-05-2025	480.00
5	NCD H Series-2	515.00	12.00%	on Maturity	30-05-2025	505.00
6	NCD I Series-1	352.00	12.00%	on Maturity	27-11-2025	352.00
7	NCD I Series-2	348.00	12.00%	on Maturity	15-12-2025	348.00
8	NCD J Series-1	410.00	12.00%	on Maturity	06-03-2026	410.00
9	NCD J Series-2	240.00	12.00%	on Maturity	28-03-2026	240.00
10	NCD K series	500.00	12.00%	on Maturity	15-09-2026	500.00
<b>Total</b>		<b>4,062.00</b>				<b>3,578.00</b>

**UNSECURED LOAN**

*(Rupees in Lakhs)*

S. No.	Name of persons/companies	Loan Amounts	Rate of Interest	Nature of Tenure	Maturity Date	Outstanding as on March 31, 2024
1	USL-Related Party	4.14	9.00%	On Demand	On Demand	4.14
2	Satin Finserv Ltd (USL)	500.00	15.00%	Quarterly	31-01-2025	136.02
<b>Total</b>		<b>504.14</b>				<b>140.16</b>

For Further Information, please refer to the chapter titled “Financial Indebtedness” on page 299 of this Draft Red Herring Prospectus.

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

Our Company has entered into related party transactions with our Promoter, Directors and the Promoter Group for the year ended March 2024, 2023, 2022. The company undertakes that the related party transactions entered into by the company are in compliance with the provisions of Companies Act, 2013 and rules made thereunder. The related party transactions entered by the company for the year ended March 2024, 2023, 2022 on the basis of standalone and restated financials statements are given below:

Nature of Transaction	Key Management Personnel (KMP)	Relatives of KMP	Entities in which KMP / Relatives of KMP can exercise significant influence	Total
<b>Remuneration Payable</b>				
31 March, 2024	3.10	-	-	3.10
31 March, 2023	22.95	-	-	22.95
31 March, 2022	1.42	-	-	1.42
<b>Interest on NCD Payable</b>				
31 March, 2024	0.07	0.17	0.21	0.45
31 March, 2023	0.09	0.24	0.27	0.60
31 March, 2022	0.27	0.38	0.06	0.70
<b>Loan given</b>				
31 March, 2024	-	-	107.00	107.00

31 March, 2023	-	-	170.00	170.00
31 March, 2022	-	-	160.00	160.00
<b>NCD</b>				
31 March, 2024	7.00	17.00	21.00	45.00
31 March, 2023	6.00	19.00	23.00	48.00
31 March, 2022	1.00	13.00	4.00	18.00
<b>Unsecured Loan Taken</b>				
31 March, 2024	4.00			4.00
31 March, 2023	-	4.00	2,921.00	2,925.00
31 March, 2022	46.50	136.75	106.00	289.25
<b>Interest on Loan Payable</b>				
31 March, 2024	0.15			0.15
31 March, 2023		0.16	33.38	33.54
31 March, 2022	0.15	1.39	0.89	2.44
<b>Interest Receivable</b>				
31 March, 2024	-	-	2.10	2.10
31 March, 2023	-	-	-	-
31 March, 2022	-	-	-	-
<b>Salary Payable</b>				
31 March, 2024	-	1.13	-	1.13
31 March, 2023	0.34	-	-	0.34
31 March, 2022	0.87	-	-	0.87

For Further information, please refer to the chapter titled “Restated Financial information” on page 249 of this Draft Red Herring Prospectus.

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

We are required to obtain certain approvals, registrations, permissions and licenses from regulatory authorities, to carry out/ undertake our business which may be subject to various conditions. If we fail to obtain some or all of these approvals or licenses, or renewals thereof, in a timely manner or at all, or if we fail to comply with applicable conditions or it is claimed that we have breached any such conditions, our license or permission for carrying on a particular activity may be suspended or cancelled and we may not be able to carry on such activity, which could adversely affect our business, results of operations, cash flows and financial condition. For further information on the nature of approvals and licenses required for our business, see “Government and Other Approvals” on page 345.

In addition, in the future we may need to apply for certain additional approvals, including the renewal of approvals, which may expire from time to time. For details in relation to validity of our licenses and registrations, see “Government and Other Approvals” on page 345. We cannot assure you that such approvals and licenses will be granted or renewed in a timely manner or at all or will not be withdrawn by the relevant governmental or regulatory authorities.

Failure to obtain or renew such approvals and licenses in a timely manner or a withdrawal of any of our licenses or registrations would make our operations non-compliant with applicable laws and may result in imposition of penalties by relevant authorities and may also prevent us from carrying out our business. Our licenses and approvals are subject to various conditions, including periodic renewal and maintenance standards. Any actual or alleged failure on our part to comply with the terms and conditions of such regulatory licenses and registrations could expose us to legal action, compliance costs or liabilities, or could affect our ability to continue to operate at the locations or in the manner in which we have been operating thus far.

**20. *Some of our Directors and Key Managerial Personnel may be interested in our Company to the extent of their shareholding in our Company.***

Certain of our Directors and Senior Management Personnels may be interested in our Company to the extent of their shareholding in our Company. For instance, our Managing Director, Executive Director and Chief Executive Officer, and Chief Financial Officer, each holds some Equity Shares of face value of Rs. 10/- each in our Company. For further details regarding their shareholding, please refer to the chapter titled “Our Management” or “Capital Structure” on page 206 and 76 of this Draft Red Herring Prospectus.

**21. *Our Company does not own the premises through which we conduct our business operations.***

The premises on which our Registered Office is situated is owned by Mrs. Sudha Jain and the same has been occupied and used by our company on lease basis vide Lease deed dated March 01, 2023, executed between our Company (lessor), and Mrs. Sudha Jain. The detail of our registered office is as follows:

S. No.	Particulars	Address	Sq mtr.	Tenure	Lessor
01.	Registered Office	330, Mezzanine Floor, Functional Industrial Estate, Patparganj, Delhi-110092	223	5 years from 01/03/2023	Mrs. Sudha Jain

We cannot assure you that we will be able to continue the above arrangements on commercially acceptable or favourable terms in future. In the event we are required to vacate the current premises, we would be required to make alternative arrangements for new premises and other infrastructure and facilities. We cannot assure that the new arrangements will be on terms that are commercially favourable to us. If we are required to relocate our business operations during this period, we may suffer a disruption in our operations or have to pay higher charges, which could have an adverse effect on our business, prospects, results of operations and financial condition. For details regarding such leasehold properties, please refer to chapter titled “Our Business” on page. 150 of this Draft Red Herring Prospectus.

**22. *Our business heavily relies on the expertise and guidance of our Directors and Key Managerial Personnel to ensure sustained success. The loss of any of them could have a significant impact on our company.***

Our Company’s success is heavily reliant on the continued services and support of our Key Managerial Personnel, as well as the guidance and contributions of our directors. These individuals play a crucial role in executing our day-to-day operations and driving the growth of our business. The loss of any of our Key Management Personnel or Directors, or the inability to recruit suitable replacements, could have a significant adverse effect on our Company. The departure of these key individuals could seriously impair our ability to manage and expand our business efficiently, ultimately impacting on our bottom line. We understand the importance of retaining qualified employees at a reasonable cost and recognize that their skills and expertise are crucial to executing our growth strategy. Without a competent and committed workforce, we may struggle to achieve our business objectives. For further information regarding our Directors and Key Managerial

Personnel, please refer to the chapter titled “Our Management” starting on page 189 of this Draft Red Herring Prospectus.

**23. There is outstanding litigation pending against our Promoters which, if determined adversely, could affect our business, results of operations and financial condition.**

In the usual course of business our Promoter is involved in a legal proceeding before an arbitral tribunal, in India, and, if decided against our Promoter, could adversely affect the business, results of operations and financial condition of our Company. We cannot assure you that the currently outstanding legal proceeding will be decided favourably or that no further liability will arise from these claims in the future. The amounts claimed in the proceeding have been disclosed to the extent ascertainable. For details, see “*Outstanding Litigation and Material Developments*” on page 303.

Cases against our Company and promoters:

(₹ in Rupees)						
Name	Criminal Proceedings	Tax Proceedings	Statutory or regulatory actions	Civil Proceedings	Other Material litigations	Aggregate amount involved*
<b>Company</b>						
<i>By</i>	63	-	-	1	-	3,08,94,011/-
<i>Against</i>	-	-	-	-	-	-
<b>Promoter</b>						
<i>By</i>	-	-	-	-	-	-
<i>Against</i>	1	-	-	-	-	NA
<b>Director/KMP</b>						
<i>By</i>	-	-	-	-	-	-
<i>Against</i>	-	-	-	-	-	-
<b>Subsidiary</b>						
<i>By</i>	-	-	-	-	-	-
<i>Against</i>	-	-	-	-	-	-
<b>Group Companies</b>						
<i>By</i>	-	-	-	-	-	-
<i>Against</i>	-	-	-	-	-	-

\* To the extent quantifiable

Note: There were certain income tax demands and notices issued against the company and the group companies. The details of which are mentioned in the chapter titled “*Outstanding Litigations and Material developments*” on page 303 of this Draft Red Herring Prospectus.

For further details of legal proceedings involving the Company, please see section titled “*Outstanding Litigations and Material Developments*” beginning on page 303 of this Draft Red Herring Prospectus.

**24. Our Company has negative cash flows from its operating, investing and its financing activities in the current and past years, details of which are given below. Sustained negative cash flow could impact on our growth and business.**

Our Company has negative cash flows from our operating, investing & financing activities in the current and previous years as per the Restated Financial Statements and the same are summarized as under.

(Rupees in Lakhs)

Net Cash Generated from	For the year ended on March 2024	For the year ended on March 2023	For the year ended on March 2022
Operating Activities	7,146.67	(17,715.95)	(3,519.18)
Investing Activities	(806.21)	178.11	19.84
Financing Activities	(5,572.89)	17,451.44	3,530.64

For more details, kindly refer to page no. 249 in the chapter “Financial Information”.

**25. Our employees are key to our business. If we are unable to attract new employees and retain our existing employees our business operations would be negatively impacted.**

At present, we have 43 employees in our company. Being a financial institution, we believe that these employees and personnel are key to our success in business operations. In order to conduct our business, which includes providing a variety of loans and financial products, we need highly specialised and efficient employees. These professionals are expert of their area of work. If we experience a decrease in customer base and decrease in revenue, we may not be able to efficiently reallocate our team to other projects to keep their utilisation and productivity levels high.

Our Company’s ability to conduct our business operations depends largely on their ability to attract, train, motivate and retain highly skilled employees/personnel. The attrition rates in the industry in which we operate have been high due to a highly competitive skilled labour market in India. We invest in training our employees that we hire to perform the services we provide.

The performance of our Company will be benefited on the continued service of these persons or replacement of equally competent persons from the markets. We may have difficulty in redeploying and retraining our employees to keep pace with continuing changes in technology, evolving standards.

For more details, kindly refer page no. 249, in the chapter “Financial Information”.

**26. Our Promoters and promoter group have significant controlling interest over the Company and have the ability to direct our business and affairs; their interests may conflict with your interests as a shareholder. Further they have interests in our Company other than reimbursement of expenses incurred or normal remuneration or benefits.**

Upon completion of this Issue, our promoters along with the promoter group will collectively hold 72.21% of the post issue equity share capital of our Company and also continue to enjoy remuneration or benefits, reimbursements of expenses. As a result, our Promoter and promoter group will have the ability to exercise significant influence over all matters requiring shareholders’ approval. Accordingly, our Promoters will continue to retain significant control, including being able to control the composition of our Board of Directors, determine decisions requiring simple majority voting of shareholders, undertaking sale of all or substantially all of our assets, timing and distribution of dividends and termination of appointment of our officers, and our other shareholders may be unable to affect the outcome of such voting.

There can be no assurance that our Promoters and Directors will exercise their rights as shareholders to the benefit and best interest of our Company. Our Promoters will continue to exercise significant control over our Company, including being able to control the composition of our Board of Directors and determine decisions requiring simple or special majority voting of shareholders, and our other shareholders may be

unable to affect the outcome of such voting. Our Directors and our Key Management Personnel may take or block actions with respect to our business, which may conflict with the best interests of our Company or that of minority shareholders.

***27. If we fail to maintain an effective system of internal controls, we may not be able to successfully manage or accurately report our financial risk.***

Effective internal controls are necessary for us to prepare reliable financial reports and effectively prevent and detect any frauds or misuse of funds. Moreover, any internal controls that we may implement, or our level of compliance with such controls, may decline over time. There can be no assurance that additional deficiencies or lacks in our internal controls will not arise in the future, or that we will be able to implement and continue to maintain adequate measures to rectify or mitigate any such deficiencies or lacks in our internal controls. If internal control weaknesses are identified in a delayed manner, our actions may not be sufficient to correct such internal control weakness. Such instances may also adversely affect our reputation, thereby adversely impacting our business, results of operations and financial condition.

***28. The average cost of acquisition of Equity Shares by our Promoters is lower than the issue price.***

Our Promoter's average cost of acquisition of Equity Shares in our Company is lower than the Issue Price of the shares proposed to be offered through this Draft Red Herring Prospectus. For further details regarding the average cost of acquisition of Equity Shares by our Promoters in our Company, please refer to page no. 76 of this Draft Red Herring Prospectus.

***29. Our Company may not have complied with certain statutory provisions of the Companies Act, 2013. Such non-compliances / lapses may attract penalties and prosecution against the Company and its directors which could impact the financial position of the Company to that extent.***

We monitor compliances with applicable laws and regulations by implementing stringent internal checks and controls. Although we have generally been in compliance with applicable laws, there have been certain instances of discrepancies/ errors in statutory filings. Although no regulatory action has been taken against us with respect to the aforesaid non-compliances/errors, there can be no assurance that regulatory action shall not be taken by the relevant authorities against us in the future. In an event such an action is taken, we may be subject to penalties and other consequences that may adversely impact our business, reputation, and results of operation and there can be no assurance that we shall be able to successfully defend any action/allegation raised by such regulatory authorities. Our compliance team meticulously follows a detailed compliance calendar providing for compliances under various applicable laws, including but not limited to the Companies Act. As we continue to grow, there can be no assurance that deficiencies in our internal controls shall not arise, or that we shall be able to implement, and continue to maintain, adequate measures to rectify or mitigate any such deficiencies in our internal controls, in a timely manner or at all. There may be recurrences of similar discrepancies/errors in the future that could subject our Company to penal consequences under applicable laws. Any such action could adversely impact our business, reputation, and results of operation.

Further, our company has obtained certain charges from banks and financial institutions. Some loans have been duly repaid by the company, but CHG-4, for satisfaction of charge has not been filed yet. The company is in the process of obtaining NOC from banks.

**30. Our Merchant bankers have given certain observations regarding the secretarial and RBI due diligence.**

Our merchant bankers has given their remarks and observation on the secretarial records and RBI records, the details of which are as follows:

***I. Remarks on RBI due diligence***

A mandatory intimation that needs to be submitted to RBI is not unavailable on the company's records. Nevertheless, we have relied on the company's assurance that it has duly submitted RBI returns for preceding financial periods.

***II. Remarks on secretarial due diligence***

The company had made an allotment dated 21/02/2018 and 22/02/2018 for which the company had called the amount on various calls. While the company filed PAS-3 for the initial allotment, however, for subsequent calls made by the company no PAS-3 were filed.

However, the company has obtained a legal opinion mentioning that the Form PAS-3 is not required for the same.

**31. Business operation and stability depends on many factors, we may not be able to effectively implement our business and growth strategy.**

The success of our business inter alia depends on our ability to effectively implement our business and growth strategy. In the past, we have generally been successful in the execution of our business plan but there can be no assurance that we will be able to execute our strategy effectively and within the estimated budget in the future.

Following are factors that can affect our ability to effectively implement our business strategy:

1. Intense competition from other listed and unlisted peer companies in the industry.
2. Introduction of new acts and directions
3. Changes in Industry demand.
4. Our ability to attract and retain qualified personnel.
5. Changes in government regulations in India.
6. Our ability to successfully implement Marketing strategies.
7. Our ability to successfully implement our business strategies.

If we are unable to address these factors, there could be a material adverse effect on our business and the results of operations.

**32. Our Company has issued Equity Shares during the last twelve months at a price which may be lower than the Offer Price.**

We have, in the 12 months preceding the filing of this Draft Red Herring Prospectus, issued Equity Shares at prices that may be lower than the Offer Price to Promoters and other shareholders. For details of issues, please refer, page 76 of the chapter "Capital Structure".

The details of the allotment made during the preceding 12 months are as follows:

S. No.	Date of Allotment	Number of Equity Shares	Face value	Issue Price	Consideration	Type of Allotment
1.	12-06-2024	5292541	10	NA	Other than cash	Bonus Issue

For further details regarding the allotments, please refer to the chapter titled “Capital Structure” on Page 76 of this Draft Red Herring Prospectus.

**33. *Our marketing and advertising activities may not be successful in increasing the popularity of our Company among customers. If our marketing or advertising initiatives are not effective, this may affect the popularity of our Company.***

In order to increase our reach to the maximum customers, our marketing and advertising strategies play a vital role. Marketing is a cornerstone for our company to create awareness, attract and retain users, differentiate themselves in a competitive landscape, and ensure their offerings meet the ever-evolving needs of the industry. Effective marketing not only leads to business growth but also contributes to the enhancement of customer satisfaction for our clients.

Our Company undertakes certain marketing and advertising initiatives with the purpose of increasing the visibility of our Company. We rely to a large extent on our management’s experience in defining our marketing and advertising activities. If senior management leads us to adopt unsuccessful marketing and advertising activities or initiatives, we may fail to attract and engage new clients. For further information, please refer to the chapter titled “Our Business” beginning on page no. 150 of this Draft Red Herring Prospectus.

**34. *Our funding requirements and proposed deployment of the Net Proceeds have not been appraised by a bank or a financial institution and if there are any delays or cost overruns, we may have to incur additional cost to fund the objects of the Issue because of which our business, financial condition and results of operations may be adversely affected.***

We intend to use the Net Proceeds for the purposes described in chapter titled “Objects of the Issue” on page 105. The funding requirements mentioned as a part of the objects of the Issue have not been appraised by any bank or financial institution. The deployment of the funds as stated under chapter “Objects of the Issue” is at the discretion of our Board of Directors and is not subject to monitoring by any external independent agency.

As per SEBI (ICDR) Regulations, 2018 appointment of monitoring agency is required only for Issue size above ₹ 10,000 Lakh. Hence, we have not appointed a monitoring agency to monitor the utilization of Issue proceeds. However, the Audit Committee of our Board will monitor the utilization of Issue proceeds. Further, our Company shall inform about material deviations in the utilization of Issue proceeds to the stock exchange and shall also simultaneously make the material deviations / adverse comments of the audit committee public.

**35. *If we are unable to continue to innovate or if we fail to adapt to changes in our industry, our business, financial condition, cash flows and results of operations would be adversely affected.***

Our Company’s future success will depend on our ability to adapt and innovate to dynamic industry and market aspects. Enhancements and new services that we develop may not be introduced in a timely or cost-effective manner, may contain errors, defects or bugs. We have in the past experienced delays in our internally planned release dates of new solutions and services and there can be no assurance that any of these

developments or enhancements will be released according to schedule.

An inability to recognise and incorporate evolving technology for the improvement of our solutions or services, whether due to technology capability or capital constraints could also have a significant adverse impact on our business and competitive advantage. If we are unable to respond in a timely, user-friendly and cost-effective manner to these rapid technological developments, or successfully adopt such advancements and deploy it profitably, our services and solutions may become less marketable and less competitive or obsolete, and our business, results of operations and financial condition may be adversely affected.

***36. Any variation in the utilisation of Net Proceeds would be subject to certain compliance requirements, including prior shareholders' approval.***

We propose to utilise the Net Proceeds towards the objects of the Company as mentioned in chapter titled "Objects of the Issue" beginning on page 105. At this stage, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with Sections 13(8) and 27 of the Companies Act, 2013, we cannot undertake any variation in the utilisation of the Net Proceeds without obtaining the shareholders' approval through a special resolution. In the event of any such circumstances that require us to undertake variation in the disclosed utilisation of the Net Proceeds, we may not be able to obtain the shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such shareholders' approval may adversely affect our business or operations.

Further, our Promoters would be liable to provide an exit opportunity to shareholders who do not agree with our proposal to change the objects of the Issue or vary the terms of such contracts, at a price and manner as prescribed by SEBI. Additionally, the requirement of our Promoters to provide an exit opportunity to such dissenting shareholders may deter the Promoters from agreeing to the variation of the proposed utilisation of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoters or the controlling shareholders of our Company will have adequate resources at their disposal at all times to enable them to provide an exit opportunity at the price prescribed by SEBI.

***37. We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the issue proceeds may delay the implementation schedule.***

Our requirements for proposed funds for our expansion plan as described in the section titled "Objects of the Issue" is to be funded from the proceeds of this IPO. Other than this offering, we have not identified any alternate source of funding and any delay or failure to mobilize the required funding or any shortfall in the issue proceeds may delay the implementation schedule. Further, we cannot provide any assurance that we would be able to execute our plans/strategy within the given timeframe. For details, kindly refer to the chapter titled "Object of the Issue" on page 105.

***38. Our Company may incur penalties or liabilities for non-compliance with certain provisions of the GST Act, Income Tax and other applicable laws in previous years.***

Our Company have incurred penalties or liabilities for non-compliance with certain provisions including lapsed/ made delay in certain filings and/or erroneous filing/ non-filing of e-forms under applicable acts to it in the past years. Such non-compliances/delay Compliances/ erroneous filing/ Non-Filing/ Non-Registration may incur the penalties or liabilities which may affect the results of operations and financial conditions of the company in near future. The details of late filings in past years are given below:

						<i>(days)</i>
GSTIN of the Taxpayer	Financial Year	Return Month	Return Type	Due Date	Filing date	Delayed number of days
<b>GST</b>						
<b>07AAACU0841J1ZG</b>	2021-22	April	GSTR3B	20-05-21	21-05-21	1
	2020-21	November	GSTR1	11-12-20	12-12-20	1
	2020-21	July	GSTR1	11-08-20	12-08-20	1
	2020-21	June	GSTR1	11-07-20	20-07-20	9
	2020-21	May	GSTR1	11-06-20	25-09-20	106
	2020-21	April	GSTR1	11-05-20	18-07-20	68
	2020-21	April	GSTR3B	09-07-20	18-07-20	9
	2019-20	March	GSTR3B	06-07-20	16-07-20	10
	2019-20	March	GSTR1	11-04-20	16-07-20	96
	2019-20	February	GSTR3B	05-07-20	15-07-20	10
	2019-20	January	GSTR1	11-02-20	13-02-20	2
	2019-20	December	GSTR3B	20-01-20	21-01-20	1
	2019-20	November	GSTR1	11-12-19	12-12-19	1
	2019-20	September	GSTR1	11-10-19	19-10-19	8
	2019-20	August	GSTR1	11-09-19	19-10-19	38
	2019-20	July	GSTR1	11-08-19	13-08-19	2
	2019-20	June	GSTR1	11-07-19	17-07-19	6
	2019-20	May	GSTR1	11-06-19	13-06-19	2
2019-20	April	GSTR1	11-05-19	14-05-19	3	
<b>ESI</b>						
<b>ESI</b>	FY 23-24	Feb-24	ESIC	15-Mar-24	18-Mar-24	3
	FY 21-22	Sep-21	ESIC	15-Oct-21	15-Nov-21	31
	FY 21-22	Dec-21	ESIC	Dec-21	13-Jan-22	43
	FY 19-20	Apr-19	ESIC	15-May-19	16-May-19	1
	FY 19-20	Jul-19	ESIC	15-Jul-19	16-Jul-19	1
<b>EPF</b>						
<b>EPF</b>	FY 22-23	Jun-22	EPF	15-Jun-22	15-Jul-22	30
	FY 22-23	Nov-22	EPF	15-Dec-22	14-Feb-23	61
	FY 22-23	Dec-22	EPF	15-Jan-23	14-Feb-23	30
	FY 21-22	Jun-21	EPF	15-Jun-21	17-Jun-21	2
	FY 21-22	Sep-21	EPF	15-Oct-21	15-Nov-21	31
	FY 20-21	Apr-20	EPF	15-May-20	18-May-20	3
	FY 19-20	Apr-19	EPF	15-May-19	16-May-19	1
	FY 19-20	Jul-19	EPF	15-Jul-19	16-Jul-19	1

Aside from the late filing penalty, there are no additional risks associated with delayed filings. The company is committed to implementing measures to ensure timely submissions in the future.

**39. *Our insurance policy may not be adequate to cover all the losses which a business could incur. Any inability to maintain adequate cover from material adverse incidents may adversely affect our operation and profitability.***

We have obtained some insurance policies in connection with our business as given in chapter titled “Our Business” on page 150. While we are of the opinion that the insurance coverage which our Company maintains would be reasonably adequate to cover the normal risks associated with the operations of our business, we cannot assure you that any claim under the insurance policies maintained by us will be honoured fully, in part or on time, or that we have taken out sufficient insurance to cover all our losses. Our Company’s insurance policies may not provide adequate coverage in certain circumstances and are subject to certain deductibles, exclusions and limits on coverage. In addition, our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the normal course of our business, but we cannot assure you that such renewals will be granted in a timely manner, at acceptable cost or at all. To the extent that we suffer loss or damage for which we did not obtain or maintain insurance, and which is not covered by insurance or exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us and our results of operations, cash flows and financial condition may be adversely affected.

**40. *Significant differences exist between Ind AS and other accounting principles, such as Indian GAAP, IFRS and U.S. GAAP, which may be material to investors’ assessments of our financial condition, result of operations and cash flows.***

Our restated summary statements of assets and liabilities, restated summary statements of profit and loss (including other comprehensive income), cash flows and changes in equity for the six months period ended financial 2024, 2023 and 2022 have been prepared in accordance with the Indian GAAP.

We have not attempted to quantify the impact of Indian GAAP, US GAAP, IFRS or any other system of accounting principles on the financial data included in the Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of US GAAP, IFRS or any other accounting principles. US GAAP, Indian GAAP and IFRS differ in significant respects from Ind AS. Accordingly, the degree to which the Restated Financial Information included in the Red Herring Prospectus 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 the Red Herring Prospectus should accordingly be limited.

**41. *Our Company is subject to foreign exchange control regulations which can pose a risk of currency fluctuations.***

Our Company is involved in business transactions with international clients located globally and has to conduct the transactions in accordance with the rules and regulations prescribed under FEMA. Our international operations make us susceptible to the risk of currency fluctuations, which may directly affect our operating results. In case we are unable to adhere to the timelines prescribed under the applicable laws or are unable to mitigate the risk of currency fluctuation, it may adversely affect our business, results of operations, financial conditions and cash flows.

***42. Our ability to pay dividends in the future may be affected by any material adverse effect on our future earnings, financial condition or cash flows.***

Our ability to pay dividends in future will depend on our earnings, financial condition and capital requirements. Our business is working capital intensive and declaration of dividend will depend upon financial performance of our Company at the time of declaration. We may be unable to pay dividends in the near or medium term, and our future dividend policy will depend on our capital requirements and financing arrangements (if any) in respect of our operations, financial condition and results of operations. Our Company has not declared dividends in the past and there can be no assurance that our Company will declare dividends in the future. For further details, please refer to the chapter titled “*Dividend Policy*” on pages 248 of this Draft Red Herring Prospectus.

***43. This Draft Red Herring Prospectus contains information from third parties, including an industry report prepared by an independent third-party research agency, Infomerics Analytics and Research Private Limited, which we have commissioned and paid for purposes of confirming our understanding of the industry exclusively in connection with the Offer.***

The industry and market information contained in this Draft Red Herring Prospectus includes information derived from an industry report prepared by Infomerics Analytics and Research Private Limited (the “Infomerics Report”) titled “NBFC Industry Report” and dated June 29th, 2024. The Infomerics Report has been commissioned and paid for by us for the purpose of confirming our understanding of the industry exclusively in connection with the Offer. We officially engaged Infomerics in connection with the preparation of the Infomerics Report pursuant to an engagement letter. The Infomerics Report uses certain methodologies for market sizing and forecasting and may include numbers relating to our Company that differ from those we record internally. Given the scope and extent of the Infomerics Report, disclosures herein are limited to certain excerpts and the Infomerics Report has not been reproduced in its entirety in this Draft Red Herring Prospectus. Accordingly, investors should read the industry-related disclosure in this Draft Red Herring Prospectus in this context. Neither our Company, the BRLMs are related to Infomerics. For details, see “Our industry” on page 126 of this Draft Red Herring Prospectus.

Industry sources and publications are also prepared based on information as of specific dates. Industry sources and publications may also base their information on estimates, projections, forecasts, and assumptions that may prove to be incorrect. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced for other economies and should not be unduly relied upon. Further, we cannot assure you that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Draft Red Herring Prospectus. Accordingly, investors should not place undue reliance on, or base their investment decision solely on this information.

***44. Our Company’s future funding requirements, in the form of further issue of capital or other securities and/or loans that might be availed by us, may turn out to be prejudicial to the interest of the shareholders depending upon the terms and conditions on which they are raised.***

We may require additional capital from time to time depending on our business needs. Any further issue of Equity Shares or convertible securities would dilute the shareholding of the existing shareholders and such issuance may be done on terms and conditions, which may not be favourable to the then existing shareholders. If such funds are raised in the form of loans or debt or preference shares, then it may substantially increase

our fixed interest/dividend burden and decrease our cash flows, thus adversely affecting our business, results of operations and financial condition.

**Risks related to the Issue.**

- 45. *Equity Shares of our Company have never been publicly traded, and after the Issue, the Equity Shares may be subject to price and volume fluctuations, and an active trading market for the Equity Shares may or may not develop. Further, the Issue Price may not be indicative of the market price of the Equity Shares after the Issue.***

Prior to this Issue of our Company, no public market existed for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Issue. Listing and quotation of Equity Shares does not guarantee that a market for the same will develop, or if developed, the liquidity of such market for the Equity Shares cannot be guaranteed. The Issue Price of the Equity Shares is proposed to be determined through a book building process in compliance with Schedule XIII of the SEBI ICDR and the same may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The Issue Price will be based on numerous factors, as described in the section “Basis for Issue Price” beginning on page 114. This price may not necessarily be indicative of the market price of our Equity Shares after the Issue is completed. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results, market conditions specific to the industry we operate in.

Our Equity Shares are expected to trade on NSE and BSE after the Issue, but there can be no assurance that active trading in our Equity Shares will develop after the Issue, or if such trading develops, that it will continue. Investors may not be able to sell our Equity Shares at the quoted price if there is no active trading in our Equity Shares.

- 46. *You may be subject to Indian taxes arising out of capital gains on the sale of our Equity Shares.***

Capital gains arising from the sale of equity shares within 12 months in an Indian company are generally taxable in India. Any gain realised on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to capital gain being long term capital gain amounting to upto one lakhs rupees provided Securities Transaction Tax (“STT”) is paid on the transaction. STT is levied on and collected by a domestic stock exchange on which equity shares are sold. Any gain realised on the sale of equity shares held for more than 12 months to an Indian resident, which are sold other than on a recognized stock exchange and on which no STT has been paid, is subject to long term capital gains tax in India. Further, any gain realised 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 equity shares is exempt from taxation in India where an 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 to pay tax in India as well as in their own jurisdiction on a gain on the sale of equity shares.

- 47. *QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after the submission of their Bid, and Retail Individual Investors are not permitted to withdraw their Bids after closure of the Bid/ Issue Closing Date.***

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are required to pay the Bid Amount on submission of the Bid and are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Investors can revise

their Bids during the Bid/ Issue Period and withdraw their Bids until the Bid/ Issue Closing Date. While we are required to complete all necessary formalities for listing and commencement of trading of the Equity Shares on all Stock Exchanges where such Equity Shares are proposed to be listed, including Allotment, within three Working Days from the Bid/ Issue Closing Date or such other period as may be prescribed by the SEBI, events affecting the investors' decision to invest in the Equity Shares, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations, cash flows or financial condition may arise between the date of submission of the Bid and Allotment. We may complete the Allotment of the Equity Shares even if such events occur, and such events may limit the Investors' ability to sell the Equity Shares Allotted pursuant to the Issue or cause the trading price of the Equity Shares to decline on listing.

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

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

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

Under the Companies Act, a company having share capital and incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages before the issuance of any new equity shares, unless the pre-emptive rights have been waived by adoption of a special resolution. However, if the laws of the jurisdiction the investors are located in does not permit them to exercise their pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, the investors will be unable to exercise their pre-emptive rights unless we make such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for the investor's benefit. The value the custodian receives on the sale of such securities and the related transaction costs cannot be predicted. In addition, to the extent that the investors are unable to exercise pre-emption rights granted in respect of the Equity Shares held by them, their proportional interest in us would be reduced.

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

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

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## External Risk Factors

***51. Natural disasters, epidemics, pandemics, acts of war, terrorist attacks and other events could materially and adversely affect our business and profitability.***

Natural disasters (such as earthquakes, fire, typhoons, cyclones, hurricanes and floods), pandemics, epidemics, strikes, civil unrest, terrorist attacks and other events, which are beyond our control, may lead to global or regional economic instability, which may in turn materially and adversely affect our business, financial condition, cash flows and results of operations. Any of these occurrences could cause severe disruptions to our daily operations and may warrant a temporary closure of our facilities. Such closures may disrupt our business operations and adversely affect our results of operations. Our operation could also be disrupted if our clients are affected by such natural disasters or epidemics. An outbreak or epidemic, such as SARS, the H1N1 and H5N1 viruses or COVID-19 could cause general consumption or the demand for various products to decline, which could result in reduced demand for our services. Such an outbreak or epidemic may significantly interrupt our business operations as health or governmental authorities may impose quarantine and inspection measures on us or our clients.

Moreover, certain regions in India have witnessed terrorist attacks and civil disturbances and it is possible that future terrorist attacks or civil unrest, as well as other adverse social, economic and political events in India could have a negative effect on us. Transportation facilities, including vehicles, can be targets of terrorist attacks, which could lead to, among other things, increased insurance and security costs. Regional and global political or military tensions or conflicts, strained or altered foreign relations, protectionism and acts of war or the potential for war could also cause damage and disruption to our business, which could materially and adversely affect our business, financial condition, cash flows and results of operations. Such incidents could create the perception that investments in Indian companies involve a higher degree of risk and such perception could adversely affect our business and the price of the Equity Shares.

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

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, including India. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any 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.

***53. Changing laws, rules and regulations and legal uncertainties in India and other countries may adversely affect our business and financial performance.***

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes may adversely affect our business, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. For example, the Government of India implemented a comprehensive national goods and services tax (“GST”) regime with effect from July 1, 2017, that combined multiple taxes and levies by the Central and State Governments into a unified tax structure. Our business and financial performance could be adversely affected by any unexpected or onerous requirements or regulations resulting from the introduction of GST or any changes in laws or interpretation of existing laws, or the promulgation of new laws, rules and regulations relating to GST, as it is implemented. The Government has enacted the GAAR which have come into effect from April 1, 2017.

Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current businesses or restrict our ability to grow our businesses in the future.

***54. Under Indian legal regime, foreign investors are subject to investment restrictions that limit our Company’s ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares. Accordingly, our ability to raise foreign capital may be constrained.***

As a company incorporated in India, we are subject to exchange controls that govern the borrowings in foreign currencies. Further, under applicable foreign exchange regulations in India, transfer of shares between non-residents and residents are freely permitted (subject to compliance with sectoral norms and certain other restrictions), if they comply with the pricing guidelines and reporting requirements specified under applicable laws. If share transfer is not in compliance with such requirements and does not fall under any of the permissible exceptions, then prior approval of the relevant regulatory authority is required. Such regulatory restrictions limit our financing sources and could constrain our ability to obtain financings on competitive terms and refinance existing indebtedness.

***55. Investors outside India subscribing to this Issue may not be able to enforce any judgment of a foreign court against us, except by way of a suit in India.***

Our Company is a limited liability company incorporated under the laws of India. Our Company’s assets are located in India. As a result, it may be difficult for investors to effect service of process upon us or such persons in India or to enforce judgments obtained against our Company or such parties outside India. India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. India has reciprocal recognition and enforcement of judgments in civil and commercial matters with a limited number of jurisdictions, including the United Kingdom, Singapore, UAE, and Hong Kong. A judgment from certain specified courts located in a jurisdiction with reciprocity must meet certain requirements of the Code of Civil Procedure, 1908, as amended (“Civil Procedure Code”). The United States has not been notified as a reciprocating territory.

In addition, any person seeking to enforce a foreign judgment in India is required to obtain the prior approval of the RBI to repatriate any amount recovered, and we cannot assure that such approval will be forthcoming within a reasonable period of time, or at all, or that conditions of such approvals would be acceptable. Such amount may also be subject to income tax in accordance with applicable law. Consequently, it may not be possible to enforce in an Indian court any judgment obtained in a foreign court, or effect service of process outside of India, against Indian companies, entities, their directors and executive officers and any other parties resident in India. Additionally, there is no assurance that a suit brought in an Indian court in relation to a foreign judgment will be disposed of in a timely manner.

***56. Any adverse change or downgrading in ratings of India may adversely affect our business, results of operations and cash flows.***

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.

***57. The requirements of being a listed company may strain our resources.***

We are not a listed company and have not been subjected to the increased scrutiny of our affairs by shareholders, regulators and the public at large that is associated by the virtue of being a listed company. As a listed company, we will incur considerable legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the listing compliances and reporting requirements to the Stock Exchanges on which equity shares of our Company will be listed, which require us to file audited annual and unaudited quarterly reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations as timely as other listed companies.

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**SECTION IV- INTRODUCTION  
THE ISSUE**

Particulars	Details of Number of Shares
Issue of Equity Shares by our Company	58,60,000 Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. [●]/- per Equity Share aggregating to Rs. [●] Lakh.
<b>Of which:</b>	
Reserved for Market Makers	3,20,800 Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. [●]/- per Equity Share aggregating to Rs. [●] Lakh.
Net Issue to the Public	55,39,200 Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. [●]/- per Equity Share aggregating to Rs. [●] Lakh.
<b>Of which:</b>	
<b>A. QIB portion **</b>	Not more than [●] Equity Shares
Of which	
(a) Anchor Investor Portion	Upto [●] Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. [●] /- per Equity Share aggregating to Rs. [●] Lakhs
(b) Net QIB Portion (assuming the anchor Investor Portion is fully subscribed)	Upto [●] Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. [●] /- per Equity Share aggregating to Rs. [●] Lakhs
<b>Of which:</b>	
(i) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	Upto [●] Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. [●] /- per Equity Share aggregating to Rs. [●] Lakhs
(ii) Balance of QIB Portion for all QIBs including Mutual Funds	Upto [●] Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. [●] /- per Equity Share aggregating to Rs. [●] Lakhs
<b>B. Non – institutional portion **</b>	Not Less than [●] Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. [●] /- per Equity Share aggregating to Rs. [●] Lakhs
<b>C. Retail portion **</b>	Not Less than [●] Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. [●] /- per Equity Share aggregating to Rs. [●] Lakhs
<b>Pre-and Post-Issue Equity Shares:</b>	
Equity Shares outstanding prior to the Issue	1,58,77,631 Equity Shares of Rs.10/- each
Equity Shares outstanding after the Issue	2,17,37,631 Equity Shares of Rs.10/- each
Use of Proceeds	Please see the chapter titled “ <i>Objects of the issue</i> ” on page 105 of this Draft Red Herring Prospectus for information about the use of Net Proceeds.

**\*\*As per the Regulation 253 of the SEBI (ICDR) Regulations, 2018, as amended, as present issue is a Book Building issue the allocation is the net offer to the public category shall be made as follows:**

- a) Not less than Thirty five percent to retail individual investor;
- b) Not less than Fifteen percent to non-institutional investor

- c) *Not more than fifty percent to qualified institutional buyers, five percent of which shall be allocated to mutual funds.*

*Provided that the unsubscribed portion in either of the categories specified in clauses (a) or (b) may be allocated to applicants in the other category.*

*Provided further that in addition to five percent allocation available in terms of clause (C), mutual funds shall be eligible for allocation under the balance available for qualified institutional buyers.*

*Our Company, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. The QIB Portion will accordingly be reduced for the Equity Shares allocated to Anchor Investors. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portions shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For details, see “Issue Procedure” on page 371.*

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

**Notes**

- 1) *The Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. The issue is being made by our company in terms of Regulation 229 (2) of SEBI (ICDR) Regulation, read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post issued paid-up equity share capital of our company are being offered to the public for subscription.*
- 2) *The Issue has been authorized by our Board pursuant to a resolution passed at its meeting held on July 02, 2024, and by our Shareholders pursuant to a resolution passed at the EGM held on July 04, 2024. This Issue is made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details please refer to the section titled “Issue Structure” beginning on page no. 412 of this Draft Red Herring Prospectus.*

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**SUMMARY OF OUR FINANCIAL INFORMATION**
**ANNEXURE – I**
**RESTATED STATEMENT OF ASSETS AND LIABILITIES**
*(Amount in Lakhs)*

Particulars		Note No.	As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2022
<b>I.</b>	<b>EQUITY AND LIABILITIES</b>				
<b>(1)</b>	<b>Shareholders' Funds</b>				
	(a) Share Capital	3	1,587.76	941.81	658.17
	(b) Reserves and Surplus	4	9,014.87	7,265.57	4,109.41
<b>(2)</b>	<b>Non-Current Liabilities</b>				
	(a) Long-Term Borrowings	5	7,368.15	11,042.33	4,564.23
	(b) Other Long-Term Liabilities	6	1,061.56	1,687.34	757.72
	(c) Long Term Provisions	7	19.20	13.27	10.90
<b>(3)</b>	<b>Current Liabilities</b>				
	(a) Short Term Borrowings	8	10,760.07	13,709.08	5,158.99
	(b) Trade Payables	9			
	(i) Total Outstanding dues of Micro and Small Enterprises and		2.39	3.63	15.12
	(ii) Total Outstanding dues other than Micro and Small Enterprises		45.09	65.46	33.63
	(c) Other Current Liabilities	10	3,402.38	2,229.01	782.05
	(d) Short-Term Provisions	11	324.34	265.14	337.85
	<b>Total</b>		<b>33,585.81</b>	<b>37,222.64</b>	<b>16,428.07</b>
<b>II.</b>	<b>ASSETS</b>				
<b>(1)</b>	<b>Non-current assets</b>				
	(a) Property, Plant and Equipment and Intangible assets				
	(i) Property, Plant and Equipment	12	720.21	47.88	65.12
	(ii) Intangible assets	13	0.45	1.19	3.67
	(iii) Capital work in progress	14	146.26	-	-
	(iv) Intangible assets Under Development	15	0.26	-	-
	(b) Non-Current Investments	16	-	-	215.95
	(c) Deferred Tax Assets (net)	17	88.94	73.21	63.94
	(d) Long Term Loans & Advances	18	5,914.21	10,207.14	3,905.41
	(e) Other Non-Current Assets	19	64.54	864.79	71.74
<b>(2)</b>	<b>Current assets</b>				
	(a) Cash and Cash Equivalents	20	774.83	7.26	93.66
	(b) Short Term Loans & Advances	18	24,781.55	25,561.80	11,257.45
	(c) Other Current Assets	21	1,094.56	459.37	751.13
	<b>Total</b>		<b>33,585.81</b>	<b>37,222.64</b>	<b>16,428.07</b>

**ANNEXURE – II**

**RESTATED STATEMENT OF PROFIT AND LOSS**

*(Amount in Lakhs)*

Particulars	Note No.	For the year ended March 31, 2024	For the year ended 31 March, 2023	For the year ended 31 March, 2022
I. Revenue from operations	22	6,322.20	4,563.17	2,502.62
II. Other Income	23	73.85	55.56	28.74
<b>III. Total Income (I +II)</b>		<b>6,396.05</b>	<b>4,618.73</b>	<b>2,531.36</b>
<b>IV. Expenses:</b>				
(a) Employee benefits expenses	24	310.24	250.09	229.77
(b) Finance costs	25	2,977.74	2,150.47	1,042.89
(c) Depreciation and amortisation expenses	26	26.69	22.89	32.25
(d) Provision & Write-off	27	358.98	44.23	263.25
(e) Other expenses	28	949.98	772.21	415.29
<b>Total Expenses</b>		<b>4,623.63</b>	<b>3,239.89</b>	<b>1,983.45</b>
<b>V. Profit before Exceptional and Extraordinary Items and Tax (III - IV)</b>		<b>1,772.42</b>	<b>1,378.84</b>	<b>547.91</b>
<b>VI. Exceptional Items</b>		-	-	-
<b>VII. Profit before extraordinary items and tax</b>		<b>1,772.42</b>	<b>1,378.84</b>	<b>547.91</b>
<b>VIII. Extraordinary Items</b>			-	-
<b>IX. Profit before tax (VII-VIII)</b>		<b>1,772.42</b>	<b>1,378.84</b>	<b>547.91</b>
<b>X. Tax expense:</b>				
(i) Current tax		443.20	371.56	147.25
(ii) Tax for earlier years		-	-	-
(iii) Deferred tax		(15.73)	(9.27)	(13.76)
<b>XI. Profit/ (Loss) from the period from continuing operations (IX - X)</b>		<b>1,344.95</b>	<b>1,016.55</b>	<b>414.42</b>
<b>XII. Profit/ (Loss) from discontinuing operations</b>		-	-	-
<b>XIII. Tax expense of discounting operations</b>		-	-	-
<b>XIV. Profit/(Loss) from Discontinuing operations</b>		-	-	-
<b>XV. Profit/ (Loss) for the period (XI + XIV)</b>		<b>1,344.95</b>	<b>1,016.55</b>	<b>414.42</b>
<b>XVI. Earnings per equity shares (of Rs. 10/- each)</b>				
(i) Basic	29	8.64	7.42	3.51
(ii) Diluted		8.64	7.42	3.51

*This space has been left blank intentionally.*

## RESTATED CASH FLOW STATEMENTS

(Amt in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended 31 March, 2023	For the year ended 31 March, 2022
<b><u>CASH FLOW FROM OPERATING ACTIVITIES</u></b>			
Net Profit Before Tax	1,772.42	1,378.84	547.91
<b>Adjustments for:</b>			
Interest Income	(56.87)	(42.04)	(26.16)
Depreciation & Amortization	26.69	22.89	32.25
Loss /(Profit) on Sale of Shares	-	81.86	-
Profit on sale of Fixed Assets	(14.90)	-	(0.05)
Provision for Standard and Non-performing assets	70.22	34.22	51.40
Portfolio loans written off	288.76	10.01	211.85
<b>Operating Profit before Working Capital Changes</b>	<b>2,086.32</b>	<b>1,485.78</b>	<b>817.20</b>
<b>Adjustments for:</b>			
Decrease/(Increase) in short term Loan & Advances	780.25	(14,304.35)	(5,216.27)
Decrease/(Increase) in long term Loan & Advances	4,004.17	(6,311.74)	393.03
Decrease/(Increase) in Other Current Assets	(601.53)	118.86	(121.75)
Decrease/(Increase) in Other Non-Current Assets	800.25	(793.05)	57.03
Increase/(Decrease) in Payables	(21.61)	20.34	(43.02)
Increase/(Decrease) in Provisions	6.20	2.38	1.63
Increase/(Decrease) in Other Current Liabilities	1,173.37	1,446.96	236.40
Increase/(Decrease) in Other Non-Current Liabilities	(625.78)	929.62	544.02
<b>Cash generated from operations</b>	<b>7,601.64</b>	<b>(17,405.20)</b>	<b>(3,331.73)</b>
Income taxes refunded/ (paid)	(454.97)	(310.75)	(187.45)
<b>Net cash flow from operations (A)</b>	<b>7,146.67</b>	<b>(17,715.95)</b>	<b>(3,519.18)</b>
<b><u>CASH FLOW FROM INVESTING ACTIVITIES</u></b>			
Purchase of Fixed Assets	(850.13)	(3.17)	(4.01)
Interest Income on Fixed Deposits	23.69	47.19	20.87
Proceeds from Sale of Fixed Assets	20.23	-	(0.01)
(Purchase)/Sale of Investments	-	134.09	2.99
<b>Net cash flow from/ (used in) investing activities (B)</b>	<b>(806.21)</b>	<b>178.11</b>	<b>19.84</b>
<b><u>CASH FLOW FROM FINANCING ACTIVITIES</u></b>			
Proceeds from Issue of Equity Shares	1,050.30	2,423.25	112.05
Proceeds/(Repayment) from Issuance of Debentures (Net)	(429.00)	1,362.00	112.00
Proceeds/(Repayment) of long-term Borrowings (Net)	(2,412.18)	5,079.10	1,024.47
Proceeds/(Repayment) of short-term Borrowings (Net)	(3,782.01)	8,587.09	2,282.12
<b>Net cash flow from/ (used in) financing activities (C)</b>	<b>(5,572.89)</b>	<b>17,451.44</b>	<b>3,530.64</b>
Net increase/(decrease) in cash and cash equivalents (A+B+C)	767.57	(86.40)	31.30
Cash and cash equivalents at the beginning of the period/ year	7.26	93.66	62.36
Cash and cash equivalents at the closing of the period/ year	774.83	7.26	93.66

## GENERAL INFORMATION

### Brief Information on Company and Issue

<b>Registered Office</b>	330, Mezanine Floor Functional Industrial Estate, Patparganj, Delhi- 110092, India Tel.: 011 47019079; Fax: N.A. E-mail: <a href="mailto:compliance@ushafinancial.com">compliance@ushafinancial.com</a> ; Website: <a href="https://www.ushafinancial.com/">https://www.ushafinancial.com/</a> ;			
<b>Date of Incorporation</b>	May 16, 1995			
<b>CIN</b>	U74899DL1995PLC068604			
<b>Company Category</b>	Company Limited by Shares			
<b>Registrar of Company</b>	Registrar of Companies, Delhi 4th Floor, IFCI Tower, 61, Nehru Place, New Delhi-110019 Tel. No.: 011-26235703 Email: <a href="mailto:roc.delhi@mca.gov.in">roc.delhi@mca.gov.in</a> Website: <a href="http://www.mca.gov.in">www.mca.gov.in</a>			
<b>Company Secretary and Compliance Officer</b>	Ms. Kritika Goswami 330, Mezanine Floor Functional Industrial Estate, Patparganj, Delhi- 110092, India Tel: 011 47019079; Fax: N.A. Email: <a href="mailto:compliance@ushafinancial.com">compliance@ushafinancial.com</a>			
<b>Chief Financial Officer</b>	Mr. Prashant Raghuwanshi 330, Mezanine Floor Functional Industrial Estate, Patparganj, Delhi- 110092, India Tel: 011 47019079; Fax: N.A. Email: <a href="mailto:compliance@ushafinancial.com">compliance@ushafinancial.com</a>			
<b>Designated Stock Exchange</b>	Emerge Platform of National Stock Exchange of India Limited Address: Exchange Plaza, Plot no. C/1, G Block, Bandra – Kurla Complex, Bandra (East), Mumbai – 400051			
<b>Bid/ Issue Programme</b>	Bid/Issue Opens On:	[●]	Bid/Issue Closes On:	[●]
	Anchor Investor Bidding date	[●]		

**Note:** Applications and any revisions to the same will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form, or in the case of ASBA Applicants, at the Designated Bank Branches except that on the Issue Closing Date applications will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time). Applications will be accepted only on Working Days.

**DETAILS OF INTERMEDIARIES PERTAINING TO THIS ISSUE AND OUR COMPANY**

Book Running Lead Managers to the Issue	
	 <b>UNISTONE</b>
<b>Narnolia Financial Services Limited</b>	<b>Unistone Capital Private Limited*</b>
<b>Address:</b> 201, 2nd Floor, Marble Arch, 236 B A.J.C Bose Road, Kolkata, West Bengal- 700020, India	<b>Address:</b> A/305, Dynasty Business Park, Andheri Kurla Road, Andheri East, Mumbai- 400059, Maharashtra.
<b>Telephone:</b> 012 417954664; +91- 8130678743	<b>Telephone:</b> +91 9820057533
<b>Fax No.:</b> Not Available	<b>Email:</b> <a href="mailto:mb@unistonecapital.com">mb@unistonecapital.com</a>
<b>Email:</b> <a href="mailto:pankaj.passi@narnolia.com">pankaj.passi@narnolia.com</a>	<b>Website:</b> <a href="http://www.unistonecapital.com">www.unistonecapital.com</a>
<b>Website:</b> <a href="http://www.narnolia.com">www.narnolia.com</a>	<b>Contact Person:</b> Mr. Brijesh Parekh
<b>Contact Person:</b> Mr. Pankaj Pasi	<b>SEBI Registration Number:</b> INM000012449
<b>SEBI Registration No.</b> INM000010791	<b>CIN:</b> U65999MH2019PTC330850

*\*Unistone Capital Private Limited would be involved only in the marketing of the Issue.*

Registrar to the Issue

<b>Skyline Financial Services Private Limited</b>
<b>Address:</b> D-153 A, 1 <sup>st</sup> Floor, Okhla Industrial Area, Phase – I, New Delhi-110020
<b>Tel No:</b> +91-11-40450193-97
<b>Fax No:</b> +91-11-26812683
<b>Email:</b> <a href="mailto:compliances@skylinerta.com">compliances@skylinerta.com</a>
<b>Website:</b> <a href="http://www.skylinerta.com">www.skylinerta.com</a>
<b>Contact Person:</b> Mr. Pawan Bisht
<b>SEBI Registration No.:</b> INR000003241

Banker to the company	Banker to the company
	
<b>HDFC Bank Limited</b>	<b>State Bank of India</b>
<b>Address:</b> Plot Number 2, Local Shopping Complex, Near Max Balaji Hospital, IP Extension, Patparganj, New Delhi-110092,	<b>Address:</b> S.M.E Branch Chandni Chowk, Delhi - 110006
<b>Tele. No.:</b> +91 7982353595	<b>Tele. No.:</b> +91 97608 25852
<b>Fax No.:</b> NA	<b>Fax No.:</b> NA
<b>E-mail:</b> <a href="mailto:RajatR.Sharma@hdfcbank.com">RajatR.Sharma@hdfcbank.com</a>	<b>E-mail:</b> <a href="mailto:sbi.00631@sbi.co.in">sbi.00631@sbi.co.in</a>
<b>Website:</b> <a href="https://www.hdfcbank.com/">https://www.hdfcbank.com/</a>	<b>Website:</b> <a href="https://www.onlinesbi.sbi/">https://www.onlinesbi.sbi/</a>
<b>Contact Person:</b> Mr. Rajat Sharma	<b>Contact Person:</b> Mr. Gaurav Sharma

Legal Advisor	Peer Review/ Statutory Auditor
	
<b>Abizchancellor Law LLP</b>	<b>M/s K R A &amp; Co., Chartered Accountants</b>
<b>Address:</b> 57A Om Vihar Phase III, Uttam Nagar, New Delhi, 110059.	<b>Address:</b> H -11208, Garg Tower, Netaji Subhash Place, Pitampura, New Delhi -110034
<b>Tel No.:</b> +91 8882017384	<b>Tel No.:</b> 011-47082855
<b>Email:</b> <a href="mailto:adv.parvindra@gmail.com">adv.parvindra@gmail.com</a>	<b>Email Id:</b> <a href="mailto:Gunjan@kra.co.in">Gunjan@kra.co.in</a>
<b>Contact Person:</b> Advocate Parvindra Nautiyal	<b>Contact Person:</b> Mr. Rajat Goyal
<b>Enrollment No.:</b> D/958/2020	<b>Peer Review No.:</b> 015776
	<b>Firm Registration No.:</b> 020266N

## DETAILS OF BOARD OF DIRECTORS OF OUR COMPANY

S. N.	Name	DIN	Category	Designation
1.	Rajesh Gupta	01941985	Executive	Managing Director
2.	Anoop Garg	01941972	Executive	Director
3.	Geeta Goswami	07810522	Executive	Director and Chief Executive Officer
4.	Nupur Gupta	09305281	Non-Executive	Director
5.	Nimisha Jain	10651632	Non-Executive	Independent Director
6.	Pankaj Jain	00257801	Non-Executive	Independent Director

*For further details of our Directors, please refer chapter titled “Our Management” beginning on page 189 of this Draft Red Herring prospectus.*

*Investors may contact our Company Secretary and Compliance Officer and/or the Registrar to the Offer, Skyline Financial Services Private Limited and/or the BRLMs, i.e., Narnolia Financial Services Limited and Unistone Capital Private Limited in case of any pre-Offer or post-Offer related problems, such as non-receipt of letters of Allotment, credit of allotted Equity Shares in the respective beneficiary account, unblocking of amount in ASBA, etc.*

*All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the relevant SCSB to whom the Application was submitted (at ASBA Bidding Locations), giving full details such as name, address of the applicant, number of Equity Shares applied for, Application Amount blocked, ASBA Account number and the Designated Branch of the relevant SCSBs where the Application was submitted by the ASBA Applicants.*

*For all Issue related queries and for redressal of complaints, Applicants may also write to the BRLMs. All complaints, queries or comments received by Stock Exchange/SEBI shall be forwarded to the BRLMs, who shall respond to the same.*

## SELF-CERTIFIED SYNDICATE BANKS

The lists of banks that have been notified by SEBI to act as SCSB for the Applications Supported by Blocked Amount (ASBA) Process are provided on the website of SEBI. For details on Designated Branches of SCSBs collecting the Bid Cum Application Forms, please refer to the below mentioned SEBI link.

<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>

## REGISTERED BROKERS

Bidders can submit Bid cum Application Forms in the Offer using the stock brokers network of the Stock Exchanges, i.e., through the Registered Brokers at the Broker Centres. The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and updated from time to time. For details on Registered Brokers, please refer <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>.

## REGISTRAR TO OFFER AND SHARE TRANSFER AGENTS

The list of the RTAs eligible to accept Bid cum Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of the SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, as updated from time to time.

## COLLECTING DEPOSITORY PARTICIPANTS

The list of the CDPs eligible to accept Bid cum Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the website of Stock Exchange. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the Designated Intermediaries will be available on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time.

## STATEMENT OF RESPONSIBILITY OF THE BOOK RUNNING LEAD MANAGER/STATEMENT OF INTER SE ALLOCATION OF RESPONSIBILITIES

Sr. No.	Activity	Responsibility	Co-Ordinator
1.	Due diligence of the Company including its operations/management/business plans/legal etc. Drafting and design of the Red Herring Prospectus, Red Herring Prospectus, Prospectus, abridged prospectus and application form. The BRLMs shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchange, RoC and SEBI including finalisation of Red Herring Prospectus and Prospectus and RoC filing.	Narnolia	Narnolia
2.	Capital structuring with the relative components and formalities such as type of instruments, size of issue, allocation between primary and secondary, etc.	Narnolia	Narnolia
3.	Drafting and approval of all statutory advertisements	Narnolia	Narnolia
4.	Drafting and approval of all publicity material other than statutory advertisement as mentioned above including corporate advertising, brochure, etc. and filing of media compliance report.	Narnolia	Narnolia
5.	Appointment of intermediaries – Registrar to the Issue, advertising agency, Banker(s) to the Issue, Sponsor Bank, printer, collection centres and other intermediaries, including coordination of all agreements to be entered into with such intermediaries.	Narnolia	Narnolia
6.	Preparation of road show marketing presentation and frequently asked questions	Narnolia	Narnolia
7.	Coordination with Stock Exchanges for Book Building software, bidding terminals, mock trading, payment of 1% security deposit	Narnolia	Narnolia

Sr. No.	Activity	Responsibility	Co-Ordinator
8.	Managing and finalization of pricing in consultation with the Company	Narnolia	Narnolia
9.	Retail and Non-institutional marketing of the Issue, which will cover, inter alia, <ul style="list-style-type: none"> <li>Finalising media, marketing and public relations strategy including list of frequently asked questions at road shows;</li> <li>Finalising centres for holding conferences for brokers, etc.;</li> <li>Follow-up on distribution of publicity and Issue material including application form, the Prospectus and deciding on the quantum of the Issue material; and</li> <li>Finalising collection centres</li> </ul>	Unistone and Narnolia	Unistone
10.	Post bidding activities including management of escrow accounts, coordinate non- institutional allocation, coordination with Registrar, SCSBs, Sponsor Banks and other Bankers to the Issue, intimation of allocation and dispatch of refund to Bidders, etc. Other post-Issue activities, which shall involve essential follow-up with Bankers to the Issue and SCSBs to get quick estimates of collection and advising Company about the closure of the Issue, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, listing of instruments, dispatch of certificates or demat credit and refunds, payment of STT and coordination with various agencies connected with the post-Issue activity such as Registrar to the Issue, Bankers to the Issue, Sponsor Bank, SCSBs including responsibility for underwriting arrangements, as applicable. Coordinating with Stock Exchanges and SEBI for submission of all post- Issue reports including the final post-Issue report to SEBI.	Narnolia	Narnolia

*Note: Unistone Capital Private Limited would be involved only in the marketing of the Issue.*

## **CREDIT RATING**

This being an issue of Equity Shares, credit rating is not required.

## **IPO GRADING**

Since the Issue is being made in terms of Chapter IX of SEBI ICDR Regulations, there is no requirement of appointing an IPO grading agency.

## **EXPERT OPINION**

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

Our Company has received written consent dated July 05, 2024, from Peer Review Auditor namely, M/s KRA & Co., Chartered Accountants, (FRN: 020266N), and Legal Advisor, M/s Abizchancellor Law LLP acting through Advocate Parvindra Nautiyal dated July 09, 2024, to include their name as an expert as defined under Section 2(38) of the Companies Act, read with Section 26(5) of the Companies Act 2013.

We have also taken an Industry report dated June 29, 2024, from Infomerics Analytics and Research Private Limited (“Infomerics Report”) on “NBFC Industry Report” by their consent dated July 03, 2024, to use their name in the Draft Red Herring Prospectus.

The report of the peer review auditor on Statement of Tax Benefits and report on Restated Financials, for the financial years ended March 31, 2024, 2023 & 2022 as included in this Draft Red Herring Prospectus.

Further, M/s Abizchancellor Law LLP acting through Advocate Parvindra Nautiyal has given his legal due diligence report, as included in this Draft Red Herring Prospectus, in relation to the Outstanding Litigations and Material Developments dated July 10, 2024

Aforementioned consents have not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term - expert shall not be construed to mean an - expert as defined under the U.S. Securities Act. All the intermediaries including Merchant Bankers has relied upon the appropriacy and authenticity of the same.

### **DEBENTURE TRUSTEE**

Since this is not a debenture issue, appointment of debenture trustee is not required.

### **APPRAISAL AND MONITORING AGENCY**

As per regulation 262(1) of SEBI ICDR Regulations, the requirement of monitoring agency is not mandatory if the Issue size is up to Rs. 10,000 Lakh. Since the Issue size is below Rs. 10,000 Lakh, our Company has not appointed any monitoring agency for this Issue. However, as per section 177 of the Companies Act, 2013 the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the issue.

### **BOOK BUILDING PROCESS**

The book building, in the context of the Issue, refers to the process of collection of Bids on the basis of the Draft Red Herring Prospectus/ Red Herring Prospectus within the Price Band, which will be decided by our Company, in consultation with the BRLMs, and will be advertised in [●] editions of the English national newspaper, [●] editions of the Hindi national newspaper, and [●] editions in regional newspaper of Hindi, where our Registered Office is located, each with wide circulation, at least two working days prior to the Bid/ Offer Opening Date. The Offer Price shall be finalized after the Bid/ Issue Closing Date. The principal parties involved in the Book Building Process are:

All Bidders (except Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. Pursuant to the UPI Circulars, Retail Individual Bidders may also participate in this Offer through UPI in the ASBA process. In accordance with the SEBI ICDR Regulations, QIBs bidding in the QIB Portion and Non-Institutional Bidders bidding in the Non-Institutional Portion are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/ Offer Period and withdraw their Bids until the Bid/ Offer Closing Date. Each Bidder by submitting a Bid in Offer, will be deemed to have acknowledged the above restrictions and the terms of the Offer.

Our Company will comply with the SEBI ICDR Regulations and any other directions issued by SEBI in relation to this Issue. In this regard, our Company has appointed the BRLMs to manage this Issue and procure Bids for this Issue. The Book Building Process is in accordance with guidelines, rules and regulations prescribed by

SEBI and are subject to change from time to time. Bidders are advised to make their own judgement about an investment through this process prior to submitting a Bid.

The process of Book Building is in accordance with the guidelines, rules and regulations prescribed by SEBI under the SEBI ICDR Regulations and the Bidding Processes are subject to change from time to time. Investors are advised to make their own judgment about investment through this process prior to submitting a Bid in this Offer.

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

For further details, please refer to the chapters titled “Issue Structure” and “Issue Procedure” beginning on pages 412 and 371, respectively of this Draft Red Herring Prospectus.

### **ILLUSTRATION OF BOOK BUILDING PROCESS AND THE PRICE DISCOVERY PROCESS**

For an illustration of the Book Building Process and the price discovery process, please refer to the chapter titled “Issue Procedure” on page 371 of this Draft Red Herring Prospectus.

### **UNDERWRITING AGREEMENT**

Our Company and BRLMs to the issue hereby confirm that the Issue is 100% Underwritten. The Underwriting agreement is dated [●]. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are subject to certain conditions specified therein. The Underwriters have indicated their intention to underwrite the following number of specified securities being offered through this Issue:

<b>Name, Address, Telephone, Fax, and Email of the Underwriter</b>	<b>Indicative No. of Equity Shares to Be Underwritten</b>	<b>Amount Underwritten (Rs. In Lakh)</b>	<b>% of the Total Issue Size Underwritten</b>
[●] Address: [●] Telephone: [●] Email: [●] Website: [●] Contact Person: Mr. [●] SEBI Registration No. [●]	[●]	[●]	[●]

In the opinion of our Board of Directors of the Company, the resources of the abovementioned Underwriter is sufficient to enable them to discharge the underwriting obligations in full. The above-mentioned Underwriter is registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchanges.

### **FILING OF PROSPECTUS**

A soft copy of the Red Herring Prospectus and Prospectus shall be filed with SEBI through SEBI Intermediary Portal at <https://siportal.sebi.gov> in as per Regulation 246(1) of SEBI (ICDR) Regulations. Pursuant to Regulation 246(2) of SEBI ICDR Regulations, the SEBI shall not issue any observation on the offer

document. A copy of the Red Herring Prospectus and Prospectus along with the documents required to be filed under Section 26 read with Section 32 of the Companies Act will be delivered to the Registrar of Companies, Delhi, 4th Floor, IFCI Tower, 61, Nehru Place, New Delhi-110019.

### **CHANGE IN THE AUDITOR DURING LAST 3 YEAR**

The following changes have taken place in the Auditors during the last three years preceding the date of this Draft Red Herring Prospectus:

<b>Name of the Auditor</b>	<b>Date of Appointment</b>	<b>Date of Resignation</b>	<b>Reason for Change</b>
<b>M/s P. Sahni &amp; Associates,</b> Chartered Accountants <b>FRN:</b> 015369N <b>Address:</b> 1D, 1/17, Lalita Park, Laxmi Nagar, Delhi- 110092	29/09/2021	28/03/2023	Preoccupation in other assignments
<b>M/s KRA &amp; Co.</b> Chartered Accountants <b>FRN:</b> 020266N <b>Address:</b> H -11208, Garg Tower, Netaji Subhash Place, Pitampura, New Delhi -110034	31-03-2023	13/02/2024	Appointed due to Casual Vacancy
<b>M/s KRA &amp; Co.</b> Chartered Accountants <b>FRN:</b> 020266N <b>Address:</b> H -11208, Garg Tower, Netaji Subhash Place, Pitampura, New Delhi -110034	14/07/2023	NA	Re-appointment

### **WITHDRAWAL OF THE ISSUE**

Our Company in consultation with the BRLMs, reserves the right not to proceed with the Issue at any time after the Issue Opening Date but before the Board meeting for Allotment. In such an event, our Company would issue a public notice in the newspapers, in which the pre-Issue advertisements were published, within two (2) days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The BRLMs, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Applicants within one (1) day of receipt of such notification. Our Company shall also promptly inform NSE Emerge on which the Equity Shares were proposed to be listed. Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals from NSE Emerge, which our Company shall apply for after Allotment. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an IPO, our Company shall be required to file a fresh Draft Red Herring Prospectus.

### **DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS OFFER**

Our Company and the BRLMs have entered into a tripartite agreement dated [●] with [●] the Market Maker for this Issue, duly registered with NSE Emerge to fulfill the obligations of Market Making:

The Market Maker shall fulfill the applicable obligations and conditions as specified in the SEBI (ICDR)

Regulations, and its amendments from time to time and the circulars issued by the NSE and SEBI regarding this matter from time to time. Following is a summary of the key details pertaining to the Market Making arrangement:

1. The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
2. The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of NSE Limited and SEBI from time to time.
3. The minimum depth of the quote shall be Rs.1,00,000. However, the investors with holdings of value less than Rs.1,00,000 shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
4. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
5. There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
6. On the first day of the listing, there will be pre-opening session (call auction) and thereafter the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
7. The Marker maker may also be present in the opening call auction, but there is no obligation on him to do so.
8. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.

The Market Maker(s) shall have the right to terminate said arrangement by giving a one month notice or on mutually acceptable terms to the Merchant Bankers, who shall then be responsible to appoint a replacement Market Maker(s). In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the BRLMs to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI (ICDR) Regulations, 2018. Further, our Company and the BRLMs reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particulars point of time. The Market Making Agreement is available for inspection at our registered office from 11.00 a.m. to 5.00 p.m. on working days.

9. **Risk containment measures and monitoring for Market Makers:** Emerge Platform of NSE will have all margins which are applicable on the NSE Main Board viz., Mark-to-Market, Value- At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.
10. **Punitive Action in case of default by Market Maker:** Emerge Platform of NSE will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Makers, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties/

finances will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker(s) in case he is not present in the market (offering two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties/ fines/ suspension for any type of misconduct/ manipulation/ other irregularities by the Market Makers from time to time.

Price Band and Spreads: Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for Markets Makers during market making process has been made applicable, based on the issue size and as follows:

Issue Size	Buy quote exemption threshold (including mandatory initial inventory of 5% of the Issue Size)	Re-Entry threshold for buyquote (including mandatory initial inventory of 5% of the Issue Size)
<b>Up to Rs. 20 Crore</b>	25%	24%
<b>Rs.20 Crore to Rs.50 Crore</b>	20%	19%
<b>Rs.50 Crore to Rs.80 Crore</b>	15%	14%
<b>Above Rs.80 Crore</b>	12%	11%

The Marketing Making arrangement, trading and other related aspects including all those specified above shall be subject to the applicable provisions of law and/or norms issued by SEBI/NSE from time to time.

*The trading shall take place in TFT segment for first 10 days from commencement of trading. The price band shall be 20% and the Market Maker Spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.*

## CAPITAL STRUCTURE

The Equity Share capital of our Company, as on the date of this Draft Red Herring Prospectus is set forth below:

<i>Amount (Rs. In Lakhs)</i>			
S. No.	Particulars	Aggregate Nominal value	Aggregate value at offer price
<b>A.</b>	<b>Authorised Share Capital</b>		
	2,60,00,000 Equity Shares of Rs.10/- each	2,600.00	-
<b>B.</b>	<b>Issued, Subscribed and Paid-Up Share Capital before the Issue</b>		
	1,58,77,631 Equity Shares of Rs.10/- each	1,587.76	-
<b>C.</b>	<b>Present Issue in terms of the Draft Red Herring Prospectus</b>		
	Issue of 58,60,000 Equity Shares of face value of Rs.10/- each at a premium of Rs. [●] /- per share	586.00	[●]
	<i>of which:</i>		
<b>(I)</b>	Reservation for Market Maker- 3,20,800 Equity Shares of Rs.10/- each at a price of Rs. [●] /- per Equity Share reserved as Market Maker Portion.	32.08	[●]
<b>(II)</b>	Net Issue to the Public – 55,39,200 Equity Shares of Rs.10/- each at a price of Rs. [●] /- per Equity Share.	553.92	[●]
	<i>Of the Net Issue to the Public</i>		
<b>I</b>	<b>Allocation to Qualified Institutional Buyer</b> – [●] Equity Shares of Rs.10/- each at a price of Rs. [●] per Equity Share.		
<b>II</b>	<b>Allocation to Retail Individual Investors</b> – [●] Equity Shares of Rs.10/- each at a price of Rs. [●] /- per Equity Share shall be available for allocation for Investors applying for a value of up to Rs.2.00 Lakhs.	[●]	[●]
<b>III</b>	<b>Allocation to Non – institutional Investors</b> – [●] Equity Shares of Rs.10/- each at a price of Rs. [●] /- per Equity Share shall be available for allocation for Investors applying for a value of above Rs.2.00 Lakhs.	[●]	[●]
<b>D.</b>	<b>Issued, Subscribed and Paid-up Share Capital after the Issue</b>		
	2,17,37,631 Equity Shares of Rs. 10/- each	2,173.76	
<b>E.</b>	<b>Securities Premium Account</b>		
	Before the Issue	4,263.77	
	After the Issue		[●]

*The present issue has been authorized by our Board of Directors vide a resolution passed at its meeting held on July 02, 2024 and by Special Resolution passed under Section 62(1)(C) of the Companies Act, 2013 at the EGM of our shareholders held on July 04, 2024.*

*Our Company has only one class of share capital i.e. Equity Shares of the face value of Rs. 10/- each only. All Equity Shares are fully paid-up. Our Company has no outstanding convertible instruments as on the date of this draft Red Herring prospectus.*

## NOTES TO THE CAPITAL STRUCTURE

### a. Details of increase in Authorised Share Capital:

Since the incorporation of our Company, the Authorised share capital of our Company has been altered in the manner set forth below:

S. N.	Date	No. of Shares	Face Value (in Rs.)	Cumulative No. of Shares	Cumulative Authorised Share Capital (in Rs.)	Whether AGM/EGM
1.	On Incorporation	2,50,000	10	2,50,000	<b>25,00,000</b>	N. A.
2.	July 13, 1995	2,50,000	10	5,00,000	<b>50,00,000</b>	EGM
3.	May 18, 2016	15,00,000	10	20,00,000	<b>2,00,00,000</b>	EGM
4.	April 10, 2017	20,00,000	10	40,00,000	<b>4,00,00,000</b>	EGM
5.	February 5, 2018	30,00,000	10	70,00,000	<b>7,00,00,000</b>	EGM
6.	January 8, 2020	30,00,000	10	1,00,00,000	<b>10,00,00,000</b>	EGM
7.	September 7, 2022	1,60,00,000	10	2,60,00,000	<b>26,00,00,000</b>	EGM

### b. History of Paid up Equity Share Capital of our Company

S. N.	Date of Allotment	No. of Equity Shares allotted	Face value (Rs.)	Issue Price (Rs.)	Nature of consideration	Nature of Allotment	Cumulative number of Equity Shares	Cumulative Paid-up Capital (Rs.)	Cumulative Securities premium (Rs.)
1.	On Incorporation	2,000	10	NA	Cash	Subscription to MOA	2,000	20,000	N.A.
2.	30-06-1995	2,00,000	10	10	Cash	Allotment of Shares	2,02,000	20,20,000	
3.	31-07-1995	2,00,000	10	10	Cash	Allotment of shares	4,02,000	40,20,000	
4.	30-03-2007	95,000	10	100	Cash	Allotment of Equity Shares on Preferential Basis	4,97,000	49,70,000	85,50,000
5.	05-08-2016	5,00,000	10	30	Cash	Right Issue	9,97,000	99,70,000	1,85,50,000
6.	09-09-2016	5,00,000	10	30	Cash	Right Issue	14,97,000	1,49,70,000	2,85,50,000
7.	03-10-2016	5,00,000	10	30	Cash	Right Issue	19,97,000	1,99,70,000	3,85,50,000
8.	05-05-2017	4,73,000	10	30	Cash	Private Placement	24,70,000	2,47,00,000	4,80,10,000
9.	06-11-2017	6,67,000	10	30	Cash	Private Placement	31,37,000	3,13,70,000	6,13,50,000
10.	21-02-2018	20,00,000	10	30.0	Cash	Private Placement	51,37,000	5,13,70,000	10,13,50,000

11.	22-02-2018	13,33,333	10	30.0	Cash	Private Placement	64,70,333	6,47,03,330	12,80,16,660
12.	27-02-2018	12,094	10	527	Cash	Preferential Issue	64,82,427	6,48,24,270	13,42,69,258
13.	27-02-2018	7,590	10	527	Cash	Preferential Issue	64,90,017	6,49,00,170	13,81,93,288
14.	12-03-2018	44,591	10	527	Cash	Preferential Issue	65,34,608	6,53,46,080	16,12,46,835
15.	22-03-2018	7,590	10	527	Cash	Preferential Issue	65,42,198	6,54,21,980	16,51,70,865
16.	18-04-2018	9,487	10	527	Cash	Right Issue	65,51,685	6,55,16,850	17,00,75,644
17.	31-03-2022	30,000	10	73.50	Cash	Private Placement	65,81,685	6,58,16,850	17,19,80,644
18.	31-05-2022	6,57,000	10	75	Cash	Preferential Issue	72,38,685	7,23,86,850	21,46,85,644
19.	10-08-2022	7,12,000	10	75	Cash	Preferential Issue	79,50,685	7,95,06,850	26,09,65,644
20.	02-09-2022	9,22,500	10	75	Cash	Preferential Issue	88,73,185	8,87,31,850	32,09,28,144
21.	06-09-2022	1,39,500	10	75	Cash	Preferential Issue	90,12,685	9,01,26,850	32,99,95,644
22.	30-09-2022	3,71,621	10	148	Cash	Preferential Issue	93,84,306	9,38,43,060	38,12,79,342
23.	07-10-2022	33,784	10	148	Cash	Preferential Issue	94,18,090	9,41,80,900	38,59,41,534
24.	20-06-2023	36,000	10	90	Cash	Preferential Issue	94,54,090	9,45,40,900	38,88,21,534
25.	05-07-2023	5,81,000	10	90	Cash	Preferential Issue	1,00,35,090	10,03,50,900	43,53,01,534
26.	10-07-2023	5,50,000	10	90	Cash	Preferential Issue	1,05,85,090	10,58,50,900	47,93,01,534
27.	12-06-2024	5292541	10	N.A.	Other than Cash	Bonus Issue	1,58,77,631	15,87,76,310	42,63,76,124

**Note:**

- a. Initial Subscribers to Memorandum of Association hold 2,000 Equity Shares each of face value of Rs. 10/- fully paid up as per the details given below:

S. N.	Name of Person	No. of Shares Allotted
1.	Satya Parkash Gupta	1,500
2.	Usha Gupta	500
	<b>Total</b>	<b>2,000</b>

- b. The Company thereafter Issued 2,00,000 Equity shares on June 30, 1995, for cash consideration by way of Private Placement, mentioned in detail below:

S.	Name	No. of Shares Issued
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N.		
1.	Dinana Builders & Contractor Private Limited	10,000
2.	Sarwan Tour & Transport Private Limited	10,000
3.	X-Ray Films & Advertising Private Limited	10,000
4.	Infosys Computers Private Limited	10,000
5.	Nikki Drugs & Chemicals Private Limited	10,000
6.	Pranjul Overseas Private Limited	10,000
7.	Hina Corporate Services & Credit Private Limited	10,000
8.	Chitransh Software & Marketing Private Limited	10,000
9.	Confluence Portfolio Private Limited	10,000
10.	Ronit Finance & Investments Private Limited	10,000
11.	ASG Financial Services Private Limited	10,000
12.	Bedeck Estate & Properties Private Limited	10,000
13.	Jagmaya Marketing & Investment (P) Limited	10,000
14.	Bania Builders & Financiers Private Limited	10,000
15.	Twinkle Steels Private Limited	10,000
16.	Gulbarga Associates Private Limited	10,000
17.	Confluence Leasing & Credit Limited	10,000
18.	Mona Advertising & Marketing Private Limited	10,000
19.	Qualities Securities Services Private Limited	10,000
20.	GRB Electronics Private Limited	10,000
	<b>Total</b>	<b>2,00,000</b>

- c. The Company thereafter Issued 2,00,000 Equity shares on July 31, 1995, for cash consideration by way of Private Placement, mentioned in detail below:

S. N.	Name of Person	No. of Shares Allotted
1.	Busy Traders & Financers Private Limited	20,000
2.	Beauty Electronics Private Limited	20,000
3.	Aristo Seeds India Private Limited	20,000
4.	Broad Traders & Financers Private Limited	20,000
5.	Solo-Mio Marketing Private Limited	20,000
6.	Move Traders & Credits (P) Limited	20,000
7.	Sharvan Advertising Private Limited	20,000
8.	Lawrence Distributors Private Limited	20,000
9.	Lawrence Computers Private Limited	20,000
10.	Flucky Leasing & Finance Private Limited	20,000
	<b>Total</b>	<b>2,00,000</b>

- d. The Company thereafter Issued 95,000 Equity shares on March 30, 2007, for a cash consideration by way of Private Placement, mentioned in detail below:

S. N.	Name	No. of Shares Issued
1.	Hightime Marketing Private Limited	20,000

2.	MOFA Security Private Limited	5,000
3.	HCP Petrochem Private Limited	10,000
4.	Balasaria Holdings Private Limited	15,000
5.	UP & UP Traders Private Limited	15,000
6.	Rima Impex Private Limited	15,000
7.	Lectrodryer Marketing Private Limited	15,000
	<b>Total</b>	<b>95,000</b>

- e. The Company thereafter Issued 5,00,000 Equity shares on August 05, 2016, for cash consideration by way of Right Issue, mentioned in detail below:

S. N.	Name	No. of Shares Issued
1.	Rajesh Gupta	2,33,400
2.	Anoop Garg	1,66,000
3.	Shikha Gupta	50,300
4.	Priya Garg	50,300
	<b>Total</b>	<b>5,00,000</b>

- f. The Company thereafter Issued 5,00,000 Equity shares on September 09, 2016, for cash consideration by way of Right Issue, mentioned in detail below:

S. N.	Name of Person	No. of Shares Allotted
1.	Rajesh Gupta	2,33,400
2.	Anoop Garg	1,66,000
3.	Shikha Gupta	50,300
	Priya Garg	50,300
	<b>Total</b>	<b>5,00,000</b>

- g. The Company thereafter Issued 5,00,000 Equity shares on October 03, 2016, for cash consideration by way of Right Issue, mentioned in detail below:

S. N.	Name of Person	No. of Shares Allotted
1.	Rajesh Gupta	2,33,400
2.	Anoop Garg	1,66,000
3.	Shikha Gupta	50,300
4.	Priya Garg	50,300
	<b>Total</b>	<b>5,00,000</b>

- h. The Company thereafter Issued 4,73,000 Equity shares on May 05, 2017, for cash consideration by way of Private Placement, mentioned in detail below:

S. N.	Name of Person	No. of Shares Allotted
1.	Rajesh Gupta	1,63,000

2.	Anoop Garg	1,80,000
3.	Priya Garg	1,30,000
	<b>Total</b>	<b>4,73,000</b>

- i. The Company thereafter Issued 6,67,000 Equity shares on November 06, 2017, for cash consideration by way of Private Placement, mentioned in detail below:

S. N.	Name of Person	No. of Shares Allotted
1.	Rajesh Gupta	1,50,000
2.	Anoop Garg	5,00,000
3.	Priya Garg	8,500
4.	Shikha Gupta	8,500
	<b>Total</b>	<b>6,67,000</b>

- j. The Company thereafter Issued 2,00,000 Equity shares on February 21, 2018, for cash consideration by way of Private Placement, mentioned in detail below:

S. N.	Name of Person	No. of Shares Allotted
1.	Rajesh Gupta	10,66,451
2.	Anoop Garg	4,54,949
3.	Priya Garg	3,04,300
4.	Shikha Gupta	1,74,300
	<b>Total</b>	<b>20,00,000</b>

- k. The Company thereafter Issued 13,33,333 Equity shares on February 22, 2018, for cash consideration by way of Private Placement, mentioned in detail below:

S. N.	Name of Person	No. of Shares Allotted
1.	Uninva Developers Private Limited	13,33,333
	<b>Total</b>	<b>13,33,333</b>

- l. The Company thereafter Issued 12,094 Equity shares on February 27, 2018, for cash consideration by way of Preferential Issue, mentioned in detail below:

S. N.	Name of Person	No. of Shares Allotted
1.	Initia Holdings Limited	12,094
	<b>Total</b>	<b>12,094</b>

- a. The Company thereafter Issued 7,590 Equity shares on February 27, 2018, for cash consideration by way of Preferential Issue, mentioned in detail below:

S. N.	Name of Person	No. of Shares Allotted
1.	Longview Research and Advisory Services Private Limited	7,590
	<b>Total</b>	<b>7,590</b>

- b. The Company thereafter Issued 44,591 Equity shares on March 12, 2018, for cash consideration by way of Preferential Issue, mentioned in detail below:

S. N.	Name of Person	No. of Shares Allotted
1.	Riwaaz Investments Private Limited	6,641
2.	Eeshan Corporation Ltd.	18,975
3.	Abhishek Mishra HUF	11,385
4.	Abhishek Mishra	7,590
	<b>Total</b>	<b>44,591</b>

- c. The Company thereafter Issued 7,590 Equity shares on March 12, 2018, for cash consideration by way of Preferential Issue, mentioned in detail below:

S. N.	Name of Person	No. of Shares Allotted
1.	Vipin Aggarwal	7,590
	<b>Total</b>	<b>7,590</b>

- d. The Company thereafter Issued 9,487 Equity shares on April 18, 2018, for cash consideration by way of Right Issue, mentioned in detail below:

S. N.	Name of Person	No. of Shares Allotted
1.	Vipin Aggarwal	949
2.	Riwaaz Investments Private Limited	5,692
3.	Longview Research and Advisory Services Pvt. Ltd.	2,846
	<b>Total</b>	<b>9,487</b>

- e. The Company thereafter Issued 30,000 Equity shares on March 31, 2022, for cash consideration by way of Private Placement, mentioned in detail below:

S. N.	Name of Person	No. of Shares Allotted
1.	Geeta Goswami	30,000
	<b>Total</b>	<b>30,000</b>

- f. The Company thereafter Issued 6,57,000 Equity shares on May 31, 2022, for cash consideration by way of Preferential Issue, mentioned in detail below:

S. N.	Name of Person	No. of Shares Allotted
1.	Rajesh Gupta	1,66,600
2.	Shikha Gupta	46,600
3.	Priya Garg	33,300
4.	Anoop Garg	9,300
5.	Geeta Goswami	37,300
6.	BR hands Investment private limited	3,00,000

7.	Arushi Garg	10,600
8.	Nupur Gupta	13,300
9.	Rajesh Gupta HUF	40,000
	<b>Total</b>	<b>6,57,000</b>

- a. The Company thereafter Issued 7,12,000 Equity shares on August 10, 2022, for cash consideration by way of Preferential Issue, mentioned in detail below:

S. N.	Name of Person	No. of Shares Allotted
1.	Rajesh Gupta	1,10,000
2.	Anoop Garg	24,000
3.	Geeta Goswami	10,000
4.	BR hands Investment private limited	5,50,000
5.	Rajesh Gupta HUF	18,000
	<b>Total</b>	<b>7,12,000</b>

- b. The Company thereafter Issued 9,22,500 Equity shares on September 02, 2022, for cash consideration by way of Preferential Issue, mentioned in detail below:

S. N.	Name of Person	No. of Shares Allotted
1.	Sumer Chand Garg HUF	66,500
2.	Sumer Chand Garg	19,000
3.	Sandhya Gupta	90,000
4.	BR hands Investment private limited	6,25,000
5.	Rajesh Gupta	75,000
6.	Anoop Garg	7,000
7.	Arushi Garg	4,000
8.	Anoop Garg HUF	36,000
	<b>Total</b>	<b>9,22,500</b>

- c. The Company thereafter Issued 1,39,500 Equity shares on September 06, 2022, for cash consideration by way of Preferential Issue, mentioned in detail below:

S. N.	Name of Person	No. of Shares Allotted
1.	Rajesh Gupta	40,000
2.	Geeta Goswami	54,000
3.	Nupur Gupta	3,000
4.	Sachin Kumar Gupta	5,000
5.	Rajat Bhatia	3,000
6.	Sachin Kumar Yadav	2,000
7.	Madan Mohan Gupta HUF	3,000
8.	Viraj Gupta	2,500
9.	Gopal Rawat	2,500
10.	Manisha Dabral	2,500

11.	Pranav Dhondival	2,500
12.	Neha Sharma	1,000
13.	Jitendra Kumar	1,000
14.	Bhanu Pratap Singh	1,000
15.	Prashant Jha	1,000
16.	Sharad Jaina	1,000
17.	Prashant Raghuwanshi	1,000
18.	Dirya Sejwar	1,000
19.	Beekey Kumar	1,000
20.	Ravish Kumar	1,000
21.	Anurag Sharma	500
22.	Bharat Yadav	500
23.	Rajeev Choudhary	500
24.	Alok Singh	500
25.	Susheel Rana	500
26.	Amar Kumar	500
27.	Shyam Das	500
28.	Meenakshi Sharma	500
29.	Devender Kumar Poler	2,500
30.	Deepak	1,000
31.	Abhishek Yadav	1,000
32.	Vicky Puri	1,000
33.	Pavan Kumar Shukla	1,000
	<b>Total</b>	<b>1,39,500</b>

- d. The Company thereafter Issued 3,71,621 Equity shares on September 30, 2022, for cash consideration by way of Preferential Issue, mentioned in detail below:

S. N.	Name of Person	No. of Shares Allotted
1.	Grune Hafen Prlvate Limited	3,71,621
	<b>Total</b>	<b>3,71,621</b>

- e. The Company thereafter Issued 33,784 Equity shares on October 07, 2022, for cash consideration by way of Preferential Issue, mentioned in detail below:

S. N.	Name of Person	No. of Shares Allotted
1.	Grune Hafen Prlvate Limited	33,784
	<b>Total</b>	<b>33,784</b>

- f. The Company thereafter Issued 36,000 Equity shares on June 20, 2023, for cash consideration by way of Preferential Issue, mentioned in detail below:

S. N.	Name of Person	No. of Shares Allotted
1.	Rajesh Gupta	18,000
2.	Anoop Garg	6,000
3.	Shikha Gupta	6,000

4.	Geeta Goswami	6,000
	<b>Total</b>	<b>36,000</b>

- g. The Company thereafter Issued 5,81,000 Equity shares on July 05, 2023, for cash consideration by way of Preferential Issue, mentioned in detail below:

.	Name of Person	No. of Shares Allotted
1.	Rajesh Gupta	10,000
2.	Shikha Gupta	2,79,500
3.	Priya Garg	2,79,500
4.	Geeta Goswami	2,000
5.	BR Hands Investment private limited	10,000
	<b>Total</b>	<b>5,81,000</b>

- h. The Company thereafter Issued 5,50,000 Equity shares on July 10, 2023, for cash consideration by way of Preferential Issue, mentioned in detail below:

S. N.	Name of Person	No. of Shares Allotted
1.	Shikha Gupta	2,75,000
2.	Priya Garg	2,75,000
3.	<b>Total</b>	<b>5,50,000</b>

- i. The Company thereafter Issued 52,92,541 Equity shares on June 12, 2024, for consideration other than cash by way of Bonus Issue, mentioned in detail below:

S. N.	Name of Person	No. of Shares Allotted
1.	Rajesh Gupta	1365625
2.	Anoop Garg	910124
3.	BR Hands Investment private limited	946702
4.	Shikha Gupta	560400
5.	Geeta Goswami	69650
6.	Priya Garg	550750
7.	Uninav Developers Pvt Ltd	634166
8.	Sumer Chand Garg HUF	48250
9.	Sandhya Gupta	62500
10.	Arushi Garg	7300
11.	Nupur Gupta	8150
12.	Rajesh Gupta HUF	29000
13.	Anoop Garg HUF	30000
14.	S C Garg	9500
15.	Initia Holding Ltd.	6047
16.	Longview Research and Advisory Services Pvt. Ltd.	5218
17.	Riwaaz Investments Private Limited	6166
18.	Eeshan Corporation Ltd.	9487
19.	Abhishek Mishra HUF	5692

20.	Abhishek Mishra	3795
21.	Vipin Aggarwal	4269
22.	Sachin Kumar Gupta	2500
23.	Rajat Bhatia	1500
24.	Sachin Kumar Yadav	1000
25.	Madan Mohan Gupta HUF	1500
26.	Viraj Gupta	1250
27.	Gopal Rawat	1250
28.	Manisha Dabral	1250
29.	Pranay Dhondiyal	1250
30.	Jitendra Kumar	500
31.	Bhanu Pratap Singh	500
32.	Prashant Jha	500
33.	Sharad Jaina	500
34.	Prashant Raghuvanshi	500
35.	Divya Sejwar	500
36.	Ravish Kumar	500
37.	Anurag Sharma	250
38.	Bharat Yadav	250
39.	Alok Singh	250
40.	Susheel Rana	250
41.	Shyam Dass	250
42.	Meenakshi Sharma	250
43.	Devender Kumar Poter	1250
44.	Deepak	500
45.	Abhishek Yadav	500
46.	Vicky Puri	500
47.	Pavan Kumar Shukla	500
	<b>Total</b>	<b>52,92,541</b>

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**c. Shareholding of the Promoters of our Company**

As on the date of this Draft Red Herring Prospectus, our Promoter – Mr. Rajesh Gupta, Mr. Anoop Garg, Ms. Geeta Goswami and M/s BR Hands Investment private limited, holds total 40,96,876, 27,30,373, 2,08,950 and 28,40,107 Equity Shares respectively, representing 25.80%, 17.20%, 1.31% and 17.89% of the pre-issue paid up share capital of our Company, respectively.

***Details of build-up of shareholding of the Promoters***

Date of Allotment / acquisition / transaction and when made fully paid up	Nature (Allotment/ transfer)	Number of Equity Shares	Face Value per Equity Share (in Rs.)	Issue/ Transfer price per Equity Share (in Rs.)	Consideration (cash/ other than cash)	Name of Transferor / Transferee	% of pre issue capital of Cumulative Shares
<b>Mr. Rajesh Gupta</b>							
30-04-2014	Transfer	2,20,000	10	25	Cash	Sukhwinder Lal Gupta	1.39%
05-08-2016	Right Issue	2,33,400	10	30	Cash	N.A.	1.47%
09-09-2016	Right Issue	2,33,400	10	30	Cash	N.A.	1.47%
03-10-2016	Right Issue	2,33,400	10	30	Cash	N.A.	1.47%
12-04-2017	Transfer	1,500	10	30	Cash	Sukhwinder Lal Gupta	0.01%
12-04-2017	Transfer	500	10	30	Cash	Sukhwinder Lal Gupta	0.00%
12-04-2017	Transfer	10,000	10	30	Cash	Sukhwinder Lal Gupta	0.06%
05-05-2017	Private Placement	1,63,000	10	30	Cash	N.A.	1.03%
06-11-2017	Private Placement	1,50,000	10	30	Cash	N.A.	0.94%
21-02-2018	Private Placement	10,66,451	10	30	Cash	N.A.	6.72%
31-05-2022	Preferential Issue	1,66,600	10	75	Cash	N.A.	1.05%
10-08-2022	Preferential Issue	1,10,000	10	75	Cash	N.A.	0.69%
02-09-2022	Preferential Issue	75,000	10	75	Cash	N.A.	0.47%
06-09-2022	Preferential Issue	40,000	10	75	Cash	N.A.	0.25%
20-06-2023	Preferential Issue	18,000	10	90	Cash	N.A.	0.11%
05-07-2023	Preferential Issue	10,000	10	90	Cash	N.A.	0.06%

12-06-2024	Bonus Issue	13,65,625	10	0	Other than Cash	N.A.	8.60%
<b>Total</b>		<b>40,96,876</b>					<b>25.80%</b>
<b>Mr. Anoop Garg</b>							
30-04-2014	Transfer	1,65,000	10	25	Cash	Veena Gupta	1.04%
05-08-2016	Right Issue	1,66,000	10	30	Cash	N.A.	1.05%
09-09-2016	Right Issue	1,66,000	10	30	Cash	N.A.	1.05%
03-10-2016	Right Issue	1,66,000	10	30	Cash	N.A.	1.05%
05-05-2017	Private Placement	1,80,000	10	30	Cash	N.A.	1.13%
06-11-2017	Private Placement	5,00,000	10	30	Cash	N.A.	3.15%
21-02-2018	Private Placement	4,54,949	10	30	Cash	N.A.	2.87%
31-05-2022	Preferential Issue	9,300	10	75	Cash	N.A.	0.06%
02-09-2022	Preferential Issue	7,000	10	75	Cash	N.A.	0.04%
20-06-2023	Preferential Issue	6,000	10	90	Cash	N.A.	0.04%
12-06-2024	Bonus Issue	9,10,124	10	0	Other than Cash	N.A.	5.73%
<b>Total</b>		<b>27,30,373</b>					<b>17.20</b>
<b>Ms. Geeta Goswami</b>							
31-03-2022	Private Placement	30,000	10	73.50	Cash	N.A.	0.19%
31-05-2022	Preferential Issue	37,300	10	75	Cash	N.A.	0.23%
10-08-2022	Preferential Issue	10,000	10	75	Cash	N.A.	0.06%
06-09-2022	Preferential Issue	54,000	10	75	Cash	N.A.	0.34%
20-06-2023	Preferential Issue	6,000	10	90	Cash	N.A.	0.04%
05-07-2023	Preferential Issue	2,000	10	90	Cash	N.A.	0.01%
12-06-2024	Bonus Issue	69,650	10	0	Other than Cash	N.A.	0.44%
<b>Total</b>		<b>2,08,950</b>					<b>1.31%</b>
<b>M/s BR Hands Investment private limited</b>							
31-05-2022	Preferential Issue	3,00,000	10	75	Cash	N.A.	1.89%
10-08-2022	Preferential Issue	5,50,000	10	75	Cash	N.A.	3.46%

02-09-2022	Preferential Issue	6,25,000	10	75	Cash	N.A.	3.94%
05-07-2023	Preferential Issue	10,000	10	90	Cash	N.A.	0.06%
03-10-2023	Transfer	500	10	95	Cash	Rajeev Choudhary	0.00%
15-11-2023	Transfer	500	10	100	Cash	Amar Kumar	0.00%
05-03-2024	Transfer	1,000	10	100	Cash	Neha Sharma	0.01%
05-03-2024	Transfer	1,000	10	100	Cash	Beekey	0.01%
05-03-2024	Transfer	4,05,405	10	152	Cash	Grune Hafen Private Limited	2.55%
12-06-2024	Bonus Issue	9,46,702	10	0	Other than Cash	N.A.	5.96%
<b>Total</b>		<b>28,40,107</b>					<b>17.89%</b>

All the Equity Shares held by our Promoters were fully paid-up on the respective dates of acquisition of such Equity Shares. None of the Equity Shares held by our Promoters are under pledged.

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**d. Our shareholding pattern**

i. The table below represents the shareholding pattern of our Company as per Regulation 31 of the SEBI (LODR) Regulations, 2015, as on the date of this Draft Red Herring Prospectus:

Category Code	Category of shareholder	No. Of share holder	No. of fully paid-up equity Shares Held	No. of Partly paid up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (unrealized as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*			No. of Shares Underlying Outstanding	Shareholding, as a % assuming full conversion of	Number of locked in Shares		Number of Shares pledged or otherwise encumbered		Number of shares held in dematerialized form			
								No. of Voting Rights					Total asa % of (A+B+C)	convertible securities (including Warrants)	convertible securities (as a percentage of diluted share Capital) As a % of (A+B+C2)	No. (a)		As a % of total shares held (B)	No. (a)	As a % of total shares held (B)
								Class X	Class Y	Total										
I	II	III	IV	V	VI	VII= IV+V+VI	VIII	IX			X	XI=VII+X	XII		XIII		XIV			
(A)	Promoters and Promoter Group	14	1,56,96,355	-	-	1,56,96,355	98.86%	1,56,96,355	-	1,56,96,355	98.86%	-	98.86%	-	-	-	-	1,56,96,355		
(B)	Public	-	1,81,276	-	-	1,81,276	1.14%	1,81,276	-	1,81,276	1.14%	-	1.14%	-	-	-	-	1,63,135		
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
(1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
(2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	<b>Total</b>	<b>14</b>	<b>1,58,77,631</b>	<b>-</b>	<b>-</b>	<b>1,58,77,631</b>	<b>100.00%</b>	<b>1,58,77,631</b>	<b>-</b>	<b>1,58,77,631</b>	<b>100.00%</b>	<b>-</b>	<b>100.00%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,58,59,490</b>		

\*As on the date of this Draft Red Herring Prospectus 1 Equity Shares holds 1 vote.

**a. Shareholding Pattern of Promoters and Promoter Group**

#	Category & name of shareholder(I)	PAN (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 Depository 90 nr ealize (VI)	Total nos. shares held (VII)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share Capital) As a % of (A+B+C2)	Number of Shares		Number of Shares pledged or otherwise encumbered		Number of shares held in dematerialized form
									No. of Voting Rights			Total as a % of (A+B+C)			No.(a)	As a % of total shares held (B)	No	As a % of total shares held (B)	
									Class: X	Class: Y	Total								
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)+(V)+(VI)	(VIII)	(IX)				(X)	(XI)=(VII)+(X)	(XII)	(XIII)		(XIV)		
<b>(1)</b>	<b>Indian</b>																		
<b>(a)</b>	Individual/HUF		12																
1	Rajesh Gupta	-		40,96,876	-	-	40,96,876	25.80%	40,96,876	-	40,96,876	25.80%	-	25.80%	-	-	-	-	40,96,876
2	Anoop Garg	-		27,30,373	-	-	27,30,373	17.20%	27,30,373	-	27,30,373	17.20%	-	17.20%	-	-	-	-	27,30,373
3	Geeta Goswami	-		2,08,950	-	-	2,08,950	1.32%	2,08,950	-	2,08,950	1.32%	-	1.32%	-	-	-	-	2,08,950
4	Shikha Gupta	-		16,81,200	-	-	16,81,200	10.59%	16,81,200	-	16,81,200	10.59%	-	10.59%	-	-	-	-	16,81,200
5	Priya Garg	-		16,52,250	-	-	16,52,250	10.41%	16,52,250	-	16,52,250	10.41%	-	10.41%	-	-	-	-	16,52,250

6	Sumer Chand Garg HUF	-		1,44,750	-	-	1,44,750	0.91%	1,44,750	-	1,44,750	0.91%	-	0.91%	-	-	-	-	1,44,750
7	Sandhya Gupta	-		1,87,500	-	-	1,87,500	1.18%	1,87,500	-	1,87,500	1.18%	-	1.18%	-	-	-	-	1,87,500
8	Arushi Garg			21,900			21,900	0.14%	21,900		21,900	0.14%		0.14%					21,900
9	Nupur Gupta			24,450			24,450	0.15%	24,450		24,450	0.15%		0.15%					24,450
10	Rajesh Gupta HUF			87,000			87,000	0.55%	87,000		87,000	0.55%		0.55%					87,000
11	Anoop Garg HUF			90,000			90,000	0.57%	90,000		90,000	0.57%		0.57%					90,000
12	S C Garg			28,500			28,500	0.18%	28,500		28,500	0.18%		0.18%					28,500
(b)	Gen. Govt./ State Government(s)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Financial Institutions/Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Any other (Body Corporate)		2																
-	Uninav Developers Pvt Ltd	-		19,02,499	-	-	19,02,499	11.98%	19,02,499	-	19,02,499	11.98%	-	11.98%	-	-	-	-	19,02,499
-	BR Hands Investment private limited			28,40,107	-	-	28,40,107	17.89%	28,40,107	-	28,40,107	17.89%	-	17.89%	-	-	-	-	28,40,107
	<b>Sub- total (A) (1)</b>	-	<b>14</b>	<b>1,56,96,355</b>	-	-	<b>1,56,96,355</b>	<b>98.86%</b>	<b>1,56,96,355</b>	-	<b>1,56,96,355</b>	<b>98.86%</b>	-	<b>98.86%</b>	-	-	-	-	<b>1,56,96,355</b>
<b>(2)</b>	<b>Foreign</b>																		-
(a)	Individual (NRI/ Foreign Individual)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
I	Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f)	Any Other(specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Sub- Total(A) (2)</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total Shareholding of Promoters and Promoter Group (A)=(A)(1) +(A)(2)</b>		<b>14</b>	<b>1,56,96,355</b>	-	-	<b>1,56,96,355</b>	<b>98.86%</b>	<b>1,56,96,355</b>	-	<b>1,56,96,355</b>	<b>98.86%</b>	-	<b>98.86%</b>	-	-	-	-	<b>1,56,96,355</b>

*This space has been left blank intentionally.*

**b. Shareholding Pattern of the Public shareholder**

#	Category & name of shareholder	PAN	No. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held (VII)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities			No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share Capital) As a % of (A+B+C2)	Number of Shares		Number of Shares pledged or otherwise encumbered		Number of shares held in dematerialized form	
									No. of Voting Rights					Total as a % of (A+B+C)	No. (a)	As a % of total shares held (B)	No. (c)		As a % of total shares held (B)
									Class: X	Class: Y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(IV)+(V)+(VI)	(VIII)	(IX)			(X)	(XI)=(VII)+(X)	(XII)		(XIII)		(XIV)	
(1)	Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(a)	Mutual Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(b)	Venture Capital Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(c)	Alternate Investment Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(d)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(e)	Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(f)	Financial Institutions/ Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(g)	Insurance Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(h)	Provident Funds/ Pension Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(i)	Any other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	<b>Sub-Total (B)(1)</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(2)	Central Government/State Government (s)/ President of India	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	<b>Sub-Total (B) (2)</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(3)	Non- Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Individuals-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(a)	i. Individual shareholders holding nominal share capital up to Rs. 2 lakh.	-	29	1,00,520	-	-	1,00,520	0.63%	1,00,520	-	1,00,520	0.63%	-	0.63%	-	-	-	-	1,00,520
	ii. Individual shareholders holding nominal share capital in excess of Rs.2lakh	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	NBFCs registered with RBI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

<b>(d)</b>	Overseas Depositories (holding DRs) (balancing figure)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>(e)</b>	Any Other (Body Corporate)	-	4	80,756	-	-	80,756	0.51%	80,756	-	80,756	0.51%	-	0.51%	-	-	-	-	62,615
	<b>Sub-Total (B)(3)</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total Public Shareholding (B)-(B)(1)+(B)(2)+(B)(3)</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

**c. Shareholding pattern of the Non Promoter- Non Public shareholder**

#	Category & name of shareholder	PAN	No. of shareholders	No. of full paid equity shares held	No. of Partly paid equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities			No. of Shares Underlying Outstanding convertible securities (including Warrants)	Total Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share Capital) As a % of (A+B+C2)	Number of locked in Shares		Number of Shares pledged or otherwise encumbered		Number of shares held in dematerialized form
									No. of Voting Rights					Total as a % of Total Voting rights	No. (Not Applicable)	As a % of total shares held (Not Applicable)		
									Class X	Class Y	Total							
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)= (IV)+(V)+(VI)	(VIII)	(IX)			(X)	(XI)= (VII)+(X)	(XII)		(XIII)		(XIV)
(1)	Custodian /DR Holder	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a)	Name of DR Holder (if applicable)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(2)	Employee Benefit Trust(Under SEBI (Share based Employee Benefit) Regulations, 2014)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total Non-Promoter – Non Public Shareholding I=I(1)+I(2)</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

*Note:*

- In terms of SEBI circular bearing No. CIR/ISD/3/2011 dated June 17, 2011 and SEBI circular bearing No. SEBI/CIR/ISD/ 05 /2011, dated September 30, 2011, the Equity Shares held by the Promoters/Promoters Group Entities and 50% of the Equity Shares held by the public shareholders, shall be dematerialized. Presently, all the existing equity shares of the Company are in dematerialized form Except 1 public shareholder which is in physical form and are in the process of Dematerialization.*
- Further, the corporate action of bonus shares is pending.*
- PAN of the Shareholders will be provided by our Company prior to Listing of Equity Share on the Stock Exchange.*
- Our Company will file the shareholding pattern of our Company, in the form prescribed under Regulation 31 of the SEBI (LODR) Regulations, 2015, one day prior to the listing of the equity shares. The shareholding pattern will be uploaded on the website of NSE Emerge before commencement of trading of such Equity Shares.*

- e. As on the date of this Draft Red Herring Prospectus, there are no partly paid-up shares/outstanding convertible securities/warrants in our Company.
- f. Following are the details of the holding of securities of persons belonging to the category “Promoter and Promoter Group” and “public” before and after the Issue:

S. No.	Name of shareholder	Pre issue		Post issue	
		No. of equity Shares	As a % of Issued Capital	No. of equity Shares	As a % of Issued Capital
<b>Promoters</b>					
1.	Rajesh Gupta	4096876	25.80%	4096876	18.85%
2.	Anoop Garg	2730373	17.20%	2730373	12.56%
3.	Geeta Goswami	208950	1.32%	208950	0.96%
4.	BR Hands Investment private limited	2840107	17.89%	2840107	13.07%
<b>Total – A</b>		<b>9876306</b>	<b>62.20%</b>	<b>9876306</b>	<b>45.43%</b>
<b>Promoter Group</b>					
5.	Shikha Gupta	1681200	10.59%	1681200	7.73%
6.	Priya Garg	1652250	10.41%	1652250	7.60%
7.	Uninav Developers Pvt Ltd	1902499	11.98%	1902499	8.75%
8.	Sumer Chand Garg HUF	144750	0.91%	144750	0.67%
9.	Sandhya Gupta	187500	1.18%	187500	0.86%
10.	Arushi Garg	21,900	0.14%	21,900	0.10%
11.	Nupur Gupta	24,450	0.15%	24,450	0.11%
12.	Rajesh Gupta HUF	87,000	0.55%	87,000	0.40%
13.	Anoop Garg HUF	90,000	0.57%	90,000	0.41%
14.	S C Garg	28,500	0.18%	28,500	0.13%
<b>Total – B</b>		<b>5820049</b>	<b>36.66%</b>	<b>5820049</b>	<b>26.77%</b>
<b>Public</b>					
10.	Public	181276	1.14%	181276	0.83%
11.	IPO	-		5860000	26.96%
<b>Total-C</b>		<b>1,81,276</b>	<b>1.14%</b>	<b>6041276</b>	<b>27.79%</b>
<b>Grand Total (A+B+C)</b>		<b>1,58,77,631</b>	<b>100.00%</b>	<b>2,17,37,631</b>	<b>100.00%</b>

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

Name of the Promoter	No. of Shares held	Average cost of Acquisition (in Rs.)
Rajesh Gupta	40,96,876	24.44
Anoop Garg	27,30,373	20.10
Geeta Goswami	2,08,950	50.36
BR Hands Investment Private limited	28,40,107	61.07

*As certified by M/s KRA & Co., Chartered Accountants, dated July 09, 2024.*

h. Details of Major Shareholders:

a. List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date of this Draft Red Herring Prospectus:

S. No.	Name of shareholders	No. of Equity Shares held*	% of Paid-up Capital**
1.	Rajesh Gupta	40,96,876	25.803%
2.	Anoop Garg	27,30,373	17.196%
3.	BR Hands Investment private limited	28,40,107	17.887%
4.	Shikha Gupta	16,81,200	10.588%
5.	Geeta Goswami	2,08,950	1.316%
6.	Priya Garg	16,52,250	10.406%
7.	Uninav Developers Pvt Ltd	19,02,499	11.982%
8.	Sandhya Gupta	1,87,500	1.181%
	<b>Total</b>	<b>1,52,99,755</b>	<b>97.27%</b>

b. List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date ten days prior to the date of the Draft Red Herring Prospectus:

S. No.	Name of shareholders	No. of Equity Shares held*	% of Paid-up Capital**
1.	Rajesh Gupta	40,96,876	25.803%
2.	Anoop Garg	27,30,373	17.196%
3.	BR Hands Investment private limited	28,40,107	17.887%
4.	Shikha Gupta	16,81,200	10.588%
5.	Geeta Goswami	2,08,950	1.316%
6.	Priya Garg	16,52,250	10.406%
7.	Uninav Developers Pvt Ltd	19,02,499	11.982%
8.	Sandhya Gupta	1,87,500	1.181%
	<b>Total</b>	<b>1,52,99,755</b>	<b>96.36%</b>

c. List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date one year prior to the date of this Draft Red Herring Prospectus:

S. No.	Name of shareholders	No. of Equity Shares held*	% of Paid-up Capital**
1.	Rajesh Gupta	27,31,251	26.86%
2.	Anoop Garg	18,20,249	17.90%
3.	BR Hands Investment private limited	14,75,000	14.51%
4.	Uninav Developers Pvt Ltd	12,68,333	12.48%
5.	Shikha Gupta	11,20,800	11.02%
6.	Priya Garg	11,01,500	10.83%
7.	Geeta Goswami	1,39,300	1.37%
8.	Sandhya Gupta	1,25,000	1.23%

d. List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date two years prior to the date of this Draft Red Herring Prospectus:

S. No.	Name of shareholders	No. of Equity Shares held*	% of Paid up Capital**
1.	Rajesh Gupta	24,78,251	34.24%
2.	Anoop Garg	18,07,249	24.97%
3.	Shikha Gupta	5,60,300	7.74%
4.	Priya Garg	5,47,000	7.56%
5.	Uninav Developers Pvt Ltd	12,68,333	17.52%
6.	BR hands Investment private limited	3,00,000	4.14%
	<b>Total</b>	<b>69,61,133</b>	<b>96.17%</b>

\*The Company has not issued any convertible instruments like warrants, debentures etc. since its incorporation and there are no outstanding convertible instruments as on date of this Draft Red Herring Prospectus.

\*\* the % has been calculated based on existing (pre-issue) Paid up Capital of the Company.

- i. Our Company has not issued any Equity Shares out of revaluation reserve or reserves without accrual of cash resources.
- j. Except as disclosed in this Draft Red Herring Prospectus, our Company presently does not have any intention or proposal to alter its capital structure for a period of six (6) months from the date of opening of the Issue, by way of spilt/consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise. However, during such period or a later date, it may issue Equity Shares or securities linked to Equity Shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.
- k. We have 46 (Forty-Six) shareholders as on the date of filing of this Draft Red Herring Prospectus.
- l. As on the date of this Draft Red Herring Prospectus, our Promoters and Promoters' Group holds total 1,56,96,355 Equity Shares representing 98.86% of the pre-issue paid up share capital of our Company.
- m. None of our Promoters, their relatives and associates, persons in Promoter Group or the directors of the Company which is a promoter of the Company and/or the Directors of the Company have purchased or sold any securities of our Company during the past six months immediately preceding the date of filing this Draft Red Herring Prospectus.
- n. The members of the Promoters Group, our Directors and the relatives of our Directors have not financed the purchase by any other person of securities of our Company, other than in the normal course of the business of the financing entity, during the six months immediately preceding the date of filing this Draft Red Herring Prospectus.

**o. Details of Promoter’s Contribution locked in for 3 years:**

As per Sub-Regulation (1) of Regulation 236 of the SEBI (ICDR) Regulations, 2018, an aggregate of 20% of the post-Issue Capital shall be considered as Promoter’s Contribution.

Our Promoters have granted consent to include such number of Equity Shares held by them as may constitute 20.00% of the post-issue Equity Share Capital of our Company as Promoters Contribution and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters Contribution from the date of filing of this Draft Red Herring Prospectus until the completion of the lock-in period specified above.

In terms of clause (a) of Regulation 238 of the SEBI (ICDR) Regulations, 2018, *Minimum Promoters Contribution as mentioned above shall be locked-in for a period of 3 years from the date of commencement of commercial production or date of allotment in the Initial Public Offer, whichever is later.*

*Explanation: The expression “date of commencement of commercial production” means the last date of the month in which commercial production of the project in respect of which the funds raised are proposed to be utilized as stated in the offer document, is expected to commence.*

We further confirm that Minimum Promoters Contribution of 20.00% of the post issue paid-up Equity Shares Capital does not include any contribution from Alternative Investment Fund.

The Minimum Promoters Contribution has been brought into to the extent of not less than the specified minimum lot and has been contributed by the persons defined as Promoters under the SEBI (ICDR) Regulations, 2018.

The lock-in of the Minimum Promoters Contribution will be created as per applicable regulations and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

The details of the Equity Shares held by our Promoters, which are locked in for a period of 3 years from the date of Allotment in the Offer are given below:

Name of Promoter	Date of Transaction and when made fully paid-up	Nature of Transaction	No. of Equity Shares	Face Value (Rs.)	Issue/ Acquisition Price per Equity Share (Rs.)	Percentage of post-Offer paid-up capital (%)	Lock in Period
[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]

*The Equity Shares that are being locked in are not ineligible for computation of Promoters contribution in terms of Regulation 237 of the SEBI ICDR Regulations. Equity Shares offered by the Promoters for the minimum Promoters contribution are not subject to pledge. Lock-in period shall commence from the date of allotment of Equity Shares in the Public Issue.*

We confirm that the minimum Promoters contribution of 20.00% which is subject to lock-in for 3 years does not consist of:

- a. Equity Shares acquired during the preceding three years for consideration other than cash and revaluation of assets or capitalization of intangible assets;
- b. Equity Shares acquired during the preceding three years resulting from a bonus issue by utilization of revaluation reserves or Unrealised profits of the issuer or from bonus issue against equity shares which are ineligible for minimum Promoters contribution;
- c. Equity Shares acquired by Promoters during the preceding one year at a price lower than the Issue Price;
- d. The Equity Shares held by the Promoters and offered for minimum 20% Promoters Contribution are not subject to any pledge.
- e. Equity Shares for which specific written consent has not been obtained from the shareholders for inclusion of their subscription in the minimum Promoters Contribution subject to lock-in.

In terms of Regulation 241 of the SEBI (ICDR) Regulations, 2018, our Company confirms that certificates of Equity Shares which are subject to lock in shall contain the inscription “Non-Transferable” and specify the lock-in period and in case such equity shares are dematerialized, the Company shall ensure that the lock in is recorded by the Depository.

### **Equity Shares locked-in for one year**

In addition to above Equity Shares that are locked-in for three years as the minimum Promoters' contribution, the promoters and public pre-issue shareholding of Equity Share capital of our Company, *i.e.* [●] Equity Shares shall be locked in for a period of one year from the date of Allotment in the Public Issue. Further, such lock-in of the Equity Shares would be created as per the bye laws of the Depositories.

### **Pledge of Locked in Equity Shares:**

In terms of Regulation 242 of the SEBI (ICDR) Regulations, 2018, the locked-in Equity Shares held by our Promoters can be pledged only with any scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or financial institutions, subject to the following:

1. In case of Minimum Promoters' Contribution, the loan has been granted to the issuer company or its subsidiary (ies) for the purpose of financing one or more of the Objects of the Issue and pledge of equity shares is one of the terms of sanction of the loan.
2. In case of Equity Shares held by Promoters in excess of Minimum Promoters' contribution, the pledge of equity shares is one of the terms of sanction of the loan.

However, lock in shall continue pursuant to the invocation of the pledge and such transferee shall not be eligible to transfer the equity shares till the lock in period stipulated has expired.

### **Transferability of Locked in Equity Shares:**

In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018 and subject to provisions of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as applicable:

3. The Equity Shares held by our Promoters and locked in as per Regulation 238 of the SEBI (ICDR) Regulations, 2018 may be transferred to another Promoters or any person of the Promoters' Group or to a new promoter(s) or persons in control of our Company, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.
4. The equity shares held by persons other than promoters and locked in as per Regulation 239 of the SEBI

(ICDR) Regulations, 2018 may be transferred to any other person (including Promoter and Promoters' Group) holding the equity shares which are locked-in along with the equity shares proposed to be transferred, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock- in period stipulated has expired.

- p. Our Company, our Promoters, our Directors and the BRLMs to this Offer have not entered into any buy-back, standby or similar arrangements with any person for purchase of our Equity Shares from any person.
- q. Our Company has not issued shares for consideration other than cash or out of revaluation of reserves, including Bonus Shares, at any point of time since Incorporation except the following:

S. No.	Name of Allottees	No. of Shares Allotted	Face Value (Rs.)	Issue Price (Rs.)	Date of Allotment	Reason for Allotment	Benefit occurred to Issuer
1.	Rajesh Gupta	13,65,625	10	Nil	12-06-2024	Bonus Issue	Capitalization of Reserve
2.	Anoop Garg	9,10,124	10	Nil	12-06-2024	Bonus Issue	
3.	Geeta Goswami	69,650	10	Nil	12-06-2024	Bonus Issue	
4.	BR Hands Investment private limited	9,46,702	10	Nil	12-06-2024	Bonus Issue	
5.	Shikha Gupta	5,60,400	10	Nil	12-06-2024	Bonus Issue	
6.	Priya Garg	5,50,750	10	Nil	12-06-2024	Bonus Issue	
7.	Uninav Developers Pvt Ltd	6,34,166	10	Nil	12-06-2024	Bonus Issue	
8.	Sumer Chand Garg HUF	48,250	10	Nil	12-06-2024	Bonus Issue	
9.	Sandhya Gupta	62,500	10	Nil	12-06-2024	Bonus Issue	
10.	Arushi Garg	7,300	10	Nil	12-06-2024	Bonus Issue	
11.	Nupur Gupta	8,150	10	Nil	12-06-2024	Bonus Issue	
12.	Rajesh Gupta HUF	29,000	10	Nil	12-06-2024	Bonus Issue	
13.	Anoop Garg HUF	30,000	10	Nil	12-06-2024	Bonus Issue	
14.	Sumer Chand Garg	9,500	10	Nil	12-06-2024	Bonus Issue	
15.	Public Shareholders	60,424	10	Nil	12-06-2024	Bonus Issue	
	<b>Total</b>	<b>52,92,541</b>					

- r. Our Company has not allotted any Equity Shares pursuant to any scheme approved under Sections 230 to 234 of the Companies Act, 2013.
- s. Our Company has re-valued one of its assets in the year 2018. However, the company has not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves. For more details, please refer to the chapter "financial statements as restated" on page 249 of this Draft Red Herring Prospectus.
- t. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees, and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Scheme from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.

- u. There are no safety net arrangements for this public Offer.
- v. As on the date of filing of this Draft Red Herring Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other financial instruments into our Equity Shares.
- w. As per Regulation 268(2) of SEBI (ICDR) Regulations, 2018, an over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off while finalizing the basis of allotment to the nearest integer during finalizing the allotment, subject to minimum allotment lot. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoters and subject to lock-in shall be suitably increased to ensure that 20% of the post issue paid-up capital is locked-in.
- x. All the Equity Shares of our Company are fully paid up as on the date of this Draft Red Herring Prospectus. Further, since the entire money in respect of the Offer is being called on application, all the successful applicants will be allotted fully paid-up equity shares.
- y. As per RBI regulations, OCBs are not allowed to participate in this Issue.
- z. There is no Buyback, stand by, or similar arrangement by our Company/Promoters/Directors/BRLMs for purchase of Equity Shares issued / offered through this Draft Red Herring Prospectus.
- aa. As on the date of this Draft Red Herring Prospectus, none of the shares held by our Promoters/ Promoter Group are pledged with any financial institutions or banks or any third party as security for repayment of loans.
- bb. Investors may note that in case of over-subscription, the allocation in the Issue shall be as per the requirements of Regulation 253 of SEBI (ICDR) Regulations, as amended from time to time.
- cc. Under subscription, if any, in any category, shall be met with spill-over from any other category or combination of categories at the discretion of our Company, in consultation with the BRLMs and NSE.
- dd. The Issue is being made through Book Building Method.
- ee. None of the BRLMs or their respective associates (as defined under the SEBI Merchant Bankers Regulations) hold any Equity Shares in our Company as on the date of this Draft Red Herring Prospectus. However, Abhishek Mishra and Abhishek Mishra HUF, one of the directors of Unistone Capital Private Limited, (one of the BRLM to the issue), holds 11,385 equity shares i.e., (0.07% of pre-issue paid up share capital and 0.05% of the post issue paid up share capital) and 17,077 Equity Shares i.e., (0.11% of pre-issue paid up share capital and 0.08% of the post issue paid up share capital) respectively in our Company as of the date of this Draft Red Herring Prospectus.
- ff. Our Company has not raised any bridge loan against the proceeds of this Issue.
- gg. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
- hh. Our Company shall comply with such accounting and disclosure norms as specified by SEBI from time to

time.

- ii. An Applicant cannot make an application for more than the number of Equity Shares being Issued/Offered through this Draft Red Herring Prospectus, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.
- jj. No payment, direct or indirect in the nature of discount, commission, and allowance or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in this Offer.
- kk. Our Promoters and the members of our Promoter Group will not participate in this Issue.
- ll. Our Company has not made any public issue since its incorporation.
- mm. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of filing the Draft Red Herring Prospectus and the Offer Closing Date shall be reported to the Stock Exchange within twenty-four hours of such transaction.
- nn. For the details of transactions by our Company with our Promoter Group, Group Companies during last three years ended on March 31, 2024, March 31, 2023 & March 31, 2022, Fiscals, please refer to paragraph titled —Related Party Transaction in the chapter titled “Financial Information” beginning on page number 249 of this Draft Red Herring Prospectus.

None of our Directors or Key Managerial Personnel holds Equity Shares in our Company, except as stated in the chapter titled “*Our Management*” beginning on page number 189 of this Draft Red Herring Prospectus.

## OBJECTS OF THE ISSUE

Our Company proposes to utilize the funds which are being raised towards funding the following objects and achieve the benefits of listing on the Emerge platform of NSE.

### The objects of the Issue are:-

1. To Augment the capital base of our Company
2. To meet out the General Corporate Purposes; and
3. To meet out the Issue Expenses.

Our Company believes that listing will enhance our Company's corporate image, brand name and create a public market for its Equity Shares in India. The main objects clause of our Memorandum enables our Company to undertake the activities for which funds are being raised in the Issue. The existing activities of our Company are within the objects clause of our Memorandum. The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution.

### REQUIREMENT OF FUNDS

The proceeds of the Issue, after deducting Issue-related expenses, are estimated to be Rs. [●] Lakhs (the "Net Issue Proceeds").

The following table summarizes the requirement of funds:

S. No.	Particulars	Rupees in Lakhs
1	Gross Issue Proceeds	[●]*
2	Less: Issue Related Expenses	[●]*
	<b>Net proceeds</b>	[●]*

*\*Subject to finalization of basis of allotment.*

### UTILISATION OF FUNDS:

#### Fund Requirements

Our funding requirements are dependent on a number of factors which may not be in the control of our management, changes in our financial condition and current commercial conditions. Such factors may entail rescheduling and / or revising the planned expenditure and funding requirement and increasing or decreasing the expenditure for a particular purpose from the planned expenditure.

We intend to utilize the proceeds of the Fresh Issue, in the manner set forth below:

S. N.	Particulars	Amount <sup>(1)</sup> (In Rs. Lakh)	% of Gross Proceeds	% of Net Proceeds
1.	Augment the capital base of our Company	7,000.00	[●]	[●]

2.	General Corporate Purposes	[●]	[●]	[●]
3.	Issue Expenses#	[●]	[●]	[●]
	<b>Total</b>			

*\*To be determined after finalisation of the Issue Price and updated in the Prospectus prior to filing with the ROC.*

*#As per the certificate given by M/s KRA & Co., Chartered Accountant dated July 09, 2024, the Company has not incurred any issue expenses till date.*

***The objects detailed above are intended to be funded from the proceeds of the Issue while any remaining funding needs will be met through the company's internal accruals. Accordingly, we confirm that there is no requirement for us 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 proposed Issue.***

***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 light of changes in external circumstances or costs, other financial conditions, business or strategy, as discussed further below.***

In case of variations in the actual utilization of funds allocated for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in this Issue. If surplus funds are unavailable, the required financing will be through our internal accruals and/or debt.

We may have to revise our fund requirements and deployment as a result of changes in commercial and other external factors, which may not be within the control of our management. This may entail rescheduling, revising or cancelling the fund requirements and increasing or decreasing the fund requirements for a particular purpose from its fund requirements mentioned below, at the discretion of our management. In case of any shortfall or cost overruns, we intend to meet our estimated expenditure from internal accruals and/or debt. In case of any such re-scheduling, it shall be made by compliance of the relevant provisions of the Companies Act, 2013.

### ***Details of Utilization of Issue Proceeds***

#### **1. Augment the capital base of our Company**

Our Company proposes to utilize Rs. 7,000.00 Lakhs of Net Proceeds from the Issue towards augmenting the capital base of our Company to fulfil its future capital requirements, which are anticipated to arise as a result of the expansion of our business and assets. Further, a portion of the proceeds from the Issue will be used towards meeting Issue related expenses.

As an NBFC, we are subject to regulations relating to the capital adequacy, which determine the minimum amount of capital we must hold as a percentage of the risk-weighted assets on our portfolio and of the risk adjusted value of off-balance sheet items, as applicable. As per the capital adequacy norms issued by the RBI, our Company is required to have a regulatory minimum capital to Risk Weighted Assets ratio (CRAR) of 15% consisting of Tier I and Tier II capital. Additionally, our Company is required to maintain a Tier I capital of 10% at all time. Set out below are the details of our CRAR and our Tier I and Tier II capital as of the dates indicated:

Particulars	As on March 31		
	2022	2023	2024
	<i>(Rs. Lakhs, except for percentage)</i>		
Tier I Capital	4699.97	8132.98	10512.98
Tier II Capital	189.81	224.03	294.25
<b>Total Capital</b>	4889.78	8357.01	10807.23
<b>Risk Weighted Assets</b>	16050.85	37140.98	32721.33
Tier I Capital Ratio (%)	32.13%	21.90%	29.28%
Tier II Capital Ratio (%)	0.90%	0.60%	1.18%
<b>CRAR (%)<sup>1</sup></b>	<b>33.03%</b>	<b>22.50%</b>	<b>30.46%</b>

Note:

1. CRAR has been computed as per relevant RBI Guidelines. (CRAR = [Tier I Capital + Tier II capital]/Total Risk weighted Assets).

Further, a portion of the proceeds from the Issue will be used towards meeting Issue related expenses.

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

The main objects clause and the objects incidental and ancillary to the main objects clause of our Memorandum of Association enables us to undertake our existing business activities and undertake the activities for which the funds are being raised by us in the Issue.

Our Company is a non-banking finance company (NBFC) registered with Reserve Bank of India as a Non-systemically important non-deposit taking company which does not accept public deposits. Further, in accordance with the Master Direction Reserve Bank of India (Non-Banking Financial Company Scale Based Regulation) Directions, 2023, our Company is classified as an NBFC Base layer. We are primarily engaged in rural and semi-urban centric lending solutions to look after the needs and aspirations of rural and semi-urban populace. Our portfolio includes Electric vehicle finance and business financing to small business owners.

The Object of the Issue is augmenting the capital base of our Company to fulfill our future capital requirements, which are anticipated to arise as a result of the expansion of our business and assets. These needs encompass various areas, including but not limited to, extending loans under green financing and business/MSME segments while adhering to relevant regulatory guidelines, repayment of high cost debts, covering operational expenses, and funding growth opportunities within the mentioned lending verticals.

Our Company's management estimates that owing to the company's business plan, the risk-weighted assets of the Company will grow and therefore we will be required to raise further capital to fulfil the minimum requirement of CRAR and that is where the current high CRAR of the Company will be helpful. Further, we aim to maintain a higher CRAR focusing on factors such as targeted leverage, targeted rating, lender covenants, portfolio health and the expectation of future business.

Our Company's Assets Under Management (AUM), yearly disbursement and income from operations as of and for the financial years ended March 31, 2022, March 31, 2023 and March 31, 2024, are as set out below:

*(Rupees in lakhs)*

Particulars	As of / for the Fiscal ended on		
	March 31, 2022	March 31, 2023	March 31, 2024
Loan Book (AUM)	15162.86	35768.94	30695.76
Fresh Disbursement	18203.02	42606.06	31225.43
Income from Operations	2,502.62	4,563.17	6,322.20

Over the past three financial years—FY 2021-22, FY 2022-23, and FY 2023-24—our company's financial performance, including its Assets Under Management (AUM) and overall business growth, has exhibited inconsistency. This variability can be attributed to our efforts to decrease borrowings in order to reduce the cost of funding, as well as the introduction of stricter norms for assessing borrower proposals, which impacted our loan disbursement rate. Simultaneously, we have diligently implemented measures to strengthen our financial position by reducing leverage.

However, in the years preceding this period, our Company has achieved a significant growth. This is exemplified by our Company's Loan Book (AUM), which witnessed a substantial growth from Rs. 2,031.72 Lakhs as on March 31, 2017, to an impressive Rs. 10,551.48 Lakhs as on March 31, 2021. This trajectory underscores our Company's significant surge in lending activities and overall business growth during that particular timeframe.

Similarly, the Net Profit was Rs. 56.41 Lakhs for the Financial Year ended March 31, 2017, it grew to Rs. 385.56 Lakhs for the Financial Year ended March 31, 2021. And the Revenue from the operation was Rs. 248.46 lakhs for the Financial Year ended March 2017, it grew to Rs 2388.50 Lakhs for the Financial Year ended March 2021.

In the COVID-19 pandemic exerted a significant influence on both the business environment and the economy over the past three years. The repercussions were particularly pronounced during the majority of the Fiscal years 2020-21 and 2021-22. The imposition of customer moratoriums during this period had a notable effect on monthly collection efficiencies. This widespread circumstance had far-reaching consequences nationwide, causing disruptions across various industries and impeding economic growth. Among the sectors affected, the NBFC sector also experienced disruptions due to the pandemic-induced economic challenges.

The outcome of the pandemic's impact on the NBFC sector was a reduction in the issuance of fresh loans. The presence of an unpredictable economic landscape and heightened risk elements prompted financial entities, including NBFCs, to adopt a circumspect stance in offering novel credit to borrowers.

Amid this testing phase, our Company's leadership opted for a strategic choice emphasizing the retrieval of current loans over actively seeking out new business prospects. This strategy was adopted to mitigate potential losses and uphold our Company's fiscal solidity amidst the economic uncertainties induced by the pandemic.

This strategic shift led us to abstain from initiating new disbursements, consequently resulting in a decrease in new borrowings. Borrowings serve as a prevalent avenue for NBFCs in supporting their lending endeavours and other financial activities. Our management's choice to curtail the pace of fund-raising through borrowings was aimed at moderating the overall leverage stance and overseeing cash flows.

Although this prudent strategy did result in a reduction in the overall operational revenue, new disbursements, and AUM in the fiscal years 2021 and 2022, once the impacts of the COVID-19 pandemic abated, our Company returned to its regular business operations. Subsequently, in Fiscal 2023, our Company reinstated its typical business endeavours and facilitated Rs. 42,606.06 lakhs in fresh loan disbursements.

The Net proceeds will be utilized to increase our company's Tier-I capital base to meet future capital requirements which are expected to rise out of the growth of our company's business and assets, primarily its retail loan and other Institutional loans, and to ensure compliance with the RBI Directions viz. Master Direction DNBR.PD.007/03.10.119/2016-17.

We are expecting to significantly grow our loan portfolio in coming years which would require Tier 1 capital to comply with the applicable capital adequacy regulations. For further details, see "Key Regulations and Policies in India", on page 172 of this Draft Red Herring Prospectus.

The Net Proceeds are proposed to be utilized for increasing our company's capital base which will majorly be utilized towards the onward lending in the verticals and geographies in which our Company is operating.

Our geographical loan book is set out as below as of the dates indicated:-

Geography	Mar-22		Mar-23		Mar-24	
	(Lakh)	%	(Lakh)	%	(Lakh)	%
Andhra Pradesh	-	0.00%	296.39	0.83%	468.98	1.53%
Assam	-	0.00%	-	0.00%	18.78	0.06%
Bihar	609.30	4.02%	2,620.41	7.33%	1,771.25	5.77%
Delhi-NCR	3,079.98	20.31%	11,363.57	31.77%	7,183.40	23.40%
Gujarat	343.79	2.27%	334.69	0.94%	125.00	0.41%
Haryana	1,285.56	8.48%	1,383.03	3.87%	2,064.47	6.73%
Himachal Pradesh	-	0.00%	0.67	0.00%	0.11	0.00%
Jharkhand	11.43	0.08%	41.94	0.12%	14.17	0.05%
Karnataka	2,106.95	13.90%	2,249.40	6.29%	2,297.55	7.48%
Madhya Pradesh	187.01	1.23%	2,110.26	5.90%	1,707.46	5.56%
Maharashtra	1,260.63	8.31%	2,513.26	7.03%	2,652.24	8.64%
Odisha	46.26	0.31%	-	0.00%	1.29	0.00%
Punjab	641.06	4.23%	808.01	2.26%	826.29	2.69%
Rajasthan	696.20	4.59%	2,687.03	7.51%	2,412.87	7.86%
Tamil Nadu	349.62	2.31%	1,450.07	4.05%	1,934.59	6.30%
Telangana	167.58	1.11%	1,475.29	4.12%	329.61	1.07%
Uttar Pradesh	1,190.98	7.85%	1,960.95	5.48%	2,014.81	6.56%
Uttarakhand	73.05	0.48%	67.91	0.19%	7.20	0.02%

West Bengal	3,113.45	20.53%	4,406.04	12.32%	4,865.65	15.85%
<b>Grand Total</b>	<b>15,162.86</b>	100.00%	<b>35,768.94</b>	100.00%	<b>30,695.73</b>	100.00%

Our Sector wise loan book is set out as below as of the dates indicated: -

Sector Wise Loan Book	Mar-22		Mar-23		Mar-24	
	(Rs. Lakhs)	%	(Rs. Lakhs)	%	(Rs. Lakhs)	%
Retail (MSME)	4,092.93	26.99%	10,147.68	28.37%	7,575.92	24.68%
Green Financing	0.00	0.00%	93.95	0.26%	641.62	2.09%
Institutional Lending-NBFC	8,572.58	56.54%	17,644.34	49.33%	17,373.52	56.60%
Corporate-Non financial	2,497.34	16.47%	7,882.97	22.04%	5,104.67	16.63%
<b>Total</b>	<b>15,162.86</b>	<b>100.00%</b>	<b>35,768.94</b>	<b>100.00%</b>	<b>30,695.73</b>	<b>100.00%</b>

For further details about our business, see “Our Business” chapter beginning on page 150 of this Red Herring Prospectus.

In addition to the onward lending capital raised through the Issue may also be utilized for the other business operations activities like repayment of high-cost debts (which in turn will improve our company’s net interest margin, covering operational expenses (that will include working capital expenses for operations of new branches), and funding growth opportunities within the mentioned lending verticals (including new geographical expansion, branding etc.)

The funding requirements mentioned above are based on the internal management estimates of our Company and have not been appraised by any bank, financial institution or any other external agency. They are based on current circumstances of our business. Our Company may have to revise its estimates from time to time on account of various factors beyond its control, such as market conditions, competitive environment, and interest or exchange rate fluctuations. Consequently, the funding requirements of our Company are subject to revision in the future at the discretion of the management subject to applicable law. If additional funds are required for the purposes as mentioned above, such requirements may be met through internal accruals, additional capital infusion, debt arrangements or any combination of them, subject to compliance with applicable laws.

Our Company proposes to utilise the Net Proceeds from the Issue towards the aforementioned Objects. Accordingly, we confirm that there is no need for us to make firm arrangements of finance under Regulation 7(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Issue.

## 2. General Corporate Purpose

Our Company intends to deploy the balance Net Proceeds aggregating Rs. [●] Lakh for General Corporate Purposes subject to such utilization not exceeding 25% of the Net Proceeds, in compliance with the SEBI Regulations, including but not limited or restricted to, strategic initiatives, strengthening our marketing network & capability, meeting exigencies, brand building exercises in order to strengthen our operations. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for General Corporate Purposes.

### 3. Issue Related Expenses

The expenses for this Issue include issue management fees, underwriting fees, registrar fees, legal advisor fees, printing and distribution expenses, advertisement expenses, depository charges and listing fees to the Stock Exchange, among others. The total expenses for this Issue are estimated not to exceed Rs. [●] Lakh.

(Rs. In Lakh)

S. No.	Particulars	Amount (Rs. in Lakhs)	% of Total Expenses
1	Book Running Lead manager(s) fees including underwriting commission.	[●]	[●]
2	Brokerage, selling commission and upload fees.	[●]	[●]
3	Registrars to the issue	[●]	[●]
4	Legal Advisors	[●]	[●]
5	Printing, advertising and marketing expenses	[●]	[●]
6	Regulators including stock exchanges	[●]	[●]
7	Others, if any (Peer Review Auditors, and other misc. expenses like printing & stationery etc.)	[●]	[●]
<b>Total</b>		[●]	[●]

- a. As per the certificate dated July 09, 2024, given by M/s KRA & Co., Chartered Accountant, peer review auditor of the company has not incurred any expenses towards issue expenses till date.
- b. Selling commission payable to the members of the CDPs, RTA, SCSBs on the portion of RII, NII would be as follows:
  - a. Portion for RIIs 0.01% (exclusive of GST)
  - b. Portion for NIIs 0.01% (exclusive of GST)
- c. Percentage of the amount received against the Equity Shares Allotted (i.e. the product of the number of Equity Shares and the Issue Price)
- d. The members of RTA and CDPs will be entitled to application charges of Rs. 5/- (plus applicable taxes) as per valid allotment. The terminal from which the application form has been uploaded will be taken into account in order to determine the total application charges payable to the relevant RTA/CDP.
- e. Registered Brokers will be entitled to a commission of Rs. 5/- (plus applicable taxes), per allotment, procured from RII, NII and submitted to the SCSBs for processing. The terminal from which the application has been uploaded will be taken into account in order to determine the total processing fees payable to the relevant Registered Broker.
- f. SCSBs would be entitled to a processing fee of Rs. 5/- (Plus applicable taxes) for processing the application forms, for valid allotments, procured by the members of the Registered Brokers, RTAs and CDPs and submitted to them.
- g. The Sponsor Bank shall be entitled to a maximum fee up to Rs. 9/- (Rupees Nine Only) per valid Bid cum Application Form plus applicable taxes.

#### MEANS OF FINANCE

(Rs. in Lakh)

Particulars	Estimated Amount
IPO Proceed	[●]

## APPRAISAL BY APPRAISING AGENCY

The fund requirement and deployment are based on internal management estimates and has not been appraised by any bank or financial institution.

## SCHEDULE OF IMPLEMENTATION

We propose to deploy the Net Proceeds for the previously mentioned purposes in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below.

*(Rs. in Lakh)*

S. No.	Particulars	Amount to be funded from Net Proceeds	Expenses incurred till July 09, 2024	Estimated Utilisation of Net Proceeds (F.Y. 2024-25)	Estimated Utilisation of Net Proceeds (F.Y. 2025-26)
1	Augment the capital base of our Company	7,000.00	Nil	[●]	[●]
2	General Corporate Purposes	[●]	Nil	[●]	[●]
3	Issue Expenses#	[●]	Nil	[●]	[●]
<b>Total</b>		[●]	[●]	[●]	[●]

*\*Figures are tentative*

*\*\*As per the certificate dated July 09, 2024, given by Statutory Auditor of the company, M/s, KRA & Co., Chartered Accountants, the company has not incurred any issue expenses till date.*

To the extent our Company is unable to utilise any portion of the Net Proceeds towards the Objects, as per the estimated schedule of deployment specified above, our Company shall deploy the Net Proceeds in the subsequent Financial Years towards the Objects.

## DEPLOYMENT OF FUNDS

The Company has received the Sources and Deployment Funds Certificate dated July 09, 2024, from M/s KRA & Co., Chartered Accountants. The certificate states that the Company has not incurred any amount toward issue expenses till date.

## INTERIM USE OF FUNDS

Pending utilization for the purposes described above, our Company intends to invest the funds in with scheduled commercial banks included in the second schedule of Reserve Bank of India Act, 1934. Our management, in accordance with the policies established by our Board of Directors from time to time, will deploy the Net Proceeds. Further, our Board of Directors hereby undertake that full recovery of the said interim investments shall be made without any sort of delay as and when need arises for utilization of process for the objects of the issue.

## BRIDGE FINANCING FACILITIES

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Draft Red Herring Prospectus, which are proposed to be repaid from the Net Proceeds. However, depending on

business exigencies, our Company may consider raising bridge financing for the Net Proceeds for Object of the Issue.

### **MONITORING UTILIZATION OF FUNDS**

As the Net Proceeds of the Issue will be less than Rs. 10,000 Lakh, under the SEBI (ICDR) Regulations it is not mandatory for us to appoint a monitoring agency. Our Board and the management will monitor the utilization of the Net Proceeds through its audit committee. Pursuant to Regulation 32 of the SEBI (Listing Obligation and Disclosures Requirements) Regulations 2015, our Company shall on half-yearly basis disclose to the Audit Committee the applications of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Draft Red Herring Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full. The statement will be certified by the Statutory Auditors of our Company. No part of the Issue Proceeds will be paid by our Company as consideration to our Promoter, our Directors, Key Management Personnel or companies promoted by the Promoter, except as may be required in the usual course of business.

### **VARIATION IN OBJECTS**

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013 and applicable rules, our Company shall not vary the objects of the Issue without our Company being authorised to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the Postal Ballot Notice or E-Voting) shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where the Registered Office is situated. Our Promoters will be required to provide an exit opportunity to such Shareholders who do not agree to the above stated proposal, subject to the provisions of the Companies Act, 2013 and in accordance with such terms and conditions, including in respect of pricing of the Equity Shares, in accordance with our Articles of Association, the Companies Act, 2013 and the SEBI ICDR Regulations.

### **OTHER CONFIRMATIONS**

No part of the issue proceeds will be paid as consideration to promoters, directors, key managerial personnel, associates or group companies except in the normal course of business and as disclosed in the sections titled Our Promoters, Our Promoters Group and Our Management as mentioned on page nos. 214, 220 and 189 of this Draft Red Herring Prospectus.

## BASIS FOR ISSUE PRICE

Investors should read the following summary with the section titled “Risk Factors”, the details about our Company under the section titled "Our Business" and its financial statements under the section titled "Financial Information of the Company" beginning on page 31, 150, and 249 respectively of the Draft Red Herring Prospectus. The trading price of the Equity Shares of our Company could decline due to these risks and the investor may lose all or part of his investment.

The Price Band/ Issue Price shall be determined by our Company in consultation with the Book Running Lead Managers on the basis of the assessment of market demand for the Equity Shares through the Book Building Process and on the basis of qualitative and quantitative factors. The face value of the Equity Shares is ₹ 10/- each and the Issue Price.

### QUALITATIVE FACTORS

Some of the qualitative factors, which form the basis for computing the price, are:

1. *Good track record.*
2. *Leveraging the experience of our Promoters.*
3. *Experienced management team and a motivated and efficient work force.*

For further details, refer to the heading chapter titled “Our Business” beginning on page 150 of this Draft Red Herring Prospectus.

### QUANTITATIVE FACTORS

Information presented below relating to the Company is based on the Restated Financial Statements. Some of the quantitative factors which form the basis or computing the price are as follows:

#### 1. Basic & Diluted Earnings Per Share (EPS):

Financial Year	EPS (Basic & Diluted)	Weight
2023-24	8.64	3
2022-23	7.42	2
2021-22	3.51	1
<b>Weighted Average EPS</b>		<b>7.38</b>

*\*Not Annualized*

#### Note:

- a) EPS Calculations have been done in accordance with Accounting Standard 20 - Earning per share issued by the Institute of Chartered Accountants of India.
- b) Basic earnings per share are calculated by dividing the net profit after tax by the weighted average number of Equity Shares outstanding during the period.
- c) Weighted Average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the year/period adjusted by the number of Equity Shares issued during year/period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.

- d) For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares except where the results are anti-dilutive.

**2. Price to Earnings (P/E) ratio in relation to Issue Price of Rs. [●]/- per Equity Share of face value Rs. 10/- each fully paid up.**

Particulars	P/E Ratio
P/E ratio based on the Basic & Diluted EPS, as restated for FY 2021-2022	[●]
P/E ratio based on the Basic & Diluted EPS, as restated for FY 2022-2023	[●]
P/E ratio based on the Basic & Diluted EPS, as restated for FY 2023-2024	[●]
P/E ratio based on the Weighted Average EPS, as restated	[●]

*\*Not Annualized*

**Industry P/E\***

Highest	45.47
Lowest	45.47
<b>Average</b>	<b>45.47</b>

*\*Average of peer companies are taken*

**3. Return on Net Worth (RONW)**

Financial Year	Return on Net Worth (%)	Weight
2023-24	14.30%	3
2022-23	15.67%	2
2021-22	9.20%	1
<b>Weighted Average</b>		<b>13.91%</b>

*\*Not Annualized*

**Note:**

- Return on Net Worth (%) = Net Profit after tax attributable to owners of the Company, as restated / Net worth as restated as at year end.
- Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/Total of weights
- Net worth is aggregate value of the paid-up share capital of the Company and reserves and surplus, excluding revaluation reserves and attributable to equity holders.

**4. Net Asset Value per Equity Share**

Particulars	Net Asset Value (NAV) in Rs.
2023-24	66.78
2022-23	87.14
2021-22	72.44
NAV after the Issue- At Cap Price	[●]
NAV after the Issue- At Floor Price	[●]

*Note: Net Asset Value has been calculated as per the following formula:*

*NAV = Net worth excluding preference share capital and revaluation reserve/Outstanding number of*

Equity shares outstanding during the year or period

## 5. Comparison with industry peers

#	Name of the company	Face Value (Per share)	CMP	EPS (Rs)	P/E Ratio	RONW (%)	NAV (Rs. Per share)	PAT (Rs. In lakhs)
1	Usha Financial Services Limited	10.00	[●]	47.35	[●]	15.67%	87.14	1344.95
<b>Peer Group*</b>								
2	IBL Finance Limited	10	53.20	1.17	45.47	8.47%		228.35

Note: Industry Peer may be modified for finalisation of Issue Price before filing Draft Red Herring Prospectus with ROC.

\* Sourced from Annual Reports, Unaudited Financials, BSE.

Notes:

- Considering the nature and turnover of business of the Company, the peers are not strictly comparable. However, the same have been included for broader comparison.
- The figures for Usha Financial Services Limited are based on the restated results for the year ended March 31, 2023.
- The figures for the peer group are based on standalone audited results for the year ended March 31, 2023.
- Current Market Price (CMP) is the closing price of respective scrip as on July 09, 2024.

For further details see section titled Risk Factors beginning on page 31 and the financials of the Company including profitability and return ratios, as set out in the section titled Auditors Report and Financial Information of Our Company beginning on page 249 of this Draft Red Herring Prospectus for a more informed view.

### **Key financial and operational performance indicators (“KPIs”)**

Our company considers that KPIs included herein below have a bearing for arriving at the basis for Offer Price. The KPIs disclosed below have been approved by a resolution of our Audit Committee dated July 05, 2024. Further, the KPIs herein have been certified by M/s KRA & Co., Chartered accountants, by their certificate dated July 05, 2024, vide UDIN 24503150BKALXK6894. Additionally, the Audit Committee on its meeting dated July 05, 2024, have confirmed that other than verified and audited KPIs set out below, our company has not disclosed to earlier investors at any point of time during the three years period prior to the date of the Draft Red Herring Prospectus.

For further details of our key performance indicators, see “Risk Factors, “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 31, 150 and 288 respectively. We have described and defined them, where applicable, in “Definitions and Abbreviations” section on page no. 2. Our Company confirms that it shall continue to disclose all the KPIs included in this section “Basis for Offer Price”, on a periodic basis, at least once in a year (or for any lesser period as determined by the Board of our Company), for a duration that is at least the later of (i) one year after the listing date or period specified by SEBI; or (ii) till the utilization of the Net Proceeds. Any change in these KPIs, during the aforementioned period, will be explained by our Company as required under the SEBI ICDR Regulations.

**6. Key metrics like revenue growth, EBIDTA Margin, PAT Margin and few balance sheet ratio are monitored on a periodic basis for evaluating the overall performance of our Company**

*(Amount in lakhs, except EPS, % and ratios)*

Particulars	Financial Year ended March 31st, 2024	Financial Year ended March 31st, 2023	Financial Year ended March 31st, 2022
Customer <sup>(1)</sup>	28727	30125	20429
Revenue from operations <sup>(2)</sup>	6322.2	4563.17	2502.62
Growth in Revenue from Operations <sup>(3)</sup>	38.55%	82.34%	-1.43%
EBITDA <sup>(4)</sup>	4,776.85	3,552.20	1,623.05
EBITDA (%) Margin <sup>(5)</sup>	75.56%	77.85%	64.85%
EBITDA Growth Period on Period <sup>(5)</sup>	34.48%	118.86%	0.51%
Asset Under Management (AUM) <sup>(7)</sup>	30,695.76	35,768.94	15,162.86
Disbursements <sup>(8)</sup>	31,255.43	42,606.06	18,203.02
Profit After Tax <sup>(9)</sup>	1344.95	1016.55	414.42
Average yield on Loan Book (%) <sup>(10)</sup>	17.64%	15.92%	17.69%
Average cost of borrowings (%) <sup>(11)</sup>	13.89%	12.48%	13.01%
Spread (%) <sup>(12)</sup>	3.75%	3.45%	4.67%
Operating Expenses / Average Total Assets (%) <sup>(13)</sup>	3.56%	3.81%	4.59%
Return on Total Assets (%) <sup>(14)</sup>	3.80%	3.79%	2.95%
Return on Equity (%) <sup>(15)</sup>	14.30%	15.67%	9.20%
Gross NPA <sup>(16)</sup>	1,101.32	681.55	766.10
Gross NPA to AUM (%) <sup>(17)</sup>	3.59%	1.91%	5.05%
Net NPA <sup>(18)</sup>	881.05	545.24	612.28
Net NPA to AUM (%) <sup>(19)</sup>	2.87%	1.52%	4.04%
Net worth <sup>(20)</sup>	10602.63	8207.38	4767.58
Debt to Net worth ratio <sup>(21)</sup>	1.71	3.02	2.04
CRWAR (%) <sup>(22)</sup>	33.03%	22.50%	30.46%
Capital Employed <sup>(23)</sup>	28730.85	32958.79	14490.8
ROCE (%) <sup>(24)</sup>	15.40%	14.88%	12.71%
Current Ratio <sup>(25)</sup>	1.83	1.60	1.91
EPS <sup>(26)</sup>	8.64	7.42	3.51

**Notes:**

- (1) Number of customers represents aggregate number of customers of our Company as of the last day of relevant period including securitized accounts.
- (2) Revenue from operations is the revenue generated by our Company.
- (3) Growth in Revenue in percentage, Year on Year
- (4) EBITDA is calculated as Profit before tax + Depreciation + Finance Cost
- (5) EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations
- (6) EBITDA Growth Rate Year on Year in Percentage
- (7) Represents aggregate of future principal outstanding and overdue principal outstanding, if any, for all loan assets under management which includes loan assets held by Company as of the last day of the relevant year or period as well as loan assets which have been transferred by our Company by way of assignment and are outstanding as of the last day of the relevant year or period.
- (8) Represent the aggregate of all loan amounts extended to our customers in the relevant year or period.
- (9) PAT is mentioned as PAT for the period

- (10) Average yield on Loan Book is calculated as interest income on loans and advances divided by the average gross loan book.
- (11) Average cost of borrowings is the finance cost divided by simple average of outstanding borrowings at the first and last day of the financial year.
- (12) Spread is calculated as average yield on loan book minus average cost of borrowings including assignment
- (13) Operating Expenses / Average Total Assets (%) is the ratio of operating expenses to average total assets
- (14) Return on Total Assets (%) is calculated as profit after tax divided by average total assets
- (15) Return on Equity (%) is calculated as profit after tax divided by average total equity
- (16) Gross NPA to AUM is calculated as the ratio of Gross NPA to AUM as on the last date of the relevant period.
- (17) Gross NPA (GNPA) denotes the total of all the loan assets that haven't been repaid by the borrowers within the ninety-day period.
- (18) Net NPA (NNPA) is the amount remaining after deducting doubtful and unpaid debts from the GNPA
- (19) Net NPA to AUM is calculated as the ratio of Net NPA to AUM as on the last date of the relevant period.
- (20) Net worth includes equity share capital plus other equity excluding capital reserve on amalgamation
- (21) Debt to Net Worth Ratio is calculated as the ratio of total borrowings to net worth as on the last day of the relevant period.
- (22) CRWAR (Capital to Risk Weighted Assets Ratio) is calculated as Tier I and II capital divided by weighted average of funded and non- funded items after applying risk weights as assigned by RBI
- (23) Capital Employed is calculated as total equity plus total borrowings
- (24) ROCE: Return on Capital Employed is calculated as EBIT divided by average capital employed
- (25) Current Ratio: Current Asset over Current Liabilities
- (26) EPS is mentioned as EPS for the period

KPI	Explanation
Revenue from operation	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps to assess the overall financial performance of our Company and volume of our business.
Revenue Growth Rate %	Revenue Growth rate informs the management of annual growth rate in revenue of the company in consideration to previous period
EBITDA	EBITDA provides information regarding the operational efficiency of the business
EBITDA Margin (%)	EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business
EBITDA Growth Rate %	EBITDA Growth Rate informs the management of annual growth rate in EBITDA of company in consideration to previous period
Asset Under Management (AUM)	Represents aggregate of future principal outstanding and overdue principal outstanding, if any, for all loan assets under management which includes loan assets held by our Company as of the last day of the relevant year or period as well as loan assets which have been transferred by our Company by way of assignment and are outstanding as of the last day of the relevant year or period.
Disbursements	Represents the aggregate of all loan amounts extended to the customers of our Company in the relevant year or period.
Profit After Tax	PAT represents Profit After Tax for the relevant year or period as per the Restated Consolidated Financial Information
Average yield on Loan Book (%)	Represents the ratio of interest income on loans for a year or period to the average Gross Loan Book for the year or period.
Average cost of	Represents finance cost for the relevant year or period as a percentage of

borrowings (%)	Average Borrowings in such year. Average Borrowings is the simple average of our Total Borrowings outstanding as of the last day of the relevant year or period and our Total Borrowings outstanding as of the last day of the previous year.
Spread (%)	Represents average yield on Gross Loan Book less average cost of borrowings including assignment.
Operating Expenses / Average Total Assets (%)	Represents the ratio of our operating expenses for a year or period to the average total assets for the year or period, expressed as a percentage.
Cost to Income Ratio (%)	Cost to income ratio represents the ratio of operating expenses for the relevant year or period divided by total income for the year or period, less finance costs for the year or period, expressed as a percentage.
Return on Total Assets (%)	Calculated as the Profit After Tax for the relevant year or period as a percentage of Average total assets in such year or period.
Return on Equity (%)	Return on Equity is calculated as the Profit After Tax for the relevant year or period as a percentage of Average Total Equity in such year or period.
Gross NPA to AUM (%)	Represents the ratio of our Gross NPA as of the last day or the relevant day or period to the AUM as of the last day of the relevant year or period
Net NPA to AUM (%)	Represents the ratio of our Net NPA as of the last day or the relevant day or period to the AUM as of the last day of the relevant year or period.
Net worth	Net worth is the aggregate of our equity share capital and other equity excluding capital reserve on amalgamation
Debt to Net worth Ratio	Represents the ratio of our Total Borrowings to Net Worth as of the last day of the relevant period.
CRWAR (%)	The capital to risk weighted assets ratio (CRWAR) is calculated as capital funds (Tier I capital plus Tier II capital) divided by risk-weighted assets (the weighted average of funded and non-funded items after applying the risk weights as assigned by the RBI).
ROCE %	ROCE provides how efficiently our Company generates earnings from the capital employed in the business.
Current Ratio	Current ratio indicate the company's ability to bear its short-term obligations
Operating Cash Flow	Operating cash flow shows whether the company is able to generate cash from day-to-day business
EPS	Earning per shares is the company's earnings available of one share of the Company for the period

## 7. Comparison of KPI with listed industry peers

*(Amount in lakhs, except%)*

Particulars	IBL Finance Limited			Usha Financial Services Limited		
	Mar-24	Mar-23	Mar-22	Mar-24	Mar-23	Mar-22
Revenue from operations	1,412.24	1,330.52	327.08	6,322.20	4,563.17	2,502.62
Growth in Revenue from Operations	6.14%	306.79%	190.50%	38.5%	82.3%	-1.4%
EBITDA	370.74	414.16	65.21	4,776.85	3,552.20	1,623.05

EBITDA (%) Margin	26.25%	31.13%	19.94%	75.56%	77.85%	64.85%
EBITDA Growth Period on Period	-10.48%	535.09%	2721.85%	34.48%	118.86%	0.51%
Asset Under Management (AUM)	5,075.51	1,461.18	842.19	30,695.76	35,768.94	15,162.86
Profit After Tax	228.35	204.66	44.16	1,344.95	1,016.55	414.42
Return on total Assets (%)	5.15%	12.59%	6.48%	3.80%	3.79%	2.95%
Net worth	5,630.07	2,066.75	361.63	10,602.63	8,207.38	4,767.58
Debt to net worth ratio	0.09	-	0.21	1.71	3.016	2.04
Capital Employed	6,121.55	2,066.75	438.16	28,730.85	32,958.79	14,490.80
ROCE (%)	8.47%	32.67%	15.89%	15.40%	14.88%	12.71%
EPS	1.17	1.22	1.35	8.64	7.42	3.51

*\*\*All the information for listed industry peers mentioned above are on a standalone basis and is sourced from their respective audited/ unaudited financial results and/or annual report*

**Notes:**

- (1) Revenue from Operations as appearing in the Restated Financial Statements/ Annual Reports of the respected companies.*
- (2) Growth in Revenue from Operations (%) is calculated as Revenue from Operations of the relevant period minus Revenue from Operations of the preceding period, divided by Revenue from Operations of the preceding period*
- (3) EBITDA is calculated as Profit before tax + Depreciation + Finance Cost*
- (4) EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations.*
- (5) PAT is the profit for the period from continuing operations.*
- (6) PAT Margin' is calculated as PAT for the period/year divided by Revenue from Operations.*
- (7) Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account excluding the reserves creating out of revaluation of assets.*

***This space has been left blank intentionally.***

## 8. Weighted average cost of acquisition

(a) The price per share of our Company based on the primary/ new issue of shares

The details of the Equity Shares excluding shares issued under ESOP/ESOS and issuance of bonus shares during the 18 months preceding the date of this draft red-herring prospectus where such issuance is equal to or more than 5 per cent of the fully diluted paid-up share capital of the Issuer Company (*calculated based on the pre-issue capital before such transaction*), in a single transaction or multiple transactions combined together over a span of rolling 30 days:

S. N.	Date of Allotment	No. of Equity Shares allotted	Face value (Rs.)	Issue Price (Rs.)	Issue Price Adjusted after Bonus Issue	Nature of consideration	Nature of Allotment
1.	On Incorporation	2,000	10	NA	0	Cash	Subscription to MOA
2.	30-06-1995	2,00,000	10	10	6.67	Cash	Allotment of Shares
3.	31-07-1995	2,00,000	10	10	6.67	Cash	Allotment of shares
4.	30-03-2007	95,000	10	100	66.67	Cash	Allotment of Equity Shares on Preferential Basis
5.	05-08-2016	5,00,000	10	30	20.00	Cash	Right Issue
6.	09-09-2016	5,00,000	10	30	20.00	Cash	Right Issue
7.	03-10-2016	5,00,000	10	30	20.00	Cash	Right Issue
8.	05-05-2017	4,73,000	10	30	20.00	Cash	Private Placement
9.	06-11-2017	6,67,000	10	30	20.00	Cash	Private Placement
10.	21-02-2018	20,00,000	10	30.0	20.00	Cash	Private Placement
11.	22-02-2018	13,33,333	10	30.0	20.00	Cash	Private Placement
12.	27-02-2018	12,094	10	527	351.33	Cash	Preferential Issue
13.	27-02-2018	7,590	10	527	351.33	Cash	Preferential Issue
14.	12-03-2018	44,591	10	527	351.33	Cash	Preferential Issue
15.	22-03-2018	7,590	10	527	351.33	Cash	Preferential Issue
16.	18-04-2018	9,487	10	527	351.33	Cash	Right Issue
17.	31-03-2022	30,000	10	73.50	49.00	Cash	Private Placement
18.	31-05-2022	6,57,000	10	75	50.00	Cash	Preferential Issue
19.	10-08-2022	7,12,000	10	75	50.00	Cash	Preferential Issue
20.	02-09-2022	9,22,500	10	75	50.00	Cash	Preferential Issue
21.	06-09-2022	1,39,500	10	75	50.00	Cash	Preferential Issue
22.	30-09-2022	3,71,621	10	148	98.67	Cash	Preferential Issue
23.	07-10-2022	33,784	10	148	98.67	Cash	Preferential Issue
24.	20-06-2023	36,000	10	90	60.00	Cash	Preferential Issue
25.	05-07-2023	5,81,000	10	90	60.00	Cash	Preferential Issue
26.	10-07-2023	5,50,000	10	90	60.00	Cash	Preferential Issue

(b) *The price per share of our Company based on the secondary sale/ acquisition of shares*

There are no secondary sale / acquisitions of Equity Shares, where the promoters, members of the promoter group or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this DRHP, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

(c) *Weighted average cost of acquisition, floor price and cap price:*

Type of transaction	Weighted average cost of acquisition (₹ per equity shares)	Weighted average cost of acquisition after Bonus shares adjustments (₹ per equity shares)	Floor Price	Cap Price
Weighted average cost of primary / new issue acquisition	5.65	3.77	[●]	[●]
Weighted average cost of secondary acquisition	Nil	Nil	[●]	[●]

\*Calculated for last 18 months

\*\*Calculated for Transfer of Equity Shares.

**9. Explanation for Offer Price / Cap Price being [●] times and [●] times price of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares (set out in (d) above) in view of the external factors which may have influenced the pricing of the Offer.**

Not Applicable.

*This space has been left blank intentionally.*

## STATEMENT OF TAX BENEFITS

### Independent Auditor's Report on Statement of Special Tax Benefits

To,  
The Board of Directors,  
**Usha Financial Services Limited**  
33 0, Mezzanine Floor, Functional Industrial Estate,  
Patparganj, Delhi- I 10092

**Subject: Statement of possible Special tax benefit ('the Statement') available to Usha Financial Services Limited and its shareholders prepared in accordance with the requirements under Schedule VI-Clause 9L of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended. (the 'Regulations').**

We hereby confirm that the enclosed annexure, prepared by “Usha Financial Services Limited” (“the Company”) states the possible special tax benefits available to the Company and the shareholders of the Company under the Income – tax Act, 1961 ('Act') as amended time to time, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the State Goods and Services Tax Act as passed by respective State Governments from where the Company operates and applicable to the Company, the Customs Act, 1962 and the Foreign Trade Policy 2015-2020, as amended by the Finance Act, 2021, i.e., applicable for the Financial Year 2021-22 relevant to the assessment year 2022-23, presently in force in India for inclusion in the Draft Red Herring Prospectus (“DRHP”) / Red Herring Prospectus (“RHP”) / Prospectus for the proposed public offer of equity shares, as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“ICDR Regulations”).

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the company 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. Further, these benefits are neither exhaustive nor conclusive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that this statement is only intended to provide general information to the investors and hence is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue. We are neither suggesting nor are we advising the investor to invest money or not to invest money based on this statement.

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 future;
- the conditions prescribed for availing the benefits, where applicable have been/would be met;
- The revenue authorities/courts will concur with the views expressed herein.

We hereby give our consent to include enclosed statement regarding the tax benefits available to the Company and to its shareholders in the DRHP for the proposed public offer of equity shares which the Company intends to submit to the Securities and Exchange Board of India provided that the below statement of limitation is included in the offer document.

**Limitations**

*Our views expressed in the statement enclosed are based on the facts and assumptions indicated above. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the 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 interpretation of the existing tax laws in force in India and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. Reliance on the statement is on the express understanding that we do not assume responsibility towards the investors who may or may not invest in the proposed issue relying on the statement.*

The enclosed Annexure is intended solely for your information and for inclusion in the Draft Red Herring Prospectus / Red Herring Prospectus/ Prospectus or any other issue related material in connection with the proposed issue of equity shares and is not to be used, referred to or distributed for any other purpose without our prior written consent.

**Signed in terms of our separate report of even date.**

**For, KRA & CO.**  
**Chartered Accountants**  
**Firm Registration No.: 020266N**

**Sd/-**  
**CA Rajat Goyal**  
**Partner**  
**Membership No.: 503150**

**Place: New Delhi**  
**Date: 29<sup>th</sup> June 2024**

**UDIN: 24503150BKALWW2140**

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### **Annexure to the statement of possible Tax Benefits**

Outlined below are the possible Special tax benefits available to the Company and its shareholders under the Income Tax Act, 1961 presently forced in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have different interpretation on the benefits, which an investor can avail.

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.

**1. Special Tax Benefits available to the Company under the Act:**

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

**2. Special Tax Benefits available to the shareholders of the Company**

The Shareholders of the company are not entitled to any Special tax benefits under the Act.

Notes:

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.

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.

*This space has been left blank intentionally.*

## SECTION V – ABOUT THE COMPANY

### INDUSTRY OVERVIEW

*The market information in the report titled “NBFC Industry Report” dated June 29, 2024, (the “Infomerics Report”), prepared and released by Infomerics Analytics and Research Private Limited (“Infomerics”), which has been exclusively commissioned and paid for pursuant to an engagement letter, is arrived at by employing an integrated research methodology which includes secondary and primary research. In addition to the primary research, quantitative market information is also derived based on data from trusted portals and industry publications. Therefore, the information is subject to limitations of, among others, secondary statistics and primary research, and accordingly the findings do not purport to be exhaustive. Infomerics’ estimates and assumptions are based on varying levels of quantitative and qualitative analyses from various sources, including industry journals, company reports and information in the public domain. Infomerics’ research has been conducted with a broad perspective on the industry and will not necessarily reflect the performance of individual companies in the industry.*

*Forecasts, estimates and other forward-looking statements contained in the Infomerics Report are inherently uncertain and could fluctuate due to changes in factors underlying their assumptions, or events or combinations of events that cannot be reasonably foreseen. The forecasts, estimates and other forward-looking statements in the Infomerics Report depend on factors like the recovery of the economy, the competitive environment, amongst others, leading to significant uncertainty, all of which cannot be reasonably and accurately accounted for. Actual results and future events could differ materially from such forecasts, estimates, or such statements.*

*Further, global economic and Indian Economic outlook as well as NBFC industry Indian or global as stipulated in this section has been extracted from various websites and publicly available documents from various industry sources. The data may have been re-classified by us for the purpose of presentation. None of the Company and any other person connected with the Issue have independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projection forecasts and assumptions that may prove to be incorrect. Accordingly, investors should not place undue reliance on information.*

#### **Global Economic Overview and NBFC Sector in 2024**

The global economy in 2024 is characterized by uneven growth and ongoing challenges, yet it demonstrates resilience despite the volatility. The International Monetary Fund (IMF) projects global growth at 3.1% for 2024, with emerging markets showing more robust activity compared to advanced economies, which are experiencing tepid growth (IMF) (World Economic Forum).

Mergers and acquisitions (M&A) are a significant trend in the financial services sector, including non-banking financial companies (NBFCs). Companies are strategically using acquisitions to enhance their market positions and capabilities, particularly in adjacent markets. This trend is driven by the need for consolidation, restructuring, and leveraging synergies to optimize costs and improve profitability (PwC) (McKinsey & Company).

Digital transformation continues to be a key driver for NBFCs globally. The adoption of advanced technologies such as artificial intelligence (AI), machine learning (ML), robotic process automation (RPA), and blockchain is

revolutionizing the sector. These technologies enhance operational efficiency, customer experience, and risk management capabilities, allowing NBFCs to better analyse data and create alternative credit scoring models (PwC) (Blog).

Environmental, social, and governance (ESG) criteria are increasingly influencing investment decisions and business strategies within the NBFC sector. Investors and regulators are prioritizing sustainable practices and transparency in ESG reporting. This shift is prompting NBFCs to adopt more responsible practices to meet stakeholder expectations and regulatory requirements (PwC)

Workforce trends are also impacting the NBFC sector. The rise of digital jobs is providing higher-paid roles and expanding the global talent pool. However, the potential for rising unemployment in certain regions due to economic uncertainties and the impact of AI on job displacement highlights the need for reskilling and upskilling the workforce to adapt to technological advancements (World Economic Forum) (McKinsey & Company).

The integration of digital technologies helps NBFCs like Usha Financial Services Limited (UFSL) reduce dependency on manual processes, improve accuracy, and achieve cost savings. This leads to faster loan approvals, better risk assessment, and enhanced customer service (PwC) (Blog).

Increased M&A activity and strategic partnerships open new avenues for growth and market expansion. Collaborations with fintech companies and traditional banks enable NBFCs to enhance their product offerings and reach a broader customer base, contributing to financial inclusion and economic development (PwC) (KPMG).

Adapting to evolving regulatory requirements ensures better risk management and stability for NBFCs. Compliance with ESG criteria and data privacy regulations builds trust and credibility with stakeholders, essential for sustainable growth (PwC) (Blog).

Despite these opportunities, NBFCs face challenges such as keeping up with rapid technological advancements and ensuring robust cybersecurity measures. Navigating stringent regulations and managing operational costs are ongoing concerns. Intense competition from traditional banks and fintech companies requires continuous innovation and differentiation to maintain market position (KPMG) (Blog).

## **GLOBAL KEY POINTS FOR NBFC INDUSTRY**

### **Global Economic Volatility:**

NBFCs are increasingly impacted by global economic volatility, driven by geopolitical tensions, trade disruptions, and fluctuating commodity prices. These factors create uncertainties in the financial markets, affecting credit demand and lending activities (World Economic Forum) (McKinsey & Company).

### **Climate Change and Sustainability:**

Climate change is becoming a critical consideration for NBFCs. They are adopting green finance initiatives and sustainable lending practices to support environmental goals and mitigate climate risks. This shift is essential for aligning with global sustainability standards and attracting environmentally conscious investors (PwC) (Blog).

### **Decentralized Finance (DeFi) and Blockchain:**

The rise of decentralized finance (DeFi) and blockchain technology is transforming the traditional financial services landscape. NBFCs are exploring these technologies to enhance transparency, security, and efficiency in

financial transactions. Blockchain can streamline processes such as identity verification and cross-border payments (PwC) (Blog).

### **Demographic Shifts and Aging Populations:**

Demographic changes, particularly in developed countries with aging populations, are influencing the financial services sector. NBFCs are adapting their product offerings to cater to the financial needs of older adults, such as retirement planning and long-term care financing (McKinsey & Company).

### **Remote and Hybrid Work Models:**

The adoption of remote and hybrid work models is reshaping the operational dynamics of NBFCs. These models require investment in digital infrastructure and cybersecurity to support a distributed workforce while maintaining productivity and data security (World Economic Forum).

### **Global Talent Acquisition and Management:**

With the rise of digital jobs, NBFCs are focusing on global talent acquisition and management. This involves leveraging remote work capabilities to tap into a diverse talent pool across different regions, enhancing innovation and operational efficiency (World Economic Forum).

### **Consumer Behaviour and Digital Banking:**

Changes in consumer behaviour, driven by the proliferation of digital banking, are impacting NBFCs. Consumers increasingly prefer digital channels for financial transactions, requiring NBFCs to enhance their digital capabilities and user experience to meet evolving customer expectations (Blog).

### **Financial Health and Literacy:**

There is a growing emphasis on financial health and literacy among consumers. NBFCs are developing educational programs and tools to improve financial literacy, helping customers make informed financial decisions and manage their finances better (PwC) (Blog).

By understanding and integrating these additional global key points, Usha Financial Services Limited can better navigate the evolving financial landscape, leveraging new opportunities and addressing emerging challenges effectively.

**Impact on the NBFC Sector:** Non-Banking Financial Companies (NBFCs) continue to play a crucial role in the global financial landscape, particularly in emerging economies. The NBFC sector in India, for instance, has shown significant growth driven by factors such as enhanced financial inclusion and positive policy interventions. Reports from KPMG India and the Boston Consulting Group (BCG) highlight the sector's resilience and adaptability amid regulatory changes and technological advancements (KPMG) (India Brand Equity Foundation) (IMF).

## **GLOBAL KEY IMPACTS FOR NBFC**

### **Enhanced Operational Efficiency:**

The integration of digital technologies such as RPA, AI, and ML streamlines operational processes, reduces

manual interventions, and enhances accuracy. This leads to significant cost savings, faster loan approvals, and improved customer service. Automation also enables NBFCs to handle higher volumes of transactions efficiently (PwC) (Blog).

### **Improved Risk Management:**

Advanced analytics and AI enable NBFCs to better assess and manage risks. Predictive models and real-time data analysis help in identifying potential defaulters and mitigating credit risks. Enhanced risk management practices contribute to the stability and resilience of NBFCs, ensuring sustainable growth (PwC) (Blog).

### **Increased Market Competitiveness:**

Technological advancements and strategic partnerships enhance the competitiveness of NBFCs in the financial market. By adopting innovative solutions and expanding their service offerings, NBFCs can differentiate themselves from traditional banks and fintech competitors. This competitive edge is crucial for attracting and retaining customers in a dynamic market (PwC) (KPMG).

### **Financial Inclusion and Economic Growth:**

NBFCs significantly contribute to financial inclusion by providing credit to underserved populations. This support for MSMEs, rural communities, and other niche segments drives economic growth and development. By fostering entrepreneurship and enabling access to financial services, NBFCs play a critical role in reducing poverty and promoting social equity (KPMG) (Blog).

**Growth Rate:** The NBFC sector in India has recorded a year-on-year growth rate of 25.8%, supported by strategic importance in financial inclusion and digital transformation.

**Economic Contributions:** NBFCs have been instrumental in providing credit to underserved populations and supporting the growth of various economic sectors, including housing, consumer goods, and infrastructure (World Economic Forum) (McKinsey & Company) (Deloitte United States).

### **Compliance and Trust:**

Adhering to evolving regulatory requirements and focusing on ESG initiatives build trust and credibility with stakeholders. Compliance with data privacy and cybersecurity regulations ensures the protection of customer information and reinforces confidence in NBFCs. Transparent and responsible business practices attract investors and customers, supporting long-term growth (PwC) (Blog).

By understanding and leveraging these detailed global key points and impacts, Usha Financial Services Limited can strategically position itself to navigate the complexities of the global financial landscape, capitalize on growth opportunities, and manage associated risks effectively.

## OVERVIEW OF THE NBFC SECTOR'S CURRENT STATE

As of 2024, the Non-Banking Financial Companies (NBFCs) sector in India remains a pivotal component of the financial landscape, demonstrating significant growth despite global economic uncertainties. The sector has continued to expand, capitalizing on digital innovations and a broadening customer base. With a recorded year-on-year growth rate of 25.8% in August 2024, NBFCs have significantly outpaced many other sectors of the Indian economy.



**Disclaimer:** This image has been generated online based on content from multiple sources, including KPMG India, BCG Update H1FY24, and IBEF. The information presented aims to provide a comprehensive overview of the current state of the NBFC sector in India as of 2024. For detailed insights and original reports, please refer to the cited sources.

### Growth Trajectory and Its Strategic Importance

Non-Banking Financial Companies (NBFCs) have played a pivotal role in driving financial inclusion, particularly in underserved regions, by offering diversified financial services beyond traditional banking. They have become essential in mobilizing resources across the urban-rural divide and supporting government initiatives towards financial empowerment.

#### Growth Trajectory:

**Year-on-Year Growth:** The NBFC sector in India has recorded a year-on-year growth rate of 25.8% as of 2024.

**CAGR Projections:** Projections indicate a compound annual growth rate (CAGR) of 13-15% over the next few years (KPMG) (ASSOCHAM).

### **Strategic Importance:**

**Financial Inclusion:** NBFCs are instrumental in promoting financial inclusion by reaching out to unbanked and underbanked populations. This includes providing microloans, small business loans, and financial literacy initiatives.

**Regulatory Adaptations:** The Reserve Bank of India (RBI) has been actively shaping the NBFC sector through regulations focused on transparency, governance, and consumer protection. NBFCs need to adapt to these evolving guidelines to ensure responsible practices and maintain regulatory compliance.

**Technological Advancements:** NBFCs are leveraging big data analytics and digital tools to gain deeper insights into customer behaviour, improve product development, and manage risks efficiently. Cybersecurity and data privacy remain paramount as reliance on technology grows (KPMG) (ASSOCHAM).

### **Sector's Resilience**

The resilience of the NBFC sector is underscored by its robust response to regulatory changes and economic fluctuations. Despite facing challenges such as liquidity constraints and competitive pressures from traditional banks, NBFCs have managed to sustain growth. This resilience is powered by adaptive business models and a focus on innovation, allowing them to maintain stability and continue expanding their market presence.

### **Digital Transformation**

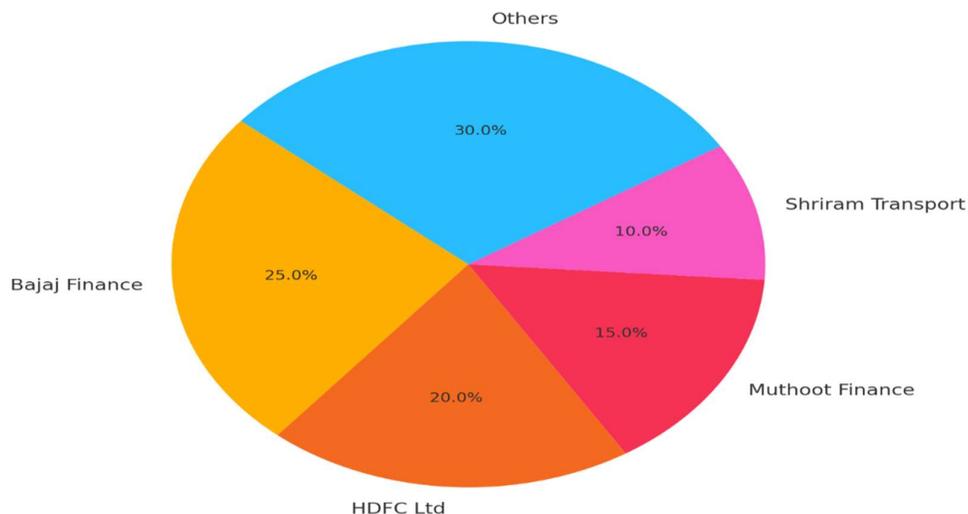
The digital transformation within the NBFC sector has been profound, with many companies adopting new technologies that enhance operational efficiencies and customer engagement. The use of artificial intelligence for credit assessments, blockchain for secure transactions, and digital platforms for customer interaction has not only streamlined operations but also expanded the reach of financial services. This digital push has enabled NBFCs to achieve a wider footprint in financial inclusion, making financial services accessible to a larger segment of the population.

### **Impact of Regulatory Changes**

The regulatory environment for NBFCs has seen significant evolution, with the Reserve Bank of India (RBI) introducing scale-based regulation to ensure better risk management and promote stability within the sector. These regulations have been designed to safeguard the financial system while supporting the growth of NBFCs through constructive frameworks. The ongoing regulatory enhancements help in maintaining the balance between growth and stability, ensuring that NBFCs can thrive in a competitive and complex financial ecosystem.

The NBFC sector in India is set for sustained growth, driven by strategic initiatives and robust regulatory support. As the sector continues to innovate and adapt, it remains crucial for achieving India's broader financial inclusion goals. The continued expansion of NBFCs will play a significant role in shaping the future of finance in India, particularly in reaching underserved areas and contributing to economic development.

### Market Share Distribution Among Top NBFCs - FY2024



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## CHALLENGES FOR OUR COMPANY

### Company-Specific Challenges:

#### High Cost of Financing:

UFSL faces difficulty in obtaining funds at lower costs. This high cost of financing limits the ability to offer competitive loan products and impacts overall profitability. Securing cheaper sources of capital is critical to sustaining growth and maintaining market competitiveness.

#### Competitive Loan Pricing in Wholesale Lending:

The company struggles to provide loans at competitive prices in the wholesale lending market. Balancing the need to attract clients with low-interest rates while ensuring sufficient yield to cover costs is challenging. Lower yields may not be feasible, affecting UFSL's ability to compete effectively.

#### Regulatory Compliance and Evolving Regulations:

UFSL must navigate a complex and constantly evolving regulatory environment. Adhering to stringent regulations related to capital adequacy, governance, and consumer protection increases operational costs and requires continuous monitoring and adjustments. Staying compliant while adapting to new regulatory requirements is essential to maintain credibility and avoid penalties.

#### Technological Advancements and Cybersecurity:

Keeping pace with rapid technological advancements while ensuring robust cybersecurity measures is critical for UFSL. Integrating new technologies such as AI, ML, and blockchain requires significant investment.

Additionally, safeguarding against cyber threats is paramount to protect sensitive financial data and maintain customer trust. Implementing advanced security protocols and regularly updating systems to prevent breaches is necessary for sustained growth.

### **Market Competition and Digital Disruption:**

UFSL faces intense competition from traditional banks and emerging fintech companies. To stay competitive, the company must continuously innovate and differentiate its services. The digital disruption demands that UFSL enhances its digital capabilities and improves the customer experience through innovative solutions and seamless digital interactions.

### **Risk Management and Credit Quality:**

Maintaining robust risk management practices to assess and mitigate credit risks is vital for UFSL. High levels of non-performing assets (NPAs) can significantly impact financial performance. Implementing advanced predictive analytics and real-time monitoring systems helps in identifying potential defaulters and managing credit quality effectively. Strengthening risk assessment models and ensuring rigorous credit evaluation processes are necessary to minimize defaults.

## **INTRODUCTION TO NON-BANKING FINANCIAL COMPANIES (NBFCs)**

What are NBFCs?

Non-Banking Financial Companies (NBFCs) are financial entities that operate without a banking license yet perform functions similar to banks. They are crucial in offering credit and other financial services, especially in regions and sectors not sufficiently served by traditional banks. NBFCs are regulated by the Reserve Bank of India, although they do not offer checking facilities or demand deposits.



### **Role in the Financial Sector**

NBFCs significantly contribute to the financial inclusion by providing loans and credit facilities to the underbanked segments of society, including small businesses and individuals in rural or semi-urban areas. They are particularly known for their role in financing small and medium enterprises (SMEs), which are often

overlooked by conventional banks due to perceived risks or insufficient collateral.

### **Loans to Other Financial Institutions and Companies**

Some NBFCs specialize in providing wholesale loans to other financial institutions or smaller NBFCs. These loans are crucial for maintaining liquidity and financial stability among smaller financial entities, thereby supporting the broader financial ecosystem.

### **Statistical Overview of Market Size and Growth for NBFCs in India**

The Non-Banking Financial Companies (NBFCs) sector in India has seen substantial growth over recent years, which is evident from the expansion in their assets and market presence. From FY 2021 to FY 2026, the NBFC sector is projected to grow at a compound annual growth rate (CAGR) of approximately 18.5%, driven by a combination of factors including increased demand for credit, governmental financial inclusion initiatives, and widespread digitalization.

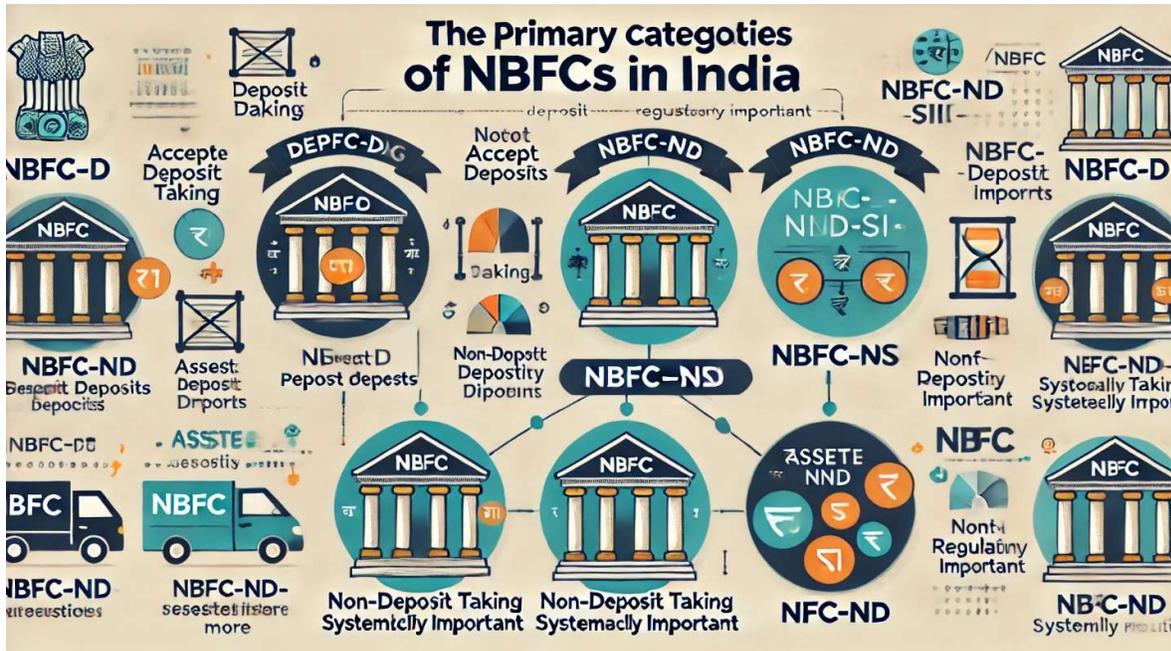
In more specific terms, as of the financial year ending in 2023, the NBFC sector witnessed significant growth in their assets under management (AUM), with an expected increase in their annual growth rate by about 13-14% compared to the single-digit growth observed in the previous years from 2020 to 2022 (India Brand Equity Foundation). This acceleration indicates a robust recovery and an optimistic outlook for the sector, primarily fuelled by improving economic activities and stronger balance sheet conditions.

Moreover, NBFCs have also been instrumental in diversifying their service offerings and expanding into niche markets. This includes increasing their footprint in sectors such as microfinance, personal loans, and auto finance, which have shown vibrant growth and are crucial in supporting various other economic sectors including housing, consumer goods, and transportation.

This statistical growth is not only a reflection of the NBFCs' ability to adapt to the dynamic financial landscape of India but also showcases their pivotal role in fostering financial inclusion and supporting the broader economic infrastructure of the country.

## NBFCs categorized by the Reserve Bank of India (RBI)

In India, Non-Banking Financial Companies (NBFCs) are categorized by the Reserve Bank of India (RBI) primarily based on their activities and the permissions granted to them regarding deposit acceptance.



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Here's a brief overview of the primary categories of NBFCs:

1. **NBFC-D (Deposit Taking):** These NBFCs are permitted to accept public deposits. They are subject to stringent regulatory requirements regarding capital adequacy, liquidity, and reporting norms to ensure the safety of depositors' money.
2. **NBFC-ND (Non-Deposit Taking):** These NBFCs do not accept public deposits. Within this category, there are two sub-categories:
  - i. **NBFC-ND-SI (Non-Deposit Taking Systemically Important):** These are
    - 2) NBFCs that do not accept deposits but have an asset size of ₹500 crore or more. They are considered systemically important due to their large size and potential impact on the financial system, and therefore, are subject to stricter regulatory oversight.
  - i. **NBFC-ND:** These are NBFCs that do not take deposits and have assets below ₹500 crore. They face less stringent regulations compared to systemically important NBFCs (Reserve Bank of India).

Each category of NBFC must adhere to specific regulatory frameworks designed to oversee their operations, manage risks, and protect stakeholders' interests, particularly those of customers and investors. The RBI regularly updates these regulations to reflect the changing dynamics of the financial sector and to address emerging risks.

## **Risk Weight Assignment to NBFC Categories in FY2024**

The Reserve Bank of India (RBI) assigns risk weights to various categories of NBFCs based on their asset types, exposure, and systemic importance. This is done to ensure that these institutions maintain adequate capital buffers to cover potential losses from their financial operations. Here's how the risk weights are generally assigned:

### **Capital Adequacy Requirements:**

All NBFCs are required to maintain a certain level of capital against their risk-weighted assets. The minimum capital adequacy ratio (CAR) is set at 15% of the risk-weighted assets, with at least 10% as Tier I capital. For systemically important NBFCs (NBFCND-SI and NBFC-D), the requirements are typically higher to reflect their greater potential impact on financial stability.

### **Risk Weights Based on Exposure Types:**

- (a) Zero Percent: Claims on central and state governments are assigned a zero percent risk weight.
- (b) 20%, 50%, and 100%: Loans and advances to corporate entities, retail loans, and personal loans are assigned varying risk weights depending on the borrower's credit quality and the type of collateral offered. For example, secured loans might carry lower risk weights compared to unsecured loans.

The RBI updates these risk weights periodically to reflect changes in market conditions and the macroeconomic environment.

### **Differential Treatment Based on NBFC Categories:**

NBFC-D (Deposit Taking) and NBFC-ND-SI (Systemically Important Non-Deposit Taking) are subject to stricter prudential norms, reflecting their higher risk profiles and systemic importance. These include higher capital charges for market and operational risks. NBFC-ND (Non-Deposit Taking) with smaller asset sizes may have more lenient risk weights, particularly if they do not access public funds and have limited customer interface.

### **Contribution of NBFCs to GDP**

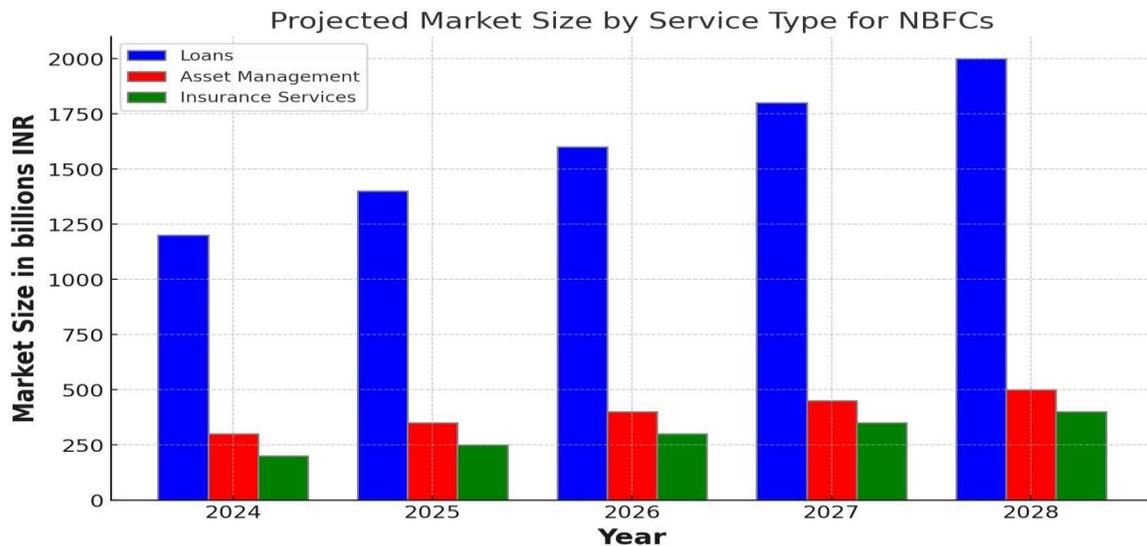
NBFCs play a critical role in India's financial sector by providing credit to segments not sufficiently served by traditional banks. Their activities support various sectors of the economy, from small businesses and infrastructure projects to retail consumers and agricultural operations. While specific data on NBFCs' direct contribution to India's GDP in FY2024 might not be readily available, their role in promoting financial inclusion and economic growth is substantial. Historically, the expansion of NBFC activities correlates with increased economic activity, particularly in consumer spending and investment in infrastructure.

The risk weight framework and capital adequacy norms ensure that NBFCs operate with sufficient financial buffers, thereby contributing to the overall stability and resilience of the financial system. As they continue to grow and serve critical economic functions, NBFCs are expected to remain integral to India's broader economic development strategies.

## MARKET OVERVIEW OF NBFCs IN INDIA

### Market Size and Future Growth Projections:

As of 2023, the Non-Banking Financial Companies (NBFC) sector in India has reached an impressive market size of USD 326 billion, underscoring its expansive influence within the financial landscape. This growth highlights the sector's robust performance and strategic importance, driven by various factors such as increasing digital penetration, favourable government policies, and innovative service delivery to underserved regions. Such specific figures demonstrate the significant role NBFCs play in the broader economic framework and validate the projected compound annual growth rate (CAGR) of 13-15% between 2023 and 2025.



*source: India Brand Equity Foundation. Available at IBEF(IAR\_NBFC Industry Report).*

This integration of precise market size data not only substantiates the growth narrative but also aligns with industry-reported statistics to strengthen the overall impact and trustworthiness of your report.

The market size of NBFCs in India has experienced robust growth. From 2021 to 2023, the sector saw significant increases in its assets and customer base. As of 2023, the assets under management (AUM) of NBFCs are estimated to have grown substantially, supported by the factors mentioned above.

This overview encapsulates the dynamic and rapidly expanding landscape of NBFCs in India, underpinned by technological advancements, supportive governmental frameworks, and shifting consumer preferences.

## Summary Snapshot (I/II)



- India's GDP grew at **7.2% in FY23**, forecasted to grow between **5.3% to 6.5% YoY in FY24**
- Most agencies have made **upward revision of India's GDP forecast for FY24**
- Major BFSI indicators, except insurance, grew at a healthy rate
- RBI **hiked repo rate six times** in the FY23, aggregating 250 bps to 6.5%



- NBFCs post **highest credit growth** (17.3%) in last 5 years
- NIMs **inched higher** for lenders on account of higher yields and **increased by 30 bps for both lenders**; CIR increased marginally
- Profitability improved for NBFCs aided by **record disbursements** and **improved asset quality**
- **Most Banks/NBFCs reported lower GNPA**; Credit costs also **continue a downward trend**
- Valuation for NBFCs **remained flat** in the last 1 year; However, **Diversified NBFCs command higher valuation** than other categories



- Absolute profit for the NBFC sector increased **39% YOY** in FY23 driven by Diversified (68%) and MFI (220%) NBFCs
- **Reduction in credit costs** (38bps YoY) and **higher NIM** (37bps YoY) boosting sector profitability
- Diversified (28%) and Micro Finance (33%) NBFCs driving credit growth for the overall sector (17%)
- Banks' lending to NBFCs is back, with share of bank's lending to NBFCs **-2x during last 10 years**

**Sources:** <https://www.bcg.com/>

### Financial Technology Adoption

The integration of financial technologies (fintech) has been a key enabler for the rapid growth of the NBFC sector. Technologies such as artificial intelligence (AI) and machine learning (ML) are being utilized to enhance risk assessment, improve loan underwriting processes, and personalize financial products for customers. This tech adoption not only enhances operational efficiency but also significantly boosts the customer service experience, leading to higher customer retention rates.

### Collaboration with Banks and Other Financial Institutions

NBFCs have increasingly collaborated with traditional banks and other financial institutions to extend their service offerings. These partnerships have allowed NBFCs to leverage the vast branch networks and existing customer bases of banks, while banks benefit from the agility and niche financial services provided by NBFCs. Such collaborations have been particularly effective in extending credit services to small businesses and rural sectors, areas where traditional banks typically have less penetration.

### Regulatory Developments

Over recent years, the Indian regulatory framework for NBFCs has been strengthened to ensure better risk management and protect the interests of various stakeholders. The Reserve Bank of India (RBI) has introduced several measures, including stricter capital adequacy norms and more rigorous auditing processes, to enhance transparency and accountability within the sector. These regulatory enhancements are aimed at aligning NBFC operations with global best practices, thereby boosting investor confidence and ensuring the sector's long-term sustainability.

### Challenges and Resilience

Despite their robust growth, NBFCs face several challenges, including competition from new fintech entrants, fluctuating economic conditions, and regulatory pressures. However, the sector has demonstrated remarkable resilience by adapting quickly to these challenges through innovation and strategic

restructuring. The ability of NBFCs to rapidly adjust to changing market conditions and consumer needs continues to be a significant factor in their ongoing success.

### **Future Outlook**

The future of NBFCs in India remains promising, with several opportunities for further expansion and innovation. The continued focus on digital transformation, coupled with supportive government policies aimed at financial inclusion, is expected to drive further growth in the sector. Additionally, the increasing consumer demand for convenient and fast financial services suggests that NBFCs that continue to innovate and adapt to digital trends will thrive.

In conclusion, the NBFC sector in India is poised for continued growth, powered by technological advancements, regulatory support, and a deep understanding of consumer financial needs. As they navigate through the complexities of the financial landscape, NBFCs are expected to play an even more critical role in India's economic development, particularly in fostering financial inclusion across diverse demographic segments.

The growth of Non-Banking Financial Companies (NBFCs) in India is primarily driven by several pivotal factors:

- **Increasing Digital Penetration:** The digital transformation within the NBFC sector has been remarkable, especially from 2021 to 2024. The adoption of digital technologies has enabled NBFCs to broaden their reach and enhance service delivery. For instance, digital platforms have been utilized extensively for loan applications, disbursements, and repayments, significantly reducing the turnaround time for customer service and expanding access to financial products across diverse geographical regions.
- **Government Initiatives:** Government policies have significantly bolstered the growth of NBFCs. Initiatives such as Pradhan Mantri Jan Dhan Yojana (PMJDY), Mudra Yojana, and Stand-Up India launched over the past decade aim to enhance financial inclusion by providing easier access to financial services for the unbanked and underbanked populations. These initiatives have created a conducive environment for NBFCs to thrive by tapping into previously inaccessible customer segments.
- **Evolving Consumer Behaviour:** Consumer behaviour in India has seen a shift with an increasing preference for quick and easy access to financial services, further accelerated by the COVID-19 pandemic around 2020-2021. This shift has led to a higher demand for personal and microfinance loans, which NBFCs are uniquely positioned to provide due to their flexible operations and customer-centric products.

### **Technological Advancements in the NBFC Sector in India**

The transformative impact of digitization in the NBFC sector has been pivotal in enhancing operational efficiency and improving the overall customer experience. A significant trend observed is the adoption of super apps, which consolidate multiple financial services into a single platform, streamlining the user experience and expanding service accessibility. Moreover, the integration of new data sources for credit assessments has revolutionized the underwriting processes. By leveraging both traditional and contemporary data points, NBFCs have significantly improved their capability to assess credit risk with greater accuracy and speed. These technological advancements are not merely augmentative but have become integral to the operational strategies of NBFCs, enabling them to meet the evolving demands of a digitally savvy customer base and maintain a competitive edge in the rapidly changing financial landscape.

## **Adoption of Super Apps, AI, and Analytics**

In recent years, particularly since 2020, there has been a substantial shift in how NBFCs operate due to technological advancements. Super apps have started to reshape the financial services landscape, integrating multiple financial services into a single platform. This trend is facilitating seamless digital identities, instant payments, and integrated financial services, which are becoming more prevalent as embedded finance and open banking APIs gain traction.

### **Impact of AI and Analytics**

Artificial Intelligence (AI) and analytics have become central to the operations of NBFCs, especially from 2018 to 2023. These technologies have enabled more sophisticated risk assessment models and have been instrumental in the digital transformation of customer journeys. For instance, AI technologies have automated processes from digital onboarding to loan sanctioning, significantly speeding up the lending process and enhancing the customer experience.

### **Operational Efficiency and Risk Management**

Technological innovations have also revamped operational efficiency and risk management within NBFCs. By 2023, Robotic Process Automation (RPA) and AI had been widely adopted to streamline operations and improve service accuracy and efficiency. These technologies help reduce the dependency on manual processes, allowing for quicker service delivery and more robust risk management practices. For example, RPA has been employed to automate routine tasks such as data entry and compliance checks, which has led to cost savings and reduced error rates.

### **Growth in Technological Adoption:**

The rate of adoption of these technologies has been remarkable. By 2022, NBFCs had substantially increased their technology investments, focusing on AI, machine learning, and data analytics to drive business growth and operational efficiency. These investments have allowed NBFCs to better understand customer needs, optimize credit offerings, and efficiently manage risks.

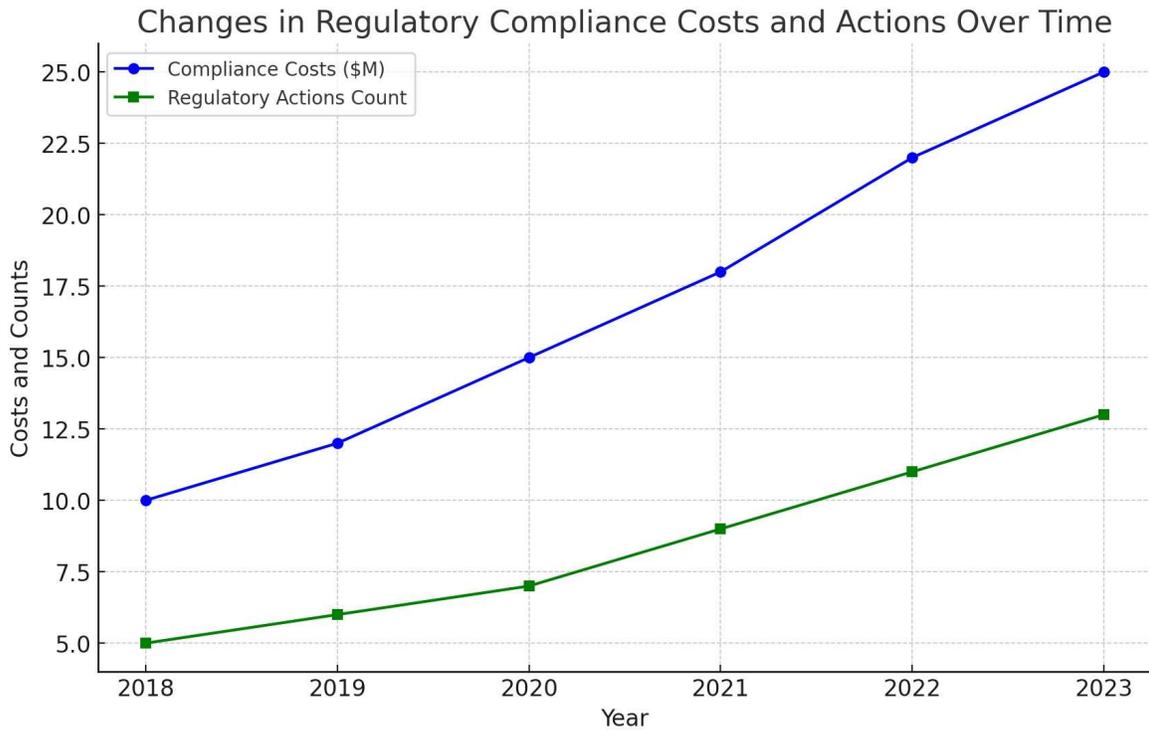
### **Future Projections:**

Looking ahead, the NBFC sector is expected to continue its rapid digital transformation. The integration of AI and machine learning is projected to deepen, with these technologies playing a pivotal role in developing new financial products and services. The trend towards digitalization is expected to grow, with predictions suggesting that by 2025, most NBFCs will operate on fully digital platforms, further enhancing their reach and operational efficiency.

These technological advancements are not just reshaping the operational structures of NBFCs but are also crucial in how these institutions are perceived in the financial market, driving their growth in a competitive and evolving financial landscape.

*Sources: PwC India. Available at PwC India(IAR\_NBFC Industry Report).*

## REGULATORY ENVIRONMENT FOR NBFCs IN INDIA: RECENT CHANGES AND IMPACT



*Source: Reserve Bank of India. RBI (IAR\_NBFC Industry Report).*

### Summary of Recent Regulatory Changes.

The Reserve Bank of India's (RBI) scale-based regulatory approach, introduced in October 2021, marks a significant shift in the regulatory landscape for Non-Banking Financial Companies (NBFCs). This approach categorizes NBFCs into four distinct layers—Base, Middle, Upper, and potentially Top—based on their size, complexity, and systemic risk. Each layer is subject to specific regulatory requirements tailored to its risk profile and operational scale:

1. **Base Layer (NBFC-BL):** This layer includes smaller NBFCs with assets less than INR 1,000 crore. These NBFCs are subject to the least stringent regulatory requirements, reflecting their lower systemic risk. The focus here is on maintaining basic financial stability and compliance without overly burdensome regulations that could stifle growth and innovation.
3. **Middle Layer (NBFC-ML):** Comprising NBFCs with assets above INR 1,000 crore, the Middle Layer faces more rigorous regulatory standards compared to the Base Layer. This includes enhanced capital adequacy norms, stricter governance standards, and more detailed reporting requirements. The aim is to ensure that these mid-sized NBFCs manage their increased risk exposure effectively while continuing to grow sustainably.
4. **Upper Layer (NBFC-UL):** This layer consists of the largest and most systemically significant NBFCs. The regulatory requirements for these entities are akin to those for banks, including higher capital requirements, more stringent liquidity norms, and closer supervisory oversight. The RBI specifically identifies NBFCs for this layer based on a set of parameters, including their size, interconnectedness, and substitutability. These measures are designed to mitigate the potential systemic risks posed by these large institutions.

5. Top Layer (NBFC-TL): Although currently hypothetical, the Top Layer would include NBFCs that the RBI believes have a significant potential for systemic risk, warranting the highest level of regulatory scrutiny. This layer would likely see the most stringent regulatory measures, including extensive capital and liquidity requirements and the most rigorous supervision.

Key aspects of the SBR include enhanced capital requirements, stricter corporate governance norms, and more rigorous reporting standards. For example, the Net Owned Fund (NOF) requirements for various types of NBFCs have been increased to ₹10 crore, with a clear glide path provided for existing NBFCs to comply with this requirement by March 2026.

## **IMPACT OF RBI'S SCALE-BASED REGULATORY APPROACH**

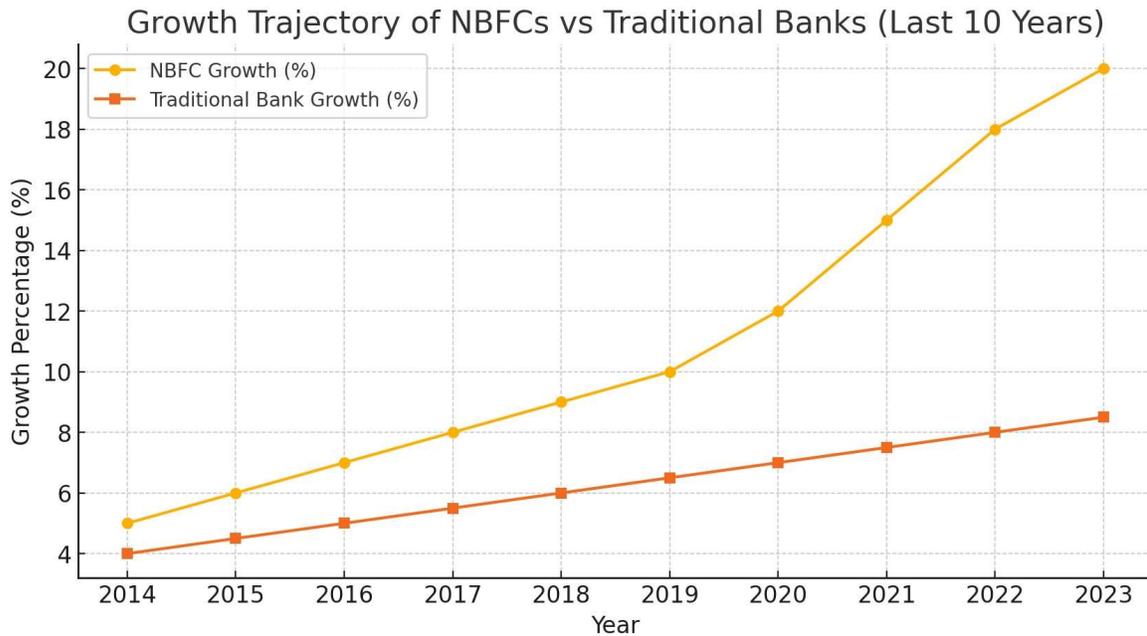
The scale-based approach is designed to align the regulation of NBFCs more closely with their risk profiles and systemic importance. This method ensures that larger and more complex NBFCs face stricter regulation and supervision, akin to that of banks. This is particularly evident in the Upper Layer, where NBFCs are subjected to requirements like maintaining a Common Equity Tier 1 capital of at least 9% of Risk Weighted Assets and compliance with a leverage ratio.

This framework also introduces new norms for exposure limits, where the combined exposure to a single borrower or a group of connected borrowers is capped, which helps in mitigating concentration risks in NBFC portfolios. Additionally, NBFCs are now required to adhere to stringent norms regarding investments and loan disbursements, enhancing the overall safety and soundness of the financial system.

Overall, these regulatory changes by the RBI aim to foster a more resilient NBFC sector capable of sustaining financial shocks without transmitting systemic risks to the broader financial system. The introduction of the SBR has been a critical step in enhancing the robustness of regulatory oversight, particularly for larger NBFCs that have the potential to impact financial stability significantly.

This regulatory shift not only helps in safeguarding the financial system but also ensures that NBFCs continue to serve their role in facilitating credit to under-served segments of the economy effectively. By imposing graduated regulatory requirements, the RBI allows smaller NBFCs to operate with greater flexibility while imposing stricter controls on larger entities that pose higher risks.

## Competitive Landscape: NBFCs vs. Traditional Banks



*Sources: KPMG India. Available at KPMG India(IAR\_NBFC Industry Report).*

### Competition Analysis

Non-Banking Financial Companies (NBFCs) and traditional banks in India have been in a competitive yet complementary relationship, with each catering to specific segments of the financial market. While banks have a more extensive regulatory framework and can accept deposits which provide a stable funding source, NBFCs offer specialized services and have more flexibility in operations. This allows NBFCs to serve niche markets effectively, including small and medium enterprises (SMEs) and sectors that are typically underbanked.

Over the years, especially post-2018, NBFCs have grown significantly in terms of asset size and market reach, partly due to their ability to quickly adapt to market demands and customer-centric approaches. Despite this growth, the financial crises like the one initiated by the IL&FS default in 2018 have shown that NBFCs can be vulnerable due to their reliance on wholesale funding, which is less stable compared to customer deposits that bolster banks' liquidity.

### Strategies for Competitive Edge

NBFCs employ several strategies to maintain a competitive edge over traditional banks:

- **Technological Adoption:** NBFCs have heavily invested in technology to streamline their operations and enhance customer experience. Big data analytics, AI, and machine learning are commonly used to improve service personalization, risk assessment, and credit scoring, enabling them to make faster lending decisions and manage risks more effectively.
- **Focus on Underserved Markets:** By targeting the unbanked and underbanked segments, especially in rural and semi-urban areas, NBFCs capitalize on markets typically overlooked by traditional banks. This includes providing microloans and specialized financial products tailored to the unique

needs of these segments.

- **Strategic Partnerships:** Collaborations with banks and other financial institutions have become a key strategy for NBFCs. These partnerships allow them to leverage the vast networks and infrastructures of traditional banks while offering their specialized lending services to a broader customer base.
- **Regulatory Adaptation:** NBFCs are agile in adapting to regulatory changes, which allows them to swiftly align with new regulatory norms and capitalize on the opportunities these may present. The evolving regulatory landscape, guided by the RBI's initiatives, ensures that they remain compliant while continuing to innovate and grow.

Overall, the competitive landscape between NBFCs and traditional banks in India is dynamic, with both sectors continuously evolving to better serve their customers while also addressing regulatory, economic, and operational challenges. NBFCs, with their focus on innovation and niche targeting, complement the broader reach and stability of traditional banks, collectively enhancing the financial ecosystem in India.

## **CHALLENGES FACING THE NBFC INDUSTRY AS OF MARCH 2024**

### **Key Challenges**

- **Increased Competition:** NBFCs face intense competition from both traditional banks and emerging fintech companies. This competition has intensified as these entities vie for the same customer base, particularly in consumer finance and MSME lending. The rise of digital banking solutions and neo-banking platforms has particularly pressured NBFCs to innovate continuously to retain their market share.
- **Funding Issues:** The dependency on wholesale funding sources which are more susceptible to market fluctuations remains a significant challenge. While banks have a stable base of customer deposits to fall back on, NBFCs often struggle with higher costs of capital. To mitigate these challenges, some NBFCs are diversifying their funding sources and exploring alternative options like bond issuances or international funding routes.
- **Regulatory Pressures:** NBFCs are under increased scrutiny from regulatory bodies like the Reserve Bank of India (RBI), which has tightened norms around risk management and transparency. Recent regulatory changes have focused on enhancing the governance and audit frameworks, setting stricter capital adequacy norms, and imposing rigorous reporting requirements. These regulations aim to align the operational resilience of NBFCs with that of traditional banks but also increase operational costs and compliance burdens.
- **Risk Management:** NBFCs are facing heightened challenges in risk management, particularly concerning non-performing assets (NPAs). With the economic shifts and disruptions in various sectors, the quality of assets and the credit risk profile have become pressing issues. NBFCs need to enhance their risk assessment models and adopt more advanced predictive analytics to better forecast potential defaults and manage exposures effectively.
- **Technological Disruption:** While technological advancements offer opportunities, they also present significant challenges. The rapid pace of tech-driven innovations demands constant updates and investments in new systems. Cybersecurity is another critical area where NBFCs must invest heavily. As operations become more digitized, the risk of cyber-attacks and data breaches grows, potentially leading to substantial financial and reputational damage.
- **Liquidity Constraints:** Despite various measures to bolster their financial standing, many NBFCs continue to face liquidity constraints. The mismatch between asset and liability maturities often exacerbates these issues, leading to liquidity crises similar to what was seen in the case of the IL&FS collapse in 2018. Addressing these requires meticulous financial planning and robust liquidity management frameworks.
- **Customer Retention and Acquisition:** In the face of stiff competition from banks and fintech companies, retaining and expanding the customer base remains a challenge. NBFCs need to offer more personalized

services and better customer experiences to differentiate themselves from competitors. Engaging with customers through digital channels effectively and providing tailored financial solutions are crucial strategies to enhance customer loyalty and attract new clients.

- **Environmental, Social, and Governance (ESG) Compliance:** There is increasing pressure on financial institutions, including NBFCs, to comply with ESG standards. Investors and regulators are demanding greater transparency and better reporting on how companies are addressing environmental impact, social responsibility, and corporate governance. For NBFCs, aligning with these standards is not just about compliance but also about seizing new investment and growth opportunities that ESG-focused products offer.

### **Implications of These Challenges**

**Operational Impact:** The operational dynamics of NBFCs are evolving due to these challenges. There is a significant push towards digital transformation, requiring heavy investments in technology and infrastructure to meet regulatory standards and compete effectively in the digital finance space. This transformation is crucial but costly, impacting the short-term profitability of NBFCs.

- **Profitability Concerns:** As funding costs rise and regulatory compliance requires additional resources, the profitability of NBFCs is under pressure. These financial strains are exacerbated in a competitive market where pricing power is limited. NBFCs must therefore find a balance between growth, risk management, and cost efficiency to sustain their profitability.
- **Strategic Adjustments:** In response to these challenges, NBFCs are increasingly focusing on niche markets and specialized products where they can leverage their agility and customer-centric approaches. Strategic partnerships with banks and fintech firms are also becoming common as NBFCs look to expand their service offerings and customer reach without bearing the entire infrastructural costs.

The landscape for NBFCs in 2024 is complex, with significant opportunities tempered by notable challenges. To thrive, NBFCs will need to navigate this environment with strategic foresight, adapting to the evolving market and regulatory pressures while continuing to innovate in their service offerings.

## **OPPORTUNITIES AND FUTURE OUTLOOK FOR NBFCs AS OF FY2024**

### **Opportunities**

- **Green Financing:** As global attention shifts towards sustainability, NBFCs have significant opportunities to innovate in green financing. This includes funding renewable energy projects, energy-efficient infrastructures, and supporting businesses that prioritize environmental sustainability. The interest in sustainable investment is rising, and NBFCs can capitalize on this trend by offering tailored financial products that support ecofriendly projects and initiatives.
- **Co-Lending with Banks:** The RBI has been encouraging co-lending models between banks and NBFCs to increase the flow of credit to the unserved and underserved sectors of the economy. This collaboration allows NBFCs to leverage the vast reach and regulatory framework of banks while banks can benefit from the agility and niche focus of NBFCs. Co-lending models are particularly beneficial in enhancing loan distributions to small businesses and rural sectors, areas where NBFCs traditionally have strong operational expertise and local knowledge.
- **Expanding into Underserved Markets:** NBFCs are well-positioned to expand into markets that are

typically underserved by traditional banks, such as rural or semi-urban areas and certain customer segments like small artisans and traders. By offering customized financial products and using alternative data for credit assessments, NBFCs can tap into these markets, driving financial inclusion and gaining new customer bases.

- **Financial Technology Innovations:** As technology continues to evolve, there's a substantial opportunity for NBFCs to pioneer financial technology innovations such as contactless payments, instant loan approvals, and automated financial advisors. These innovations can enhance customer experiences, reduce operational costs, and open up new revenue streams.
- **Insurance and Wealth Management Services:** There is growing potential for NBFCs to expand into offering insurance products and wealth management services, especially targeted towards the middle class in urban and rural areas. By bundling these services with their existing offerings, NBFCs can enhance customer retention and increase per capita service consumption.
- **International Market Expansion:** With the increasing globalization of finance, NBFCs have the opportunity to expand their operations into international markets, particularly in regions where Indian diaspora communities reside. This can be facilitated through partnerships with international financial institutions or through digital channels.

## **FUTURE TRENDS**

- **Increased Focus on Sustainability:** Sustainability is becoming a core component of corporate strategy across industries, and the financial sector is no exception. For NBFCs, this means not only offering green finance products but also adopting sustainable practices in their operations and governance. The trend towards sustainability is also likely to influence investor decisions, with more stakeholders prioritizing entities that demonstrate genuine commitment to environmental and social goals.
- **Further Technological Integrations:** The integration of technology in the NBFC sector is set to deepen, with advancements in AI, machine learning, and blockchain expected to revolutionize aspects like credit scoring, risk management, and transaction security. Technology will also play a critical role in enhancing operational efficiencies and in developing new customer engagement platforms. As digital finance continues to evolve, NBFCs that can effectively integrate new technologies will likely lead the market.
- **Regulatory Adaptations:** As the NBFC sector grows and evolves, so too will the regulatory landscape. Recent trends indicate a move towards tighter regulation similar to that of traditional banks, especially for larger NBFCs. This could include more stringent capital adequacy requirements, liquidity norms, and compliance standards. Staying ahead of these regulatory changes and preparing for increased scrutiny will be crucial for NBFCs.
- **Adoption of Alternative Data in Credit Scoring:** The future will see a greater reliance on alternative data for credit scoring. This includes data from social media, utility payments, and even psychometric evaluations. Utilizing these unconventional data sources can help NBFCs tap into previously inaccessible customer segments by providing a more comprehensive view of a borrower's creditworthiness.
- **Blockchain in Financial Services:** Blockchain technology holds the promise of revolutionizing financial transactions through enhanced transparency, reduced fraud, and improved execution of contracts. NBFCs can utilize blockchain to streamline operations, particularly in areas such as loan disbursement and tracking, and in securing and managing transaction records.

- **Enhanced Regulatory Technology (RegTech):** As regulatory requirements become more stringent, there will be an increased demand for regulatory technology solutions. This includes tools for fraud detection, compliance management, and risk assessment. NBFCs that invest in RegTech can not only ensure compliance more efficiently but also gain competitive advantage by minimizing risks and operational costs.

*Sources: ASSOCHAM. Available at ASSOCHAM(IAR\_NBFC Industry Report).*

## **CONCLUSION AND STRATEGIC RECOMMENDATIONS FOR FY2024**

### **Key Findings**

- **Resilient Growth and Adaptation:** NBFCs in India have showcased significant growth driven by digital transformation, aligning with government initiatives that promote financial inclusion. Their resilience is evident from their ability to adapt to evolving regulatory environments and integrate technological advancements.
- **Technological Integration:** Key technologies like AI, blockchain, and big data have been pivotal in transforming customer interactions and operational efficiencies within NBFCs. These technologies facilitate improved risk management and offer a competitive edge in the financial sector.
- **Regulatory Adjustments:** The introduction of the scale-based regulatory framework by the RBI has increased oversight, particularly for larger NBFCs, ensuring better risk management and financial stability.
- **Challenges Persist:** Despite growth, NBFCs face challenges such as competitive pressures from banks and fintech, regulatory constraints, and funding issues, impacting their operational dynamics and profitability.
- **Increased Market Diversification:** NBFCs are increasingly diversifying their market reach, not only geographically but also across various economic sectors. This expansion is not just limited to traditional consumer finance and small business loans but also extends into less penetrated markets like agricultural financing, educational loans, and health care financing. This diversification helps mitigate risks associated with over-reliance on specific sectors and enhances growth potential.
- **Integration of ESG Factors:** There's a growing integration of Environmental, Social, and Governance (ESG) factors into the operational and financial strategies of NBFCs. This trend is driven by increased investor interest in sustainable and socially responsible investments. NBFCs that proactively adopt ESG standards are better positioned to attract new funding sources and benefit from higher customer loyalty and brand reputation.
- **Technological Resilience:** The resilience of NBFCs in adapting to rapid technological changes is a key finding. The sector has successfully integrated advanced technologies to not only improve operational efficiencies but also to protect against increasing cyber threats. Investment in cybersecurity measures and IT infrastructure has become a top priority for NBFCs to safeguard sensitive financial data and maintain consumer trust.
- **Capitalization on Regulatory Changes:** NBFCs are increasingly capitalizing on recent regulatory changes that aim to create a more level playing field with traditional banks. The regulatory shift towards facilitating a more supportive environment for NBFCs has allowed them to explore new business models and collaboration opportunities with fintech companies, thus fostering innovation and competitive parity with larger banking institutions.
- **Shift Toward Consumer-Centric Approaches:** There's a noticeable shift towards more consumer-centric approaches in the operations of NBFCs. Personalization of financial products and services to meet specific customer needs is becoming a standard practice. This shift is largely facilitated by the use of

data analytics and AI, which allow NBFCs to better understand customer preferences and tailor their offerings accordingly.

### **Strategic Recommendations**

- **Embrace Technological Advancements:** Continuing to invest in technology will be crucial for NBFCs. Emphasis should be placed on cybersecurity, given the increased adoption of digital solutions, to safeguard against data breaches and maintain customer trust.
  - **Market Expansion:** NBFCs should consider expanding into new geographical areas and demographic segments, especially in rural and semi-urban regions where traditional banking services are less prevalent. Utilizing alternative data for credit assessments can help tap into these new customer bases.
  - **Sustainability Practices:** Integrating sustainability into their core operations can open up new financing avenues like green financing and attract investment from globally conscious investors.
  - **Enhanced Risk Management:** With the financial landscape becoming more complex, robust risk management frameworks are necessary. This includes enhancing internal controls and compliance to adapt to new regulatory demands.
  - **Foster Innovation in Product Offerings:** To differentiate themselves in a crowded market, NBFCs should focus on innovating their financial product offerings. This could include specialized financial products tailored for niche industries or demographic groups that are typically underserved. For instance, developing financial instruments that cater to the gig economy workers or offering flexible repayment schemes can meet unique customer needs.
  - **Invest in Customer Relationship Management (CRM) Systems:** Investing in advanced CRM systems can help NBFCs enhance customer relationships by enabling personalized service offerings and improving customer satisfaction. Effective CRM systems can track customer interactions, predict customer needs based on data analytics, and facilitate targeted marketing strategies that increase customer retention and attract new clients.
  - **Develop Financial Literacy Programs:** By launching financial literacy programs, NBFCs can educate their potential customer base, particularly in underserved regions. This not only helps in building trust and loyalty but also expands the customer base by making financial products more accessible to those who are traditionally not well-versed in financial matters.
  - **Embrace Regulatory Technology (Reg Tech):** With the increasing complexity of regulatory requirements, adopting Reg Tech solutions can provide NBFCs with efficient tools to manage compliance more effectively. Reg Tech can automate compliance tasks, improve accuracy in reporting, and provide real-time insights into regulatory changes, reducing the risk of non-compliance and associated penalties.
- (a) By implementing these strategies, NBFCs can not only address the immediate challenges but also position themselves for sustainable growth and innovation in the dynamic financial sector of FY2024. These strategic focuses are essential for adapting to the current financial climate and anticipated future trends.

**Sources:** *1. KPMG India: Reports on the growth and stability of the NBFC sector in India, including technological advancements and regulatory impacts.*

*o KPMG India*

*o Date Accessed: July 2024*

*2. Market Research Store: Provides an overview of the global NBFC market, including growth projections, market dynamics, and regional analysis.*

*o Market Research Store*

*o Date Accessed: July 2024*

**3. Investopedia: Detailed explanation of nonbank financial companies (NBFCs), their role, and their regulatory environment.**

- o Investopedia*
- o Date Accessed: July 2024*

**4. India Brand Equity Foundation (IBEF): Analysis of the role of NBFCs in India, their contribution to financial inclusion, and their growth prospects.**

- o IBEF*
- o Date Accessed: July 2024*

**5. ASSOCHAM: Reports and analysis on the economic impact and regulatory landscape of NBFCs in India.**

- o ASSOCHAM*
- o Date Accessed: July 2024*

**6. Reserve Bank of India (RBI): Comprehensive data on regulatory changes, market size, and the contribution of NBFCs to GDP.**

*[Reserve Bank of India] (<https://www.rbi.org.in>)*

## 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 Equity Shares, Shareholders should read this entire Draft Red Herring Prospectus. An investment in 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 31 for a discussion of the risks and uncertainties related to those statements, as well as “Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 249, 288 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 Restated Financial Statements.

Unless otherwise indicated, the industry and market related information in this section is derived from the report titled “NBFC Industry Report” dated June 29, 2024, prepared by Infomerics Analytics and Research Private Limited (the “Infomerics Report”) or (“Infomerics”). Infomerics was engaged in connection with the preparation of the Infomerics Report pursuant to an engagement letter entered into with our Company. We commissioned and paid for the Infomerics Report for the purpose of confirming our understanding of the industry specifically for the purpose of the Offer. A copy of the Infomerics Report was available on the website of our Company at <https://www.ushafinancial.com>. Unless otherwise indicated, financial, operational, industry and other related information derived from the Infomerics Report and included herein with respect to any particular year refers to such information for the relevant calendar year. For more information, see “Risk Factors”. Industry information included in this Draft Red Herring Prospectus has been derived from an industry report commissioned and paid for by us exclusively in connection with the Offer”.

To obtain a complete understanding of our business, please read this section in conjunction with “Risk Factors”, “Industry Overview” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 31, 126 and 288, respectively, as well as the financial, statistical and other information contained in this Draft Red Herring Prospectus.

## COMPANY OVERVIEW

Our Company was incorporated as a Private Limited Company under the Companies Act, 1956 in the name and style of “Usha Financial Services Private Limited” bearing Certificate of Incorporation Number U74899DL1995PTC068604 issued by the Registrar of Companies, Delhi dated May 16, 1995. Further, our Company was converted into a Public Limited Company in pursuance of a special resolution passed by the members of our Company at the Extra-Ordinary General Meeting held on June 03, 2022, and the name of our Company changed from “Usha Financial Services Private Limited” to “Usha Financial Services Limited” & Registrar of Companies, Delhi issued a new certificate of incorporation consequent upon conversion dated October 12, 2022. As on date of this Draft Red Herring Prospectus, the Corporate Identification Number of our Company is U74899DL1995PLC068604. For further details of incorporation please refer to section titled “Our History and Certain Other Corporate Matters” beginning on page 183 of this Draft Red Herring Prospectus.

## BUSINESS OVERVIEW

We are a non-banking finance company (“NBFC”) incorporated in the year 1995 registered with the Reserve Bank of India as a NBFC-ICC (Investment & Credit) - base layer- non-systemically important non-deposit taking NBFC with over 9 years of lending experience. We provide lending solutions to fellow NBFCs and

corporates, MSMEs, and individual, particularly to women entrepreneurs. Our services also extend to Electric vehicle (EV) financing. We provide a diversified range of financial products to individuals, body corporates, NBFCs and MSMEs.

**OUR KEY BORROWERS:**

- I. NBFCs and other body corporates
- II. MSMEs and Small business owners
- III. Individuals

Our company evaluates borrowers before providing them with the loans and financing. We have a dedicated team to conduct the evaluation. Our customer due diligence procedures encompass multiple levels of checks and controls designed to assess the capacity of customers and to confirm that they meet our stringent selection criteria and include comprehensive evaluation of repayment capacity and detailed cash flows analysis of the customer.

Our company ensures that the loan disbursement process is efficient, smooth, and transparent, with a quick turnaround time (TAT) and a strong focus on customer satisfaction. These loans are EMI-based with competitive interest rates and other favourable terms. All disbursements are conducted through banking channels, directly into the customer’s account.

Further, our company has established partnerships with multiple NBFCs and other companies to act as facilitators and accelerators, allowing us to provide loan services to MSMEs across various states nationwide. These agreements are customized to mutual terms and conditions, expanding our service to different locations and states. For more information, please refer to “collaboration” on page 163 of this Draft Red Herring Prospectus. As of the date of this Draft Red Herring Prospectus, we have established business partnerships across multiple states with 13 (thirteen) business partners.

Our company has an Assets Under Management (AUM) of Rs. 30,695.76 Lakhs and a Net worth of Rs. 10,602.63 Lakhs. The company maintains a strong Capital to Risk Assets Ratio (CRAR) of 33.03% and a Debt to Equity (D/E) Ratio of 1.71.

As on the date of this Draft Red Herring Prospectus, we have more than 28,000 active borrowers. The increase in borrowers’ rate along with increase in AUM during the last 3 financial years is given as follows:

<b>Particulars</b>	<b>March 2024</b>	<b>March 2023</b>	<b>March 2022</b>
Total Number of borrowers	28,727	30,125	20,429
Total Amount of loan (in lakhs)	30,695.76	35,768.94	15,162.86
Growth in AUM %	(14.18%)	135.90%	43.70%

**SOURCES OF REVENUE:**

Our company generates revenue by following streams:

<b>S. No.</b>	<b>Sources of revenue</b>	<b>Description</b>
<b>01.</b>	Loan Financing	Revenue earned from charging interest on loans provided to borrowers. The interest rate is usually determined based on factors such as prevailing market rates, the creditworthiness of the borrower, and the duration of the loan.

<b>02.</b>	Processing fees other and documentation charges	Fees are charged to cover the costs associated with processing loan applications and completing the necessary documentation for disbursing loans.
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**REVENUE BIFURCATION BASED ON ABOVE REVENUE STREAMS:**
*(Rupees in Lakhs)*

<b>S. No.</b>	<b>Particulars</b>	<b>March 2024</b>	<b>March 2023</b>	<b>March 2022</b>
<b>01.</b>	Loan Financing	5,862.77	4,054.42	2,274.20
<b>02.</b>	<b>Growth YoY%</b>	<b>44.60%</b>	<b>78.28%</b>	<b>(4.82%)</b>
<b>03.</b>	Processing fees and documentation charges	459.43	508.75	228.42
<b>04.</b>	<b>Growth YoY%</b>	<b>(9.69%)</b>	<b>122.73%</b>	<b>40.08%</b>
	<b>Total</b>	<b>6,322.20</b>	<b>4,563.17</b>	<b>2,502.62</b>

Our loan management system is integral to overseeing our loan portfolio effectively, offering essential decision-making and operational support. This system comprehensively covers asset management, core financial functions, risk management, document handling, and customer service throughout the loan lifecycle. We utilize Vexil software, developed by Vexil Infotech, as our primary financial software solution to meet all operational needs. This software enhances efficiency in managing loans, supporting activities such as collections management, field staff tracking, and reporting of collection data. Our technical team oversees the software's implementation and daily use, ensuring our staff are well-trained and proficient in its functionalities.

For financial accounting tasks, we rely on Tally software. To maintain data accuracy across various departments, we employ separate systems for reconciliation purposes.

Further, According to Infomeries report on “NBFC Industry”, the Non-Banking Financial Companies (NBFC) sector in India has reached an impressive market size of USD 326 billion, underscoring its expansive influence within the financial landscape. This growth highlights the sector's robust performance and strategic importance, driven by various factors such as increasing digital penetration, favourable government policies, and innovative service delivery to underserved regions. Such specific figures demonstrate the significant role NBFCs play in the broader economic framework and validate the projected compound annual growth rate (CAGR) of 13-15% between 2023 and 2025.

This integration of precise market size data not only substantiates the growth narrative but also aligns with industry-reported statistics to strengthen the overall impact and trustworthiness of your report.

The market size of NBFCs in India has experienced robust growth. From 2021 to 2023, the sector saw significant increases in its assets and customer base. As of 2023, the assets under management (AUM) of NBFCs are estimated to have grown substantially, supported by the factors mentioned above.

The future of NBFCs in India remains promising, with several opportunities for further expansion and innovation. The continued focus on digital transformation, coupled with supportive government policies aimed at financial inclusion, is expected to drive further growth in the sector. Additionally, the increasing consumer demand for convenient and fast financial services suggests that NBFCs that continue to innovate and adapt to digital trends will thrive.

In conclusion, the NBFC sector in India is poised for continued growth, powered by technological advancements, regulatory support, and a deep understanding of consumer financial needs. As they navigate through the complexities of the financial landscape, NBFCs are expected to play an even more critical role in

India's economic development, particularly in fostering financial inclusion across diverse demographic segments.

*(Source: NBFC Industry Report by “Infomerics Analytics and Research Private Limited”)*

#### **OUR LENDERS:**

Our company has formalized agreements with several banks and NBFCs to avail loan and financing facilities as necessary to address our financial requirements. For further information, regarding our financial indebtedness, please refer to the chapter titled “Financial Indebtedness” on page 299 of this Draft Red Herring Prospectus.

We maintain long-term relationships with our lenders and as of March 31, 2024, our lenders included, amongst others, 4 (four) banks, 15 (fifteen) NBFCs.

<b>Particulars</b>	<b>FY24</b>	<b>FY23</b>	<b>FY22</b>
Yield on Average Term Loans (Gross) (%)	17.64%	15.92%	17.69%
Average Cost of borrowings	13.89%	12.48%	13.01%

#### **Key Financial Snapshot:**

Our company has demonstrated strong financial performance over the past three fiscal years. The following table sets forth certain key operational metrics for the disclosed financial period.

*(Rupees in Lakhs)*

<b>Financial Position</b>	<b>FY24</b>	<b>FY23</b>	<b>FY22</b>
Net worth	10,602.63	8,207.38	4,767.58
Total Debt	18,128.22	24,751.41	9,723.22
Assets under management	30,695.76	35,768.94	15,162.86
Total Assets	33,585.81	37,222.64	16,428.07

#### **Operational Metrics:**

The following table sets forth key operational metrics for the Previous 3 financial years.

*(Rupees in Lakhs)*

<b>Loan Portfolio</b>	<b>FY24</b>	<b>FY23</b>	<b>FY22</b>
No. of loan disbursed during the year	10,941	22,461	8,725
Amount of loan disbursed during the year	31,255.43	42,602.86	18,202.12
Average Loan size disbursed during the year per borrower <sup>(1)</sup>	2.85	1.90	2.09
Total outstanding loan portfolio	30,695.73	35,768.94	15,162.86

*(1) Average Loan size disbursed during the year per borrower = Amount of loan disbursed during the year / No. of loan disbursed during the year.*

These trends highlight the ongoing need for effective risk management and loan recovery strategies.

<b>NPA Details</b>	<b>FY 2024</b>	<b>FY 2023</b>	<b>FY 2022</b>
Gross NPA %	3.59%	1.91%	5.05%
Net NPA %	2.87%	1.52%	4.04%

## OUR VISION AND MISSION:

VISION	MISSION
To be the market leader and able to empower our customers and businesses to achieve their financial goals through innovative, accessible and customer-centric solutions. We also embark upon providing services to unserved sections through financial alliances.	To provide innovative, reliable, and accessible financial solutions that empower individuals and businesses to achieve their financial aspirations, while maintaining the highest standards of integrity, customer service, and social responsibility.

## ABOUT OUR PROMOTERS

<b>Mr. Rajesh Gupta</b>
Mr. Rajesh Gupta serves as the Promoter and Managing Director of the Company. He holds a Bachelor of Commerce degree from Delhi University and possesses more than 13 years of experience in Financial Market and metal recycling. In the Financial Year 2014-15, he successfully acquired Usha Financials. He looks after the overall management of the company. His role involved developing medium- and long-term business strategies.
<b>Mr. Anoop Garg</b>
Mr. Anoop Garg holds the positions of Promoter and Executive Director within the company. With more than 13 years of experience in the financial market. His contributions have been instrumental in the company's growth journey. He is a B. Com from IEC University of Himachal Pradesh. He acquired Usha Financial in the Financial Year 2014-15 and is currently overseeing all aspects of day-to-day operations of the Company.
<b>Ms. Geeta Goswami</b>
Ms. Geeta Goswami is the Promoter and Executive Director of the Company. She also holds the position of Chief executive officer in the company. She is an associate member of Institute of Companies Secretaries of India. She has over 13 years of experience in the financial market and has worked with various Financial Institutions like CSL Finance and RG group in the past. She provides guidance on key decisions, evaluate management performance, and monitor risk management practices.
<b>BR Hands Investments Private Limited</b>
"BR Hands Investments Private Limited" was incorporated under the Companies Act, 2013 with Registrar of Companies, Delhi at Delhi as a Private Limited company vide Certificate of Incorporation dated November 11, 2019, bearing Corporate Identity Number U65990DL2019PTC357332. Our promoters Mr. Rajesh Gupta and Ms. Geeta Goswami holds the entire shareholding of the BR Hands Investments Private Limited.

## **BUSINESS MODEL**

Our company employs two distinct business models to generate revenue, which are:

- (A) Retail Lending
- (B) Wholesale Lending

### **01. Retail Lending**

Under our Retail Lending business model, our company provides the following:

- a) Green Finance Lending i.e., providing financial support for initiatives that promote environmental sustainability, such as Electric vehicle and E- battery financing. This lending is facilitated through authorized dealers who distribute and support these Electric Vehicles and E- Battery.
- b) MSMEs including shopkeepers, individual. We offer financial products directly to Micro, Small, and Medium Enterprises (MSMEs), as well as to shopkeepers and retailers. Additionally, we collaborate with business partners across different states to extend our lending services efficiently and effectively.

### **02. Wholesale Lending**

Under the Wholesale Lending business model, our company offers financing solutions to fellow NBFCs for further lending to individual consumers or businesses and other body corporates for their working capital requirement.

Wholesale Lending involves thorough risk management practices. This includes stringent due diligence to assess the creditworthiness of borrowing institutions and ensure their ability to repay borrowed funds.

## **OUR PRODUCT PORTFOLIO:**

Our product portfolio includes providing lending solutions to the following:

<b>S. No.</b>	<b>Our Product portfolio</b>	<b>Description</b>
<b>01.</b>	Loans to Other NBFCs and Corporates	Providing capital to NBFCs for onward lending and working capital needs and to Body corporates.
<b>02.</b>	Green financing/ electric vehicle financing	Special focus on electric vehicle and battery financing to promote sustainable transportation solutions.
<b>03.</b>	MSMEs, focusing on small entrepreneurs	Financial assistance tailored for small and medium enterprises to support growth and development. Mainly to women entrepreneurs.

### ***Loans to Other NBFCs and Corporates***

Our company extends secured loans directly to fellow NBFCs and other corporate entities.

Prior to disbursing loans, our company conducts rigorous due diligence to evaluate the creditworthiness of the borrowing institutions, ensuring their ability to repay the borrowed funds. Subsequently, the loan amount is disbursed in stages, contingent upon the borrower meeting all terms and conditions outlined in the sanction letter. Our company also reserves the right to conduct site visits with prior notice to ensure compliance. We

typically include personal guarantees and impose specific terms and conditions before finalizing a loan agreement.

We also reserve a right to take prior notice if the borrower:

- Formulate any scheme of amalgamation or reconstruction.
- Implement any scheme of expansion other than normal business expansion
- Invest by way of share capital in or lend or advance funds to place deposits within the business other than the normal courses of business.
- Undertake guarantee obligation on behalf of any other organization or directors/promoters/key officials.
- Enter into any transaction with any group Entity, that will anyway affect the rights of our company,
- Affect any change in the Memorandum or Articles of Association except the change in its Authorized Share Capital.

The loan tenure generally spans from 12 to 36 months.

***Green Financing/ Electric Vehicle Finance:***

Our Vehicle Finance operations provide financing specifically for three- wheeler passenger electric vehicles and electric vehicle batteries. We have established agreements with various dealers who distribute these electric vehicles. In the event of default by the customer, after allowing a reasonable period as per RBI guidelines, the dealer assumes full responsibility for repayment to our company and is authorized to repossess the vehicle on our behalf. The vehicle will only be released upon full repayment by the customer or in the absence of payment by the customer.

Typically, the loan tenure for these operations ranges from 6 to 24 months. If a loan becomes a Non-Performing Asset (NPA), the dealer is obligated to indemnify our company for the outstanding balance amount based on an indemnity calculation.

***MSMEs, focusing on small entrepreneurs***

Our lending business to small business owners including SMEs and MSMEs, primarily involves us extending secured loans for business purposes to small and medium size enterprises, including businessmen, traders and manufacturers. The property securing these loans is typically completed and largely self-occupied residential and commercial property. We currently provide loans to MSMEs, shopkeepers, traders and small business owners through our business partners located across 20 states in India. At present, we have partnered with 13 (thirteen) NBFCs and other companies who collaboratively provide loans to small business owners.

Typically, the loan tenure for these operations ranges from 6 to 24 months. Our partners shall be solely responsible for all the Repayments to our company and provide 100% Repayment Guarantee to us, in case of default by the customer. If a loan becomes a Non-Performing Asset (NPA), the underlying exposure of NPA customer would be reduced from the cash collateral or Business partner would have to indemnify the company to that extent and the indemnity cover would be calculated on the balance amount.

Following table shows Product-wise Revenue:

	<i>(Rupees in Lakhs)</i>		
<b>Our Products</b>	<b>March 2024</b>	<b>March 2023</b>	<b>March 2022</b>
Loan to NBFCs and corporates	3,621.24	2,757.11	1,434.27
MSME loan	2,166.56	1,293.14	839.93

Green Financing	74.97	4.17	0.00
Processing fees	459.43	508.75	228.42
<b>Total</b>	<b>6,322.20</b>	<b>4,563.17</b>	<b>2,502.62</b>

Following table shows Product-wise AUM:

*(Rupees in Lakhs)*

<b>Our Products</b>	<b>March 2024</b>	<b>March 2023</b>	<b>March 2022</b>
Loan to NBFCs and corporates	22,478.19	25,527.31	11,069.93
MSME loan	7,575.92	9,855.50	4,092.93
Green Financing	641.62	386.13	0.00
<b>Total</b>	<b>30,695.73</b>	<b>35,768.94</b>	<b>15,162.86</b>

Following table shows Product-wise NPA:

*(Rupees in Lakhs)*

<b>Our Products</b>	<b>March 2024</b>	<b>March 2023</b>	<b>March 2022</b>
Loan to NBFCs and corporates	704.00	0.00	0.00
MSME loan	396.12	681.55	766.10
Green Financing	1.20	0.00	0.00
<b>Total</b>	<b>1,101.32</b>	<b>681.55</b>	<b>766.10</b>

#### **Our Business process in Wholesale lending business model:**

19. **Customer Sourcing:** The following sales and outreach activities shall be conducted for generating quality leads by following means:

13. **Direct Sourcing:** Other NBFCs directly approach our company through their internal sources for loan raising or sometimes our credit team connect our company with the proposed borrowers if they have got any lead through internal or market sources.

14. **Sourcing through the conferences or seminars:** Our company participates in seminars and conferences from time to time originating for the NBFCs, Fintech and MFIs as a platform for generating leads and contacts for the existing as well as for the new companies.

20. **Initial data exchange and Indicative terms:** Initially we require few data from the borrower to understand its product, Financial Status and Directors background. If the data is as per the credit policy, a virtual or a physical meeting is conducted with the management.

Thereafter, the proposal is presented before our credit committee by our credit team and an indicative term sheet (Subject to Due Diligence) is shared with the proposed borrower. If the provided terms are agreed, only then we proceed with further Due Diligence process.

21. **Due Diligence of the Borrower Company:** For conducting the due diligence of the proposed borrower, we require a substantial amount of data as per our specifications. Upon receiving this data, a thorough examination of the proposed borrowers' details is undertaken:

22. **Data Verification through the MIS/LMS:** The data provided is validated through the LMS.

23. **CIBIL Check:** The CIBIL of the proposed borrower or its directors is checked internally.

24. **Banking verification:** For the banking verification of the proposed borrower, we use a software called “Score me”. Our credit team verify the report generated through this software.
25. **Credit opinion or Feedback from the existing lenders of the borrowers:** Our credit team takes feedback and credit opinion through the Email or telephonic conversation from the existing lenders of the Borrower.
26. **Physical visit:** Our credit team also visit the head office/ registered office or the nearest Branches of the proposed borrower.
27. **Other Data verification:** Additionally, our credit team verifies that the proposed borrower adheres to all compliance requirements and makes timely payments of statutory dues without any delays.
28. **Presenting the proposal in committee:** After the completion of due diligence and thorough data scrutiny, the proposal is submitted to the credit committee along with the final report and observations. Upon approval of the case by the committee, the documentation process commences.
29. **Legal Documentation:** After the approval from the credit committee, the next step is to prepare the legal Documentation and share the same with the proposed borrower. We have our in-house legal team who prepare all the documents required.
30. **Security:** Our company undertakes personal guarantees from one or two directors/promoters of the borrowers, or a corporate guarantee as needed. Additionally, our company adheres to policy guidelines for other types of guarantees.
31. **Disbursement:** Upon completion of the necessary documentation and formalities, the loan disbursement process commences. After deduction of all the charges, disbursement to be done in the requested Bank account of the borrower.
32. **Loan entry in the LMS and repayment schedule:** As part of the disbursement process, a Loan ID is generated in the LMS software which then generates a Loan account Number.
33. **Repayment process:** The repayment of loans is on a monthly basis and 100% Collection is done through banking channels only.
34. **Reminder for the EMI.** Before each EMIs’ due date corresponding to the Loan account number, an automated SMS is sent to the borrower's contact number. Additionally, our credit team sends an official email to the borrower in advance of the due date.
35. **Post Disbursement Compliances:** After the Disbursement, a CA certificate regarding loan utilization is required from the borrower.
36. We require Half yearly or annually, data from the borrower to monitor the growth of the borrower company.
37. **Book Debts Audit:** Our portfolio audit team conducts the audit of Hypothecated book debts by visiting the branches of the Borrowers and a report on the same is presented to the credit committee.
38. **Internal Audit:** The internal auditor conducts a monthly audit of disbursed loans and presents a report on the same to our company's management.

**39. Storage of the physical Files:** Storage of the physical files of the Borrowers is done at the registered office of our Company.

**Our Business process in Retail lending business model:**

**01. Sourcing of customers:** Within our Retail Lending business model, leads are primarily generated through our network of business correspondents/ partners, and authorized dealers. These entities source potential borrowers and provide their details to our company for credit bureau verification.

**02. Credit Bureau Verification:** Our team conducts credit bureau checks using platforms such as CIBIL, Equifax, CRIF, and Experian to assess client eligibility for lending. This process determines whether clients qualify for loan approvals or face rejections.

**03. Documents Verification:** Under this model, our business correspondents initially perform borrower due diligence in strict accordance with our requirements and checklist. Our audit team subsequently reviews all entries and soft copies in our Loan Management System (LMS). Any discrepancies or inaccuracies are corrected by our business partners to ensure compliance with our requirements.

Our team Reserve all right to call the borrower for the confirmation of disbursement as this is our internal audit policy.

**04. Loan deductions before disbursements:** Prior to disbursement, deductions such as processing fees and insurance charges are deducted as per agreed terms. The net amount is then transferred directly to the borrower's bank account via NEFT. Our team completes disbursement entries in the LMS or other software thereafter.

**05. EMI / Demand / Repayment:** On the due date, our business partners deposit the EMI or demand amount promptly after receipt from the borrower. In cases of delay, a daily interest rate of 36% is levied on the overdue amount.

**06. Invoicing and Payout of commission:** At the end of each month, our business partners submit an invoice after clearing all due demands for that month. Proper support related to invoicing accompanies the submission. Our team processes payment of invoices within 7 to 10 days.

**CERTIFICATE AND LICENSE**

We have obtained the required certificate and license:

S.N.	Authorization granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Valid upto
01.	Certificate of Registration for commencing the business of Non-Banking Financial Institution without accepting Public Deposit.	Reserve Bank of India, Department of Non-Banking Supervision, New Delhi	B-14.0281	04/01/2003	Valid until cancellation

02.	Registration with CRIF High Mark Credit Information Services, Credit Information Company as per Master Direction - Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016*	CRIF High Mark Credit Information Services Private Limited	NBF0002468	11/02/2024	10/02/2025
03.	Registration with Equifax, Credit Information Company as per Master Direction – Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016*	Equifax	007FZ00322	01/04/2024	31/03/2025
04.	Registration with Experian Credit Information Company of India Private Limited, Credit Information Company as per Master Direction – Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016*	Experian Credit Information Company of India Private Limited	NBFUFS4726	01/07/2024	30/06/2025
05	Trans Union CIBIL	Certificate of Membership	NB7709	01/05/2024	01/05/2025
06.	General Trade/Storage License	Delhi Municipal Corporation	EGTL04211643 57	15/04/2024	31/03/2025
07.	ISO Certificate	QSA International Limited	QSA-22113093	10/11/2022	09/11/2025
08	Legal Entity Identifier Registration	Legal Entity Identifier India Limited	335800PULF37 YIOLFN13	-	05/05/2025
09	Udyam Registration Certificate	Ministry of Micro, Small and Medium Enterprise, GOI	UDYAM-DL-02-0044198	21/02/2023	Valid until cancellation

*\*Application for change in name of the Company from “Usha Financial Services Private Limited” to “Usha Financial Services Limited” has been made to respective Issuing Authority and the same is under process.*

Further, the company has also obtained the following registrations: FIU-IND, CERSAI, Central KYC Registry for carrying the business operations of the company.

## AWARDS AND ACCREDITATION

Our company and our promoter Mr. Rajesh Gupta have received numerous awards and recognition in the industry, showcasing the outstanding quality of services. Here are some of the notable awards:

S. No.	Host	Award Name	Place	Year
<b>Usha Financial Services Limited</b>				
01.	Mine India	Excellence Award	Chennai	2018
02.	Mine India	Excellence Award	New Delhi	2019
03.	NBFC & Fintech Conclave Award	Best NBFC for Operations and Excellence	New Delhi	2023
04.	NBFC & Fintech Conclave Award	Dominant NBFC of the Year	New Delhi	2023
<b>Mr. Rajesh Gupta (Promoter)</b>				
01.	eLets	BFSI Leadership Award	New Delhi	2018

## OUR STRENGTHS

### Experienced and Qualified management team

Our management team is qualified and plays a pivotal role in the growth of our business and operations. Our Promoters and Management team have more than 25 years of experience collectively in the industry and have been instrumental in driving our growth since the inception. We believe that our motivated team of management and key managerial personnel along with our internal systems and processes complement each other to enable us to deliver high levels of client satisfaction. For details on the qualifications and experience of our senior management team, please refer to section titled “Our Management” beginning on page 189 of this Draft Red Herring Prospectus.

### Our Business partnership/ Correspondent’s arrangements

Our company has established strategic agreements with several NBFCs (Non-Banking Financial Companies) and other entities, referred to as our business partners/ correspondents. These partnerships are pivotal in our retail lending business, as they provide access to extensive networks of borrowers.

These business partners leverage their existing relationships and networks to generate leads for our retail lending operations. They play a crucial role in identifying potential borrowers who may benefit from our financial products and services. Through these arrangements, we expand our reach into various market including urban, semi-urban, and rural regions across India. This collaborative approach fosters synergies and enhances our ability to meet the diverse financial needs of customers efficiently.

### Robust underwriting process and risk management policies

Our company has a risk management committee which is responsible for managing and mitigating all the risks associated with our business, which are subject to oversight by our Risk Management Committee and our management.

Our customer due diligence procedures encompass multiple levels of checks and controls designed to assess the quality of customers product and services and to confirm that they meet our stringent selection criteria and include comprehensive evaluation of repayment capacity and detailed cash flows analysis of our customer as

well as thorough group training sessions and re- training session. We utilize credit bureau data to verify customer details and obtain information on past credit behavior. Our internal audit team is supervised by our Audit Committee, which is responsible for monitoring and evaluating internal controls and ensuring statutory and regulatory compliance, and our Board of Directors.

## **OUR STRATEGIES**

### **Leverage Technology to Grow Our Business**

Currently, our company does not utilize any software specifically tailored for loan origination in green financing. However, our company is building an app for the customer on boarding process and loan application processing functionality, Implement features for dealers and admin functionalities for green financing. The vendor selection process has been completed, and development of the application is currently under process.

For details regarding the EV app development, please refer to the chapter titled “Restated Financial Information” under “Note 12” on page 249 of the Draft Red Herring Prospectus.

We seek to introduce an application that allows customers to directly upload their documents and details, enhancing convenience for both them and our company.

### **Expansion of our Loan Portfolio**

Our company seeks to expand its portfolio of financial products and services with the funds raised through IPO proceeds. We continuously seek to diversify and enhance our offerings to cater to evolving customer needs and market opportunities. For details regarding the same please refer to the chapter titled “Object of the Issue” on page 105 of the Draft Red Herring Prospectus.

## **MARKETING STRATEGY**

Our success lies in the strength of our relationship with our fellow NBFCs, and our business partners, who have been associated with our Company for a long period. The process of building such a network involves a multifaceted approach that combines various marketing techniques and strong interpersonal relationships. We look to connect with prospective customers largely through our local outreach activities undertaken to create visibility in our target markets.

Our marketing strategies are designed in such a way which ensures:

1. Tailored services to meet specific customer needs
2. Building and nurturing strong customer relationships
3. Implementing effective risk management practices

The following sales and outreach activities are conducted for generating quality leads by following means:

***Direct client Sourcing:*** Other NBFCs approach our company directly through their internal sources when they require loans or financing or sometimes our credit teams connect our company with the prospective borrowers, if they got any lead through any internal or market sources.

***Sourcing through the conferences or seminars:*** Our company participates in seminars and conferences from time to time originating for the NBFCs, Fintech and MFIs as a platform for generating leads and contacts for

the existing as well as for the new companies. By actively participating in industry gatherings, our company establishes contacts, builds relationships, and showcase our offerings to potential clients and partners.

**Referral Program:** Satisfied customers who have previously availed our services also sometimes refer others who may have similar financial needs. This word-of-mouth marketing is often highly effective in generating leads as it leverages existing customer trust and satisfaction. Additionally, customer references help build credibility and trust.

## COLLABORATIONS

Our company has entered into several partnership agreements with various NBFCs and other entities for them to act as facilitators and accelerators, allowing us to provide loan services to SMEs/MSMEs across various states nationwide. These agreements are customized to mutual terms and conditions, expanding our service to different locations and states. As of the date of this Draft Red Herring Prospectus, we have established business partnerships across multiple states with 13 (thirteen) business partners.

## OUR LOCATIONS

The details of the place of businesses of our company are as follows:

S. No.	Particulars	Address	Sq mtr.	Tenure	Lessor
01.	Registered Office	330, Mezzanine Floor, Functional Industrial Estate, Patparganj, Delhi-110092	223	5 years from 01/03/2023	Mrs. Sudha Jain

## OUR PRESENCE

Apart from our registered office, our company has its presence in multiple states through our business partners. Our company has established partnerships with multiple NBFCs and other entities to act as facilitators and accelerators, allowing us to provide loan services to MSMEs across various states nationwide. These agreements are customized to mutual terms and conditions, expanding our service to different locations and states. As of the date of this Draft Red Herring Prospectus, we have established business partnerships across multiple states with 13 (thirteen) business partners.

Our broad and geographically diverse distribution network ensures effective “last mile” connectivity for customers in 19 states, which are as follows:

## GEOGRAPHY WISE REVENUE BREAK UP

The geographical wise revenue breakup of the Company as follows:

State	<i>(Rupees in Lakhs)</i>		
	March 2024	March 2023	March 2022
<b>Domestic Sales</b>			
Delhi	1,463.95	1,344.01	715.57
West Bengal	1,214.52	600.95	296.90
Madhya Pradesh	607.38	201.36	11.37
Maharashtra	463.53	255.20	145.31
Rajasthan	435.30	246.29	59.89
Tamil Nadu	327.59	146.98	69.81

Bihar	321.14	164.10	167.68
Uttar Pradesh	281.42	271.19	186.01
Karnataka	252.34	369.63	236.34
Haryana	196.74	106.10	209.70
Andhra Pradesh	125.52	127.40	0.00
Punjab	112.70	135.89	48.07
Gujarat	48.19	55.61	70.87
Jharkhand	4.53	4.17	0.22
Uttarakhand	3.06	9.55	18.09
Chandigarh	2.45	0.00	0.00
Assam	1.21	0.00	0.00
Telangana	1.07	15.98	25.38
Himachal Pradesh	0.07	0.00	0.00
Kerala	0.06	0.00	0.00
Odisha	0.00	0.00	12.98
<b>Total</b>	<b>5,862.77</b>	<b>4,054.42</b>	<b>2,274.20</b>
<b>Export Sales</b>			
<i>Nil</i>			

*Note: The geography-wise revenue break- up excludes processing fees.*

## MONITORING AND COLLECTION FRAMEWORK

Our Monitoring and Collection Framework is designed to ensure systematic management of our loan portfolio, seeking early identification and efficient resolution of non-performing assets (NPAs). Our LMS system provides an early warning system that triggers timely intervention upon detection of potential NPAs. Our framework mandates clear documentation of all collection activities.

### Collection:

Our company maintains a comprehensive Collection Policy to ensure efficient recovery of dues while upholding ethical practices and respecting borrower rights. The policy outlines a structured approach where a designated Loan Officer represents our company in collection and secured asset repossession efforts. Communication with borrowers is conducted professionally either at their preferred location or residence/business premises, ensuring transparency about the identity and authority of our representatives.

The policy categorizes defaults into Individual/Entity, Technical, and Fraud/Skip cases, each with specific action plans tailored to the cause of default. Our framework emphasizes timely intervention, regular communication through written and verbal channels in simple business language, and adherence to regulatory guidelines to manage and minimize Non-Performing Assets (NPAs).

### Recovery:

The recovery process outlines a systematic approach for resolving defaults through various legal and procedural avenues. It begins with attempts to negotiate settlements or restructures with borrowers before resorting to legal action. In cases of willful default or fraud, legal proceedings such as arbitration, Sec 138/25 NI Act, and Demand Promissory Note actions are initiated, adhering strictly to legal protocols and timelines. Additionally, Lok Adalat is utilized for alternate dispute resolution where applicable.

Our collection efficiency is provided hereinbelow:

Particulars	March 2024	March 2023	March 2022
Collection Efficiency (%) <sup>(1)</sup>	113.03%	112.38%	127.87%

(1)  $Collection\ Efficiency = Total\ Collection / Current\ Demand$

### CREDIT RATINGS OBTAINED

Rating Agency	Instrument	June 10, 24	July 25, 23	July 26, 22
Infomerics Valuation and Ratings	Credit Ratings	BBB/Stable	BBB/Stable	-BBB/Stable

### Capital Adequacy Ratio

Our Company is subject to capital adequacy requirements set out by the RBI for NBFCs. The following table sets forth our Company's capital adequacy ratios as of the dates indicated.

(₹ Lakhs except percentages)

Particulars	March 2024	March 2023	March 2022
CAR (Tier I) %	32.13%	21.90%	29.28%
CAR (Tier II) %	0.90%	0.60%	1.18%
CAR (Overall) %	33.03%	22.50%	30.46%
Tier I Capital <sup>(1)</sup>	10,512.98	8,132.98	4,699.97
Tier II Capital <sup>(2)</sup>	294.25	224.03	189.81
Total Tier I and Tier II capital <sup>(3)</sup>	10,807.23	8,357.01	4,889.78
Risk Weighted Assets	32,721.33	37,140.98	16,050.85

(1)  $CAR\ (Tier\ I)\ \% = Tier\ I\ Capital / Risk\ Weighted\ Assets$

(2)  $CAR\ (Tier\ II)\ \% = Tier\ II\ Capital / Risk\ Weighted\ Assets$

(3)  $CAR\ (Overall)\ \% = Total\ Tier\ I\ and\ Tier\ II\ capital / Risk\ Weighted\ Asset$

In terms of capital adequacy, our company has shown capital management over the recent fiscal years. The Capital Adequacy Ratio (CAR) for Tier 1 capital, which measures the core capital relative to risk-weighted assets, experienced a decline from 29.28% in FY22 to 21.90% in FY23. However, there was a significant recovery in FY24 to 32.13%. Similarly, the overall CAR, which includes both Tier 1 and Tier 2 capital, followed a comparable trend and decreased from 30.46% in FY22 to 22.50% in FY23, before recovering to 33.03% in FY24. The CAR for Tier 2 capital, although a smaller component, also reflected changes, dropping from 1.18% in FY22 to 0.60% in FY23, and then increasing to 0.90% in FY24.

The increase in Tier I Capital from Rs. 4,699.97 Lakhs in FY22 to Rs. 8,132.98 Lakhs in FY23 and further to Rs. 10,512.98 Lakhs in FY24 indicates our approach to bolstering our core capital base. Tier II Capital, although relatively lower, showed growth from Rs. 189.81 Lakhs in FY22 to Rs. 224.03 Lakhs in FY23, and then to Rs. 294.25 Lakhs in FY24. The fluctuations in risk-weighted assets, which rose from Rs. 16,050.85 Lakhs in FY22 to Rs. 37,140.98 Lakhs in FY23 before reducing to Rs. 32,721.33 Lakhs in FY24, reflect the changes in the company's asset portfolio and risk exposure. The ability to maintain and improve CAR levels despite these fluctuations indicates our risk management and capital allocation strategies.

## RISK MANAGEMENT FRAMEWORK

Risk management is integral to our business and as a lending institution, we face financial and non-financial risks. We have established a risk management and audit framework to identify, assess, monitor and manage various types of internal and external risks. We conduct regular training of our staff members with respect to risk-related matters, as part of our risk management process. We ensure monitoring of these key risks on a continuous basis. We have policies in place to address these risks, which are reviewed annually by senior management and approved by the Board of Directors.

### Operational Committees:

#### **Risk Management Committee:**

Our Risk Management Committee (“RMC”) provides risk management guidance and oversight to our board. Moreover, our RMC reviews and recommends to our board of directors, policies, strategies and framework for managing risk. As on the date of this Draft Red Herring Prospectus, our risk management committee comprises of:

<b>Name of the Director</b>	<b>Designation in the Committee</b>	<b>Nature of Employment</b>
Rajesh Gupta	Chairperson	Managing Director
Geeta Goswami	Member	Executive Director and CEO
Manisha Dabral	Member	Credit Manager

#### **Asset-Liability Management Committee:**

The Asset Liability Management (ALM) Committee is tasked with overseeing and managing and balancing the risks faced by a company, particularly those related to liquidity, interest rates, and market fluctuations. Its primary responsibilities include balancing risk and return by strategically planning interest rate and liquidity management, ensuring the company maintains adequate liquidity through maturity matching, and overseeing the Asset Liability Management System. The committee reviews report on liquidity, market risk, and capital management, advising the Board on funding and capital decisions, and recommending strategic business and risk management strategies. It also evaluates balance sheet performance, recommends corrective actions, and prepares contingency plans based on financial forecasts to safeguard the company's financial stability and growth objectives.

As on the date of this Draft Red Herring Prospectus, our Asset- Liability management committee comprises of:

<b>Name</b>	<b>Designation</b>	<b>Nature of Role</b>
Geeta Goswami	Chairperson	Executive Director and CEO
Prashant Raghuwanshi	Member	Chief Financial officer
Manisha Dabral	Member	Credit Manager

#### **Finance Committee:**

Our Finance Committee plays a crucial role in overseeing and advising on various financial aspects of our Company. Its responsibilities include reviewing budgets and financing matters and making recommendations to the Board based on its assessments. Additionally, the Committee is authorized to secure credit facilities such as cash credit, term loans, overdrafts, and foreign currency loans from banks and financial institutions, subject

to limits approved by shareholders and sanctioned by the Board. It is empowered to execute necessary documents and create securities in favor of lenders as required in the normal course of business.

As on the date of this Draft Red Herring Prospectus, our Finance committee comprises of:

<b>Name of the Director</b>	<b>Designation in the Committee</b>	<b>Nature of Employment</b>
Rajesh Gupta	Chairperson	Managing Director
Geeta Goswami	Member	Executive Director and CEO
Nupur Gupta	Member	Non- Executive Director

## **CORPORATE SOCIAL RESPONSIBILITY**

Our company has undertaken various CSR initiatives focused on empowering women and promoting education for detailed information on our CSR activities, please refer to the chapter titled “Restated Financial information” on page 249 of this Draft Red Herring Prospectus.

The table below sets out our corporate social responsibility expense incurred during Financial Years 2024, 2023 and 2022:

<b>Particulars</b>	<b>(Rupees in Lakhs)</b>		
	<b>March 2024</b>	<b>March 2023</b>	<b>March 2022</b>
Corporate social responsibility expense	17.08	18.14	17.85
Amount unspent, if any	17.08	18.14	17.85
Nature of CSR activities	Promoting Education	Promoting Education	Promoting Education

## **HUMAN RESOURCE**

We believe that a motivated and empowered employee base is the key to our operations and business strategy. Our team is managed by experienced professionals who possess sound experience of industry and undertake all assignments to be carried out on time. Our employees are not members of any unions and we have not entered into any collective bargaining agreements with them. We have not experienced any work stoppages or action by or with our employees and we consider our relationship with our employees to be good. As on date of this Draft Red Herring Prospectus, we have 43 (Forty Three) employees on our rolls, who are involved in the day-to-day business operations, administrative, secretarial, legal and accounting functions in accordance with their respective designated duties.

The details of our employees who are on payroll are given as hereunder:

### **DEPARTMENT WISE BREAK-UP OF EMPLOYEES**

<b>S. No.</b>	<b>Particulars</b>	<b>Number of Employees</b>
<b>01.</b>	Management	3
<b>02.</b>	MIS	4
<b>03.</b>	Field Executive	5
<b>04.</b>	Accounts and finance	6
<b>05.</b>	Legal and Secretarial	4
<b>06.</b>	Human Resource	1
<b>07.</b>	Retail Audit & Portfolio Audit	8

<b>08.</b>	Operations	4
<b>09.</b>	Credit	3
<b>10.</b>	Front Office	1
<b>11.</b>	Business Development	2
<b>12.</b>	Recovery & B.D	2
	<b>Total</b>	<b>43</b>

## FINANCIAL ACHIEVEMENTS OF THE COMPANY

*(Rupees in Lakhs)*

<b>Particulars</b>	<b>March 2024</b>	<b>March 2023</b>	<b>March 2022</b>
Share capital	1,587.76	941.81	658.17
Reserves and surplus	9,014.87	7,265.57	4,109.41
Net Worth	10,602.63	8,207.38	4,767.58
Total Income	6,396.05	4,618.73	2,531.36
PAT	1,344.95	1,016.55	414.42

## PLANT & MACHINERY

Our company is engaged in providing financial services; therefore, we do not require any plant and machinery for conducting our business operations. As of the date of this Draft Red Herring Prospectus, our company does not have any plant and machinery.

## UTILITIES & INFRASTRUCTURE FACILITIES

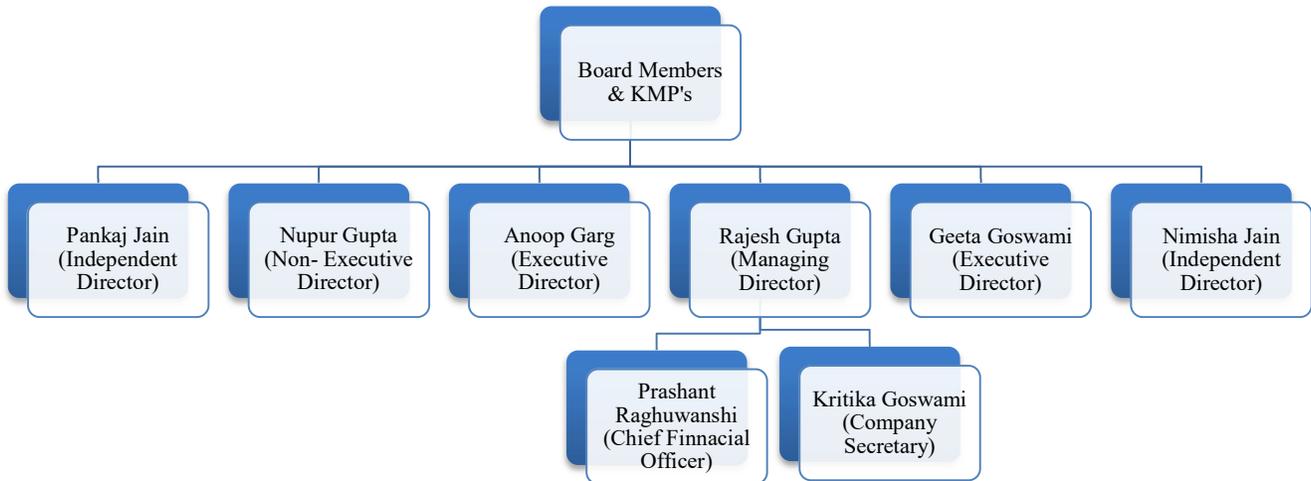
### Power

Our Company requires power for the normal requirement of the Office for lighting, Computer systems etc. Adequate power is available which is met through the electric supply by the government.

### Water

Water required for human consumption and other purposes is fully met at the existing premises by internal supply & also with private supply.

## ORGANISATIONAL STRUCTURE



## COMPETITION

Our company, in particular, faces stiff competition from well-established players in the industry. In order to remain competitive in this market, we are constantly exploring to attract and retain the best talent while maintaining the quality of our services. We focus on ensuring our services remain cutting-edge and resonate with diverse needs. The NBFC industries in India are characterized by high levels of competition. The main competitive factors are product range, ability to customize products, speed of loan approvals, price, reputation and customer relationships. We face our most significant organized competition from banks and other NBFCs in India.

### Some of our peer companies:

1. IBL Finance Limited
2. Inter Globe Finance Limited
3. Arnold Holdings Limited

## INSURANCE

Our Company has taken following insurance policies against any damage or loss:

*(Rupees in Lakhs)*

S. No.	Insurer	Type of policy	Policy Number	Description of property insured	Validity Period	Sum Insured
01.	Shriram General Insurance Company Limited	Shri Bharat Sookshma Udyam Suraksha policy	10098/11/24/007660	Building located at Plot No. -40, Near Wave Cinema Kaushambi, Ghaziabad	From 18/03/2024 To 17/03/2025	51.00
02.	HDFC ERGO General Insurance Company Limited	Standalone Motor Own Damage Cover	2302205444533901000	Toyota Kirloskar Fortuner-2.8 4x2 AT	From 23/05/2024 To 22/05/2025	
03.	Bajaj Allianz General Insurance Company Ltd.	Private Car Package Policy	OG-24-1103-1801-00003370	Mercedes Benz- GLS Class	From 31/12/2023 To 30/12/2024	41.08
04.	Tata AIG Insurance	Auto Secure - Private Car Package Policy	62008029870100	Mercedes-Benz / C Class	From 10/11/2023 To 09/11/2024	29.20

## INTELLECTUAL PROPERTY RIGHTS

Trademark/ Wordmark Owned by Our Company:

As on the date of this Draft Red Herring Prospectus the following are the Trademarks/ wordmark registered or objected in the name of the company under the Trademark Act, 1999:

Trademark/Wordmark	Date of application	Application number	Class	Current Status
	04/07/2024	6511698	36	Formalities Check pass

**DOMAIN DETAILS**

<b>Domain Name</b>	<b>Sponsoring Registrar and ID</b>	<b>Creation date</b>	<b>Expiry date</b>	<b>Current status</b>
Ushafinancial.com	GoDaddy.com (2022007817)	16-04-2016	16-04-2025	Active

*This space has been left blank intentionally.*

## KEY REGULATIONS AND POLICIES

*The business of our Company requires, at various stages, the sanction of the concerned authorities under the relevant Central, State legislation and local laws. The following description is an overview of certain laws and regulations in India, which are relevant to our Company. Certain information detailed in this chapter has been obtained from publications available in the public domain. The regulations set out below are not exhaustive and are only intended to provide general information to Applicants and is neither designed nor intended to be a substitute for professional legal advice.*

*The statements below are based on current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.*

### **RELATED TO OUR BUSINESS**

#### **1. THE RESERVE BANK OF INDIA ACT, AS AMENDED (THE “RBI ACT”)**

The RBI Act defines an NBFC as: (a) a financial institution which is a company; (b) a non-banking institution which is a company and which is in the principal business of receiving deposits, under any scheme or arrangement or in any other manner, or lending in any manner; or (c) such other non-banking institution or class of institutions, as the RBI may, with the previous approval of the Central Government and by notification in the Official Gazette, specify.

As per prescribed law any company that carries on the business of a non -banking financial institution as its ‘principal business’ is to be treated as an NBFC. The term ‘principal business’ has not been defined in any statute; however, RBI has clarified through a press release (Ref. No. 1998-99/1269) issued in 1999, that in order to identify a particular company as an NBFC, it will consider both the assets and the income pattern as evidenced from the last audited balance sheet of the company to decide a company’s principal business. The company will be treated as an NBFC if its financial assets are more than 50 per cent of its total assets (netted off by intangible assets) and income from financial assets should be more than 50 per cent of the gross income. Both these tests are required to be satisfied in order to determine the principal business of a company.

Every NBFC is required to submit to the RBI a certificate, from its statutory auditor within one month from the date of finalization of the balance sheet and in any case, not later than December 30 of that year, stating that it is engaged in the business of non-banking financial institution requiring it to hold a certificate of registration.

Although by definition, NBFCs are permitted to operate in similar sphere of activities as banks, there are a few important and key differences. The most important distinctions are:

- i. An NBFC cannot accept deposits repayable on demand – in other words, NBFCs can only accept fixed term deposits. Thus, NBFCs are not permitted to issue negotiable instruments, such as cheques which are payable on demand; and
- ii. NBFCs are not allowed to deal in foreign exchange, even if they specifically apply to the RBI for approval in this regard, unless they have received an Authorised Dealer Category II licence from the RBI

### **Types of NBFCs**

Section 45-IA of the RBI Act makes it mandatory for every NBFC to get itself registered with the Reserve Bank in order to be able to commence any of the aforementioned activities.

Further, an NBFC may be registered as a deposit accepting NBFC (“NBFC-D”) or as a non-deposit accepting NBFC (“NBFC-ND”). NBFCs registered with RBI are further classified as:

- i. Asset finance companies;
- ii. Investment and Credit Companies;
- iii. Systemically Important Core Investment Company;
- iv. Loan companies;
- v. Infrastructure finance companies;
- vi. Infrastructure debt fund - NBFCs;
- vii. NBFC - micro finance institutions;
- viii. NBFC –Factors;
- ix. Mortgage guarantee companies;
- x. NBFC- non-operative financial holding company; and
- xi. Non-Banking Financial Company-Peer to Peer Lending Platform

Our Company has been classified as a NBFC-Investment and Credit Company-Non-Deposit Taking-Non-Systematic Important (NBFC-ICC-ND-NSI).

### **1. Regulatory Requirements of an NBFC under the RBI Act:**

#### **Net Owned Fund**

Section 45-IA of the RBI Act provides that to carry on the business of a NBFC, an entity would have to register as an NBFC with the RBI and would be required to have a minimum net owned fund of ₹ 200 lakh. For this purpose, the RBI Act has defined “net owned fund” to mean:

**Net Owned Fund** - The aggregate of the paid-up equity capital and free reserves as disclosed in the latest balance sheet of the company, after deducting (i) accumulated balance of losses, (ii) deferred revenue expenditure, (iii) deferred tax asset (net); and (iv) other intangible assets; and further reduced by the amounts representing;

- i. investment by such companies in shares of (i) its subsidiaries, (ii) companies in the same group, (iii) other NBFCs; and
- ii. the book value of debentures, bonds, outstanding loans and advances (including hire purchase and lease finance) made to, and deposits with (i) subsidiaries of such companies; and (ii) companies in the same group, to the extent such amount exceeds 10 per cent of (a) above.

#### **Reserve Fund**

In addition to the above, Section 45-IC of the RBI Act requires NBFCs to create a reserve fund and transfer therein a sum of not less than 20% of its net profits earned annually before declaration of dividend. Such a

fund is to be created by every NBFC irrespective of whether it is a ND NBFC or not. Such sum cannot be appropriated by the NBFC except for the purpose as may be specified by the RBI from time to time and every such appropriation is required to be reported to the RBI within 21 days from the date of such appropriation.

### **Maintenance of liquid assets**

The RBI through notification dated January 31, 1998, as amended has prescribed that every NBFC shall invest and continue to invest in unencumbered approved securities valued at a price not exceeding the current market price of such securities an amount which shall, at the close of business on any day be not less than 10% in approved securities and the remaining in unencumbered term deposits in any scheduled commercial bank; the aggregate of which shall not be less than 15% of the public deposit outstanding at the last working day of the second preceding quarter.

NBFCs such as our Company, which do not accept public deposits, are subject to lesser degree of regulation as compared to a NBFC and are governed by the RBI's Master Directions.

An NBFC-ND is required to inform the RBI of any change in the address, telephone no's, etc. of its Registered Office, names and addresses of its directors/auditors, names and designations of its principal officers, the specimen signatures of its authorised signatories, within one month from the occurrence of such an event. Further, an NBFC-ND would need to ensure that its registration with the RBI remains current.

All NBFCs (whether accepting public deposits or not) having an asset base of ₹ 10,000 lakhs or more or holding public deposits of ₹ 2,000 lakhs or more (irrespective of asset size) as per their last audited balance sheet are required to comply with the RBI Guidelines for an Asset-Liability Management System.

Similarly, all NBFCs are required to comply with "Know Your Customer Guidelines - Anti Money Laundering Standards" issued by the RBI, with suitable modifications depending upon the activity undertaken by the NBFC concerned.

NBFCs shall constitute grievance redressal machinery as contained in RBI's circular on Grievance Redressal Mechanism, vide DNBS. CC. PD. No. 320/03.10. 01/2012-13 dated February 18, 2013 which states that at the operational level, all NBFCs shall display the name and contact details of the grievance redressal officer prominently at their branches/ places where business is transacted. The designated officer shall ensure that genuine grievances of customers are redressed promptly without involving any delay. It shall be clearly indicated that NBFCs' grievance redressal machinery shall also deal with the issue relating to services provided by the outsourced agency. Generally, a time limit of 30 (thirty) days may be given to the customers for preferring their complaints/ grievances. The grievance redressal procedure of the NBFC and the time frame fixed for responding to the complaints shall be placed on the NBFC's website.

## **2. Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dated October 19, 2023 (“NBFC Scale Based Regulations”)**

The NBFC Scale Based Regulations categorized all NBFCs, into the following layers:

1. NBFC- Base Layer (“NBFC-BL”) comprising non-deposit taking NBFCs with an asset size of less than ₹1,000 crore; and (b) NBFCs undertaking the following activities - (i) NBFC-peer to peer lending platform (“NBFC-P2P”), (ii) NBFC-account aggregator (NBFC-AA), (iii) Non-operative

- financial holding company (“NOFHC”) and (iv) NBFC not availing public funds and not having any customer interface.
2. NBFC-Middle Layer (“NBFC-ML”) comprising (a) all deposit taking NBFCs (“NBFCs-D”), irrespective of asset size; (b) non-deposit taking NBFCs with asset size of ₹1,000 crore and above; and (c) NBFCs undertaking the following activities - (i) Standalone primary dealer (“SPD”), (ii) Infrastructure debt fund-NBFC (“IDF-NBFC”), (iii) Core investment company (“CIC”), (iv) Housing finance company (“HFC”) and (v) NBFC-infrastructure finance company.
  3. NBFC- Upper Layer (“NBFC-UL”) consisting of NBFCs that are specifically identified by the RBI as warranting enhanced regulatory requirement.
  4. NBFC-Top Layer (“NBFC-TL”) remain empty unless the RBI is of the opinion that there is a substantial increase in the potential systemic risk from specific NBFCs in the upper layer. Subsequently, such NBFC will move to the top layer from the upper layer.

References to systemically important non-deposit taking NBFC (“NBFC-ND-SI”) shall mean NBFC-ML or NBFC-UL, as applicable. Under the NBFC Scale Based Regulations, all regulations applicable to an NBFC-BL are also applicable to an NBFC-ML, unless specified otherwise.

### **3. RESERVE BANK OF INDIA (KNOW YOUR CUSTOMER (KYC) MASTER DIRECTIONS, 2016 DATED FEBRUARY 25, 2016, AS AMENDED (“RBI KYC DIRECTIONS”)):**

The RBI KYC Directions are applicable to every entity regulated by the RBI (including Housing Finance Companies), specifically, scheduled commercial banks, regional rural banks, local area banks, primary (urban) co-operative banks, state and central cooperative banks, all India financial institutions, NBFCs, miscellaneous non-banking companies and residuary non-banking companies, amongst others. In terms of the RBI KYC Directions, every entity regulated there under is required to formulate a KYC policy which is duly approved by the board of directors of such entity or a duly constituted committee thereof. The KYC policy formulated in terms of the RBI KYC Directions is required to include four key elements, being customer acceptance policy, risk management, customer identification procedures and monitoring of transactions. It is advised that all NBFCs adopt the same with suitable modifications depending upon the activity undertaken by them and ensure that a proper policy framework of anti-money laundering measures is put in place. The RBI KYC Directions provide for a simplified procedure for opening accounts by NBFCs. It also provides for an enhanced and simplified due diligence procedure. It has further prescribed detailed instructions in relation to, inter alia, the due diligence of customers, record management, and reporting requirements to Financial Intelligence Unit – India.

The RBI KYC Directions have also issued instructions on sharing of information while ensuring secrecy and confidentiality of information held by Banks and NBFCs. The regulated entities must also adhere to the reporting requirements under Foreign Account Tax Compliance Act and Common Reporting Standards. The RBI KYC Directions also require the regulated entities to ensure compliance with the requirements/obligations under international agreements. The regulated entities must also pay adequate attention to any money-laundering and financing of terrorism threats that may arise from new or developing technologies, and ensure that appropriate KYC procedures issued from time to time are duly applied before introducing new products/services/technologies. The RBI KYC Directions were updated on April 20, 2018 to enhance the disclosure requirements under the Prevention of Money- Laundering Act, 2002 and in accordance with the Prevention of Money-Laundering Rules vide Gazette Notification GSR 538 (E) dated June 1, 2017 and the final judgment of the Supreme Court in the case of Justice K.S. Puttaswamy (Retd.) & Another v. Union of India (Writ Petition (Civil) 494/2012). The Directions were updated to accommodate authentication as per the AADHAR (Targeted Delivery of Financial and Other Subsidies, Benefits and Services) Act, 2016 and use of an Indian resident’s Aadhar number as a document for the

purposes of fulfilling KYC requirement. The RBI KYC Directions were further updated on January 9, 2020 with a view to leveraging the digital channels for customer identification process by regulated entities, whereby the RBI has decided to permit video based customer identification process as a consent based alternate method of establishing the customer's identity, for customer onboarding.

#### **4. COMPANIES ACT, 2013**

The Companies Act, 2013 ("Companies Act") deals with laws relating to companies and certain other associations. The Companies Act primarily regulates the formation, financing, functioning, and winding up of companies. The Companies Act prescribes regulatory mechanism regarding all relevant aspects, including organizational, financial, and managerial aspects of companies. It deals with issue, allotment and transfer of securities and various aspects relating to company management. It provides for standard of disclosure in public issues of capital, particularly in the fields of company management and projects, information about other listed companies under the same management, and management perception of risk factors.

#### **5. THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006**

The Micro, Small and Medium Enterprises Development Act, 2006 as amended from time to time (MSMED Act) seeks to facilitate the development of micro, small and medium enterprises. The MSMED Act provides that where an enterprise is engaged in the manufacturing and production of goods pertaining to any industry specified in the first schedule to the industries (Development and Regulation) Act, 1951, the classification of an enterprise will be as follows:

- where the investment in plant and machinery or Equipment does not exceed one Crore rupees & Turnover does not exceed five crore rupees shall be regarded as a micro enterprise;
- where the investment in plant and machinery or Equipment does not exceed ten crore rupees & turnover does not exceed fifty crore rupees shall be regarded as a small enterprise;
- Where the investment in plant and machinery or Equipment does not exceed fifty crore rupees & turnover does not exceed two hundred and fifty crore rupees shall be regarded as a medium enterprise.

The MSMED Act provides for the memorandum of micro, small and medium enterprises to be submitted by the relevant enterprises to the prescribed authority. While it is compulsory for medium enterprises engaged in manufacturing to submit the memorandum, the submission of the memorandum by micro and small enterprises engaged in manufacturing is optional. The MSMED Act defines a supplier to mean a micro or small enterprise that has filed a memorandum with the concerned authorities. The MSMED Act ensures that the buyer of goods makes payment for the goods supplied to him immediately or before the date agreed upon between the buyer and supplier.

The MSMED Act provides that the agreed period cannot exceed forty-five days from the day of acceptance of goods it also stipulates that in case the buyer fails to make payment to the supplier within the agreed period, then the buyer will be liable to pay compound interest at three times of the bank rate notified by the Reserve Bank of India from the date immediately following the date agreed upon. The MSMED Act also provides for the establishment of the Micro and Small Enterprises Facilitation Council ("Council"). The Council has jurisdiction to act as an arbitrator or conciliator in a dispute between the supplier located within its jurisdiction and a buyer located anywhere in India.

The MSMED act provides for appointment and establishment of National Board by the Central Government for MSME enterprise with its head office at Delhi. The Central Government may from time to time for the purpose of promotion and development of the MSME and to enhance the competitiveness in the sector

organize such programmes, guidelines or instructions, as it may deem fit. In case of any offences under this act, no court inferior to that of Metropolitan Magistrate or Chief Metropolitan Magistrate shall try the offence under this act.

## **INTELLECTUAL PROPERTY LAWS**

### **THE TRADEMARKS ACT, 1999 (“TRADEMARKS ACT”)**

The Trademarks Act provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement. The Trademarks Act also prohibits any registration of deceptively similar trademarks or compounds, among others. It also provides for infringement, falsifying and falsely applying trademarks.

Further, pursuant to the notification of the Trademark (Amendment) Act, 2010 simultaneous protection of trademark in India and other countries has been made available to owners of Indian and foreign trademarks. The Trademark (Amendment) Act, 2010 also seeks to simplify the law relating to transfer of ownership of trademarks by assignment or transmission and to conform Indian trademark law with international practice.

## **TAXATION LAWS**

In addition to the aforementioned legislations which are applicable to our Company, some of the tax legislations that may be applicable to the operations of our Company include:

- Income Tax Act, 1961, the Income Tax Rules, 1962, as amended by Finance Act in respective years;
- Central Goods and Service Tax Act, 2017, the Central Goods and Service Tax Rules, 2017 and various State-wise legislations made thereunder;
- The Integrated Goods and Service Tax Act, 2017;

## **LABOUR LAWS**

India has extensive labour related legislations. Certain other laws and regulations that may be applicable to our Company in India include the following which is an indicative list of labour laws applicable to the business and operations of Indian companies engaged in manufacturing activities:

### **EMPLOYEES’ COMPENSATION ACT, 1923, AS AMENDED**

The Employee’s Compensation Act, 1923 came into force on July 1, 1924. The act has been enacted with the objective to provide for the payment of compensation by certain classes of employers to their workmen or their survivors for industrial accidents and occupational diseases resulting in the death or disablement of such workmen. The Indian Parliament approved certain amendments to the Employee’s Compensation Act, 1923, as amended, to substitute, inter-alia, references to “workmen” with “employees” including in the name of the statute. The amendment came into force on January 18, 2010.

Under the Employees’ Compensation Act, if personal injury is caused to an employee by accident arising out of and in the course of employment, the employer would be liable to pay such employee compensation in accordance with the provisions of the Employees’ Compensation Act. However, no compensation is required to be paid (i) if the injury does not disable the employee for a period exceeding three days, (ii) where the employee, at the time of injury, was under the influence of drugs or alcohol, or (iii) where the employee

willfully disobeyed safety rules or willfully removed or disregarded safety devices.

### **THE EMPLOYEES' PROVIDENT FUND AND MISCELLANEOUS PROVISIONS ACT, 1952:**

The EPFA came into force on March 4, 1952 and amended on September 1, 2014. Under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (EPF Act), compulsory provident fund, family pension fund and deposit linked insurance are payable to employees in factories and other establishments. The legislation provides that an establishment employing more than 20 (twenty) persons, either directly or indirectly, in any capacity whatsoever, is either required to constitute its own provident fund or subscribe to the statutory employee's provident fund. All the establishments under the EPF Act are required to be registered with the appropriate Provident Fund Commissioner. Also, the employer of such establishment is required to make a monthly contribution to the provident fund equivalent to the amount of the employee's contribution to the provident fund. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities. The EPF Act also prescribes penalties for avoiding payments required to be made under the abovementioned schemes.

### **THE EMPLOYEES' STATE INSURANCE ACT, 1948 (THE "ESI ACT"):**

The Employees State Insurance Act of 1948 has been enacted with the objective of securing financial relief in cases of sickness, maternity and 'employment injury' to employees of factories and their dependent and to make provision for certain other matters in relation thereto. The Act is applicable to all the Factories including Factories belonging to the Government. Further, employer and employees both are required to make contribution to the fund at the rate prescribed by the Central Government. The return of the contribution made is required to be filed with the Employee State Insurance department.

### **THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("SHWW Act") provides for the protection of women at workplace and prevention of sexual harassment at workplace. The SHWW Act also provides for a redressal mechanism to manage complaints in this regard. Every employer has a duty to provide a safe working environment at workplace which shall include safety from the persons coming into contact at the workplace, organizing awareness programs and workshops, display of rules relating to the sexual harassment at any conspicuous part of the workplace, provide necessary facilities to the internal or local committee for dealing with the complaint, such other procedural requirements to assess the complaints. The SHWW Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee, which shall always be presided upon by a woman.

### **THE PAYMENT OF BONUS ACT, 1965:**

The payment of Bonus Act, 1965 aims to regulate the amount of bonus paid to the persons employed in certain establishments based on their profits and productivity. Pursuant to the Payment of Bonus Act, 1965, as amended, an employee in a factory or in any establishment where twenty or more persons are employed on any day during an accounting year, is eligible to be paid a bonus. It further provides for the payment of minimum and maximum bonus and linking the payment of bonus with the production and productivity.

### **PAYMENT OF GRATUITY ACT, 1972:**

The Payment of Gratuity Act is applicable to every factory, mine, oilfield, plantation, port, railway companies and to every shop and establishment in which 10 or more persons are employed or were employed at any time during the preceding twelve months. This Act applies to all employees irrespective of their salary. The Payment of Gratuity Act, as amended, provides for a scheme for payment of gratuity to an employee on the termination of his employment after he has rendered continuous service for not less than 5 years:

- (a) On his/her superannuation;
- (b) On his/her retirement or resignation;
- (c) On his/her death or disablement due to accident or disease

(In this case the minimum requirement of five years does not apply)

### **THE CHILD LABOUR (PROHIBITION AND REGULATION) ACT, 1986:**

The Child Labour (Prohibition & Regulation) Act, 1986, as amended from time to time (“Child Labour Act”) was enacted to prohibit the engagement of children below the age of fourteen years in certain specified occupations and processes and to regulate their conditions of work in certain other employments. No child shall be required or permitted to work in any establishment in excess of such number of hours, as may be prescribed for such establishment or class of establishments. Every child employed in an establishment shall be allowed in each week, a holiday of one whole day, which day shall be specified by the occupier in a notice permanently exhibited in a conspicuous place in the establishment and the occupier shall not alter the day so specified more than once in three months.

### **FOREIGN REGULATIONS**

#### **FOREIGN EXCHANGE MANAGEMENT ACT, 1999:**

Foreign investment in India is primarily governed by the provisions of FEMA and the rules and regulations promulgated there under. Foreign Exchange Management Act, 1999 (“FEMA”) was enacted to consolidate and amend the law relating to foreign exchange with the objective of facilitating external trade and for promoting the orderly development and maintenance of foreign exchange market in India. FEMA extends to whole of India. This Act also applies to all branches, offices and agencies outside India owned or controlled by a person resident in India 102 and also to any contravention committed thereunder outside India by any person to whom the Act is applies. The Act has assigned an important role to the Reserve Bank of India (RBI) in the administration of FEMA.

#### **FEMA REGULATIONS:**

As laid down by the FEMA Regulations, no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the automatic route within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 (“FEMA Regulations”) to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India.

#### **THE FOREIGN TRADE (DEVELOPMENT AND REGULATION) ACT, 1992 (“FTA”):**

In India, the main legislation concerning foreign trade is FTA. The FTA read along with relevant rules provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India and for matters connected therewith or incidental thereto. FTA read with the Indian Foreign Trade Policy provides that no export or import can be made by a company without an Importer-Exporter Code number unless such company is specifically exempt. An application for an Importer-Exporter Code number has to be made to the office of the Joint Director General of Foreign Trade, Ministry of Commerce.

## **GENERAL LEGISLATIONS**

### **THE INDIAN CONTRACT ACT, 1872:**

The Indian Contract Act, 1872 (“Contract Act”) codifies the way in which a contract may be entered into, executed, implementation of the provisions of a contract and effects of breach of a contract. A person is free to contract on any terms he chooses. The Contract Act also provides for circumstances under which contracts will be considered as ‘void’ or ‘voidable’. The Contract Act contains provisions governing certain special contracts, including indemnity, guarantee, bailment, pledge, and agency.

### **THE COMPETITION ACT, 2002:**

The Competition Act, 2002 prohibits anti-competitive agreements, abuse of dominant positions by enterprises and regulates “combinations” in India. The Competition Act also established the Competition Commission of India (the “CCI”) as the authority mandated to implement the Competition Act. Combinations which are Likely to cause an appreciable adverse effect on competition in a relevant market in India are void under the Competition Act. The obligation to notify a combination to the CCI falls upon the acquirer in case of an acquisition, and on all parties to the combination jointly in case of a merger or amalgamation.

### **THE INDIAN STAMP ACT, 1899**

Under the Indian Stamp Act, 1899, stamp duty is payable on instruments evidencing a transfer or creation or extinguishment of any right, title or interest in immovable property. Stamp duty must be paid on all instruments specified under the Stamp Act at the rates specified in the schedules to the Stamp Act. The applicable rates for stamp duty on instruments chargeable with duty vary from state to state.

### **THE REGISTRATION ACT, 1908**

The purpose of the Registration Act, amongst other things, is to provide a method of public registration of documents so as to give information to people regarding legal rights and obligations arising or affecting a particular property, and to perpetuate documents which may afterwards be of legal importance, and also to prevent fraud.

### **NEGOTIABLE INSTRUMENTS ACT, 1881**

In India, the laws governing monetary instruments such as cheques are contained in the Negotiable Instruments Act, 1881. The Act provides effective legal provision to restrain people from issuing cheques without having sufficient funds in their account or any stringent provision to punish them in the event of such cheque not being honored by their bankers and returned unpaid. Section 138 of the Act, creates statutory offence in the matter of dishonor of cheques on the ground of insufficiency of funds in the account maintained by a person with the banker which is punishable with imprisonment for a term which may extend to two year, or with fine which may extend to twice the amount of the cheque, or with both.

## **THE CONSUMER PROTECTION ACT, 1986**

The Consumer Protection Act, implemented in 1986, gives easy and fast compensation to consumer grievances. It safeguards and encourages consumers to speak against insufficiency and flaws in goods and services. If traders and manufacturers practice any illegal trade, this act protects their rights as consumers. The primary motivation of this forum is to bestow aid to both the parties and eliminate lengthy lawsuits.

## **PROPERTY RELATED LAWS**

The Company is required to comply with central and state laws in respect of property. Central Laws that may be applicable to our Company's operations include the Land Acquisition Act, 1894, the Transfer of Property Act, 1882, Registration Act, 1908, Indian Stamp Act, 1899, and Indian Easements Act, 1882. In addition, regulations relating to classification of land may be applicable. Usually, land is broadly classified under one or more categories such as residential, commercial or agricultural. Land classified under a specified category is permitted to be used only for such specified purpose. Where the land is originally classified as agricultural land, in order to use the land for any other purpose the classification of the land is required to be converted into commercial or industrial purpose, by making an application to the relevant municipal or town and country planning authorities. In addition, some State Governments have imposed various restrictions, which vary from state to state, on the transfer of property within such states. Land use planning and its regulation including the formulation of regulations for building construction, form a vital part of the urban planning process. Various enactments, rules and regulations have been made by the Central Government, concerned State Governments and other authorized agencies and bodies such as the Ministry of Urban Development, State land development and/or planning boards, local municipal or village authorities, which deal with the acquisition, ownership, possession, development, zoning, planning of land and real estate. Each state and city has its own set of laws, which govern planned development and rules for construction (such as floor area ratio or floor space index limits). The various authorities that govern building activities in states are the town and country planning department, municipal corporations and the urban arts commission.

## **LIMITATION ACT, 1963**

The law relating to Law of Limitation to India is the Limitation Act, 1859 and subsequently Limitation Act, 1963 which was enacted on 5th of October 1963, and which came into force from 1st of January, 1964 for the purpose of consolidating and amending the legal principles relating to limitation of suits and other legal proceedings. The basic concept of limitation is relating to fixing or prescribing of the time period for barring legal actions. According to Section 2 (j) of the Limitation Act, 1963, period of limitation 'means the period of limitation prescribed for any suit, appeal or application by the Schedule, and prescribed period 'means the period of limitation computed in accordance with the provisions of this Act.

## **LOCAL LAWS:**

### **THE DELHI SHOPS AND ESTABLISHMENT ACT OF 1954**

The Act, which received the assent of the President on 19th June 1954, came into force with effect from the 1st of February, 1955, vide Notification No. F.5/51-1 & L, dated 17th January, 1955. All commercial enterprises that sell goods or services are obliged to get a license from their municipality under the Shops and Establishments Act. The Delhi Shops and Establishments Act, 1954 was enacted in order to regulate the working conditions of people employed in such shops and establishments. The Delhi Shops and Establishment

Act of 1954 should be enforced for a number of reasons, including improved working conditions for employees, peace and harmony between employers and employees, and improved operation of the shops and other commercial establishments.

The Act seeks to amend and consolidate the law relating to the regulation of hours of work, payment of wages, leave, holidays, terms of service and other conditions of work of persons employed in shops, commercial establishments, establishments for public entertainment or amusement and other establishments and to provide for certain matters connected therewith.

## **THE DELHI MUNICIPAL CORPORATION ACT, 1957**

The MCD Act, short for the Municipal Corporation of Delhi Act, refers to the legislation that governs the functioning and administration of the municipal corporation in Delhi, India

### **Establishment of the Corporation**

- With effect from such date as the Central Government may, by notification in the Official Gazette, appoint, there shall be a Corporation charged with the municipal Government of Delhi, to be known as the Municipal Corporation of Delhi.
- The Corporation shall be a body corporate with the name aforesaid having perpetual succession and a common seal with power, subject to the provisions of this Act, to acquire, hold and dispose of property and may by the said name sue and be sued.

### **Elections to the Corporation**

- The superintendence, direction and control of the preparation of electoral rolls for, and the conduct of, all elections to the Corporation shall be vested in the Election Commission of the National Capital Territory of Delhi consisting of an Election Commissioner to be appointed by the Administrator.
- Subject to the provisions of any law made by the Legislative Assembly of the National Capital Territory of Delhi, the conditions of service and tenure of office of the Election Commissioner shall be such as the Administrator may by rules determine:

### **Functions of the Corporation**

- General powers of the Corporation
  1. Subject to the provisions of this Act and the rules, regulations and bye-laws made thereunder the municipal government of Delhi shall vest in the Corporation.
  2. Without prejudice to the generality of the provisions of sub-section (1), it shall be the duty of the Corporation to consider all periodical statements of the receipts and disbursements and all progress reports and pass such resolutions thereon as it thinks fit.
- Obligatory functions of the Corporation
  1. Subject to the provisions of this Act and any other law for the time being in force, it shall be incumbent on the Corporation to make adequate provision by any means or measures which it may lawfully use or take, for discharging functions.

## OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

### HISTORY OF OUR COMPANY

Our Company was incorporated as a Private Limited Company under the Companies Act, 1956 in the name and style of “Usha Financial Services Private Limited” bearing Certificate of Incorporation Number U74899DL1995PTC068604 issued by the Registrar of Companies, Delhi dated May 16, 1995. Further, our Company was converted into a Public Limited Company in pursuance of a special resolution passed by the members of our Company at the Extra-Ordinary General Meeting held on June 03, 2022, and the name of our Company changed from “Usha Financial Services Private Limited” to “Usha Financial Services Limited” & Registrar of Companies, Delhi issued a new certificate of incorporation consequent upon conversion dated October 12, 2022. As on date of this Draft Red Herring Prospectus, the Corporate Identification Number of our Company is U74899DL1995PLC068604. For further details of incorporation please refer to section titled “Our History and Certain Other Corporate Matters” beginning on page 183 of this Draft Red Herring Prospectus.

We are a non-banking finance company (“NBFC”) incorporated in the year 1995 registered with the Reserve Bank of India as a NBFC-ICC (Investment & Credit) - base layer- non-systemically important non-deposit taking NBFC with over 9 years of lending experience. We provide lending solutions to fellow NBFCs and corporates, MSMEs, and individual, particularly to women entrepreneurs. Our services also extend to Electric vehicle (EV) financing. We provide a diversified range of financial products to individuals, body corporates, NBFCs and MSMEs.

### Background of Promoters

Following are promoters of our Company:

1. Mr. Rajesh Gupta
2. Mr. Anoop Garg
3. Ms. Geeta Goswami
4. M/s BR Hands Investments Private Limited

For the profile of our promoters, kindly refer to the chapter “Our Promoters” on page no. 214 of this Draft Red Herring Prospectus.

### CHANGES IN OUR REGISTERED OFFICE

The Registered Office of the Company is presently situated at 330, Mezanine Floor Functional Industrial Estate, Patparganj, Delhi-110092, India. The details of change of Registered Office of the Company are as follows:

S. No.	Date of Change	Shifted from	Shifted to
1.	24-03-2007	M-305, Guru Harikishan Nagar, Paschim Vihar, Delhi	R-489, New Rajinder Nagar, New Delhi, Delhi- 110060, India
2.	17-04-2017	R-489, New Rajinder Nagar, New Delhi, Delhi- 110060, India	117, Second Floor, Ram Vihar Above Indian Bank, New Delhi - 110092
3.	02-04-2018	117, Second Floor, Ram Vihar Above Indian Bank, New Delhi - 110092	330, Mezanine Floor Functional Industrial Estate, Patparganj, Delhi- 110092, India

## MAIN OBJECTS OF OUR COMPANY

The object clauses of the Memorandum of Association of our Company enable us to undertake our present activities.

The Main Objects to be Pursued by the Company on its Incorporation are: -

1. To carry on the business of a finance company and provide finance (whether short or long term loan or working capital finance, development finance, factoring & leasing, guarantees or any other debt related funding) to micro, small and medium scale enterprises and to individuals;
2. To guarantee the payment of money on secured or unsecured basis or payable under or in respect of promissory notes, bonds debentures, debenture stock contracts, mortgage charges obligation instruments and securities and generally to issue all kinds of indemnities and guarantees or become surety for the performance of any contracts or obligations of any Company, Authority, or any person.
3. To draw, make, accept, discount, execute and issue bills of, exchanges, promissory notes, bills of lading, warrants, debentures and such other negotiable or transferable instruments of all types or securities and to open Bank Accounts of any type and to operate the same in the ordinary course of the Company.
4. To invest and deal with the monies of the Company, not immediately required, upon such securities and in such manner as may, from to time be determined.
5. To acquire by purchase, exchange, lease or otherwise any movable or immovable property and any rights or privileges and to either retain the property or turn it lo account as the Company may deem necessary or convenient for the purpose of any of its objects.
6. To enter into partnership or into any arrangement for sharing profits, union of interest, joint venture, reciprocal concession or co-operation with persons or companies carrying on or, engaged in or being authorized to carry on any business or transaction of this company.
7. To carry on the business of providing consultation, technical assistance, technology solutions and training and development inputs to businesses and individuals for sustained livelihoods and for improving their financial viability; and
8. To take or otherwise acquire and hold shares in any other Company having objects altogether or in part similar. to those of this Company or carrying on any business capable of being conducted so as directed or indirectly to benefit this Company.

## AMENDMENTS TO THE MOA OF OUR COMPANY SINCE INCORPORATION:

Since incorporation, there has been following amendment made to the MoA of our Company:

Date of Amendment	Particulars of Amendment
July 13, 1995	Alteration in Memorandum of Association due to increase in Authorized share capital. The Authorized Share Capital was increased from existing Rs. 25,00,000/- to Rs. 50,00,000/-.

May 18, 2016	Alteration in Memorandum of Association due to increase in Authorized share capital. The Authorized Share Capital was increased from existing Rs. 50,00,000/- to Rs. 2,00,00,000/-.
April 10, 2017	Alteration in Memorandum of Association due to increase in Authorized share capital. The Authorized Share Capital was increased from existing Rs. 2,00,00,000/- to Rs. 4,00,00,000/-.
05-02-2018	Alteration in Memorandum of Association due to increase in Authorized share capital. The Authorized Share Capital was increased from existing Rs. 4,00,00,000/- to Rs. 7,00,00,000/-.
	Alteration in Memorandum of Association due Alteration in Object Clause
	Alteration in Memorandum of Association due to adoption of new set of Memorandum of Association
08-01-2020	Alteration in Memorandum of Association due to increase in Authorized share capital. The Authorized Share Capital was increased from existing Rs. 7,00,00,000/- to Rs. 10,00,00,000/-.
03-06-2022	Alteration of Name clause of Memorandum of Association and subsequently the company was converted from Private Limited Company into Public Company
07-09-2022	Alteration in Memorandum of Association due to increase in Authorized share capital. The Authorized Share Capital was increased from existing Rs. 10,00,00,000/- to Rs. 26,00,00,000/-.

#### KEY EVENTS AND MILESTONES:

The following table sets forth the key events and milestones in the history of our Company, since incorporation:

Year	Particulars
1995	Incorporation of Company
2015	Acquisition of Majority shareholding by Mr. Rajesh Gupta and Mr. Anoop Garg
2022	Alteration of Name clause of Memorandum of Association and subsequently the company was converted from Private Limited Company into Public Company
2022	Alteration in Memorandum of Association due to increase in Authorized share capital. The Authorized Share Capital was increased from existing Rs. 10,00,00,000/- to Rs. 26,00,00,000/-.

#### AWARDS AND ACCREDITATIONS RECEIVED BY OUR COMPANY

Our company and our promoter Mr. Rajesh Gupta have received numerous awards and recognition in the industry, showcasing the outstanding quality of services. Here are some of the notable awards:

S. No.	Host	Award Name	Place	Year
<b>Usha Financial Services Limited</b>				
01.	Mine India	Excellence Award	Chennai	2018
02.	Mine India	Excellence Award	New Delhi	2019
03.	NBFC & Fintech Conclave Award	Best NBFC for Operations and Excellence	New Delhi	2023
04.	NBFC & Fintech Conclave Award	Dominant NBFC of the Year	New Delhi	2023
<b>Mr. Rajesh Gupta (Promoter)</b>				

01.	eLets	BFSI Leadership Award	New Delhi	2018
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## **DETAILS OF BUSINESS OF OUR COMPANY**

For details on the description of Our Company’s activity, business model, marketing strategy, completion of business, please see “Our Business”, “Management Discussion and Analysis of Financial Conditions” and “Basis for Issue Price” on page 150, 288, 114 of this Draft Red Herring Prospectus respectively.

## **HOLDING COMPANY OF OUR COMPANY**

Our Company does not have any holding company as on the date of filing of this Draft Red Herring Prospectus.

## **SUBSIDIARY COMPANY OF OUR COMPANY**

Our Company does not have any subsidiary company as on the date of filing of this Draft Red Herring Prospectus

## **ASSOCIATE OR JOINT VENTURE OF OUR COMPANY**

Our Company does not have any Associate or Joint Venture as on the date of filing of this Draft Red Herring Prospectus

## **OTHER DECLARATIONS AND DISCLOSURES**

Our Company is not a listed entity and its securities have not been refused listing at any time by any recognized stock exchange in India or abroad. Further, Our Company has not made any Public Issue or Rights Issue (as defined in the SEBI ICDR Regulations) in the past. No action has been taken against Our Company by any Stock Exchange or by SEBI. Our Company is not a sick company within the meaning of the term as defined in the Sick Industrial Companies (Special Provisions) Act, 1985. Our Company is not under winding up nor has it received a notice for striking off its name from the relevant Registrar of Companies.

## **FUND RAISING THROUGH EQUITY OR DEBT**

For details in relation to our fund-raising activities through equity and debt, please refer to the chapters titled “*Capital Structure*” beginning on page number 76 respectively, of this Draft Red Herring Prospectus.

## **REVALUATION OF ASSETS**

Our Company has not revalued its assets. For more details, please refer to the chapter “Financial Statement as restated” on page 249 of this Draft Red Herring Prospectus.

## **CHANGES IN THE ACTIVITIES OF OUR COMPANY HAVING A MATERIAL EFFECT**

Other than as stated in this Draft Red Herring Prospectus, there has been no change in the activities being carried out by our Company since incorporation till the date of this Draft Red Herring Prospectus which may have a material effect on the profits / loss of our Company, including discontinuance of lines of business, loss of agencies or markets and similar factors.

## **INJUNCTIONS OR RESTRAINING ORDERS**

Our Company is not operating under any injunction or restraining order.

## **DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS/BANKS**

There have been no Defaults or Rescheduling of borrowings with financial institutions/banks.

## **STRIKES AND LOCK-OUTS**

Our Company has, since incorporation, not been involved in any labour disputes or disturbances including strikes and lock-outs. As on the date of this Draft Red Herring Prospectus, our employees are not unionized.

## **TIME AND COST OVERRUNS IN SETTING UP PROJECTS**

As on the date of this Draft Red Herring Prospectus, there have been no time and cost overruns in any of the projects undertaken by our Company.

## **SHAREHOLDERS' AGREEMENT**

Our Company does not have any subsisting shareholders' agreement as on the date of this Draft Red Herring Prospectus.

## **OTHER AGREEMENTS**

As on the date of this Draft Red Herring Prospectus our Company has not entered into any agreements other than those entered into in the ordinary course of business and there are no material agreements entered into more than two years before the date of this Draft Red Herring Prospectus.

## **STRATEGIC PARTNERS**

Our Company does not have any strategic partner(s) as on the date of this Draft Red Herring Prospectus.

## **FINANCIAL PARTNERS**

As on the date of this Draft Red Herring Prospectus, our Company does not have any financial partners.

## **ACQUISITION OF BUSINESS / UNDERTAKINGS**

There is no Merger, Amalgamation, Acquisition of Business or Undertaking etc. with respect to our Company and we have not acquired a business undertaking since inception.

## **DIVESTMENT OF BUSINESS / UNDERTAKING BY COMPANY IN THE LAST TEN YEARS**

There has been no divestment by the Company of any business or undertaking since inception.

## **NUMBER OF SHAREHOLDER OF OUR COMPANY**

Our Company has 46 (forty-Six) shareholders as on date of this Draft Red Herring Prospectus. For further details on the Shareholding Pattern of our Company, please refer to the Chapter titled “Capital Structure” beginning on page 76 of this Draft Red Herring Prospectus.

## **DETAILS OF PAST PERFORMANCE**

For details of Change of management, please see chapter titled “Our Business” and “Our History and certain corporate matters” on page 150, 183 respectively of this Draft Red Herring Prospectus.

## **DETAILS OF FINANCIAL PERFORMANCE**

For details in relation to our financial performance in the previous three financial years, including details of non-recurring items of income, refer to section titled “Financial Statements” beginning on page 249 of this Draft Red Herring Prospectus.

## **COLLABORATION AGREEMENT**

Our company has entered into several partnership agreements with various NBFCs and other entities for them to act as facilitators and accelerators, allowing us to provide loan services to SMEs/MSMEs across various states nationwide. These agreements are customized to mutual terms and conditions, expanding our service to different locations and states. As of the date of this Draft Red Herring Prospectus, we have established business partnerships across multiple states with 13 (thirteen) business partners.

For the details regarding collaboration agreements entered into by our Company, refer to the chapter “Our Business” on page no. 150 of this Draft Red Herring Prospectus.

*This space has been left blank intentionally.*

## OUR MANAGEMENT

### BOARD OF DIRECTORS

*As per the Articles of Association of our Company, we are required to have not less than 3 (Three) Directors and not more than 15 (Fifteen) Directors on our Board, subject to provisions of Section 149 of Companies Act, 2013. As on date of this Draft Red Herring Prospectus, our Board consist of 6 (Six) Directors, out of which 3 (Three) are Executive Directors and 3 (Three) are Non-Executive Directors out of which 2 (Two) directors are independent directors. Mr. Rajesh Gupta is the Managing Director of our Company.*

S. N.	Name	DIN	Category	Designation
1.	Rajesh Gupta	01941985	Executive	Managing Director
2.	Anoop Garg	01941972	Executive	Director
3.	Geeta Goswami	07810522	Executive	Director and Chief Executive Officer
4.	Nupur Gupta	09305281	Non-Executive	Director
5.	Nimisha Jain	10651632	Non-Executive	Independent Director
6.	Pankaj Jain	00257801	Non-Executive	Independent Director

The following table sets forth certain details regarding the members of our Company's Board as on the date of this Draft Red Herring Prospectus:

S.N.	Name, DIN, Date of Birth, Qualification, Designation, Occupation, Address, Nationality and Term	Age	No. of Equity Shares held & % of pre issue shareholding	Other Directorship/partner
1.	<p><b>Rajesh Gupta</b></p> <p><i>Designation:</i> Managing Director</p> <p><i>Address:</i> B- 191, Yojna Vihar, Shakar Pur Baramad, Shakarpur, Delhi- 110092</p> <p><i>Date of Birth:</i> 03/10/1970</p> <p><i>Qualification:</i> B. Com</p> <p><i>Occupation:</i> Business</p> <p><i>Nationality:</i> Indian</p> <p><i>Term:</i> 5 years from 12/06/2023</p> <p><i>Date of First Appointment:</i> 18/03/2015</p> <p><i>Date of Appointment as MD:</i> 12/06/2023</p> <p><i>DIN:</i> 01941985</p>	53 Years	40,96,876 Equity Shares (25.80% of the Pre-issue shareholding s)	<p><b>Indian Private Companies</b></p> <ol style="list-style-type: none"> <li>1. Nupur Hospitality Private Limited</li> <li>2. Eligo Business &amp; Advisory Private Limited</li> <li>3. Uninav Buildcon Private Limited</li> <li>4. Nupur Extrusion Private Limited</li> <li>5. Continent Buildwel Private Limited</li> <li>6. Uninav Developers Private Limited</li> <li>7. Nupur Infratech Private Limited</li> </ol>

				8. Pragati Landcon private Limited 9. BR Hands Investments Private Limited 10. Vertex Buildwell Private Limited 11. Frank Metals Recyclers Private Limited  <b>Indian Public Companies-</b> 1. Nupur Recyclers Limited 2. S.D.M. Metalloys Limited  <b>Section 8 companies</b> Nil  <b>Indian LLPs</b> Nil
2.	<b>Anoop Garg</b>  <i>Designation:</i> Executive Director  <i>Address:</i> B-191, Yojna Vihar, Shakar Pur Baramad, Shakarpur, Delhi- 110092  <i>Date of Birth:</i> 26/10/1974  <i>Qualification:</i> B. Com  <i>Occupation:</i> Business  <i>Nationality:</i> Indian  <i>Date of appointment as Additional Director:</i> 15/06/2015  <i>Date of appointment as Director:</i> 28/09/2015  <i>DIN:</i> 01941972	49 Years	27,30,373 Equity Shares (17.20% of the Pre-issue shareholdings)	<b>Indian Private Companies</b> 1. Uninav Buildcon Private Limited 2. Vertex Buildwell Private Limited 3. Paravest Educom Private Limited 4. Wellvest Capitals India Private Limited 5. Continent Buildwel Private Limited 6. Uninav Developers Private Limited 7. Nupur Infratech

				Private Limited 8. Pragati Landcon Private Limited  <b>Indian Public Companies</b> 1. S.D.M. Metalloys Limited  <b>Section 8 companies</b> Nil  <b>Indian LLPs</b> Nil
3.	<b>Geeta Goswami</b>  <i>Designation:</i> Executive Director and Chief Executive Officer  <i>Address:</i> Plot No.- 103, Near Vaishali Metro Station, Vaishali Sector-4, I.E, Sahibabad, Ghaziabad, Uttar Pradesh - 201010  <i>Date of Birth:</i> 15/01/1983  <i>Qualification:</i> Company Secretary  <i>Occupation:</i> Professional  <i>Nationality:</i> Indian  <i>Date of appointment as Additional Director:</i> 03/05/2017  <i>Date of Appointment as Director:</i> 29/09/2017  <i>DIN:</i> 07810522	41 Years	2,08,950 Equity Shares (1.32% of the Pre-issue shareholdings)	<b>Indian Private Companies</b> 1. Nupur Hospitality Private Limited 2. BR Hands Investments Private Limited  <b>Indian Public Companies</b> Nil  <b>Section 8 companies</b> Nil  <b>Indian LLPs</b> Nil
4.	<b>Nupur Gupta</b>  <i>Designation:</i> Non-Executive Director  <i>Address:</i> B- 191, Yojna Vihar, Shakar Pur	25 Years	24,450 Equity Shares (0.15% of the Pre-issue shareholdings)	<b>Indian Private Companies-</b> Nil

	Baramad, Shakarpur, Delhi- 110092  <b>Date of Birth:</b> 17/08/1998  <b>Qualification:</b> Bachelor's degree in business administration  <b>Occupation:</b> Service  <b>Nationality:</b> Indian  <b>Date of Appointment:</b> 10/08/2022  <b>DIN:</b> 09305281			<b>Indian Public Companies</b>  1. Nupur Recyclers Limited  <b>Section 8 companies</b>  Nil  <b>Indian LLPs</b>  Nil
5.	<b>Nimisha Jain</b>  <b>Designation:</b> Independent Director  <b>Address:</b> 152, 1st floor gali no- 11, West Guru Angad Nagar, Laxmi Nagar, Gandhi Nagar, Delhi - 110092  <b>Date of Birth:</b> 16/02/1990  <b>Qualification:</b> Company Secretary  <b>Occupation:</b> Professional  <b>Nationality:</b> Indian  <b>Date of Appointment:</b> 10/06/2024  <b>DIN:</b> 10651632	34 Years		<b>Indian Private Companies-</b>  Nil  <b>Indian Public Companies</b>  Nil  <b>Section 8 companies</b>  Nil  <b>Indian LLPs</b>  Nil
6.	<b>Pankaj Jain</b>  <b>Designation:</b> Independent Director  <b>Address:</b> 1598, Opp. Noida Golf Course, Sector-37, Noida, Gautam Buddha Nagar, Uttar Pradesh, 201301  <b>Date of Birth:</b> 02/08/1969  <b>Qualification:</b> CS, CMA & M.Com	54 Years		<b>Indian Private Companies-</b>  Nil  <b>Indian Public Companies</b>  Nil  <b>Section 8 companies</b>

<b>Occupation:</b> Professional			Nil
<b>Nationality:</b> Indian			<b>Indian LLPs</b>
<b>Date of Appointment:</b> 10/06/2024			Nil
<b>DIN:</b> 00257801			

## BRIEF PROFILE OF THE DIRECTORS OF OUR COMPANY

1. **Mr. Rajesh Gupta** serves as the Promoter and Managing Director of the Company. He holds a Bachelor of Commerce degree from Delhi University and possesses more than 13 years of experience in Financial Market and metal recycling. In the Financial Year 2014-15, he successfully acquired Usha Financials. He looks after the overall management of the company. His role involved developing medium- and long-term business strategies.
2. **Mr. Anoop Garg** holds the positions of Promoter and Executive Director within the company. With more than 13 years of experience in the financial market. His contributions have been instrumental in the company's growth journey. He is a B. Com from IEC University of Himachal Pradesh. He acquired Usha Financial in the Financial Year 2014-15 and is currently overseeing all aspects of day-to-day operations of the Company.
3. **Ms. Geeta Goswami** is the Promoter and Executive Director of the Company. She also holds the position of Chief executive officer in the company. She is an associate member of Institute of Companies Secretaries of India. She has over 13 years of experience in the financial market and has worked with various Financial Institutions like CSL Finance and RG group in the past. She provides guidance on key decisions, evaluate management performance, and monitor risk management practices.
4. **Ms. Nupur Gupta** is a Non- executive Director of the Company. She has a bachelor's degree in business administration. She has been associated with the company for the past 6 years and has 6 years of experience in finance and internal audit.
5. **Mrs. Nimisha Jain** is an Independent Director of the Company. She is a qualified Company Secretary and holds a degree of B.com, she has previously served as a Company Secretary at Womancart Limited from April 2023 to December 2023. Her role brings independence to the company.
6. **Mr. Pankaj Jain** is an Independent Director of the Company and has experience of over 15 years of diversified experience in corporate like Sidhu Leasing and financing Co. Limited, Super Sales India Limited, ERA Infra Engineering Limited, Finman Ventures Consulting Private Limited. He has completed his Master of Commerce (M.Com.) from Meerut University and also holds professional qualifications as a Company Secretary (CS) and Cost and Work Accountant (CWA).

### Note:

As on the date of this Draft Red Herring Prospectus:

- a) None of our Directors is or was a director of any listed company during the last five years preceding the date of this Draft Red Herring Prospectus, whose shares have been or were suspended from being traded on the NSE,

during the term of their directorship in such company.

b) None of the Directors are on the RBI List of wilful defaulters.

c) None of our Directors are categorized as a wilful defaulter or a fraudulent borrower, as defined under Regulation 2(1)(III) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

d) None of our Directors is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018. None of the above-mentioned Directors are on the RBI List of wilful defaulters as on the date of this Draft Red Herring Prospectus.

e) None of the Promoters, persons forming part of our Promoter Group, our Directors or persons in control of our Company or our Company are debarred by SEBI from accessing the capital market.

f) None of the Promoters, Directors or persons in control of our Company, have been or are involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.

#### **FAMILY RELATIONSHIP BETWEEN DIRECTORS**

Except as stated below, none of the Directors or Director or Key Managerial Personnel or Senior Management of the Company are related to each other as per Section 2(77) of the Companies Act, 2013:

S. No.	Name of the Director	Relationship with Other Director
1.	Mr. Rajesh Gupta	Brother of Mr. Anoop Garg
2.	Mr. Anoop Garg	Brother of Mr. Rajesh Gupta
3.	Mr. Rajesh Gupta	Father of Ms. Nupur Gupta
4.	Ms. Nupur Gupta	Daughter of Mr. Rajesh Gupta

#### **Details of current and past directorship(s) in listed companies whose shares have been / were suspended from being traded on the stock exchanges and reasons for suspension**

None of our Directors is / was a Director in any listed company during the last five years before the date of filing of this Draft Red Herring Prospectus, whose shares have been / were suspended from being traded on the any stock exchange.

#### **Details of current and past directorship(s) in listed companies which have been/ were delisted from the stock exchange(s) and reasons for delisting**

None of our Directors are currently or have been on the board of directors of a public listed company whose shares have been or were delisted from any stock exchange.

#### **Details of arrangement or understanding with major shareholders, consumers, suppliers or others, pursuant to which of the Directors were selected as a director or member of senior management.**

There are no arrangements or understandings with major shareholders, consumers, suppliers or any other entity, pursuant to which any of the Directors or Key Managerial Personnel were selected as a Director or member of the senior management.

#### **TERMS AND CONDITIONS OF EMPLOYMENT OF THE DIRECTORS**

**i) Executive Directors**

<b>Name</b>	<b>Mr. Rajesh Gupta</b>
Designation	Managing Director
Term	5 years from 12/06/2023
Date of approval of shareholder	12/06/2023
Remuneration paid in F.Y. 2023-24	Rs. 48,00,000/- Per Annum
Remuneration paid in F.Y. 2024-25	Rs. 48,00,000/- Per Annum
Perquisite	NA
<b>Name</b>	<b>Mr. Anoop Garg</b>
Designation	Executive Director
Date of appointment as Director	28/09/2015
Remuneration paid in F.Y. 2023-24	Rs. 36,00,000/- Per Annum
Remuneration paid in F.Y. 2024-25	Nil
Perquisite	NA
<b>Name</b>	<b>Mrs. Geeta Goswami</b>
Designation	Executive Director and CEO
Date of appointment as Director	29/09/2017
Remuneration paid in F.Y. 2023-24	Rs 25,80,000/- Per Annum
Remuneration paid in F.Y. 2024-25	Rs 25,80,000/- Per Annum
Perquisite	NA

**ii) Non-Executive Independent Directors**

Non-Executive Non-Independent Directors and Independent Directors are not entitled to any remuneration except sitting fees for attending meetings of the Board, or of any committee of the Board. They are entitled to a sitting fee for attending the meeting of the Board and the Committee thereof respectively.

Pursuant to the resolution passed by the Board of Directors of our Company on 10/06/2024, the independent directors of our Company would be entitled to a sitting fee of Rs. 5,000/- for attending every meeting of the Board and Rs. 5,000/- for attending every committee meeting.

**Note: No portion of the compensation as mentioned above was paid pursuant to a bonus or profit-sharing plan.**

**SHAREHOLDING OF DIRECTORS IN OUR COMPANY**

As per the Articles of Association of our Company, a director is not required to hold any shares in our Company to qualify him for the office of the Director of our Company. The following table details the shareholding in our Company of our Directors in their personal capacity, as on the date of this Draft Red Herring Prospectus:

S. No.	Name of the Directors	No. of Equity Shares held	% of pre-issue paid-up Equity Share capital in our Company
1.	Rajesh Gupta	40,96,876	25.80%
2.	Anoop Garg	27,30,373	17.20%

3.	Geeta Goswami	2,08,950	1.32%
4.	Nupur Gupta	24,450	0.15%

### **INTEREST OF DIRECTORS**

All of our Directors may be deemed to be interested to the extent of fees payable to them (if any) for attending meetings of the Board or a committee thereof as well as to the extent of remuneration payable to them for their services as Directors of our Company and reimbursement of expenses as well as to the extent of commission and other remuneration, if any, payable to them under our Articles of Association. Some of the Directors may be deemed to be interested to the extent of consideration received/paid or any loans or advances Provided to anybody corporate including companies and firms, and trusts, in which they are interested as directors, members, partners or trustees.

All our Directors may also be deemed to be interested to the extent of Equity Shares, if any, already held by them or their relatives in our Company, or that may be subscribed for and allotted to our non-promoter Directors, out of the present Issue and also to the extent of any dividend payable to them and other distribution in respect of the said Equity Shares.

The Directors may also be regarded as interested in the Equity Shares, if any, held or that may be subscribed by and allocated to the companies, firms and trusts, if any, in which they are interested as directors, members, partners, and/or trustees.

Our Directors may also be regarded interested to the extent of dividend payable to them and other distribution in respect of the Equity Shares, if any, held by them or by the companies/firms/ventures promoted by them or that may be subscribed by or allotted to them and the companies, firms, in which they are interested as Directors, members, partners and promoters, pursuant to this Issue. All our Directors may be deemed to be interested in the contracts, agreements/ arrangements entered into or to be entered into by the Company with either the Directors himself, other company in which they hold directorship or any partnership firm in which they are partners, as declared in their respective declarations.

#### ***Interest in promotion of Our Company***

Except Promoters, none of our directors have any interest in the promotion of our Company.

#### ***Interest in the property of Our Company***

Our directors have no interest in any property acquired by our Company neither in the preceding two years from the date of this Draft Red Herring Prospectus nor in the property proposed to be acquired by our Company as on the date of filing of this Draft Red Herring Prospectus. Our directors also do not have any interest in any transaction regarding the acquisition of land, construction of buildings and supply of machinery, etc. with respect to our Company.

#### ***Interest in the business of Our Company***

Save and except as stated otherwise in “Related Party Transaction” in the “Note 31” in chapter titled “*Financial Information*” beginning on page number 249 of this Draft Red Herring Prospectus, our Directors do not have any other interests in our Company as on the date of this Draft Red Herring Prospectus. Our Directors are not

interested in the appointment of Underwriters, Registrar and Bankers to the Issue or any such intermediaries registered with SEBI.

***Details of service contracts***

None of our directors have entered into any service contracts with our company except for acting in their individual capacity as director and no benefits are granted upon their termination from employment other than the statutory benefits provided by our company.

Except statutory benefits upon termination of their employment in our Company or retirement, no officer of our Company, including the directors and key Managerial personnel, are entitled to any benefits upon termination of or retirement from employment.

***Bonus or profit-sharing plan for the directors***

There is no bonus or profit-sharing plan for the Directors of our Company.

***Contingent and deferred compensation payable to directors***

No Director has received or is entitled to any contingent or deferred compensation.

***Other indirect interest***

Except as stated in chapter titled “*Financial Information*” beginning on page 249 of this Draft Red Herring Prospectus, none of our sundry debtors or beneficiaries of loans and advances are related to our Directors.

***Borrowing power of the Board***

In terms of the special resolution passed at an Extra- Ordinary General Meeting of our Company held on 20 October, 2022 and pursuant to Section 180(1)(c) and any other applicable provisions, of the Companies Act, 2013 and the rules made thereunder, consent of members of the Company has been accorded to borrow from time to time, any sum or sums of monies, which together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business), may exceed the aggregate of the paid up capital of the Company and free reserve, provided that the total outstanding amount so borrowed, shall not at any time exceed the limit of Rs. 50,000.00 Lakhs.

**CHANGES IN THE BOARD FOR THE LAST THREE YEARS**

Save and except as mentioned below, there had been no change in the Directorship during the last three (3) years:

<b>Name of Director</b>	<b>Date of Event</b>	<b>Reason for Change</b>
Ms. Nimisha Jain	10/06/2024	Appointed as Independent Director
Mr. Pankaj Jain	10/06/2024	Appointed as Independent Director
Mr. Arvind Kumar Jain	28/03/2024	Cessation from Independent Director
Mr. Gauri Shankar	28/03/2024	Cessation from Independent Director
Mr. Rajesh Gupta	12/06/2023	Change in Designation from Director to Managing Director
Mr. Bhupinder Nayyar	27/04/2023	Cessation from Independent Director

Ms. Nupur Gupta	07/09/2022	Change in Designation from Additional Director to Director
Ms. Nupur Gupta	10/08/2022	Appointed as Additional Director
Mr. Gauri Shankar	28/03/2021	Reappointment as Independent Director
Mr. Bhupinder Nayyar	28/03/2021	Reappointment as Independent Director

### Management Organizational Structure

For Management Organizational Structure please refer to the chapter titled “Our Business” on page number 150 of this Draft Red Herring Prospectus.

### CORPORATE GOVERNANCE

In additions to the applicable provisions of the Companies Act, 2013 with respect to the Corporate Governance, provisions of the SEBI Listing Regulations will be applicable to our company immediately up on the listing of Equity Shares on the Stock Exchanges. As on date of this Draft Red Herring Prospectus, as our Company is coming with an issue in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time, the requirement specified in regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V is not applicable to our Company, although we require to comply with requirement of the Companies Act, 2013 wherever applicable. Our Company has complied with the corporate governance requirement, particularly in relation to appointment of independent directors including woman director on our Board, constitution of an Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee. Our Board functions either on its own or through committees constituted thereof, to oversee specific operational areas.

The Board functions either as a full Board or through various committees constituted to oversee specific operational areas. Our Company has constituted the following Committees of the Board:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders Relationship Committee
4. IPO Committee
5. Finance Committee
6. Risk Management Committee
7. Asset Liability Management Committee

### AUDIT COMMITTEE

The Audit Committee was constituted *vide* Board resolution dated 2 July 2024 pursuant to Section 177 of the Companies Act, 2013. As on the date of this Draft Red Herring Prospectus, the Audit Committee comprises of:

Name of the Director	Designation in the Committee	Nature of Directorship
Pankaj Jain	Chairperson	Independent Director
Nimisha Jain	Member	Independent Director
Rajesh Gupta	Member	Managing Director

Our Company Secretary and Compliance Officer will act as the secretary of the Committee.

**The scope of Audit Committee shall include but shall not be restricted to the following:**

1. Oversight the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  - a. Matters required being included in the Directors Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 134 of the Companies Act, 2013.
  - b. Changes, if any, in accounting policies and practices and reasons for the same.
  - c. Major accounting entries involving estimates based on the exercise of judgment by management.
  - d. Significant adjustments made in the financial statements arising out of audit findings.
  - e. Compliance with listing and other legal requirements relating to financial statements.
  - f. Disclosure of any related party transactions.
  - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Approval of any transactions of the Company with Related Parties, including any subsequent modification thereof.
8. use/application of the funds raised through the proposed initial public offer by the Company;
9. Approval or any subsequent modifications of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;
10. Scrutiny of inter-corporate loans and investments.
11. Valuation of undertakings or assets of the Company, wherever it is necessary.
12. Evaluation of internal financial controls and risk management systems.
13. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
14. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
15. Discussion with internal auditors on any significant findings and follow up thereon.
16. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
17. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
18. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
19. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
20. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.

21. Carrying out any other function as it mentioned in the terms of reference of the Audit Committee.

**The Audit Committee enjoys following powers:**

- a) To investigate any activity within its terms of reference
- b) To seek information from any employee
- c) To obtain outside legal or other professional advice
- d) To secure attendance of outsiders with relevant expertise if it considers necessary
- e) The audit committee may invite such of the executives as it considers appropriate (and particularly head of the finance function) to be present at the meetings of the committee, but on the occasions it may also meet without the presence of any executives of the Issuer. The finance director, head of the internal audit committee.

**The Audit Committee shall mandatorily review the following information:**

1. Management Discussion and Analysis of financial condition and results of operations.
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management.
3. Management letters/letters of internal control weaknesses issued by the statutory auditors.
4. Internal audit reports relating to internal control weaknesses.
5. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee; and statement of deviations:
  - a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI ICDR Regulations;
  - b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI ICDR Regulations.

**Meetings and relevant quorum of the Audit Committee**

1. The Audit Committee shall meet at least four times in a year and more than one hundred and twenty days shall elapse between two meetings.
2. The quorum shall be either two members or one third of the members of the audit committee whichever is greater, but there shall be minimum of two independent members present.

**Removal or Ceasing as a Member of the Committee**

Any members of this committee may be removed or replaced any time by the board, any member of this committee ceasing to be a director shall be ceased to be a member of this committee.

**NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee was constituted at a meeting of the Board of Directors held on 2 July 2024. As on the date of this Draft Red Herring Prospectus the Nomination and Remuneration Committee comprises of:

Name of the Director	Designation in the Committee	Nature of Directorship
Nimisha Jain	Chairman	Independent Director
Pankaj Jain	Member	Independent Director
Nupur Gupta	Member	Non-Executive Director

Our Company Secretary and Compliance Officer will act as the secretary of the Committee.

The role of the Nomination and Remuneration Committee includes, but not restricted to, the following:

1. Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;
2. for the appointment of an independent director, the committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the board of directors of the Company for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - a. use the services of external agencies, if required;
  - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c. consider the time commitments of the candidates.
3. formulation of criteria for evaluation of the performance of independent directors and the Board;
4. devising a policy on diversity of our Board;
5. identifying persons, who are qualified to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal and carrying out evaluation of every director's performance;
6. determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
7. recommending remuneration of executive directors and any increase therein from time to time within the limit approved by the members of our Company;
8. recommending remuneration to non-executive directors in the form of sitting fees for attending meetings of the Board and its committees, remuneration for other services, commission on profits;
9. recommending to the Board, all remuneration, in whatever form, payable to senior management;
10. performing such functions as are required to be performed by the compensation committee under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended;
11. engaging the services of any consultant/professional or other agency for the purpose of recommending compensation structure/policy;
12. analyzing, monitoring and reviewing various human resource and compensation matters;
13. reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
14. framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
  - a. The SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended; or
  - b. The SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended;

Performing such other functions as may be delegated by the Board and/or prescribed under the SEBI Listing Regulations, Companies Act, each as amended or other applicable law.

Our Company Secretary and Compliance Officer will act as the secretary to the Nomination and Remuneration Committee.

#### **Meetings and relevant quorum of the Nomination and Remuneration Committee**

1. The committee shall meet as and when the need arises, subject to at least one meeting in a year.
2. The quorum for the meeting shall be either two members or one third of the total strength of the committee or two members, whichever is higher, with at least One (1) Independent Director.

### **Removal or Ceasing as a Member of the Committee**

1. Any members of this Committee may be removed or replaced by the Board of Directors at any time, by giving reasons thereof.
2. Any member of this committee ceasing to be a director shall also be ceased to be a member of this Committee.

### **STAKEHOLDERS' RELATIONSHIP COMMITTEE**

Our Company at its Board Meeting held on 2 July, 2024. has approved the constitution of the Stakeholders Relationship Committee in compliance with the provisions of the Section 178(5) and all other applicable provisions of the Companies Act, 2013 read with the Rules framed thereunder and Regulation 20 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As on the date of this Draft Red Herring Prospectus the Stakeholder's Relationship Committee comprises of:

<b>Name of the Director</b>	<b>Designation in the Committee</b>	<b>Nature of Directorship</b>
Nimisha Jain	Chairman	Independent Director
Pankaj Jain	Member	Independent Director
Rajesh Gupta	Member	Managing Director

Our Company Secretary and Compliance Officer will act as the secretary of the Committee.

### **The terms of reference of the Stakeholders Relationship Committee as per Regulation 20 and Part D of Schedule II of SEBI Listing Regulations, 2015 and Companies Act, 2013 shall be as under:**

1. Consider and resolve grievances of security holders of the Company, including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.;
2. Review of measures taken for effective exercise of voting rights by shareholders;
3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent;
4. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
5. Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
6. To handle the grievances of the stakeholders in connection with the allotment and listing of shares;
7. Ensure proper and timely attendance and redressal of investor queries and grievances;
8. Carrying out any other functions contained in the Companies Act, 2013 and/or other documents (if applicable), as and when amended from time to time; and
9. To approve, register, refuse to register transfer or transmission of shares and other securities;
10. To review, approve or reject the request for split, sub-divide, consolidate, renewal and or replace any share or other securities certificate(s) of the Company;
11. To authorize affixation of common seal of the Company;
12. To issue duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of the Company;
13. To approve the transmission of shares or other securities arising as a result of death of the sole/any joint shareholder;

14. To dematerialize or rematerialize the issued shares;
15. To do all other acts and deeds as may be necessary or incidental to the above;
16. To perform such functions as may be delegated by the Board and to further delegate all or any of its power to any other employee(s), officer(s), representative(s), consultant(s), professional(s), or agent(s); and
17. Such terms of reference as may be prescribed under the Companies Act, 2013 and SEBI Listing Regulations or other applicable law.

#### **Meetings of the Committee and relevant quorum**

1. The Stakeholder Relationship Committee shall meet at least once in a year, and shall report to the Board on a quarterly basis regarding the status of redressal of the complaints received from the shareholders of the Company.

#### **Removal or Ceasing as a Member of the Committee**

1. Any members of this Committee may be removed or replaced by the Board of Directors at any time, by giving reasons thereof.
2. Any member of this committee ceasing to be a director shall also be ceased to be a member of this Committee.

Any members of this committee may be removed or replaced at any time by the board, any member of this committee ceasing to be a director shall be ceased to be a member of this committee.

#### **INITIAL PUBLIC OFFER COMMITTEE**

The Initial Public Offer Committee has been formed by the Board of Directors, at the meeting held on 2 July, 2024. As on the date of this Draft Red Herring Prospectus the Initial Public Offer Committee comprises of:

<b>Name of the Director</b>	<b>Designation in the Committee</b>	<b>Nature of Directorship</b>
Rajesh Gupta	Chairman	Managing Director
Nupur Gupta	Member	Non- Executive Director
Geeta Goswami	Member	Executive Director and CEO

The Company Secretary shall act as the secretary of the IPO Committee.

The terms of reference of the IPO Committee include the following:

- a) Approving amendments to the memorandum of association and the articles of association of the Company;
- b) Finalizing and arranging for the submission of the DRHP, the RHP, the Prospectus and any amendments, supplements, notices or corrigenda thereto, to appropriate government and regulatory authorities, institutions or bodies;
- c) Approving a code of conduct as may be considered necessary by the Board or the IPO Committee or as required under Applicable Laws for the Board, officers of the Company and other employees of the Company;
- d) Approving a code of conduct as may be considered necessary by the Board or the IPO Committee or as required under Applicable Laws for the Board, officers of the Company and other employees of the Company;

- e) Issuing advertisements as it may deem fit and proper in accordance with Applicable Laws;
- f) Deciding on the size and all other terms and conditions of the Issue and/or the number of Equity Shares to be issued in the Issue, including any rounding off in the event of any oversubscription as permitted under Applicable Laws;
- g) Taking all actions as may be necessary or authorized in connection with the Issue;
- h) Appointing and instructing book running lead managers, syndicate members, bankers to the Issue, the registrar to the Issue, bankers of the Company, managers, underwriters, guarantors, escrow agents, accountants, auditors, legal counsel, depositories, trustees, custodians, credit rating agencies, monitoring agencies, advertising agencies and all such persons or agencies as may be involved in or concerned with the Issue and whose appointment is required in relation to the Issue, including any successors or replacements thereof;
- i) Opening bank accounts, share/securities accounts, escrow or custodian accounts, in India or abroad, in Rupees or in any other currency, in accordance with Applicable Laws;
- j) Entering into agreements with, and remunerating all the book running lead managers, syndicate members, placement agents, bankers to the Issue, the registrar to the Issue, bankers of the Company, managers, underwriters, guarantors, escrow agents, accountants, auditors, legal counsel, depositories, trustees, custodians, credit rating agencies, monitoring agencies, advertising agencies, and all other agencies or persons as may be involved in or concerned with the Issue, including any successors or replacements thereof, by way of commission, brokerage, fees or the like;
- k) Seeking the listing of the Equity Shares on the Stock Exchanges, submitting listing application to the Stock Exchanges and taking all such actions as may be necessary in connection with obtaining such listing, including, without limitation, entering into the listing agreement with the Stock Exchanges;
- l) Seeking, if required, the consent of the Company's lenders, parties with whom the Company has entered into various commercial and other agreements, all concerned government and regulatory authorities in India or outside India, and any other consents that may be required in connection with the Issue;
- m) Submitting undertaking/certificates or providing clarifications to the SEBI and the Stock Exchanges;
- n) Determining the price at which the Equity Shares are issued to investors in the Issue in accordance with Applicable Laws, in consultation with the book running lead managers and/or any other advisors, and determining the discount, if any, proposed to be issued to eligible categories of investors;
- o) Determining the price band and minimum lot size for the purpose of bidding in accordance with applicable laws, any revision to the price band and the final Issue price after bid closure;
- p) Determining the bid/issue opening and closing dates;
- q) Finalizing the basis of allocation of Equity Shares to retail investors/non-institutional investors/qualified institutional buyers and any other investor in accordance with the applicable laws and in consultation with the book running lead managers, the Stock Exchanges;
- r) Opening with the bankers to the Issue, escrow collection banks and other entities such accounts as are

required under Applicable Laws;

- s) To issue receipts/allotment letters/confirmations of allotment notes either in physical or electronic mode representing the underlying equity shares in the capital of the Company with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practices and regulations, including listing on one or more stock exchange(s), with power to authorise one or more officers of the Company to sign all or any of the aforesaid documents;
- t) Severally authorizing Mr. Rajesh Gupta (“Authorized Officer”), for and on behalf of the Company, to execute and deliver, on a several basis, any agreements and arrangements as well as amendments or supplements thereto that the Authorized Officer considers necessary, desirable or expedient, in connection with the Issue, including, without limitation, engagement letters, memorandum of understanding, the listing agreement with the stock exchange, the registrar’s agreement, the depositories’ agreements, the issue agreement with the book running lead managers (and other entities as appropriate), the underwriting agreement, the syndicate agreement, the cash escrow agreement, the share escrow agreement, confirmation of allocation notes, the advertisement agency agreement and any undertakings and declarations, and to make payments to or remunerate by way of fees, commission, brokerage or the like or reimburse expenses incurred in connection with the Issue, the book running lead managers, syndicate members, placement agents, bankers to the Issue, registrar to the Issue, bankers of the Company, managers, underwriters, guarantors, escrow agents, accountants, auditors, legal counsel, depositories, trustees, custodians, credit rating agencies, monitoring agencies, advertising agencies, and all such persons or agencies as may be involved in or concerned with the Issue including any successors or replacements thereof; and any such agreements or documents so executed and delivered and acts, deeds, matters and things done by any such Authorized Officer shall be conclusive evidence of the authority of the Authorized Officer and the Company in so doing;
- u) Severally authorizing the Authorized Officers to take any and all action in connection with making applications, seeking clarifications and obtaining approvals (or entering into any arrangement or agreement in respect thereof) in connection with the Issue, including, without limitation, applications to, and clarifications or approvals from the GoI, the SEBI, the RoC, and the Stock Exchanges and that any such action already taken or to be taken is hereby ratified, confirmed and/or approved as the act and deed of the Authorized Officer and the Company, as the case may be;
- v) Severally authorizing the Authorized Officers, for and on behalf of the Company, to execute and deliver any and all documents, papers or instruments and to do or cause to be done any and all acts, deeds, matters or things as any such Authorized Officer may deem necessary, desirable or expedient in order to carry out the purposes and intent of the foregoing resolutions or the Issue; and any documents so executed and delivered or acts, deeds, matters and things done or caused to be done by any such Authorized Officer shall be conclusive evidence of the authority of such Authorized Officer and the Company in so doing and any such document so executed and delivered or acts, deeds, matters and things done or caused to be done by any such Authorized Officer prior to the date hereof are hereby ratified, confirmed and approved as the act and deed of the Authorized Officer and the Company, as the case may be; and
- w) Executing and delivering any and all documents, papers or instruments and doing or causing to be done any and all acts, deeds, matters or things as the IPO Committee may deem necessary, desirable or expedient in order to carry out the purposes and intent of the foregoing resolutions or the Issue; and any documents so executed and delivered or acts, deeds, matters and things done or caused to be done by the IPO Committee shall be conclusive evidence of the authority of the IPO Committee in so doing.

## FINANCE COMMITTEE

Our Finance Committee plays a crucial role in overseeing and advising on various financial aspects of our Company. Its responsibilities include reviewing budgets and financing matters and making recommendations to the Board based on its assessments. Additionally, the Committee is authorized to secure credit facilities such as cash credit, term loans, overdrafts, and foreign currency loans from banks and financial institutions, subject to limits approved by shareholders and sanctioned by the Board. It is empowered to execute necessary documents and create securities in favor of lenders as required in the normal course of business.

### Authority of the Finance Committee.

- A. The Finance Committee is hereby authorized to review and participate in discussions concerning various Company financial matters, including budgets, audits and financing matters and to further make recommendations to the Board regarding such matters.
- B. The Finance Committee is authorized to borrow/ avail various credit facilities, including but not limited to, by way of cash credit (CC), Term Loan, Corporate Loan, Overdraft facility, Working Capital Demand Loan (WCDL), Foreign Currency Loans, Foreign Currency Non Resident (FCNR) , Letter of Credit (Foreign & Indian), Bank Guarantee and such other facilities as may be sanctioned by Bank/ consortium of Banks, Indian and Foreign Financial Institutions, etc. from time to time in the normal course of business and within the limits as approved by the shareholders in their meeting, if applicable and also within the over all limit as may be sanctioned by the Board from time to time and to execute documents deeds, papers related to aforesaid credit facilities and to sign documents for creation of security or to create securities in favour of aforesaid individual bank or Consortium of banks, and foreign financial institutions etc. related to aforesaid availed credit facilities from time to time under the normal course of business.
- C. The Finance Committee does not have the authority to give directions and/or instructions to contractors, management, consultants or employees of the Company, unless otherwise approved by the Board.
- D. To undertake any other connected matters relating to the above matters

The Finance Committee has been formed by the Board of Directors, at the meeting held on October 25, 2023. As on the date of this Draft Red Herring Prospectus the Initial Public Offer Committee comprises of:

Name of the Director	Designation in the Committee	Nature of Directorship
Rajesh Gupta	Chairperson	Managing Director
Nupur Gupta	Member	Non-Executive Director
Geeta Goswami	Member	Executive Director and CEO

## RISK MANAGEMENT COMMITTEE

Our Risk Management Committee (“RMC”) provides risk management guidance and oversight to our board. Moreover, our RMC reviews and recommends to our board of directors, policies, strategies and framework for managing risk.

### ROLES:

1. To formulate a detailed risk management policy this shall include:
  1. A framework for identification of internal and external risks specifically faced by the entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

2. Measures for risk mitigation including systems and processes for internal control of identified risks.
3. Business continuity plan.
2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.
3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems.
4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity.
5. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken.
6. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.
7. To assess the Company's risk profile and key areas of risk in particular.
8. To recommend the Board and adoption of risk assessment and rating procedures.
9. To articulate the Company's policy for the oversight and management of business risks.
10. To examine and determine the sufficiency of the Company's internal processes for reporting on and managing key risk areas.
11. To assess and recommend the Board acceptable levels of risk.
12. To develop and implement a risk management framework and internal control system.
13. To review the nature and level of insurance coverage.
14. To have special investigations into areas of corporate risk and break-downs in internal control.
15. To review management's response to the Company's auditors' recommendations those are adopted.
16. To report the trends on the Company's risk profile, reports on specific risks and the status of the risk management process.

**RESPONSIBILITY:**

1. To define the risk appetite of the organization.
2. To exercise oversight of management's responsibilities, and review the risk profile of the organization to ensure that risk is not higher than the risk appetite determined by the board.

3. To ensure that the Company is taking appropriate measures to achieve prudent balance between risk and reward in both ongoing and new business activities.
4. 4. To assist the Board in setting risk strategies, policies, frameworks, models and procedures in liaison with management and in the discharge of its duties relating to corporate accountability and associated risk in terms of management assurance and reporting.
5. To review and assess the quality, integrity and effectiveness of the risk management systems and ensure that the risk policies and strategies are effectively managed.
6. To review and assess the nature, role, responsibility and authority of the risk management function within the Company and outline the scope of risk management work.
7. To ensure that the Company has implemented an effective ongoing process to identify risk, to measure its potential impact against a broad set of assumptions and then to activate what is necessary to pro-actively manage these risks, and to decide the Company's appetite or tolerance for risk.
8. To ensure that a systematic, documented assessment of the processes and outcomes surrounding key risks is undertaken at least annually for the purpose of making its public statement on risk management including internal control.
9. To oversee formal reviews of activities associated with the effectiveness of risk management and internal control processes. A comprehensive system of control should be established to ensure that risks are mitigated and that the Company's objectives are attained.
10. To review processes and procedures to ensure the effectiveness of internal systems of control so that decision-making capability and accuracy of reporting and financial results are always maintained at an optimal level.
11. To monitor external developments relating to the practice of corporate accountability and the reporting of specifically associated risk, including emerging and prospective impacts.
12. To provide an independent and objective oversight and view of the information presented by the management on corporate accountability and specifically associated risk, also taking account of reports by the Audit Committee to the Board on all categories of identified risks facing by the Company.
13. To review the risk bearing capacity of the Company in light of its reserves, insurance coverage, guarantee funds or other such financial structures.
14. To fulfil its statutory, fiduciary and regulatory responsibilities.
15. To ensure that the risk awareness culture is pervasive throughout the organization.
16. To review issues raised by Internal Audit that impact the risk management framework.
17. To ensure that infrastructure, resources and systems are in place for risk management is adequate to maintain a satisfactory level of risk management discipline.
18. The Board shall review the performance of the risk management committee annually.

19. Perform other activities related to risk management as requested by the Board of Directors or to address issues related to any significant subject within its term of reference.

20. Committee shall have powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

The Risk Management Committee has been formed by the Board of Directors, at the meeting held on 2 July 2024. As on the date of this Draft Red Herring Prospectus the Initial Public Offer Committee comprises of:

Name of the Director	Designation in the Committee	Nature of Directorship
Rajesh Gupta	Chairperson	Managing Director
Nupur Gupta	Member	Non-Executive Director
Geeta Goswami	Member	Executive Director and CEO

### **ASSET LIABILITY MANAGEMENT COMMITTEE**

The Asset Liability Management (ALM) Committee is tasked with overseeing and managing and balancing the risks faced by a company, particularly those related to liquidity, interest rates, and market fluctuations. Its primary responsibilities include balancing risk and return by strategically planning interest rate and liquidity management, ensuring the company maintains adequate liquidity through maturity matching, and overseeing the Asset Liability Management System. The committee reviews reports on liquidity, market risk, and capital management, advising the Board on funding and capital decisions, and recommending strategic business and risk management strategies. It also evaluates balance sheet performance, recommends corrective actions, and prepares contingency plans based on financial forecasts to safeguard the company's financial stability and growth objectives.

The Asset Liability Management Committee has been formed by the Board of Directors, at the meeting held on April 30, 2024. As on the date of this Draft Red Herring Prospectus the Initial Public Offer Committee comprises of:

Name of the Director	Designation in the Committee	Nature of Directorship
Geeta Goswami	Chairperson	Executive Director and CEO
Prashant Raghuwanshi	Member	Chief Financial Officer
Manisha Dabral	Member	Credit Manager

### **The Roles and responsibilities of Asset Liability Management Committee.**

1. The ALCO is a decision-making unit responsible for balancing risk-return including the strategic planning of interest rate and liquidity risks.
2. Oversee Liquidity through maturity matching.
3. To oversee the Asset Liability Management System.
4. Review reports on liquidity, market risk and capital management.
5. To decide the business and risk management strategy within the limit/parameters, if any, set by the Board.
6. To review balance sheet management issues that is leading to underperformance and suggests corrective action.
7. To oversee various components of assets and liabilities.

8. To oversee credit risk, interest rate risk, liquidity risk, market risk and other operational risks.
9. Advising to the Board, on Funding and capital.
10. Overseeing Profit planning and growth projection.
11. Recommendation of contingency plans based on forecasts and analysing
12. Satisfy itself that the less fundamental risks are being actively managed, with the appropriate controls in place and working effectively.
13. Articulate the current interest rate review and recommend future business strategy on this view and
14. Any other issues referred by the Board relating to ALMs, from time to time.

The scope of ALM function is mentioned as follows:

- a. Liquidity risk management
- b. Management of market risks
- c. Funding and capital planning
- d. Profit planning and growth projection.
- e. Forecasting and analyzing 'What if scenario' and preparation of contingency plans.

### **Compliance with SME Listing Regulations**

The provisions of the SEBI (Listing Obligation and Disclosures) Regulations, 2015 will be applicable to our Company immediately upon the listing of Equity Shares of our Company on Emerge Platform of NSE.

### **KEY MANAGERIAL PERSONNEL**

Our Company is managed by our Board of Directors, assisted by qualified professionals, who are permanent employees of our Company. Below are the details of the Key Managerial Personnel of our Company:

<b>Name</b>	: Mr. Rajesh Gupta
<b>Designation</b>	: Managing Director
<b>Date of Appointment</b>	: 12/06/2023
<b>Term of Office</b>	: 5 years from 12/06/2023
<b>Expiration of Term</b>	: 11/06/2028
<b>Qualification</b>	: B. Com (Hons)
<b>Previous Employment</b>	: NA
<b>Overall Experience</b>	: He has over 13 years of experience in Financial Market & Metal Recycling.
<b>Current Salary</b>	: Rs. 48,00,000/- Per Annum
<b>Remuneration paid in F.Y. 2023-24</b>	: Rs. 48,00,000/- Per Annum
<b>Remuneration paid in F.Y. 2024-25</b>	: Rs. 48,00,000/- Per Annum
<b>Name</b>	: Mrs. Geeta Goswami
<b>Designation</b>	: Chief Executive Officer (CEO) and Executive Director
<b>Date of Appointment</b>	: 12/06/2024
<b>Qualification</b>	: Company Secretary and MBA Finance
<b>Previous Employment</b>	: Rajesh Projects (I) Private Limited
<b>Overall Experience</b>	: She has over 13 years of experience in the financial market.
<b>Current Salary</b>	: Rs. 25,80,000/- Per Annum

<b>Remuneration paid in</b>	: Rs. 25,80,000/- Per Annum <b>F.Y. 2023-24)</b>
<b>Name</b>	: <b>Mr. Prashant Raghuwanshi</b>
<b>Designation</b>	: Chief Financial Officer (CFO)
<b>Date of Appointment</b>	: 01/06/2024
<b>Qualification</b>	: Chartered Accountant
<b>Previous Employment</b>	: SAP Business One Functional Consultant
<b>Overall Experience</b>	: He has an overall experience of 6 years in Finance, Accounting, Auditing, and Taxation.
<b>Current Salary</b>	: 10,00,000/- Per Annum
<b>Remuneration paid in</b>	: Mr. Prashant Raghuwanshi was appointed as Chief Financial Officer on <b>F.Y. 2023-24)</b> 01/06/2024, therefore no remuneration has been received by him in the financial year 2023-24 as CFO.
<b>Name</b>	: <b>Ms. Kritika Goswami</b>
<b>Designation</b>	: Company Secretary and Compliance Officer
<b>Date of Appointment</b>	: 03/02/2024
<b>Qualification</b>	: Company Secretary
<b>Previous Employment</b>	: Excellence Enablers Private Limited
<b>Overall Experience</b>	: She has an overall experience of almost 5 years in Secretarial compliances.
<b>Current Salary</b>	: 6,36,000/- Per Annum
<b>Remuneration paid in</b>	: Mrs. Kritika Goswami was appointed as Company Secretary on <b>F.Y. 2023-24)</b> 03/02/2024, her remuneration in the FY 2023-24 was same as current year.

**Notes:**

- *All of our Key Managerial Personnel mentioned above are on the payrolls of our Company as permanent employees.*
- *There is no agreement or understanding with major shareholders, consumers, suppliers or others pursuant to which any of the above mentioned personnel was selected as a director or member of senior management.*
- *None of our Key Managerial Personnel has entered into any service contracts with our company and no benefits are granted upon their termination from employment other than statutory benefits provided by our Company. However, our Company has appointed certain Key Managerial Personnel for which our company has not executed any formal service contracts; although they are abide by their terms of appointments.*

**FAMILY RELATIONSHIP BETWEEN KMP**

Except as disclosed below, none of the KMP of the Company are related to each other as per section 2(77) of the Companies Act, 2013:

S. No.	Name of the KMP	Relationship with other Director
		NA

**BONUS AND/ OR PROFIT-SHARING PLAN FOR THE KEY MANAGERIAL PERSONNEL**

Our Company does not have any bonus and / or profit-sharing plan for the key managerial personnel.

## CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO KEY MANAGERIAL PERSONNEL

None of our Key Managerial Personnel has received or is entitled to any contingent or deferred compensation.

## SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL

None of our Key Managerial Personnel holds any Equity Shares in our Company as on the date of this Draft Red Herring Prospectus except the following.

S. No.	Name of the Key Managerial Personnel	No. of Equity Shares held	% of pre-issue paid-up Equity Share capital in our Company
1.	Rajesh Gupta	40,96,876	25.80%
2.	Geeta Goswami	2,08,950	1.32%
3.	Prashant Raghuwanshi	1,500	0.01%

## INTEREST OF KEY MANAGERIAL PERSONNEL

None of our key managerial personnel have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to our Company as per the terms of their appointment and reimbursement of expenses incurred by them during the ordinary course of business.

## CHANGES IN OUR COMPANY'S KEY MANAGERIAL PERSONNEL DURING THE LAST THREE YEARS

Following have been the changes in the Key Managerial Personnel (KMP) during the last three years:

Name of KMP	Date of Event	Reason for change
Mr. Amit Kumar Bhardwaj	10/02/2022	Cessation of Company Secretary.
Ms. Neha Sharma	11/02/2022	Appointment as Company Secretary
Ms. Neha Sharma	21/01/2024	Cessation of Company Secretary.
Mr. Rajesh Gupta	12/06/2023	Change in Designation to Managing Director
Mr. Prashant Raghuwanshi	01/06/2024	Appointment as Chief Financial Officer
Ms. Kritika Goswami	03/02/2024	Appointment as Company Secretary
Ms. Geeta Goswami	12/06/2024	Appointment as Chief Executive Officer

*Note: Other than the above changes, there have been no changes to the key managerial personnel of our Company that are not in the normal course of employment.*

## SCHEME OF EMPLOYEE STOCK OPTIONS OR EMPLOYEE STOCK PURCHASE

Our Company does not have any Employee Stock Option Scheme or other similar scheme giving options in our Equity Shares to our employees.

## LOANS TO KEY MANAGERIAL PERSONNEL

Except as provided in restated financial statement in the chapter “*Financial Information*” beginning on page 249 of the Draft Red Herring prospectus, there are no loans outstanding against the key managerial personnel as on the date of this Draft Red Herring Prospectus.

**PAYMENT OF BENEFITS TO OFFICERS OF OUR COMPANY (NON-SALARY RELATED)**

Except for the payment of salaries and perquisites and reimbursement of expenses incurred in the ordinary course of business, and the transactions as enumerated in the chapter titled “*Financial Information*” and the chapter titled “*Our Business*” beginning on pages 249 and 150 respectively of this Draft Red Herring Prospectus, we have not paid/given any benefit to the officers of our Company, within the two preceding years nor do we intend to make such payment/ give such benefit to any officer as on the date of this Draft Red Herring Prospectus.

**RETIREMENT BENEFITS**

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company.

*This space has been left blank intentionally.*

## OUR PROMOTERS

**The Promoter of our Company is:**

S. N.	Name	Category	No. of Shares
1.	Rajesh Gupta	Individual Promoter	40,96,876
2.	Anoop Garg	Individual Promoter	27,30,373
3.	Geeta Goswami	Individual Promoter	2,08,950
4.	BR Hands Investments Private Limited	Corporate Promoter	28,40,107

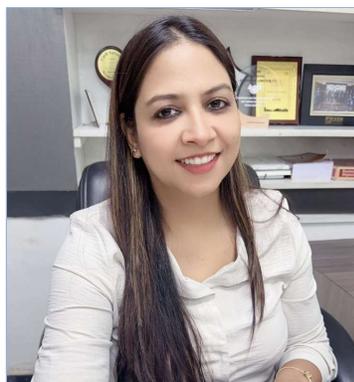
*For details of the build-up of our promoters' shareholding in our Company, see section titled "Capital Structure" beginning on page 76 of this Draft Red Herring Prospectus.*

**Brief profile of our Individual Promoters is as under:**

	<p><b>Mr. Rajesh Gupta</b> serves as the Promoter and Managing Director of the Company. He holds a Bachelor of Commerce degree from Delhi University and possesses more than 13 years of experience in Financial Market and metal recycling. In the Financial Year 2014-15, he successfully acquired Usha Financials. He looks after the overall management of the company. His role involved developing medium- and long-term business strategies.</p>
<b>Name</b>	<b>Mr. Rajesh Gupta</b>
<b>Age</b>	53 Years
<b>Shareholding</b>	40,96,876 Equity Shares (25.80% of the Pre-issue shareholdings)
<b>Qualification</b>	B. Com (Hons)
<b>Personal Address</b>	B- 191, Yojna Vihar, Shakar Pur Baramad, Shakarpurm, Delhi- 110092
<b>Directorship &amp; Other Ventures</b>	<p><b>Indian Private Companies</b></p> <ol style="list-style-type: none"> <li>1. Nupur Hospitality Private Limited</li> <li>2. Eligo Business &amp; Advisory Private Limited</li> <li>3. Uninav Buildcon Private Limited</li> <li>4. Nupur Extrusion Private Limited</li> <li>5. Continent Buildwel Private Limited</li> <li>6. Uninav Developers Private Limited</li> <li>7. Nupur Infratech Private Limited</li> <li>8. Pragati Landcon private Limited</li> <li>9. Br Hands Investments Private Limited</li> <li>10. Vertex Buildwell Private Limited</li> </ol>

	11. Frank Metals Recyclers Private Limited  <b>Indian Public Companies</b>  3. Nupur Recyclers Limited  4. S.D.M. Metalloys Limited  <b>Section 8 companies:</b> Nil  <b>Indian LLPs:</b> Nil
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	<p><b>Mr. Anoop Garg</b> holds the positions of Promoter and Executive Director within the company. With more than 13 years of experience in the financial market. His contributions have been instrumental in the company's growth journey. He is a B. Com from IEC University of Himachal Pradesh. He acquired Usha Financial in the Financial Year 2014-15 and is currently overseeing all aspects of day-to-day operations of the Company.</p>
<b>Name</b>	<b>Mr. Anoop Garg</b>
<b>Age</b>	49 Years
<b>Shareholding</b>	27,30,373 Equity Shares (17.20% of the Pre-issue shareholdings)
<b>Qualification</b>	B. Com
<b>Personal Address</b>	B-191, Yojna Vihar, Shakar Pur Baramad, Shakarpur, Delhi- 110092
<b>Directorship &amp; Other Ventures</b>	<b>Indian Private Companies</b>  1. Uninav Buildcon Private Limited  2. Vertex Buildwell Private Limited  3. Paravest Educom Private Limited  4. Wellvest Capitals India Private Limited  5. Continent Buildwel Private Limited  6. Uninav Developers Private Limited  7. Nupur Infratech Private Limited  8. Pragati Landcon Private Limited  <b>Indian Public Companies:</b>  1. S.D.M. Metalloys Limited  <b>Section 8 companies:</b> Nil  <b>Indian LLPs:</b> Nil



**Ms. Geeta Goswami** is the Promoter and Executive Director of the Company. She also holds the position of Chief executive officer in the company. She is an associate member of Institute of Companies Secretaries of India. She has over 13 years of experience in the financial market and has worked with various Financial Institutions like CSL Finance and RG group in the past. She provides guidance on key decisions, evaluate management performance, and monitor risk management practices of Mr. Garg has enriched the company profile to a great extent.

<b>Name</b>	<b>Ms. Geeta Goswami</b>
<b>Age</b>	41 Years
<b>Shareholding</b>	2,08,950 Equity Shares (1.32% of the Pre-issue shareholdings)
<b>Qualification</b>	Company Secretary
<b>Personal Address</b>	Plot No.- 103, Near Vaishali Metro Station, Vaishali Sector-4, I.E, Sahibabad, Ghaziabad, Uttar Pradesh – 201010
<b>Directorship &amp; Other Ventures</b>	<b>Indian Private Companies</b> Nupur Hospitality Private Limited BR Hands Investments Private Limited <b>Indian Public Companies: Nil</b> <b>Section 8 companies: Nil</b> <b>Indian LLPs: Nil</b>

#### Relationship of Promoters with our Directors

Our Promoters are part of our board of directors as Managing Directors and/or Directors. Except as disclosed herein, none of our Promoter(s) are related to any of our Company's Directors within the meaning of Section 2 (77) of the Companies Act, 2013.

Promoters	Director	Relationship
Mr. Rajesh Gupta	Mr. Anoop Garg	Brother
Mr. Rajesh Gupta	Ms. Nupur Gupta	Father – Daughter
Mr. Anoop Garg	Mr. Rajesh Gupta	Brother

*For details pertaining to other ventures of our Promoters, refer chapter titled “Our Group Entities” beginning on page no. 222 of this Draft Red Herring Prospectus.*

#### Brief profile of our Corporate Promoter is as under:

“**BR Hands Investments Private Limited**” was incorporated under the Companies Act, 2013 with Registrar of Companies, Delhi at Delhi as a Private Limited company vide Certificate of Incorporation dated November 11, 2019, bearing Corporate Identity Number U65990DL2019PTC357332. Our promoters, Mr. Rajesh Gupta and Ms. Geeta Goswami hold the entire shareholding of the BR Hands Investments Private Limited.

Name	<b>BR Hands Investments Private Limited</b>
<b>CIN</b>	U65990DL2019PTC357332
<b>Registered Office</b>	B-191, G/F, Yojna Vihar, Delhi- 110092, India
<b>Present Business Activities</b>	B-191, G/F, Yojna Vihar, Delhi- 110092, India

<b>No. of Equity Shares &amp; % Of Shareholding (Pre-Offer)</b>	28,40,107 Equity Shares (17.89% of the pre- issue equity share capital of the company)
<b>Objects of the Company</b>	<p><b>The main objects of the company:</b></p> <ol style="list-style-type: none"> <li>1. To invest in acquire, hold, underwrite, sell or otherwise deal in shares, stocks debentures, debenture stocks, bonds, negotiable instruments, securities of any company, whether in India or abroad.</li> <li>2. To carry on the business of an investment company and to invest by sell transfer deal in and dispose of any shares, stocks, debenture, whether perpetual or redeemable debentures, debentures, stock, securities of any other Company.</li> </ol>

### Board of Directors:

The Board of Directors of Our Corporate Promoter as on the date of this Draft Red Herring Prospectus are as follows:

S. No.	Name of the Director	Designation
1.	Rajesh Gupta	Director
2.	Geeta Goswami	Director

### Shareholding Pattern:

The Shareholding Pattern of our Corporate Promoter as on the date of this Draft Red Herring Prospectus:

S. No.	Shareholders' Name	Number of Shares held	% of Shareholding
1.	Rajesh Gupta	4,75,000	95%
2.	Geeta Goswami	25,000	5%
<b>Total</b>		<b>5,00,000</b>	<b>100.00%</b>

*For details pertaining to other ventures of our Corporate Promoters, refer chapter titled "Our Group Entities" beginning on page no. 222 of this Draft Red Herring Prospectus.*

### OTHER UNDERTAKINGS AND CONFIRMATIONS

- Our Company undertakes that the details of Permanent Account Number, Bank Account Number, Aadhar and Passport Number of the Promoters will be submitted to the Emerge Platform of NSE, where the securities of our Company are proposed to be listed at the time of submission of Draft Red Herring Prospectus.
- Our Promoters have confirmed that they have not been identified as willful defaulters.
- No violations of securities laws have been committed by our Promoters in the past or are currently pending against them. None of our Promoters are debarred or prohibited from accessing the capital markets or restrained from buying, selling, or dealing in securities under any order or directions passed for any reasons by the SEBI or any other authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad.

### INTEREST OF PROMOTERS

### ***Interest in promotion of Our Company***

Our Promoters are interested in the promotion of our Company in their capacity as a shareholder of our Company and having significant control over the management and influencing policy decisions of our Company.

### ***Interest in the property of Our Company***

The registered office of the Company, situated at 330, Mezanine Floor Functional Industrial Estate, Patparganj, Delhi-110092, India and is taken on lease.

Our Promoters do not have any interest in any property acquired by or proposed to be acquired by our Company two years prior to filing of this Draft Red Herring Prospectus.

### ***Interest as member of Our Company***

Our Promoters jointly hold 98,76,306 Equity Shares aggregating to 62.21% of pre-issue Equity Share Capital in our Company and are therefore interested to the extent of their respective shareholding and the dividend declared, if any, by our Company. Except to the extent of their respective shareholding in our Company and benefits provided to promoters given in the chapter titled “*Our Management*” beginning on page number 189 of this Draft Red Herring Prospectus, our Promoters hold no other interest in our Company.

### ***Interest as Director of our Company***

Except as stated in the “*Related Party Transactions*” beginning on page number 227 of the Draft Red Herring Prospectus, our Promoters / Directors, may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of our Board or Committees thereof as well as to the extent of remuneration and/or reimbursement of expenses payable to them for services rendered to us in accordance with the provisions of the Companies Act and in terms of our AOA.

## **OTHER VENTURES OF OUR PROMOTERS**

Save and except as disclosed in the chapters titled “*Our Group Entities*” beginning on page 222 of the Draft Red Herring Prospectus, there are no other ventures of our Promoters in which they have business interests/other interests.

## **CHANGE IN THE CONTROL OF OUR COMPANY**

Our Promoters are not subscribers to memorandum of association or the original promotor of the company and there has been change in the management or control of our Company.

The initial promoters were Mr. Satya Parkash Gupta and Ms. Usha Gupta. Thereafter, in the financial year 2014-15 Mr. Rajesh Gupta and Mr. Anoop Garg acquired the majority shareholding in the company.

## **LITIGATION INVOLVING OUR PROMOTERS**

For details of legal and regulatory proceedings involving our Promoters, please refer chapter titled “*Outstanding Litigation and Material Developments*” beginning on page 303 of this Draft Red Herring Prospectus.

## **PAYMENT OF BENEFITS TO OUR PROMOTERS AND PROMOTER GROUP DURING THE LAST TWO YEARS**

Save and except as disclosed under “*Statement of Related Party Transactions*”, as Restated appearing as “Note 37” of the section titled “*Financial Information*” beginning on page number 249 of the Draft Red Herring Prospectus, there has been no Payment or benefit to promoters during the two (2) years preceding the date of filing of this Draft Red Herring Prospectus, nor is there any intention to pay or give any benefit to our Promoters as on the date of this Draft Red Herring Prospectus.

## **OTHER CONFIRMATIONS**

As on the date of this Draft Red Herring Prospectus, our Promoters and members of our Promoter Group have not been prohibited by SEBI or any other regulatory or governmental authority from accessing capital markets for any reasons. Further, our Promoters were not and are not promoters or persons in control of any other company that is or has been debarred from accessing the capital markets under any order or direction made by SEBI or any other authority. There is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority against our Promoters during the last five (5) years preceding the date of this Draft Red Herring Prospectus, except as disclosed under chapter titled “Outstanding Litigation and Material Developments” beginning on page 303 of this Draft Red Herring Prospectus.

Our Promoters and members of our Promoter Group have neither been declared as a wilful defaulters nor as a fugitive economic offender as defined under the SEBI (ICDR) Regulations, and there are no violations of securities laws committed by our Promoters in the past and no proceedings for violation of securities laws are pending against our Promoters.

## **GUARANTEES**

Except as stated in the section titled “*Financial Statements*” beginning on page 249 of this Draft Red Herring Prospectus, there are no material guarantees given by the Promoters to third parties with respect to specified securities of the Company as on the date of this Draft Red Herring Prospectus.

## **Related Party Transactions**

For details of related party transactions entered into by our Company, please refer to “*Statement of Related Party Transactions*”, as Restated appearing as “Note 37” on page number 249 of the section titled “*Financial Information*” beginning on page number 249 of the Draft Red Herring Prospectus.

## **Information of our group companies**

For details related to our group companies please refer “Our Group Entities” on page no. 222 of this Draft Red Herring Prospectus.

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## OUR PROMOTER GROUP

Our Promoters and Promoter Group in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations is as under:

### A. Natural Persons who form part of our Promoter Group:

The following natural persons being the immediate relatives of our Promoters in terms of the SEBI (ICDR) Regulations 2018 form part of our Promoter Group:

Promoters	<i>Rajesh Gupta</i>	<i>Anoop Garg</i>	<i>Geeta Goswami</i>
<b>Father</b>	Shri Sumer Chand Garg	Shri Sumer Chand Garg	Late Shri Krishan Goswami
<b>Mother</b>	Smt. Kanta Rani	Smt. Kanta Rani	Smt. Prakasho Devi
<b>Spouse</b>	Mrs. Shikha Gupta	Mrs. Priya Garg	Mr. Ajay Pratap Singh
<b>Brothers</b>	Mr. Anoop Garg	Mr. Rajesh Gupta	Mr. Harish Goswami
<b>Sister</b>	Mrs. Sandhya Gupta	Mrs. Sandhya Gupta	Mrs. Babita Goswami
<b>Son</b>	-	Mr. Vidit Garg	Mr. Atharv Goswami Mr. Yuvin Goswami
<b>Daughters</b>	Ms. Nupur Gupta	Ms. Arushi Garg	-
<b>Spouse Father</b>	Shri Ram Kumar Goyal	Shri Gopal Behari Gupta	Mr. Mahipal Singh
<b>Spouse Mother</b>	Smt. Shashi Goyal	Late Smt. Sunita Gupta	Mrs. Sharda Devi
<b>Spouse Brothers</b>	Mr. Mohit	Mr. Sachin Gupta	-
<b>Spouse Sisters</b>	-	Mrs. Neha Gupta	-

### B. Body Corporates who form part of our Promoter Group

The following persons being the subsidiary or holding company or by the virtue of holding % in terms of the SEBI (ICDR) Regulations 2018 form part of our Promoter Group:

Corporate Promoter	BR Hands Investments Private Limited
Subsidiaries Company of the BR Hands Investments Private Limited	Nil
Holding Company of BR Hands Investments Private Limited	Nil
Body Corporate in BR Hands Investments Private Limited holds twenty per cent or more of equity share capital	Nil
Body corporate which holds twenty per cent or more of the equity share capital of the BR Hands Investments Private Limited	Nil

### C. Companies, partnership and proprietorship firms forming part of our Promoter Group are as follows:

Particulars	Entity
Any body corporate in which 20% or more of the share capital is held by the promoters or an immediate relative of the promoters or a firm or HUF in which the promoters or any one or more of his immediate relative is a member.	<ol style="list-style-type: none"> <li>1. Nupur Recyclers Limited</li> <li>2. Continent Buildwel Private Limited</li> <li>3. Frank Metals Recyclers Private Limited</li> <li>4. Nupur Hospitality Private Limited</li> <li>5. Nupur Infratech Private Limited</li> </ol>

	<ol style="list-style-type: none"> <li>6. Paravest Educom Private Limited</li> <li>7. Pragati Landcon Private Limited</li> <li>8. RGM Recyclers Private Limited</li> <li>9. S.D.M. Metalloys Limited</li> <li>10. Uninav Developers Private Limited</li> <li>11. Vertex Buildwell Private Limited</li> <li>12. Wellvest Capital India Private Limited</li> </ol>
Any company in which a company (mentioned above) holds 20% of the total holding	<ol style="list-style-type: none"> <li>13. Uninav Buildcon Private Limited</li> <li>14. Eligo Business and Advisory Private Limited</li> <li>15. Nupur Extrusion Private Limited</li> <li>16. Nupur Polymers Private Limited</li> </ol>
Any HUF or firm in which the aggregate share of the promoters and his relatives is equal to or more than 20% of the total holding	<ol style="list-style-type: none"> <li>1. Anoop Garg HUF</li> <li>2. Rajesh Gupta HUF</li> <li>3. Sumer Chand Garg HUF</li> <li>4. Mahesh Kumar Gupta HUF</li> </ol>

#### **COMMON PURSUITS OF OUR PROMOTERS**

None of our promoter group entities have business objects similar to our business. If any conflict of interest arises it may have an adverse effect on our business and growth. We shall adopt the necessary procedures and practices as permitted by law to address any conflict situations, as and when they may arise.

*This space has been left blank intentionally.*

## OUR GROUP ENTITIES

Below mention are the details of Companies / Entities promoted by the Promoters of our Company. No equity shares of our group entities are listed except Nupur Recyclers Limited on any of the stock exchange and they have not made any public or rights issue of securities in the preceding three years.

### A. The Group Companies of our Company are as follows:

1. Nupur Recyclers Limited
2. Continent Buildwel Private Limited
3. Eligo Business & Advisory Private Limited
4. Frank Metals Recyclers Private Limited
5. Nupur Extrusion Private Limited
6. Nupur Infratech Private Limited
7. Paravest Educom Private Limited
8. Pragati Landcon Private Limited
9. S.D.M. Metalloys Limited
10. Uninav Buildcon Private Limited
11. Uninav Developers Private Limited
12. Vertex Buildwell Private Limited
13. Wellvest Capitals India Private Limited
14. Nupur Hospitality Private Limited
15. RGM Recyclers Private Limited
16. Nupur Polymers Private Limited

### Details of Group Companies

#### 1. NUPUR RECYCLERS LIMITED

##### Corporate Information

Nupur Recyclers Limited was incorporated under the Companies Act, 2013 on January 22, 2019, having CIN L37100DL2019PLC344788. The registered office of Nupur Recyclers Limited is situated at Plot No. 5, G/F, KH No. 12/8 & 12/9KH-12, Arjun Gali New Mandoli Industrial Area, North East, Near Shri Ram Bal Bharti Public School, Delhi- 110093, India.

##### Main Object of the Company

1. To carry on the business of manufacturers, traders and re-cyclers of ferrous and non ferrous metals, scraps, alloy steels, ferro-alloys, pig iron, wrought iron, steel converts, rolled steel makers, miners, smelters, engineers, iron and steel foundries in all or any of their respective branches, Metallurgical prospectors, explorers, contractors, agents, and to establish workshops for the manufacture of any equipment required for any of the industries which the company can undertake and to deal in such equipment.
2. To carry on the business of manufacturers, re-cyclers and dealers in various kinds of ferrous and non-ferrous alloy steels, stainless steels, scraps, re-rollers hardware casting and their various products in various forms.
3. To manufacture, import, export, buy, sell, re-cycle, distribute or otherwise deal in all types of ferrous and non-ferrous ores, metals, metal alloys, amalgams in any form or shapes.

4. To carry on the business of manufacturers, processors, re-cyclers, fabricators, drawers, rollers and re-rollers of ferrous and non-ferrous metals, steels bimetal products, copper and copper alloys, alloy steel, sponge iron, prestressed pillars, billets including manufacturing, processing and fabricating of pipes, utensils, wires, nails, wire ropes, wine products, screws, expanded metal hinges, plates, hoops, angles and to manufacture any other engineering products including hospital appliances and surgical instruments and to act as exporters and importers and dealers in all such and allied merchandise.

### Board of Directors

The Directors of Nupur Recyclers Limited as on the date of this Draft Red Herring Prospectus are as follows:

Name	Designation
Rajesh Gupta	Managing Director
Nupur Gupta	Director
Devender Kumar Poter	Director
Palakh Jain	Independent Director
Kapal Kumar Vohra	Independent Director
Sanjeev Kumar Rastogi	Independent Director

### Shareholding Pattern

The Shareholding Pattern of Nupur Recyclers Limited as on this Draft Red Herring Prospectus are as follows:

Category of Shareholder	No. of shares	% of total holding
Promoter & Promoter Group	4,97,83,800	72.53%
Public	1,88,55,195	27.47%
<b>Total</b>	<b>6,86,38,995</b>	<b>100.00%</b>

### Financial Performance

Certain details of the audited financials of Nupur Recyclers Limited are set forth below:

*(Amount in Lakhs)*

Particulars	FY 2023	FY 2022	FY 2021
Total Income	10,541.00	16,180.17	10,479.23
Profit after Tax	9,34.45	1,872.86	1,000.49
Equity Capital	4,576.00	2,288.00	1.00
Reserves & Surplus (excluding revaluation reserve)	2,426.63	4,158.24	1,004.99
Net worth	7,002.63	6,446.24	1,005.99
NAV per share (in rupees)	15.30	28.17	1,0059.9
Earnings per share (EPS) (Basic & Diluted)	2.04	4.50	10,004.91
No. of Equity Shares of Rs. 10/- each (In Numbers)	4,57,59,992	2,28,79,996	10,000

## 2. CONTINENT BUILDWEL PRIVATE LIMITED

### Corporate Information

Continent Buildwel Private Limited was incorporated under the Companies Act, 1956 on June 07, 2012, having CIN U70101DL2012PTC237112. The registered office of Continent Buildwel Private Limited is situated at F-

14, Saldulajab, South Delhi- 110068, India.

### **Main Object of the Company**

1. To engage in business of infrastructural development, Real Estate Promoters, business of infrastructural works, civil mechanical, electrical projects & engineering & construction works and developers.
2. To carry on the business of as builders, town planners, interior and exterior decorators, general and government civil contractors of immovable properties, land scaping and graphic, infrastructural works, Civil, Electrical, Mechanicals & Process, Engineering, Construction, Trading of Engineering goods.
3. To purchase, take on or in any other such lawful manner, any land, buildings and structures and to develop the same and dispose of or maintenance the same and build township, markets, commercial complex with all or related conveniences thereon and to equip the same or any part of other buildings, or any related amenities or conveniences such as drainage and to act as commission agents and dealers in farm land building whether commercial, residential whether meant for purchase, sale, resale or let out.
4. To lay out, develop, construct, build, erect, demolish, alter, repair or do any other such civil and constructional work in connection with any building or building schemes, roads, highways, sewers, bridges, canals, dam, reservoirs, embankments, irrigations, improvements, sanitary, water electric works and power supply works or any other such structural work related thereto and for such purpose to prepare estimates, plans, specification or models related thereto.
5. To purchase land for sale, and to develop into farm land plots, construct buildings and flats for sale on instalments or otherwise and to act as real estate agents and to carry on the business as civil contractors for constructions of markets, commercial complex, amusement parks roads, buildings, houses, flats, school complex consisting main building, playgrounds, library and laboratory's building, hostel buildings, and residential flats, factory's sheds and buildings, dams, canals, tanks, bridges, hydel projects, power house, tunnels, culverts, drains, channels, sewages, gardens and such other necessary related civil and constructional works of all types. To sell, let, mortgage or dispose of the markets, commercial complex, lands, houses, buildings and other immovable property of the Company and to set up develop.
6. To carry on the business of fabricators, builders and developers of land contractors, colonisers, civil contractors and undertake any residential, commercial or industrial, construction, either independently or jointly in partnership, or on agency or sub contracts basis with or on behalf of any individual, firm body corporate, association or society Central or State Government, Cantonment board or any local authority.

### **Board of Directors**

The Directors of Continent Buildwel Private Limited as on the date of this Draft Red Herring Prospectus are as follows:

<b>Name</b>	<b>Designation</b>
<b>Pawan Kumar Gupta</b>	Director
<b>Puneet Garg</b>	Director
<b>Anoop Garg</b>	Director
<b>Rajesh Gupta</b>	Director

### **Shareholding Pattern**

The Shareholding Pattern of Continent Buildwel Private Limited as on this Draft Red Herring Prospectus are as follows:

Shareholders Name	No. of shares	% of total holding
<b>Rajesh Gupta</b>	1,900	19.00%
<b>Anoop Garg</b>	4,000	40.00%
<b>Pawan Kumar Gupta</b>	2,000	20.00%
<b>Puneet Garg</b>	2,000	20.00%
<b>Ashok Kumar Singh</b>	100	1.00%
<b>Total</b>	<b>10,000</b>	<b>100.00%</b>

### Financial Performance

Certain details of the audited financials of Continent Buildwel Private Limited are set forth below:

*(Amount in Lakhs)*

Particulars	FY 2023	FY 2022	FY 2021
<b>Total Income</b>	5.06	0.43	0.27
<b>Profit after Tax</b>	3.31	0.08	0.02
<b>Equity Capital</b>	1.00	1.00	1.00
<b>Reserves &amp; Surplus (excluding revaluation reserve)</b>	0.34	(2.97)	(3.04)
<b>Net worth</b>	1.34	(1.97)	(2.04)
<b>NAV per share (in rupees)</b>	13.39	(19.70)	(20.45)
<b>Earnings per share (EPS) (Basic &amp; Diluted)</b>	33.09	0.75	0.20
<b>No. of Equity Shares of Rs. 10/- each (In Numbers)</b>	10,000	10,000	10,000

### **3. ELIGO BUSINESS & ADVISORY PRIVATE LIMITED**

#### **Corporate Information**

Eligo Business & Advisory Private Limited was incorporated under the Companies Act, 2013 on March 13, 2024, having CIN U70200HR2024PTC119788. The registered office of Eligo Business & Advisory Private Limited is situated at House No 4174 IP 2, Sector 49, Faridabad NIT, Faridabad, Haryana- 121001, India.

#### **Main Object of the Company**

1. To carry on in India or elsewhere the business of technical, leg, financial and management consultants, advisors, innovators, software, designer, marketers, fund managers, administrators, agents, recruitment and placement consultancy service providers, impart training in various fields, areas, and subjects including not limited to vocational training through any form viz. classroom, electronic media or training by correspondence and to carry of the business of conceptualizing, designing execution and operation of all activities pertaining or relating to contract employees or employee leasing by offering services from time to time for outsourcing administration of employees and all administrative activities related thereto and to enter into collaborations, joint venture agreements in India and with companies abroad and to do all other incidental things acts necessary for the attainment of the main object; and
2. To act as consultants, advisors, innovators, system designers, designers developers and implementers of new products, calculation and fixation of premium rates, surrender values, profit testing, valuation of portfolio, recommendations for restructuring of portfolios, arrange and advise on reinsurance, valuation of

liabilities.

### Board of Directors

The Directors of Eligo Business & Advisory Private Limited as on the date of this Draft Red Herring Prospectus are as follows:

Name	Designation
Deepak Gupta	Director
Rajesh Gupta	Director

### Shareholding Pattern

The Shareholding Pattern of Eligo Business & Advisory Private Limited as on this Draft Red Herring Prospectus are as follows:

Shareholders Name	No. of shares	% of total holding
Rajesh Gupta	1	0.001%
Frank Metals Recyclers Private Limited	99,999	99.999%
<b>Total</b>	<b>1,00,000</b>	<b>100.00%</b>

### Financial Performance

Eligo Business & Advisory Private Limited is incorporated on March 13, 2024, financial data pertinent to the company's operations is presently unavailable.

## 4. FRANK METALS RECYCLERS PRIVATE LIMITED

### Corporate Information

Frank Metals Recyclers Private Limited was incorporated under the Companies Act, 2013 on June 23, 2021, having CIN U37100DL2021PTC382633. The registered office of Frank Metals Recyclers Private Limited is situated at B-191, Yojna Vihar, Delhi- 110092, India.

### Main Object of the Company

1. To carry on the business of Aluminum Recycling and Manufacturing.
2. To carry on the business of manufacturers, re-cyclers and dealers in various kinds of ferrous and non-ferrous alloy steels, stainless steels, scraps, re-rollers hardware casting and their various products in various forms.
3. To manufacture, import, export, buy, sell, re-cycle, distribute or otherwise deal in all types of ferrous and non-ferrous ores, metals, metal alloys, and amalgams in any form or shapes.
4. To carry on the business of manufacturers, processors, re-cyclers, fabricators, drawers, rollers and re-rollers of ferrous and non-ferrous metals, steels bimetal products, copper and copper alloys, alloy steel, sponge iron, prestressed pillars, billets including manufacturing, processing and fabricating of pipes, utensils, wires, nails, wire ropes, wine products, screws, expanded metal hinges, plates, hoops, angles and to manufacture any other engineering products including hospital appliances and surgical instruments and to act as exporters

and importers and dealers in all such and allied merchandise.

### Board of Directors

The Directors of Frank Metals Recyclers Private Limited as on the date of this Draft Red Herring Prospectus are as follows:

Name	Designation
Rajesh Gupta	Director
Devender Kumar Poter	Director
Palak Jain	Additional Director

### Shareholding Pattern

The Shareholding Pattern of Frank Metals Recyclers Private Limited as on this Draft Red Herring Prospectus are as follows:

Shareholders Name	No. of shares	% of total holding
Mr. Rajesh Gupta	10,53,945	18.99%
Ms. Nupur Gupta	56,055	1.01%
Nupur Recyclers Limited	44,40,000	80.00%
<b>Total</b>	<b>55,50,000</b>	<b>100.00%</b>

### Financial Performance

Certain details of the audited financials of Frank Metals Recyclers Private Limited are set forth below:

*(Amount in Lakhs)*

Particulars	FY 2023	FY 2022
Total Income	0.02	-
Profit after Tax	-0.80	-3.74
Equity Capital	111.00	111.00
Reserves & Surplus (excluding revaluation reserve)	-4.54	-3.74
Net worth	106.46	107.26
NAV per share (in rupees)	9.59	9.66
Earnings per share (EPS) <i>(Basic &amp; Diluted)</i>	0.07	0.86
No. of Equity Shares of Rs. 10/- each (In Numbers)	<b>11,10,000</b>	<b>11,10,000</b>

## 5. NUPUR EXTRUSION PRIVATE LIMITED

### Corporate Information

Nupur Extrusion Private Limited was incorporated under the Companies Act, 2013 on May 27, 2023, having CIN U24202DL2023PTC414808. The registered office of Nupur Extrusion Private Limited is situated at House No 36 Floor 1st, Sainik Vihar Pitampura, Rani Bagh, North West Delhi, Delhi- 110034, India.

### Main Object of the Company

To manufacture, produce, fabricate, design, develop, process, assemble, refine, make, convert, import, export,

trade, buy, sell, whether as retailers, wholesalers, suppliers, indenters, packers, stockists, agents, merchants, distributors, consignors, jobbers, brokers or otherwise deal in all shapes, sizes, specifications, gauges, thickness, dimensions and varieties of aluminium ore, aluminum, aluminum utensils, wires, aluminium furniture, tools, equipments, plants, tubes, packing materials, springs, plates, circles, coils, foils, powder, rails, rods, squares, grills, doors, windows, their parts, accessories, components or any product in which aluminium is used.

### Board of Directors

The Directors of Nupur Extrusion Private Limited as on the date of this Draft Red Herring Prospectus are as follows:

Name	Designation
Rajesh Gupta	Director
Ansh Jain	Director

### Shareholding Pattern

The Shareholding Pattern of Nupur Extrusion Private Limited as on this Draft Red Herring Prospectus are as follows:

Shareholders Name	No. of shares	% of total holding
Nupur Recyclers Limited	6000	60.00%
Ansh Jain	4000	40.00%
<b>Total</b>	<b>10,000</b>	<b>100.00%</b>

### Financial Performance

Nupur Extrusion Private Limited is incorporated on March 13, 2024, financial data pertinent to the company's operations is presently unavailable.

## **6. NUPUR INFRATECH PRIVATE LIMITED**

### Corporate Information

Nupur Infratech Private Limited was incorporated as a Private Limited Company under the Companies Act, 1956 in the name and style of "R & A Buildtech Solutions Private Limited" bearing Certificate of Incorporation Number U70109DL2006PTC152932 issued by the Registrar of Companies, Delhi dated September 01, 2006. Further, the name of the Company changed from R & A Buildtech Solutions Private Limited to Nupur Infratech Private Limited & Registrar of Companies, Delhi issued a new certificate of incorporation dated September 13, 2021.

The registered office of Nupur Infratech Private Limited is situated at B-191, Yojna Vihar, Delhi- 110092, India.

### Main Object of the Company

1. To erect and construct houses, building, do civil construction work of all types, infrastructure work of all types and to purchase-take on lease, or otherwise, own, construct, effect, alter, develop, decorate, furnish, equip with all infrastructure, pull down, improve, repair, renovate, build, plan, layout, set, transfer, charge, assign, let out, sublet all type of plots, lands, buildings, bungalows, quarters, offices, flats, chawls, warehouses, colonies, godowns, shops, stalls, markets, malls, multiplexes, hotels, restaurants, banquet halls, houses, structures, constructions, tenements, roads, bridges, flyovers, underpasses, railway lines, dams, all

kinds of agriculture infrastructure and infrastructure for the wasteland, refineries of all kinds, airports, seaports, telecom infrastructures, powerhouses, mines, lands, estates, immovable properties of all types.

2. To carry on the business as owners, builders, colonizers, developers, promoters, proprietors and contractors, maintainers of residential, commercial and industrial buildings, colonies, mills and factory's buildings, workshop's building, cinema's houses and deal in all kinds of immovable properties whether belonging to the Company or otherwise.
3. To Purchase, sell, develop, take in exchange, or on lease, hire or otherwise acquire, whether for investment or sale, or working the same, any real or personal estate including lands, mines, business, building, factories, mill, houses, cottages, shops, depots, warehouses, machinery, plant, stock in trade, mineral rights, concessions, privileges, licences, easement or interest in or with respect to any property or interest in or with respect to any property whatsoever for the purpose of the company in consideration for a gross sum or rent or partly in one way and partly in the other or for any other consideration and to carry on business as proprietors of flats and buildings and to let on lease or otherwise apartments therein and to provide for the conveniences commonly provided in flats, suites and residential and business quarters.

### Board of Directors

The Directors of Nupur Infratech Private Limited as on the date of this Draft Red Herring Prospectus are as follows:

Name	Designation
Tarun Kumar Gupta	Director
Rajesh Gupta	Director
Anoop Garg	Director

### Shareholding Pattern

The Shareholding Pattern of Nupur Infratech Private Limited as on this Draft Red Herring Prospectus are as follows:

Shareholders Name	No. of shares	% of total holding
Rajesh Gupta	5000	2%
Anoop Garg	5000	2%
Sumer Chand Garg	100000	40%
Kanta Rani	140000	56%
<b>Total</b>	<b>250000</b>	<b>100.00%</b>

### Financial Performance

Certain details of the audited financials of Nupur Infratech Private Limited are set forth below:

*(Amount in Lakhs)*

Particulars	FY 2023	FY 2022	FY 2021
Total Income	18.29	25.40	8.46
Profit after Tax	6.53	5.03	-0.28
Equity Capital	25.00	25.00	25
Reserves & Surplus (excluding revaluation reserve)	12.01	5.48	0.45
Net worth	37.01	30.48	25.45

NAV per share (in rupees)	14.80	12.19	10.18
Earnings per share (EPS) (Basic & Diluted)	2.61	2.01	(0.11)
No. of Equity Shares of Rs. 10/- each (In Numbers)	2,50,000	2,50,000	2,50,000

## **7. PARAVEST EDUCOM PRIVATE LIMITED**

### **Corporate Information**

Paravest Educom Private Limited was incorporated as a Private Limited Company under the Companies Act, 2013 in the name and style of “Paravest Investments Private Limited” bearing Certificate of Incorporation Number U85499DL2022PTC402868 issued by the Registrar of Companies, Delhi dated August 04, 2022. Further, the name of the Company changed from Paravest Investments Private Limited to Paravest Educom Private Limited & Registrar of Companies, Delhi issued a new certificate of incorporation dated April 11, 2023. The registered office of the company is situated at 206 S.F. Plot No. 9 LSC Savita Vihar Near Yojna Vihar, Delhi, India, 110092.

### **Main Object of the Company**

1. To carry on the business to own, establish, acquire, run/ operate, manage, maintain, develop, promote, administer, advertise, either on its own or through franchisee fully equipped schools, Pre-Schools, Play schools, Day care colleges, educational institutes, universities including deemed or autonomous universities, to promote and disseminate knowledge, create awareness and provide a common forum of interaction amongst academicians, professionals and government agencies, establish effective co-ordination.
2. To organize training courses, online, offline or special programs to impart training, preparation and education in all disciplines, online, distinct, correspondence courses, coaching classes for any entrance test, any stream, any level, any profession, all formal and informal studies, courses for medical, engineering, information technology, computer technology, software, hardware, networking, 6fly courses including recognized, unrecognized, certified and uncertified courses and to provide consultancy relating thereto as well, and to assist the promotion and advancement of trade, commerce, art, science, technology or whatsoever.
3. To establish, setup, and run in any part of India coaching institutes, study centres, oral coaching classes, where in professional, technical, vocational or higher education in every field of science, commerce/ arts, management, engineering, law, banking, insurance, finance, medical, hospitality, tourism, computers, information technology or any other type of education be imparted by conducting regular or part time classes.
4. To establish, develop, promote franchise, study centres in India or abroad for conducting regular, part time or weekend interactive classes and to get the necessary approval, permission required for this purpose.
5. To enter into franchisee, Joint Venture, or collaborate with accredited educational institutions in India/outside India to provide all assistance including infrastructure to such accredited educational institution and such other learning support on such terms and conditions as may be decided from time to time.
6. To carry on the business to design, develop, buy and sell applications and software for mobile, computer and any other electronic devices that delivers electronic education, online classes and training including courseware tutorials and test and assessment tools for teaching subjects or otherwise to deal in market and support of the same.

### **Board of Directors**

The Directors of Paravest Educom Private Limited as on the date of this Draft Red Herring Prospectus are as

follows:

Name	Designation
Anoop Garg	Director
Arushi Garg	Director
Priya Garg	Director
Vidit Garg	Director

### Shareholding Pattern

The Shareholding Pattern of Paravest Educom Private Limited as on this Draft Red Herring Prospectus are as follows:

Shareholders Name	No. of shares	% of total holding
Anoop Garg	90,000	90.00%
Arushi Garg	10,000	10.00%
<b>Total</b>	<b>1,00,000</b>	<b>100.00%</b>

### Financial Performance

Certain details of the audited financials of Paravest Educom Private Limited are set forth below:

Particulars	(Amount in Lakhs)	
	FY 2023	
Total Income	0.62	
Profit after Tax	0.25	
Equity Capital	10.00	
Reserves & Surplus (excluding revaluation reserve)	0.25	
Net worth	10.25	
NAV per share (in rupees)	10.25	
Earnings per share (EPS) (Basic & Diluted)	0.25	
No. of Equity Shares of Rs. 10/- each (In Numbers)	1,00,000	

## 8. PRAGATI LANDCON PRIVATE LIMITED

### Corporate Information

Pragati Landcon Private Limited was incorporated under the Companies Act, 1956 on 01 October 2012, having CIN U70109DL2012PTC243050. The registered office of Pragati Landcon Private Limited is situated at S-9, Kh. No. 49 And 622/57, S Block West Jyotinagar, West Delhi, Delhi- 110093, India.

### Main Object of the Company

- To acquire, by purchase and sell, lease, hire or otherwise land, agriculture, land, farm houses, and properties of any tenure or interest therein, to erect, construct houses, building or works of every description. Development of colonies, group housing societies and pull down rebuild, enlarge, alter, improve existing houses and buildings to construct and appropriate any such land into and for roads, streets, gardens and other conveniences and generally to deal with and to improve the property of the Company and to own, let out and

manage such properties, to purchase and sell for any person freehold or other house property, buildings or land, or any share or shares, interest or interests therein and to transact on commission or otherwise the general business of a land agent.

2. To undertake or direct the construction and management of property, buildings, colonies, lands and estates (of any tenure or kind) also for any persons whether members of the company or not, in the capacity of stewards or receiver or otherwise.
3. To act as contractors and builders of houses, buildings, roads bridges, factories, plant, townships, runways, port facilities for any person or company or government authority, construction of high rise residential and commercial buildings, Shopping malls & centers including low cost homes, developed plots.
4. To undertake the activities of promotion and development of Special Economic Zone anywhere in India and all other ancillary and related business thereto.

### Board of Directors

The Directors of Pragati Landcon Private Limited as on the date of this Draft Red Herring Prospectus are as follows:

Name	Designation
Rajesh Gupta	Director
Pawan Kumar Gupta	Director
Puneet Garg	Director
Anoop Garg	Director

### Shareholding Pattern

The Shareholding Pattern of Pragati Landcon Private Limited as on this Draft Red Herring Prospectus are as follows:

Shareholders Name	No. of shares	% of total holding
Anoop Garg	3,000	30.00%
Rajesh Gupta	2,900	29.00%
Pawan Kumar Gupta	2,000	20.00%
Puneet Garg	2,000	20.00%
Ashok Kumar Singh	100	1.00%
<b>Total</b>	<b>10,000</b>	<b>100.00%</b>

### Financial Performance

Certain details of the audited financials of Pragati Landcon Private Limited are set forth below:

*(Amount in Lakhs)*

Particulars	FY 2023	FY 2022	FY 2021
Total Income	0.61	0.56	0.39
Profit after Tax	0.36	0.26	0.10
Equity Capital	1.00	1.00	1.00
Reserves & Surplus (excluding revaluation reserve)	(3.57)	(3.93)	(4.19)
Net worth	(2.57)	(2.93)	(3.19)

NAV per share (in rupees)	(25.7)	(29.3)	(31.87)
Earnings per share (EPS) ( <i>Basic &amp; Diluted</i> )	3.61	2.58	0.96
No. of Equity Shares of Rs. 10/- each (In Numbers)	10,000	10,000	10,000

## 9. S.D.M. METALLOYS LIMITED

### Corporate Information

S.D.M Metalloys Limited was incorporated under the Companies Act, 1956 on March 17, 2005, having CIN U27201DL2005PLC134143. The registered office of S.D.M. Metalloys Limited is situated at B-191, Yojna Vihar, Delhi- 110092, India.

### Main Object of the Company

1. To acquire and takeover a going concern under the name and style of M/s ALLMET CORPORATION, a partnership firm, situated at 105, Hargobind Enclave, Delhi-110092 along with all of the assets and liabilities of that firm on such terms and conditions as may be mutually agreed upon. The said firm shall cease to exist after such takeover by the company after incorporation thereof.
2. To carry on the business as manufacturer, producer, processors, refiners, melters, makers, converters, casters, rollers, extruders, fabricators, contractors, stores, jobbers, hammerers, drawers, smelters, machiners, forgers, importers, exporters, commission agents, selling agents, consignment agents, distributors, adhatia, contractors, stockists, consultants, collaborators, market surveyors, mediators, suppliers, buyers, sellers, retailers, wholesalers & dealers in all kind of goods, products, articles and merchandise of metal & their alloys including aluminium, copper, steel, tin, zinc, lead, brass, nickel, cadmium, cobalt & all its bye-product & all kind of scrap of iron & steel, H.R. coils, C.R. Coils, Pig Iron, Spong Iron, ferro silicon, ferro chrome substances and metal of every description and grade along with its bye-products.
3. To carry on the business of mixers, importers, exporters and dealers in ores of iron, copper, zinc, cobalt, tin, nickel, cadmium etc. and all other ores of every description and grades whatsoever in any part of country and carry on processing, clearing, melting, forging, grading and machining to convert the ores into marketable products.
4. To carry on hedging and dealing in future stocks on institution like M.C.X. and N.C.E.X etc.

### Board of Directors

The Directors of S.D.M Metalloys Limited as on the date of this Draft Red Herring Prospectus are as follows:

Name	Designation
Anoop Garg	Director
Rajesh Gupta	Director
Manish Gupta	Director

### Shareholding Pattern

The Shareholding Pattern of S.D.M Metalloys Limited as on this Draft Red Herring Prospectus are as follows:

Shareholders Name	No. of shares	% of total holding
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Vertex Buildwell Private Limited	3,90,000	32.50%
Anoop Garg	3,00,000	25.00%
Rajesh Gupta	3,00,000	25.00%
S.C. Gupta (HUF)	50,000	4.17%
Seema Sahni	48,000	4.00%
Rajesh Gupta (HUF)	44,000	3.67%
Sanjay Jain	40,000	3.33%
Monika Sahni	12,000	1.00%
Anju Jain	12,000	1.00%
Krishan Kumar Gupta	4,000	0.33%
<b>Total</b>	<b>11,64,000</b>	<b>100.00%</b>

### Financial Performance

Certain details of the audited financials of S.D.M Metalloys Limited are set forth below:

(Amount in Lakhs)

Particulars	FY 2023	FY 2022	FY 2021
Total Income	0.68	0.61	-
Profit after Tax	(1.94)	(1.77)	(0.37)
Equity Capital	120.00	120.00	120.00
Reserves & Surplus (excluding revaluation reserve)	(19.72)	(17.78)	(16.01)
Net worth	100.28	102.22	103.99
NAV per share (in rupees)	8.36	8.52	8.67
Earnings per share (EPS) (Basic & Diluted)	(0.16)	(0.15)	(0.03)
No. of Equity Shares of Rs. 10/- each (In Numbers)	12,00,000	12,00,000	12,00,000

## 10. UNINAV BUILDCON PRIVATE LIMITED

### Corporate Information

Uninav Buildcon Private Limited was incorporated under the Companies Act, 2013 on August 20, 2015, having CIN U70102DL2015PTC284318. The registered office of Uninav Buildcon Private Limited is situated at 206, S.F. Plot No. 9 LSC, Savita Vihar, Near Yojna Vihar, New Delhi, Delhi- 110092, India.

### Main Object of the Company

1. To carry on in India or in any part of the world the business of construction, promotion, development and colonizer of any type of residential, commercial, multistoried buildings, flats, houses, apartments, agricultural lands, cinemas, hotels, bridges, road or works of any description on any land, buying and selling the same in full or in parts and giving it away or parting away the possession of the same in full or in part on lease, hire or license basis or in any other manner to individual, partnership concerns, companies or to general public on such terms and conditions as may be considered necessary.
2. To construct and to act as consultants and civil contractors for any individuals, firms, companies, Government Authorities or semi- Government Authorities for the construction of buildings of all description, roads, earth work, tanks, bridge, tunnels, road-sidings, dock, ports, drains, culverts, channels,

sewage, power house, railway sidings or other constructional works related there- to in India or abroad.

3. To deal with all kinds of immovable properties free-hold or leasehold or having any other rights interest or share attached to them whether belonging to the company or not.
4. To act as agent for sellers and buyers for lands, buildings, flats both commercial and residential, agricultural farms and other immovable properties in India or abroad and to collect rent and income thereof.

### Board of Directors

The Directors of Uninav Buildcon Private Limited as on the date of this Draft Red Herring Prospectus are as follows:

Name	Designation
<b>Rajesh Gupta</b>	Director
<b>Anoop Garg</b>	Director

### Shareholding Pattern

The Shareholding Pattern of Uninav Buildcon Private Limited as on this Draft Red Herring Prospectus are as follows:

Shareholders Name	No. of shares	% of total holding
M/S Uninav Developers Pvt. Ltd. (CIN - U70102DL2011PTC217470)	99,999	99.999%
Anoop Garg (on behalf of Uninav Developers Pvt. Ltd.)	1	0.001%
<b>Total</b>	<b>1,00,000</b>	<b>100.00%</b>

### Financial Performance

Certain details of the audited financials of Uninav Buildcon Private Limited are set forth below:

*(Amount in Lakhs)*

Particulars	FY 2023	FY 2022	FY 2021
Total Income	12.01	2.25	2.26
Profit after Tax	6.49	0.17	0.41
Equity Capital	10.00	10.00	10.00
Reserves & Surplus (excluding revaluation reserve)	0.10	-6.39	-6.56
Net worth	10.10	3.61	3.44
NAV per share (in rupees)	10.10	3.61	3.44
Earnings per share (EPS) (Basic & Diluted)	0.06	0.17	0.14
No. of Equity Shares of Rs. 10/- each (In Numbers)	1,00,000	1,00,000	1,00,000

## 11. UNINAV DEVELOPERS PRIVATE LIMITED

### Corporate Information

Uninav Developers Private Limited was incorporated as a Private Limited Company under the Companies Act, 1956 in the name and style of “Synergy Projects Private Limited” bearing Certificate of Incorporation Number U70102DL2011PTC217470 issued by the Registrar of Companies, Delhi dated April 13, 2011. Further, the name of the Company changed from Synergy Projects Private Limited to Uninav Developers Private Limited & Registrar of Companies, Delhi issued a new certificate of incorporation dated November 30, 2011. The registered office of the company is situated at 330, First Floor Functional Industrial Estate, East Delhi, Patparganj, Delhi, India, 110092.

### **Main Object of the Company**

1. To acquire by purchase and sell, lease, hire and otherwise land and properties of any tenure or interest therein, to erect, construct houses, buildings or work of every description development of colonies and pull down rebuild, enlarge, alter, improve existing houses and buildings to construct and appropriate any such land for roads, streets, gardens and other conveniences and generally to deal with and to improve the property of the company and to own, let out manage such properties, to purchase and sell for any freehold or other house property, building or land, or any share or shares, interest or interests therein, and to transact on commission or otherwise the general business of a land agent.
2. To undertake or direct the construction and management of property, buildings, colonies, lands and estates (of any tenure or kind) also for any persons whether members of the company or not, in the capacity of stewards or receiver or otherwise.
3. To act as contractors and builders of houses, buildings, roads, bridges, factories, plants, township, runways, port facilities for any person or company or government authority, construction of high rise residential and commercial buildings, shopping malls and centers including providing low cost homes, developed plots.
4. To undertake the activities of promotion and development of special economic Zone anywhere in India and all other ancillary and related business thereto.

### **Board of Directors**

The Directors of Uninav Developers Private Limited as on the date of this Draft Red Herring Prospectus are as follows:

<b>Name</b>	<b>Designation</b>
Rajesh Gupta	Director
Anoop Garg	Director

### **Shareholding Pattern**

The Shareholding Pattern of Uninav Developers Private Limited as on this Draft Red Herring Prospectus are as follows:

<b>Shareholders Name</b>	<b>No. of shares</b>	<b>% of total holding</b>
Anoop Garg	24,75,000	55.00%
Rajesh Gupta	20,25,000	45.00%
<b>Total</b>	<b>45,00,000</b>	<b>100.00%</b>

## Financial Performance

Certain details of the audited financials of Uninav Developers Private Limited are set forth below:

*(Amount in Lakhs)*

Particulars	FY 2023	FY 2022	FY 2021
Total Income	14280.47	3252.15	835.55
Profit after Tax	3277.52	809.19	231.03
Equity Capital	450.00	450.00	450
Reserves & Surplus (excluding revaluation reserve)	6314.86	3037.34	2228.17
Net worth	6764.86	3487.34	2678.17
NAV per share (in rupees)	150.33	77.50	59.51
Earnings per share (EPS) (Basic & Diluted)	72.83	17.98	5.13
No. of Equity Shares of Rs. 10/- each (In Numbers)	45,00,000	45,00,000	45,00,000

## 12. VERTEX BUILDWELL PRIVATE LIMITED

### Corporate Information

Vertex Buildwell Private Limited was incorporated under the Companies Act, 1956 on February 12, 2007, having CIN U45200DL2007PTC159163. The registered office of Vertex Buildwell Private Limited is situated at B-191, G/F, Yojna Vihar Delhi, New Delhi, Delhi- 110092, India.

### Main Object of the Company

1. To purchase, sell, develop, take in exchange, or on lease, hire or otherwise purchase, whether for investment or sale, or working the same, any real or personal estate including lands, mines, business, building, factories, mill, houses, cottages, shops, depots, warehouses, machinery, plant, stock in trade, mineral rights, concessions, privileges, licenses, easement or interest in or with respect to any property or interest in or with respect to any property whatsoever for the purpose of the company in consideration for a gross sum or rent or partly in one way and partly in other or for any other consideration and to carry on business as proprietors of flats and buildings and to let on lease or otherwise apartments therein and to provide for the conveniences commonly provided in flat, suites and residential and business quarters,
2. To purchase or otherwise and sell, dispose-off and deal in real or personal property of all kinds and in particular lands, buildings, hereditaments business concerns and undertaking, mortgages, charges, annuities, patents, licenses, shares, stocks, debentures, debenture stock securities, concessions, options, procedure, policies, book debts and any interest in real or personal property any claims against such property or against any persons or company.

### Board of Directors

The Directors of Vertex Buildwell Private Limited as on the date of this Draft Red Herring Prospectus are as follows:

Name	Designation
<b>Anoop Garg</b>	Director
<b>Rajesh Gupta</b>	Director

### Shareholding Pattern

The Shareholding Pattern of Vertex Buildwell Private Limited as on this Draft Red Herring Prospectus are as follows:

Shareholders Name	No. of shares	% of total holding
Mahesh Kumar Gupta HUF	1,62,000	17.35%
Rajesh Gupta HUF	1,39,000	14.89%
Anoop Garg HUF	1,25,000	13.39%
Sandhya Gupta	1,05,800	11.33%
Sumer Chand Garg	64,200	6.88%
Shikha Gupta	62,000	6.64%
Gopal Bihari Gupta HUF	60,000	6.43%
Kanta Rani	57,000	6.11%
Priya Garg	56,500	6.05%
South Asia Impex Private Limited	25,000	2.68%
GT Comex Private Limited	18,750	2.01%
Complete Equity Private Limited	11,750	1.26%
Frontier Portfolio Management Private Limited	10,750	1.15%
Anoop Garg	8,500	0.91%
Pooja Equity Advisor Private Limited.	6,250	0.67%
ANP Credit Rating Private Limited	5,500	0.59%
Abhishek Nagpal	5,000	0.54%
Deepa Ojha	3,000	0.32%
KRAC Securities Private Limited	2,500	0.27%
Secur Automation (I) Private Limited	2,500	0.27%
Flavour Technology Private Limited	2,500	0.27%
<b>Total</b>	<b>9,33,500</b>	<b>100.00%</b>

### Financial Performance

Certain details of the audited financials of Vertex Buildwell Private Limited are set forth below:

*(Amount in Lakhs)*

Particulars	FY 2023	FY 2022	FY 2021
Total Income	14.28	0.37	1.22
Profit after Tax	10.33	-0.03	0.71
Equity Capital	93.35	93.35	93.35
Reserves & Surplus (excluding revaluation reserve)	411.83	401.50	401.53
Net worth	505.18	494.85	494.88
NAV per share (in rupees)	54.12	53.01	53.01
Earnings per share (EPS) (Basic & Diluted)	1.11	(0.00)	0.08
No. of Equity Shares of Rs. 10/- each (In Numbers)	9,33,500	9,33,500	9,33,500

### **13. WELLVEST CAPITALS INDIA PRIVATE LIMITED**

#### **Corporate Information**

Wellvest Capitals India Private Limited was incorporated under the Companies Act, 2013 on September 02, 2021, having CIN U67100DL2021PTC385991. The registered office of Wellvest Capitals India Private Limited is situated at 191, Block-B, Second Floor, Yojana Vihar, Delhi- 110092, India.

#### **Main Object of the Company**

1. To carry on in India or elsewhere the business to buy, sell, exchange, barter, swap adjust, subscribe, acquire, hold, invest or otherwise deal in all kinds of shares, securities, stocks, bonds, mutual funds, warrants, options, derivatives, other similar instruments, and different kind of commodities and to carry on the business of an investment trust company and to underwrite, sub underwrite, to invest in, and acquire and hold, sell, buy or otherwise deal in shares, debentures, debenture-stocks, bonds, units; obligations and securities issued or guaranteed by Indian or Foreign Governments, States Dominions, Sovereigns, Municipalities, or Public Authorities or Bodies and share, stocks, debentures, debenture stocks, bonds, obligation and securities issued and guaranteed by any company, corporation, firm or person whether incorporated or established in India or elsewhere.
2. To purchase, take on lease, hold, hire or otherwise acquire and for investment or sale, or working the same any lands and buildings of any tenure or description wherever situated, or rights or interests therein or connected therewith, to prepare building sites, and to construct, reconstruct, charge, assign, let out, sublet, pull down, renovate, develop, alter, improve, decorate and furnish and maintains flats , hotels, malls, educational institutes, hospital dwelling houses, shops, offices, buildings sell the same on ownership basis, installment basis or loose basis and rental basis and transfer such building to co-operative society, limited company, body corporate or association of person or individuals as the case may be deal in all kinds of immovable properties whether belonging to the company or otherwise.
3. To enlarge, alter or improve the existing houses, building and land or any part thereof and to promote, operate and manage various immovable properties and other real estate assets and to develop, acquire and invest, either directly or indirectly, in income producing immovable properties in India.
4. To undertake or direct the purchase, take on lease, hold, hire or otherwise acquire for investment or sale, or working the same any land and buildings of any tenure or description wherever situated, or rights or interests therein or connected therewith for any persons whether members of the company or not, in the capacity of stewards or receivers or otherwise.

#### **Board of Directors**

The Directors of Wellvest Capitals India Private Limited as on the date of this Draft Red Herring Prospectus are as follows:

Name	Designation
Anoop Garg	Director
Abhitav Gupta	Director

#### **Shareholding Pattern**

The Shareholding Pattern of Wellvest Capitals India Private Limited as on this Draft Red Herring Prospectus are as follows:

Shareholders Name	No. of shares	% of total holding
Anoop Garg	1,35,000	90.00%
Abhitav Gupta	15,000	10.00%
<b>Total</b>	<b>1,50,000</b>	<b>100.00%</b>

### Financial Performance

Certain details of the audited financials of Wellvest Capitals India Private Limited are set forth below:

(Amount in Lakhs)

Particulars	FY 2023	FY 2022
Total Income	172.79	114.75
Profit after Tax	107.74	85.63
Equity Capital	15.00	15.00
Reserves & Surplus (excluding revaluation reserve)	193.37	85.63
Net worth	208.37	100.63
NAV per share (in rupees)	138.92	67.09
Earnings per share (EPS) (Basic & Diluted)	71.83	57.09
No. of Equity Shares of Rs. 10/- each (In Numbers)	1,50,000	1,50,000

## 14. NUPUR HOSPITALITY PRIVATE LIMITED

### Corporate Information

Nupur Hospitality Private Limited was incorporated under the Companies Act, 2013 on May 26, 2024, having CIN U55101DL2024PTC431812. The registered office of Nupur Hospitality Private Limited is situated at B-191, Yojna Vihar, Delhi- 110092, India.

### Main Object of the Company

1. To carry on all the business of Hotels, Resorts and Banquets, Short Term to Long Term Accommodations, restaurants, cafes, holiday camps, resorts, taverns, beer-houses, refreshment rooms, night clubs, cabarets and swimming pools and lodging or apartment house keepers, wine, beer and spirit merchants, brewers, distillers, bakers and confectioners and importers of aerated mineral and artificial water and other drinks.
2. To own, construct, run, furnish of, take over, manage and carry on the business of hotel, holiday resorts, restaurant, cafe, tavern bars, refreshment rooms, boarding and lodging, housekeepers, clubs, in India or in any other part of the world.
3. To act as Hotel Developers & Management Consultants, managers, operators, advisors, planners, values, developers and to impart technical know-how, technological solution, Support Services and training in the field of planning, construction, operation of hotels, motels, restaurants, recreation and entertainment centers in the field of tourism industry whether in India or abroad and to purchase erect or otherwise acquire, establish and equip and act as collaborators, technicians, financiers, developers, owners to any other hotel or restaurant in India or abroad.

### Board of Directors

The Directors of Nupur Hospitality Private Limited as on the date of this Draft Red Herring Prospectus are as follows:

Name	Designation
------	-------------

<b>Geeta Goswami</b>	Director
<b>Rajesh Gupta</b>	Director

### Shareholding Pattern

The Shareholding Pattern of Nupur Hospitality Private Limited as on this Draft Red Herring Prospectus are as follows:

Shareholders Name	No. of shares	% of total holding
Rajesh Gupta	80,000	80.00%
BR Hands Investments Private Limited	10,000	10.00%
Nupur Gupta	10,000	10.00%
<b>Total</b>	<b>1,00,000</b>	<b>100.00%</b>

### Financial Performance

Certain details of the audited financials of Nupur Hospitality Private Limited are not available because company was Incorporated in 2024

## 15. RGM RECYCLERS PRIVATE LIMITED

### Corporate Information

RGM Recyclers Private Limited was incorporated under the Companies Act, 2013 on April 19, 2021, having CIN U37100HR2021PTC094588. The registered office of RGM Recyclers Private Limited is situated at Khasra No 22/11/2, 12/1, 19/1/2, 20/2, 8/2/1, 9/1/2, Village Bhurja, Rasulpur, Faridabad, Haryana, 121102, India.

### Main Object of the Company

1. To carry on the business of Aluminium Recycling and Manufacturing.
2. To carry on the business of manufacturers, re-cyclers and dealers in various kinds of ferrous and non-ferrous alloy steels, stainless steels, scraps, re-rollers hardware casting and their various products in various forms.
3. To manufacture, import, export, buy, sell, re-cycle, distribute or otherwise deal in all types of ferrous and non-ferrous ores, metals, metal alloys, amalgams in any form or shapes.
4. To carry on the business of manufacturers, processors, re-cyclers, fabricators, drawers, rollers and re-rollers of ferrous and non-ferrous metals, steels bimetal products, copper and copper alloys, alloy steel, sponge iron, prestressed pillars, billets including manufacturing, processing and fabricating of pipes, utensils, wires, nails, wire ropes, wine products, screws, expanded metal hinges, plates, hoops, angles and to manufacture any other engineering products including hospital appliances and surgical instruments and to act as exporters and importers and dealers in all such and allied merchandise.

### Board of Directors

The Directors of RGM Recyclers Private Limited as on the date of this Draft Red Herring Prospectus are as follows:

Name	Designation
Viraj Gupta	Director
Rajesh Mahajan	Director

### Shareholding Pattern

The Shareholding Pattern of RGM Recyclers Private Limited as on this Draft Red Herring Prospectus are as follows:

Shareholders Name	No. of shares	% of total holding
Rajesh Mahajan	4,44,000	40.00 %
Rajesh Gupta	3,33,000	30.00%
Nupur Gupta	2,22,000	20.00%
BR Hands Investment Private Limited	1,11,000	10.00%
<b>Total</b>	<b>11,10,000</b>	<b>100.00%</b>

### Financial Performance

Certain details of the audited financials of RGM Recyclers Private Limited are set forth below:

*(Amount in Lakhs)*

Particulars	FY 2023	FY 2022
Total Income	0.05	12.00
Profit after Tax	(6.28)	(3.39)
Equity Capital	1110	1110
Reserves & Surplus (excluding revaluation reserve)	(40.16)	(33.88)
Net worth	1069.84	1076.12
NAV per share (in rupees)	(0.10)	(0.10)
Earnings per share (EPS) (Basic & Diluted)	(0.06)	(0.31)
No. of Equity Shares of Rs. 10/- each (In Numbers)	11,100	11,100

## **16. NUPUR POLYMERS PRIVATE LIMITED**

### Corporate Information

Nupur Polymers Private Limited was incorporated under the Companies Act, 2013 on May 1, 2023, having CIN U20131HR2023PTC111287. The registered office of Nupur Polymers Private Limited is situated at House no 35 GF Block A-2, The LILAC SEC-49, Gurgaon, Haryana, 122018, India.

### Board of Directors

The Directors of Nupur Polymers Private Limited as on the date of this Draft Red Herring Prospectus are as follows:

Name	Designation
Yogendra Singh	Additional Director
Kaushal Pareek	Whole Time Director
Varun Jain	Whole Time Director

### Shareholding Pattern

The Shareholding Pattern of Nupur Polymers Private Limited as on this Draft Red Herring Prospectus are as follows:

Shareholders Name	No. of shares	% of total holding
Nupur Recyclers Limited	9,800	98.00%
Yogendra Singh	200	2.00%
<b>Total</b>	<b>10,000</b>	<b>100.00%</b>

### Other Group Entities

The details of our Group entities are provided below:

#### 17. ANOOP GARG (HUF)

Name of the entity	Anoop Garg (HUF)
<b>Karta</b>	Mr. Anoop Garg
<b>Operational Since</b>	28/02/2000
<b>Work Address</b>	B-191, Yojna Vihar, Delhi, 09-Delhi, 91-India, 110092

### Financial Performance

Financial performance of last three years are set forth below:

*(Amount in Lakhs)*

Particulars	FY 2023	FY 2022	FY 2021
Income from Salary	-	-	-
Income from House Property	-	-	-
Income from Business & Profession	-	-	-
Income from Capital Gains	9.25	-	1.29
Income from Other Sources	9.37	7.39	6.23
Total Taxable Income	18.62	7.39	7.51
Tax Paid/(Refund)	1.62	0.38	0.46

#### 18. RAJESH GUPTA (HUF)

Name of the entity	Rajesh Gupta (HUF)
<b>Karta</b>	Mr. Rajesh Gupta
<b>Operational Since</b>	01/04/2001
<b>Work Address</b>	Nupur Metals, C-5, Mandoli Industrial Area, Village Saboli, , North 09-Delhi, 91-INDIA, 110093

### Financial Performance

Financial performance of last three years are set forth below:

*(Amount in Lakhs)*

Particulars	FY 2023	FY 2022	FY 2021
Income from Salary	-	-	-
Income from House Property	-	-	-

Income from Business & Profession	29.62	34.09	37.67
Income from Capital Gains	-	-	2.06
Income from Other Sources	0.20	3.10	4.66
Total Taxable Income	29.83	37.19	44.39
Tax Paid/ (Refund)	6.81	9.17	12.03

#### 19. SUMER CHAND GARG HUF

<b>Name of the entity</b>	Sumer Chand Garg (HUF)
<b>Karta</b>	Mr. Sumer Chand Garg
<b>Operational Since</b>	01/04/2001
<b>Work Address</b>	B-191, Yojna Vihar, Delhi, 09-Delhi, 91-India, 110092

#### Financial Performance

Financial performance of last three years are set forth below:

*(Amount in Lakhs)*

Particulars	FY 2023	FY 2022	FY 2021
Income from Salary	-	-	-
Income from House Property	-	-	-
Income from Business & Profession	-	-	-
Income from Capital Gains	2.26	-	12.38
Income from Other Sources	3.48	6.90	10.12
Total Taxable Income	5.73	6.90	22.50
Tax Paid/ (Refund)	0.18	0.33	2.84

#### 20. MAHESH GUPTA HUF

<b>Name of the entity</b>	<b>Mahesh Gupta (HUF)</b>
<b>Karta</b>	Mahesh Kumar Gupta
<b>Operational Since</b>	01-04-2001
<b>Work Address</b>	Plot No. 223, 2Nd Floor, State Bank Nagar, Paschim Vihar, Delhi, 09-Delhi, 91-India, 110063

#### Financial Performance

Financial performance of last three years are set forth below:

*(Amount in Lakhs)*

Particulars	FY 2023	FY 2022	FY 2021
Income from Salary	-	-	-
Income from House Property	-	-	-
Income from Business & Profession	-	-	-
Income from Capital Gains	-	-	-
Income from Other Sources	5.49	10.60	13.20
Total Taxable Income	5.49	10.60	13.20
Tax Paid/ (Refund)	0.18	0.90	1.55

#### DECLARATIONS

- None of the entities in the Promoter Group Companies is restrained by any SEBI Order or have ever become defunct.
- None of the entities in the Promoter Group Companies is listed at any Stock Exchange nor have such entities made any public issue or right issue in the preceding three years except Nupur Recyclers Limited.
- None of the entities in the Promoter Group Companies has become a sick company under the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 nor is under winding up or liquidation.

## **LITIGATIONS**

For details on litigations and disputes pending against our Promoter Group and Group Companies please refer to the section titled “Outstanding Litigations and Material Developments” on page 303 of the Draft Red Herring Prospectus.

## **DEFUNCT GROUP COMPANIES**

There are no defunct Group Companies of our Company as on the date of this Draft Red Herring Prospectus.

## **UNDERTAKING / CONFIRMATIONS**

Our Promoters and Group Companies confirm that they have not been declared as a willful defaulter by the RBI or any other governmental authority and there have been no violations of securities laws committed by them or any entities they are connected with in the past and no proceedings pertaining to such penalties are pending against them.

None of the Promoters or Promoter Group Companies or persons in control of the Promoters has been:

- i) Prohibited from accessing the capital market under any order or direction passed by SEBI or any other authority; or
- ii) Refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad. None of the Promoters is or has ever been a promoter, director or person in control of any other company, which is debarred from accessing the capital markets under any order or direction passed by the SEBI.

## **DISASSOCIATION BY THE PROMOTER IN THE LAST THREE YEARS**

None of our promoters have disassociated themselves from the any entities/firms during the preceding three years.

## **OTHER DETAILS OF GROUP COMPANIES/ENTITIES:**

1. There are no defaults in meeting any statutory/ bank/ institutional dues.
2. No proceedings have been initiated for economic offences against our Group Companies/Entities.

## **NATURE AND EXTENT OF INTEREST OF GROUP COMPANIES**

- (a) **In the promotion of our Company**

None of our Group Companies have any interest in the promotion of our Company or any business interest or other interests in our Company, except to the extent identified chapter titled “Financial Information” and Note 37, “Related Party Transaction” on page 274 of this Draft Red Herring Prospectus.

**(b) In the properties acquired or proposed to be acquired by our Company in the past 2 years before filing the Draft Red Herring Prospectus with Stock Exchange**

Our Group Companies do not have any interest in the properties acquired or proposed to be acquired by our Company in the past 2 years before filing this Draft Red Herring Prospectus with Stock Exchange.

**(c) In transactions for acquisition of land, construction of building and supply of machinery**

None of our Group Companies is interested in any transactions for the acquisition of land, construction of building or supply of machinery.

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## **RELATED PARTY TRANSACTION**

For details on related party transaction of our Company, please refer to “Note no. 37” of Restated Financial Statements beginning on page 274 of this Draft Red Herring Prospectus.

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## **DIVIDEND POLICY**

Under the Companies Act, an Indian company pays dividends upon a recommendation by its Board of Directors and approval by a majority of the shareholders, who have the right to decrease but not to increase the amount of dividend recommended by the Board of Directors, under the Companies Act, dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous years or out of both.

Our Company does not have a formal dividend policy. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion.

Dividends are payable within 30 days of approval by the Equity Shareholders at the Annual General Meeting of our Company. When dividends are declared, all the Equity Shareholders whose names appear in the register of members of our Company as on the “record date” are entitled to be paid the dividend declared by our Company.

Any Equity Shareholder who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by our Company.

We have not declared dividend in any Financial Year.

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## SECTION VI – FINANCIAL INFORMATION

### FINANCIAL STATEMENTS AS RESTATED

#### **Independent Auditor’s Examination report on Restated Financial Information of Usha Financial Services Limited**

**To,  
The Board of Directors,  
Usha Financial Services Limited**

330, Mezanine Floor  
Industrial Area  
Patparganj  
Delhi 110092

Dear Sir,

1. We have examined the attached Restated Financial Information of **Usha Financial Services Limited** comprising the Restated Statement of Asset and Liabilities as at 31<sup>st</sup> March, 2024, 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March 2022, the Restated Statement of Profit & Loss and Restated Statement of Cash Flow for the year ended on 31st March, 2024, 31st March 2023 and 31st March 2022, the summary statement of significant accounting policies, and other explanatory information (collectively, the “Restated Financial Information”), as approved by the Board of Directors of the company for the purpose of inclusion in the Draft Prospectus (“DP/Prospectus”) prepared by the Company in connection with its proposed Initial Public Offer of equity shares (“IPO”) prepared in terms of the requirements of:
  - a. Section 26 of Part I of Chapter III of the Companies Act, 2013 (the “Act”);
  - b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“ICDR Regulations”); and
  - c. The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (“ICAI”), as amended from time to time (the “Guidance Note”).
2. The Company’s Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the Draft Prospectus to be filed with the stock exchanges where the equity shares of the Company are proposed to be listed, in connection with the proposed IPO. The Restated Financial Information have been prepared by the management of the Company on the basis of preparation stated in note 2 to the Restated Financial Information.

The Board of Directors of the Company are responsibility for designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.

3. We have examined such Restated Financial Information taking into consideration:
  - a. The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter in connection with the proposed IPO of equity shares of the Company;

- b. The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
  - c. Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and
  - d. The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.
4. These Restated Financial Information have been compiled by the management from:
- a. Audited financial statements of the Company as at and for the year ended 31<sup>st</sup> March, 2024, 31<sup>st</sup> March 2023 and 31<sup>st</sup> March 2022 prepared in accordance with the Accounting Standards (referred to as “AS”) as prescribed under Section 133 of the Act, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors.
5. For the purpose of our examination, we have relied on:
- a. Auditors’ Report issued by the Previous Auditors dated 20<sup>th</sup> July 2022 on the financial statements of the Company as at and for the year ended 31<sup>st</sup> March, 2022.
  - b. Financial Statements for the year ended 31<sup>st</sup> March, 2022 have been audited by the Company Auditor P. Sahni & Associates, Chartered Accountants and accordingly reliance has been placed on the financial information examined by them for the said years. The Financial information included for these years is based solely on the report submitted by them.
6. Based on our examination and according to the information and explanations given to us and also as per the reliance placed on the audit report submitted by the Previous Auditors for the respective years, we report that the Restated Financial Information:
- a. have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended 31<sup>st</sup> March 2023 and 31<sup>st</sup> March 2022 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the year ended March 31, 2024.
  - b. does not contain any qualifications requiring adjustments.
  - c. have been prepared in accordance with the Act, the ICDR Regulations and the Guidance Note.
7. The Restated Financial Information does not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited financial statements.
8. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by the Company Auditor’s, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
9. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
10. Our report is intended solely for use of the Board of Directors for inclusion in the Draft Prospectus to be filed with Stock exchanges in connection with the proposed IPO. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept

or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

**For KRA & Co.**  
**Chartered Accountants**  
**(Firm Registration No.020266N)**

**S/d/-**  
**Rajat Goyal**  
**Partner**  
**Membership No.: 503150**  
**UDIN: 24503150BKALXG7556**  
**Place: Delhi**  
**Date: July 05, 2024**

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## RESTATED STATEMENT OF ASSETS AND LIABILITIES

(Amt in Lakhs)

Particulars		Note No.	As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2022
<b>I.</b>	<b>EQUITY AND LIABILITIES</b>				
<b>(1)</b>	<b>Shareholders' Funds</b>				
	(a) Share Capital	3	1,587.76	941.81	658.17
	(b) Reserves and Surplus	4	9,014.87	7,265.57	4,109.41
<b>(2)</b>	<b>Non-Current Liabilities</b>				
	(a) Long-Term Borrowings	5	7,368.15	11,042.33	4,564.23
	(b) Other Long-Term Liabilities	6	1,061.56	1,687.34	757.72
	(c) Long Term Provisions	7	19.20	13.27	10.90
<b>(3)</b>	<b>Current Liabilities</b>				
	(a) Short Term Borrowings	8	10,760.07	13,709.08	5,158.99
	(b) Trade Payables	9			
	(i) Total Outstanding dues of Micro and Small Enterprises and		2.39	3.63	15.12
	(ii) Total Outstanding dues other than Micro and Small Enterprises		45.09	65.46	33.63
	(c) Other Current Liabilities	10	3,402.38	2,229.01	782.05
	(d) Short-Term Provisions	11	324.34	265.14	337.85
	<b>Total</b>		<b>33,585.81</b>	<b>37,222.64</b>	<b>16,428.07</b>
<b>II.</b>	<b>ASSETS</b>				
<b>(1)</b>	<b>Non-current assets</b>				
	(a) Property, Plant and Equipment and Intangible assets				
	(i) Property, Plant and Equipment	12	720.21	47.88	65.12
	(ii) Intangible assets	13	0.45	1.19	3.67
	(iii) Capital work in progress	14	146.26	-	-
	(iv) Intangible assets Under Development	15	0.26	-	-
	(b) Non-Current Investments	16	-	-	215.95
	(c) Deferred Tax Assets (net)	17	88.94	73.21	63.94
	(d) Long Term Loans & Advances	18	5,914.21	10,207.14	3,905.41
	(e) Other Non-Current Assets	19	64.54	864.79	71.74
<b>(2)</b>	<b>Current assets</b>				
	(a) Cash and Cash Equivalents	20	774.83	7.26	93.66
	(b) Short Term Loans & Advances	18	24,781.55	25,561.80	11,257.45
	(c) Other Current Assets	21	1,094.56	459.37	751.13
	<b>Total</b>		<b>33,585.81</b>	<b>37,222.64</b>	<b>16,428.07</b>

## RESTATED STATEMENT OF PROFIT AND LOSS

(Amt in Lakhs)

Particulars	Note No.	For the year ended March 31, 2024	For the year ended 31 March, 2023	For the year ended 31 March, 2022
I. Revenue from operations	22	6,322.20	4,563.17	2,502.62
II. Other Income	23	73.85	55.56	28.74
<b>III. Total Income (I +II)</b>		<b>6,396.05</b>	<b>4,618.73</b>	<b>2,531.36</b>
<b>IV. Expenses:</b>				
(f) Employee benefits expenses	24	310.24	250.09	229.77
(g) Finance costs	25	2,977.74	2,150.47	1,042.89
(h) Depreciation and amortisation expenses	26	26.69	22.89	32.25
(i) Provision & Write-off	27	358.98	44.23	263.25
(j) Other expenses	28	949.98	772.21	415.29
<b>Total Expenses</b>		<b>4,623.63</b>	<b>3,239.89</b>	<b>1,983.45</b>
<b>V. Profit before Exceptional and Extraordinary Items and Tax (III - IV)</b>		<b>1,772.42</b>	<b>1,378.84</b>	<b>547.91</b>
<b>VI. Exceptional Items</b>		-	-	-
<b>VII. Profit before extraordinary items and tax</b>		<b>1,772.42</b>	<b>1,378.84</b>	<b>547.91</b>
<b>VIII. Extraordinary Items</b>		-	-	-
<b>IX. Profit before tax (VII-VIII)</b>		<b>1,772.42</b>	<b>1,378.84</b>	<b>547.91</b>
<b>X. Tax expense:</b>				
(iv) Current tax		443.20	371.56	147.25
(v) Tax for earlier years		-	-	-
(vi) Deferred tax		(15.73)	(9.27)	(13.76)
<b>XI. Profit/ (Loss) from the period from continuing operations (IX - X)</b>		<b>1,344.95</b>	<b>1,016.55</b>	<b>414.42</b>
<b>XII. Profit/ (Loss) from discontinuing operations</b>		-	-	-
<b>XIII. Tax expense of discounting operations</b>		-	-	-
<b>XIV. Profit/(Loss) from Discontinuing operations</b>		-	-	-
<b>XV. Profit/ (Loss) for the period (XI + XIV)</b>		<b>1,344.95</b>	<b>1,016.55</b>	<b>414.42</b>
<b>XVI. Earnings per equity shares (of Rs. 10/- each)</b>				
(iii) Basic	29	8.64	7.42	3.51
(iv) Diluted		8.64	7.42	3.51

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**RESTATED CASH FLOW STATEMENT**

(Amt in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended 31 March, 2023	For the year ended 31 March, 2022
<b><u>CASH FLOW FROM OPERATING ACTIVITIES</u></b>			
Net Profit Before Tax	1,772.42	1,378.84	547.91
<b>Adjustments for:</b>			
Interest Income	(56.87)	(42.04)	(26.16)
Depreciation & Amortization	26.69	22.89	32.25
Loss /(Profit) on Sale of Shares	-	81.86	-
Profit on sale of Fixed Assets	(14.90)	-	(0.05)
Provision for Standard and Non-performing assets	70.22	34.22	51.40
Portfolio loans written off	288.76	10.01	211.85
<b>Operating Profit before Working Capital Changes</b>	<b>2,086.32</b>	<b>1,485.78</b>	<b>817.20</b>
<b>Adjustments for:</b>			
Decrease/(Increase) in short term Loan & Advances	780.25	(14,304.35)	(5,216.27)
Decrease/(Increase) in long term Loan & Advances	4,004.17	(6,311.74)	393.03
Decrease/(Increase) in Other Current Assets	(601.53)	118.86	(121.75)
Decrease/(Increase) in Other Non-Current Assets	800.25	(793.05)	57.03
Increase/(Decrease) in Payables	(21.61)	20.34	(43.02)
Increase/(Decrease) in Provisions	6.20	2.38	1.63
Increase/(Decrease) in Other Current Liabilities	1,173.37	1,446.96	236.40
Increase/(Decrease) in Other Non-Current Liabilities	(625.78)	929.62	544.02
<b>Cash generated from operations</b>	<b>7,601.64</b>	<b>(17,405.20)</b>	<b>(3,331.73)</b>
Income taxes refunded/ (paid)	(454.97)	(310.75)	(187.45)
<b>Net cash flow from operations (A)</b>	<b>7,146.67</b>	<b>(17,715.95)</b>	<b>(3,519.18)</b>
<b><u>CASH FLOW FROM INVESTING ACTIVITIES</u></b>			
Purchase of Fixed Assets	(850.13)	(3.17)	(4.01)
Interest Income on Fixed Deposits	23.69	47.19	20.87
Proceeds from Sale of Fixed Assets	20.23	-	(0.01)
(Purchase)/Sale of Investments	-	134.09	2.99
<b>Net cash flow from/ (used in) investing activities (B)</b>	<b>(806.21)</b>	<b>178.11</b>	<b>19.84</b>
<b><u>CASH FLOW FROM FINANCING ACTIVITIES</u></b>			
Proceeds from Issue of Equity Shares	1,050.30	2,423.25	112.05
Proceeds/(Repayment) from Issuance of Debentures (Net)	(429.00)	1,362.00	112.00
Proceeds/(Repayment) of long-term Borrowings (Net)	(2,412.18)	5,079.10	1,024.47
Proceeds/(Repayment) of short-term Borrowings (Net)	(3,782.01)	8,587.09	2,282.12
<b>Net cash flow from/ (used in) financing activities (C)</b>	<b>(5,572.89)</b>	<b>17,451.44</b>	<b>3,530.64</b>
Net increase/(decrease) in cash and cash equivalents (A+B+C)	767.57	(86.40)	31.30
Cash and cash equivalents at the beginning of the period/ year	7.26	93.66	62.36
Cash and cash equivalents at the closing of the period/ year	774.83	7.26	93.66

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**NOTES TO RESTATED FINANCIAL STATEMENTS****Note-1****Background**

Usha Financial Services Limited (CIN: U74899DL1995PLC068604) ('the Company') was incorporated on 16/05/1995. The Company has received the Certificate of Registration dated 04/01/2003 from the Reserve Bank of India ("RBI") to carry on the business of Non Banking Financial Institution without accepting deposits ("NBFC-ND").

The Company is engaged in extending credit to Individuals and small enterprises typically self-employed business. The Company follows the cash flow based credit assessment with suitable adaptations for each type of business, where the loans are given for business expansion, working capital or for purchase of assets.

**Note 2****Significant accounting policies****2.1 Basis of preparation of financial statements**

The financial statements have been prepared and presented under historical cost convention and accrual basis of accounting, unless otherwise stated, and in accordance with the generally accepted accounting principles in India (Indian GAAP) and conform to the statutory requirements, circulars, regulations and guidelines issued by Reserve Bank of India (RBI) from time to time to the extent they have an impact on the financial statements and current practices prevailing in India. The financial statements have been prepared to comply in all material aspects with the Accounting Standards ("AS") notified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 to the extent applicable. The Company follows the prudential norms for income recognition, asset classification and provisioning as prescribed by the RBI for Non-deposit taking Non-Banking Finance Companies (NBFC-ND).

**2.2 Use of estimates**

The preparation of financial statements in conformity with the GAAP requires management to make estimates and assumptions that affect the reported amounts of revenues and expenses during the reporting period, reported balance of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

**2.3 Revenue recognition:**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

1. Interest income is recognized in the statement of profit and loss on an accrual basis. In case of Non Performing Assets (NPA) interest income is recognised upon realisation as per the RBI Guidelines. Interest accrued and not realised before the classification of the asset as an NPA is reversed in the month in which the loan is classified as NPA.
2. Upfront /processing fees are recovered and recognised at the time of disbursement of loan / receipt.

3. Interest income on other deposits are recognised on a time proportion basis. Income from dividend is recognized in the statement of profit and loss when the right to receive is established.
4. Profit / Loss on disposal of an investment is recognised at the time of such sale / redemption and is computed based on weighted average cost

## 2.4 Tangible fixed assets, intangible fixed assets and intangible fixed assets under development

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes non-refundable taxes, duties, freight and other incidental expenses incurred directly related to the acquisition and installation of the asset. Subsequent expenditure on fixed assets after their purchase / completion is capitalized, only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

The cost of intangible fixed assets not ready for the intended use at each balance sheet date is disclosed as intangible fixed assets under development.

## 2.5 Impairment

The Company determines periodically whether there is any indication of impairment of the carrying amount of its assets. The recoverable amount (higher of net selling price and value in use) is determined for an individual asset, unless the asset does not generate cash inflow that are largely independent of those from other assets or group of assets. The recoverable amounts of such asset are estimated, if any indication exists and impairment loss is recognized wherever the carrying amount of the asset exceeds its recoverable amount. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

## 2.6 Depreciation and Amortization:

Depreciation on tangible fixed assets is provided on pro-rata basis (i.e. from the date on which the asset is ready to use) on written down value method. Depreciation on fixed assets is provided over the useful lives of the asset, as estimated by the management based on internal technical assessment. If the management's estimate of the useful life of a fixed asset at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter than that envisaged, depreciation is provided at a higher rate based on the management's estimate of the useful life / remaining useful life. Pursuant to this policy, the estimated useful life of assets are as follows:

<b>Fixed Asset Description</b>	<b>Estimated Useful Life</b>
Computers and accessories	3 Years
Office Equipment	5 Years
Furniture and Fixtures	10 Years

- Intangible assets are amortized over their estimated useful life on written down value method as follows:

<b>Fixed Asset Description</b>	<b>Estimated Useful Life</b>
Intangible Assets – Computer Software	License period or 3 years,
	whichever is lower

## **2.7 Borrowing costs**

Borrowing costs include interest and ancillary costs that the Company incurs in connection with the borrowings. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss at the time of availment of the loan.

## **2.8 Loan origination costs**

Brokerage, commission and other costs paid at the time of acquisition of loans are charged to the Statement of Profit and Loss.

## **2.9 Earnings per share:**

Basic earnings per share is computed and disclosed using the weighted average number of common shares outstanding during the year. Diluted earnings per share is computed and disclosed using the weighted average number of common and dilutive common equivalent shares outstanding during the year, except when the results would be anti-dilutive.

## **2.10 Income taxes**

- Income-tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). Income-tax expense is recognized in statement of profit and loss except that tax expense relating to items recognized directly in reserves is also recognized in those reserves.
- Current tax is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the applicable tax rates and tax laws. Deferred tax is recognized in respect of timing differences between taxable income and accounting income i.e. differences that originate in one period and are capable of reversal in one or more subsequent periods. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized.

## **2.11 Provisions, contingent liabilities and contingent assets**

A provision is recognized when there is present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are determined based on best estimates required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates. Loss contingencies arising from claims, litigation, assessment, fines, penalties, etc., are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated

## 2.12 Classification and provisioning on receivables from financing activities

- Receivable from financing activities are recognised on disbursement of loan to customers. The details of the policy are given below:
- Receivable from financing activities are classified as standard, sub - standard and doubtful assets and provided for as per the Company’s policy and Management’s estimates, subject to the minimum classification and provisioning norms as per the Master Direction - Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016.

<b>Non-Performing Assets (NPA)</b>	
Sub-Standard Assets	Remains NPA for a period up to 18 months.
Doubtful Assets	Remains sub-standard for a period exceeding 18 months.
Loss Assets	Assets which are identified as loss asset
	by the Company or the internal auditor
	or the external auditor or by the Reserve Bank of India.

“Overdue” refers to interest and / or principal and / or instalment remaining unpaid from the day it became receivable.

### Provisioning norms for loans:

<b>Asset Classification</b>	<b>Secured</b>	<b>Unsecured</b>
Standard Assets (disclosed under Contingent provision against standard assets)	0.25%	0.25%
Non-Performing Assets (NPA)		
Sub-Standard Assets	20%	20%
Doubtful Assets	20% to 50%	100%
Loss Assets	100%	100%

d) Under exceptional circumstances, Management may renegotiate loans by rescheduling repayment terms for customers who have defaulted in repayment but who appear willing and able to repay their loans under a longer-term agreement. Rescheduled Standard Assets are classified / provided for as Sub-Standard Assets as per (b) above which classification / provisioning is retained for a period of 1 year of satisfactory performance. Rescheduled Non Performing Assets are not upgraded but are retained at the original classification / provisioning for a period of 1 year of satisfactory performance.

## 2.13 Operating cycle

Assets and liabilities are classified as current and non-current based on the operating cycle which has been estimated to be 12 months. All assets and liabilities which are expected to be realized and settled, within a period of 12 months from the date of Balance sheet have been classified as current and other assets and liabilities are classified as non-current. All Non-Performing Assets are classified as non-current.

### Note 3

(Amount in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2022
<b>Share Capital</b>			
<b>Authorized Share Capital</b>			
Equity shares of Rs.10 each: 2,60,00,000, (March 31, 2023: 2,60,00,000, March 31, 2022: 1,00,00,000)	260.00	260.00	1,000.00
	<b>260.00</b>	<b>260.00</b>	<b>1,000.00</b>
<b>Issued, subscribed &amp; paid-up Share Capital</b>			
<b>Issued, subscribed &amp; paid-up Share Capital</b>			
Equity shares of Rs.10 each: (March 31, 2023: 94,18,090, March 31, 2022: 65,81,685)	1,587.76	941.81	658.17
	<b>1,587.76</b>	<b>941.81</b>	<b>658.17</b>

#### a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

(Amount in Lakhs)

Particulars	As at March 31, 2024		As at March 31, 2023		As at March 31, 2022	
	Number	Amount	Number	Amount	Number	Amount
<b>Shares of Rs. 10 each fully paid</b>						
At the beginning of the year	94,18,090.00	941.81	65,81,685.00	658.17	65,51,685.00	635.17
Bonus shares issued during the year	52,92,541.00	529.25	-	-	-	-
Issued/ Called up during the year						
-Partly Paid Up	-	-	-	-	-	20.00
- Fully Paid-up share	11,67,000.00	116.70	28,36,405.00	283.64	30,000.00	3.00
<b>Outstanding at the end of the year</b>	<b>1,58,77,631.00</b>	<b>1,587.76</b>	<b>94,18,090.00</b>	<b>941.81</b>	<b>65,81,685.00</b>	<b>658.17</b>

#### b. Terms/rights attached to shares

The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining asset of the company after distribution of all preferential amount in proportion to their shares.

#### c. Bonus shares issued

The board of directors of the company in the Board Meeting Dated 01st June, 2024 and shareholders of the company in the extra ordinary general meeting dated 03rd June, 2024 pursuant to section 63 of Companies Act, 2013 and rules made thereunder, proposed a sum of Rs. 529.25 lakhs to be capitalized as bonus equity shares out of free reserves and surplus and distributed amongst the equity shareholders by issue of 52,92,541 share in the proportion of 5 (Five) new fully paid-up equity share of Rs. 10/- each (Rupees Ten) for every 10 (Ten) existing fully paid-up equity shares of Rs. 10/. (Rupees Ten). As a result of that the issued, subscribed and fully paid-up equity share capital of the company on the date of signing of the financials is 1,58,77,631 of face value of Rs 10 i.e. 1,587.76 lakhs. EPS calculation have been reinstated in all the periods to give effects of this bonus.

#### d. Details of shareholders holding more than 5% of the equity shares in the company

Name of Share Holder	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
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	No. of Shares	% Holding	No. of Shares	% Holding	No. of Shares	% Holding
Rajesh Gupta	40,96,876	25.80%	27,03,251	28.70%	23,11,651	35.12%
Anoop Garg	27,30,373	17.20%	18,14,249	19.26%	17,97,949	27.32%
BR Hands Investment Private limited	28,40,107	17.89%	14,75,000	15.66%	-	
Uninav Developers Private Limited	19,02,499	11.98%	12,68,333	13.47%	12,68,333	19.27%
Shikha Gupta	16,81,200	10.59%	5,60,300	5.95%	5,13,700	7.80%
Priya Garg	16,52,250	10.41%	5,47,000	5.81%	5,13,700	7.80%
<b>Total</b>	<b>1,49,03,305</b>	<b>93.86%</b>	<b>83,68,133</b>	<b>88.85%</b>	<b>64,05,333</b>	<b>97.32%</b>

#### e. Details of Promoter's Shareholding

Name of Share Holder	As at March 31, 2024		As at March 31, 2023		As at March 31, 2022	
	No. of Shares	% Holding	No. of Shares	% Holding	No. of Shares	% Holding
<b>Equity shares of Rs. 10 each fully paid-up</b>						
Rajesh Gupta	40,96,876	25.80%	27,03,251	28.70%	23,11,651	35.12%
Anoop Garg	27,30,373	17.20%	18,14,249	19.26%	17,97,949	27.32%
Geeta Goswami	2,08,950	1.32%	1,31,300	1.39%	30,000	0.46%
BR Hands Investment Private limited	28,40,107	17.89%	14,75,000	15.66%	-	-
<b>Total</b>	<b>98,76,306</b>	<b>62.2%</b>	<b>61,23,800</b>	<b>65.02%</b>	<b>41,39,600</b>	<b>62.90%</b>
% change during the year						
Rajesh Gupta		-2.90%		-6.42%		-0.16%
Anoop Garg		-2.07%		-8.05%		-0.13%
Geeta Goswami		-0.08%		0.94%		0.46%
BR Hands Investment Private limited		2.23%		15.66%		
<b>Total</b>	<b>-</b>	<b>-2.82%</b>	<b>-</b>	<b>2.13%</b>	<b>-</b>	<b>0.17%</b>

#### 4. Reserves & Surplus

(Amount in Lakhs)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
<b>A) Statutory Reserve u/s 45-IC of RBI Act, 1934</b>			
Opening Balance	726.53	523.22	440.34
Statutory Reserves Fund	268.99	203.31	82.88
<b>Closing Balance</b>	<b>995.52</b>	<b>726.53</b>	<b>523.22</b>
<b>B) Securities Premium</b>			
Opening Balance	3,859.42	1,719.81	1,630.76
Add: Addition during the year	933.60	2,139.61	89.05
Less: Bonus shares	(529.25)	-	-
<b>Closing balance</b>	<b>4,263.77</b>	<b>3,859.42</b>	<b>1,719.81</b>
<b>C) Statement of Profit &amp; Loss</b>			
Opening Balance	2,679.62	1,866.38	1,534.84
Add: Profit during the year	1,344.95	1,016.55	414.42
Less: Transferred to Reserve Fund u/s 45 IC of RBI Act 1934	268.99	203.31	82.88
<b>Closing balance</b>	<b>3,755.58</b>	<b>2,679.62</b>	<b>1,866.38</b>

<b>Total (A+B+C)</b>	<b>9,014.87</b>	<b>7,265.57</b>	<b>4,109.41</b>
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## 5. Long term Borrowing

(Amount in Lakhs)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
<b>Non Current Debentures (Secured)</b>			
-12% Non-Convertible Debentures	1,850.00	3,112.00	1,713.00
<b>Term Loans</b>			
<b>Secured Loans</b>			
-From Banks	1,952.14	2,023.70	772.05
-From Financial Institutions	3,566.01	5,770.60	1,828.25
<b>Unsecured Loans</b>			
-From Financial Institutions	-	136.03	250.93
<b>Total of Non-Current</b>	<b>7,368.15</b>	<b>11,042.33</b>	<b>4,564.23</b>
<b>Current</b>			
<b>Debentures (Secured)</b>			
-14% Non-Convertible Debentures	-	-	932.00
-12% Non-Convertible Debentures	1,728.00	895.00	-
<b>Term Loans</b>			
<b>Secured Loans</b>			
-From Banks	1,691.00	1,882.26	601.39
-From Financial Institutions	7,200.91	7,150.19	3,134.16
<b>Unsecured Loans</b>			
-From Relatives	4.14	7.00	186.66
-From Financial Institutions	136.02	114.90	97.28
-From Corporate Entities	-	3,432.47	104.78
<b>Total of Current</b>	<b>10,760.07</b>	<b>13,481.82</b>	<b>5,056.27</b>

### 5.1 Terms and Conditions for Borrowings

**As at 31<sup>st</sup> March, 2024**

Name of Lender	Interest rates	Term of Redemption /Repayment
<b>Debentured Secured:</b>		
Series 'F' Secured Redeemable Non-Convertible Debenture	12%	Maturity
Series 'G' Secured Redeemable Non-Convertible Debenture	12%	Maturity
Series 'H' Secured Redeemable Non-Convertible Debenture	12%	Maturity
Series 'I' Secured Redeemable Non-Convertible Debenture	12%	Maturity
Series 'J' Secured Redeemable Non-Convertible Debenture	12%	Maturity
Series 'K' Secured Redeemable Non-Convertible Debenture	12%	Maturity
<b>Secured Term Loans:</b>		
<b>From Banks</b>		
AU Small Finance Bank Limited (Oct-22)	14.7%	Monthly
South Indian Bank Term Loan	11.0%	Monthly
South Indian Bank Term Loan	11.0%	Monthly
South Indian Bank Term Loan	10.8%	Monthly
STATE BANK OF INDIA	11.1%	Monthly

HDFC CAR Loan	8.5%	Monthly
City Union Bank	10.6%	Monthly
<b>From Financial Institutions</b>	12%-15%	Monthly
<b>Unsecured Term Loans:</b>		
From Financial Institutions	17%	Quarterly
From Relatives	9%	Repayable on demand

**As at 31st March, 2023**

Name of Lender	Rate of interest	Term of Redemption /Repayment
<b>Debentured Secured :</b>		
Series 'F' Secured Redeemable Non Convertible Debenture	12%	Maturity
Series 'G' Secured Redeemable Non Convertible Debenture	12%	Maturity
Series 'H' Secured Redeemable Non Convertible Debenture	12%	Maturity
Series 'I' Secured Redeemable Non Convertible Debenture	12%	Maturity
Series 'J' Secured Redeemable Non Convertible Debenture	12%	Maturity
<b>Secured Term Loans:</b>		
<b>From Banks</b>		
ICICI Bank Ltd Car Loan	10.5%	Monthly
South Indian Bank Term Loan-1	10.4%	Monthly
South Indian Bank Term Loan -2	10.4%	Monthly
Yes Bank Ltd Car Loan	8.5%	Monthly
Au Small Finance Bank Limited-1	13.0%	Monthly
Au Small Finance Bank Limited-2	14.7%	Monthly
State Bank of India	11.2%	Monthly
<b>From Financial Institutions</b>	14%-15%	Monthly
<b>Unsecured Term Loans:</b>		
<b>From Financial Institutions</b>	17%	Quarterly
<b>From Relatives</b>	9%	Repayable on demand
<b>Inter Corporate Deposit</b>	15%	Repayable on demand

**As at 31<sup>st</sup> March,2022**

Name of Lender	Rate of interest	Term of Redemption /Repayment
<b>Debentured Secured:</b>		
Series 'D' Secured Redeemable Non-Convertible Debenture	14%	Maturity
Series 'E' Secured Redeemable Non-Convertible Debenture	14%	Maturity
Series 'F' Secured Redeemable Non-Convertible Debenture	12%	Maturity
Series 'G' Secured Redeemable Non-Convertible Debenture	12%	Maturity
<b>Secured Term Loans:</b>		
<b>From Banks</b>		
AU Small Finance Bank	11%	Monthly
South Indian Bank Term Loan-1	9.4%	Monthly

South Indian Bank Term Loan-2	9.4%	Monthly
Yes Bank Ltd (Vehicle Loan)	8.5%	Monthly
ICICI Bank Ltd (Vehicle Loan)	8.5%	Monthly
<b>From Financial Institutions</b>	<b>14%-17%</b>	<b>Monthly/Qtr</b>
<b>Unsecured Term Loans:</b>		
From Financial Institutions	17%	Quarterly
From Relatives	12%	Repayable on demand
Inter Corporate Deposit	12%	Repayable on demand

#### Terms and conditions of secured loans and nature of security

- a. During the year ended March 2024, the company has issued 500 Non-Convertible Debentures (Series K) at the face value of Rs.100000 each aggregating to Rs. 5,00,00,000 at the coupon rate of 12%. These NCDs will mature in Sept 2026.
- b. During the year ended March 2023, the company has issued following NCD as mentioned below-
  - 1000 Non-Convertible Debentures (Series H) at the face value of Rs.100000 each aggregating to Rs. 10,00,00,000 at the coupon rate of 12%. The NCDs will mature in Oct 2025.
  - 700 Non-Convertible Debentures (Series I) at the face value of Rs.100000 each aggregating to Rs. 7,00,00,000 at the coupon rate of 12%. The NCDs will mature in Dec 2025.
  - 650 Non-Convertible Debentures (Series J) at the face value of Rs.100000 each aggregating to Rs. 6,50,00,000 at the coupon rate of 12%. The NCDs will mature in Mar 2026.
- c. During the year ended March 2022, the company has issued 762 Non Convertible Debentures at the face value of Rs.100000 each aggregating to Rs. 7,62,00,000 at the coupon rate of 12% . The NCDs will mature in Oct 2024.
- d. All NCDs Issued during in respective financial years are secured by way of exclusive charge on identified pool of assets.
- e. Vehicle Loans HDFC Bank in FY 23-24, ICICI Bank and Yes Bank in FY 21-22 and FY 22-23, were secured against hypothecation of respective vehicles.
- f. Secured Term loans from Banks and Financial institutions are secured by hypothecation of receivables as per their respective loan agreements.
- g. Term Loan form South Indian bank till FY 21-22nd State bank of India & AU Small Finance Bank is secured by way of collateral security of a Residential Property and TL from City Union Bank is secured with Commercial Property held by UFSL.
- h. Term loans from Grow Money Capital Pvt Ltd, Alwar General Finance Co Pvt Ltd, MAS Financial Services Ltd, TATA Capital Services Ltd and South Indian Bank re further secured by cash collateral in the shape of Fixed deposit/ security deposit as per their loan agreement in addition to hypothecation of receivables.
- i. In addition to the above, all secured loans are also secured by way personal guarantee of promoter director.

#### 6. Other Long-Term Liabilities

(Amount in Lakhs)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
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Security Deposits against the Loan Portfolio	1,045.33	1,572.21	714.79
Interest Payable on Security Deposit	5.66	42.80	18.03
Advance EMI Received	10.57	72.33	24.90
<b>Total</b>	<b>1,061.56</b>	<b>1,687.34</b>	<b>757.72</b>

### 7. Long Term Provisions

(Amount in Lakhs)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
Provision for Gratuity	19.20	13.27	10.90
<b>Total</b>	<b>19.20</b>	<b>13.27</b>	<b>10.90</b>

### 8. Short Term Borrowing

(Amount in Lakhs)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
Current maturity of long term borrowings	10,760.07	13,481.82	5,056.27
Bank Overdraft Facility (Refer Note No. 8(i))	-	227.26	102.72
<b>Total</b>	<b>10,760.07</b>	<b>13,709.08</b>	<b>5,158.99</b>

Note No. 8(i) The bank overdraft facility are secured against the FDRs

### 9. Trade Payable

(Amount in Lakhs)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
Total Outstanding dues of Micro and Small Enterprises**	2.39	3.63	15.12
Total Outstanding dues other than Micro and Small Enterprises	45.09	65.46	33.63
<b>Total</b>	<b>47.48</b>	<b>69.09</b>	<b>48.75</b>

\*\*There are certain vendors who have confirmed that they are covered under the Micro, Small and Medium Enterprises Development Act, 2006. Disclosures relating to dues of Micro and Small enterprises under section 22 of 'The Micro, Small and Medium Enterprises Development Act, 2006, are given below:

a	Principal amount and Interest due thereon remaining unpaid to any supplier	2.39	3.63	15.12
b	the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day	-	-	-
c	The amount of interest due and payable for the year 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, Small and Medium Enterprises Development Act, 2006	-	-	-
d	The amount of interest accrued and remaining unpaid during the accounting year.	-	-	-
e	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-

**Trade Payables Ageing Schedule (Undisputed)**
*(Amount in Lakhs)*

Particulars	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
<b>Due to MSME</b>			
Less than one year	2.39	3.63	15.12
1-2 years	-	-	-
2-3 years	-	-	-
More than 3 years	-	-	-
<b>Total</b>	<b>2.39</b>	<b>3.63</b>	<b>15.12</b>
<b>Other</b>			
Less than one year	45.09	62.19	30.36
1-2 years	-	-	-
2-3 years	-	3.27	3.27
More than 3 years	-	-	-
<b>Total</b>	<b>45.09</b>	<b>65.46</b>	<b>33.63</b>

# There are no disputed trade payables

**10. Other Current Liabilities**
*(Amount in Lakhs)*

Particulars	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
Interest accrued on Loan From Bank/NBFC but not due	92.24	90.10	47.03
Interest Payable on Debenture	33.69	52.31	43.53
Advance EMI Received	80.72	19.47	31.85
Security Deposits against the Loan Portfolio	2,728.47	1,707.02	487.54
Statutory Dues	55.45	56.54	25.62
Interest Payable on Security Deposit	151.57	52.82	18.98
Other Payables	260.24	250.75	127.50
<b>Total</b>	<b>3,402.38</b>	<b>2,229.01</b>	<b>782.05</b>

**11. Short Term Provisions**
*(Amount in Lakhs)*

Particulars	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
Provision for Income Tax	28.08	39.37	146.31
Provision Against Standard Assets	73.99	87.72	35.99
Provision for Substandard and Doubtful Assets	220.26	136.31	153.82
Provision for Gratuity	0.63	0.42	0.30
Provision for Bonus	1.38	1.32	1.43
<b>Total</b>	<b>324.34</b>	<b>265.14</b>	<b>337.85</b>

**16. Non-Current Investment**
*(Amount in Lakhs)*

Particulars	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
<b>Investment in Equity Shares (Quoted) Non-Traded</b>			

<u>In Equity Shares (Fully Paid Up):</u> Nil, March 31, 2024, (Nil March 31, 2023, March 31, 2022: 135678) equity shares of Omaxe Ltd			215.95
Aggregate amount of Quoted Investments at cost	-	-	<b>215.95</b>
Aggregate amount of Quoted Investments at market value	-	-	108.47

### 17. Deferred Tax assets

(Amount in Lakhs)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
<b>Tax effect of items constituting Deferred Tax Assets</b>			
Difference between book balance and tax balance of Property Plant and Equipments and Intangible Assets	9.89	13.37	13.36
Provision for Non Performing Assets	55.44	34.31	38.71
Provision for Standard Assets	18.62	22.08	9.05
Provision for Gratuity	4.99	3.45	2.82
<b>Total</b>	<b>88.94</b>	<b>73.21</b>	<b>63.94</b>

### 18. Loans & Advances

(Amount in Lakhs)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
<b><u>A) Long Term Loans &amp; Advances</u></b>			
<b>Loans &amp; Advances</b>			
<b>Secured</b>			
-Considered Good Assets	2,518.86	4,221.24	2,627.88
-Sub-Standard Assets	-	-	-
-Doubtful Assets	-	-	-
<b>Unsecured</b>			
-Considered Good Assets	3,395.35	5,985.90	1,277.53
-Sub-Standard Assets	-	-	-
-Doubtful Assets	-	-	-
-write off Assets	288.76	10.01	
	6,202.97	10,217.15	3,905.41
Less: Loan Write off during the year	288.76	10.01	
<b>Total</b>	<b>5,914.21</b>	<b>10,207.14</b>	<b>3,905.41</b>
<b><u>B) Short Term Loans &amp; Advances</u></b>			
<b>Loans &amp; Advances</b>			
<b>Secured</b>			
-Considered Good Assets	15,495.11	15,580.87	7,146.45
-Sub-Standard Assets	1.20	-	-
-Doubtful Assets			
<b>Unsecured</b>			
-Considered Good Assets	8,185.12	9,299.38	3,345.90
-Sub-Standard Assets	1,100.12	681.55	764.35
-Doubtful Assets	-	-	0.75
<b>Total</b>	<b>24,781.55</b>	<b>25,561.80</b>	<b>11,257.45</b>

Secured exposures are exposures secured wholly or partly by way of hypothecation of assets and/ or undertaking to create security.

**19. Other Non-Current Assets**
*(Amount in Lakhs)*

Particulars	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
Deposit given as security against borrowings	58.69	862.50	70.00
Interest Receivable on Security Deposit	4.15	2.29	1.74
Security Deposit	1.70	-	-
<b>Total</b>	<b>64.54</b>	<b>864.79</b>	<b>71.74</b>

**20. Cash & Cash Financial**
*(Amount in Lakhs)*

Particulars	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
Cash & Cash Equivalent			
Cash on Hand	6.90	6.12	28.71
Balances with Banks - in Current Accounts	767.93	1.14	
<b>Total</b>	<b>774.83</b>	<b>7.26</b>	<b>93.66</b>

**21. Other Current Assets**
*(Amount in Lakhs)*

Particulars	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
Interest Accrued on Loan & Advances but not due/Received	287.26	286.20	227.80
Interest Accrued on FDR/Deposit	41.58	8.40	13.55
Deposit given as security against borrowings	729.98	115.47	290.00
Security Deposits	4.50	6.20	6.23
Other Advances	4.57	16.55	0.18
Prepaid expenses	2.85	4.92	1.62
Income Tax Paid	3.86	3.38	171.13
TDS Recoverable	5.73	13.34	9.83
GST Input	8.68	2.13	16.38
Other Receivable	-	-	2.25
Insurance Claim Receivable	5.55	2.78	12.16
<b>Total</b>	<b>1,094.56</b>	<b>459.37</b>	<b>751.13</b>

**12. Property, Plant and Equipment**
*(Amount in Lakhs)*

Particular	Computer	Office Equipment	Furniture & Fittings	Vehicles	Free hold Land	Total
<b>Gross Block</b>						
<b>As at April 1, 2021</b>	<b>18.49</b>	<b>11.51</b>	<b>24.97</b>	<b>183.51</b>	-	<b>238.48</b>
Addition	0.63	0.77	-	-	-	1.40
Deletion	0.86	-	-	-	-	0.86
<b>As at March 31, 2022</b>	<b>18.26</b>	<b>12.28</b>	<b>24.97</b>	<b>183.51</b>	-	<b>239.02</b>
Addition	0.52	0.71	1.94	-	-	3.17
Deletion	-	-	-	-	-	-
<b>As at March 31, 2023</b>	<b>18.78</b>	<b>12.99</b>	<b>26.91</b>	<b>183.51</b>	-	<b>242.19</b>
Addition	0.99	2.84	0.44	43.72	655.62	703.61
Deletion	-	-	-	32.48	-	32.48
<b>As at March 31, 2024</b>	<b>19.77</b>	<b>15.83</b>	<b>27.35</b>	<b>227.23</b>	<b>655.62</b>	<b>913.32</b>
<b>Accumulated Depreciation</b>						
<b>As at April 1, 2021</b>	<b>16.97</b>	<b>8.05</b>	<b>14.90</b>	<b>105.59</b>	-	<b>145.51</b>
Addition	0.53	1.74	2.61	24.33	-	29.21
Deletion	0.82	-	-	-	-	0.82
<b>As at March 31, 2022</b>	<b>16.68</b>	<b>9.79</b>	<b>17.51</b>	<b>129.92</b>	-	<b>173.90</b>
Addition	0.51	1.06	2.11	16.73	-	20.41
Deletion	-	-	-	-	-	-
<b>As at March 31, 2023</b>	<b>17.19</b>	<b>10.85</b>	<b>19.62</b>	<b>146.65</b>	-	<b>194.31</b>
Addition	0.60	1.76	2.00	21.59	-	25.95
Deletion	-	-	-	27.15	-	27.15
<b>As at March 31, 2024</b>	<b>17.79</b>	<b>12.61</b>	<b>21.62</b>	<b>141.09</b>	-	<b>193.11</b>
<b>As at March 31, 2022</b>	<b>1.58</b>	<b>2.49</b>	<b>7.46</b>	<b>53.59</b>	-	<b>65.12</b>
<b>As at March 31, 2023</b>	<b>1.59</b>	<b>2.14</b>	<b>7.29</b>	<b>36.86</b>	-	<b>47.88</b>
<b>As at March 31, 2024</b>	<b>1.98</b>	<b>3.22</b>	<b>5.73</b>	<b>86.14</b>	<b>655.62</b>	<b>720.21</b>

**13. Other Intangible Assets**
*(Amount in Lakhs)*

<b>Gross Block</b>	
<b>As at April 01, 2021</b>	<b>23.49</b>
Addition	2.71
Deletion	-
<b>As at March 31, 2022</b>	<b>26.20</b>
Addition	
Deletion	-
<b>As at March 31, 2023</b>	<b>26.20</b>
Addition	
Deletion	
<b>As at March 31, 2024</b>	<b>26.20</b>
<b>Depreciation</b>	
<b>As at April 1, 2021</b>	<b>19.49</b>
Addition	3.04
Deletion	-
<b>As at March 31, 2022</b>	<b>22.53</b>
Addition	2.48
Deletion	-
<b>As at March 31, 2023</b>	<b>25.01</b>
Addition	0.74
Deletion	
<b>As at March 31, 2024</b>	<b>25.75</b>
<b>As at March 31, 2022</b>	<b>3.67</b>
<b>As at March 31, 2023</b>	<b>1.19</b>

As at March 31, 2024

0.45

**14. Capital Work in Progress**

(Amount in Lakhs)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>CWIP</b>					
<b>31.03.2024</b>					
Project in progress	146.26	-	-	-	146.26
Projects temporarily suspended	-	-	-	-	-
<b>31.03.2023</b>					
Project in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
<b>31.03.2022</b>					
Project in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

**15. Intangible Assets Under Development**

(Amount in Lakhs)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>Intangible assets Under Development</b>					
<b>31.03.2024</b>					
Project in progress	0.26	-	-	-	0.26
Projects temporarily suspended	-	-	-	-	-
<b>31.03.2023</b>					
Project in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
<b>31.03.2022</b>					
Project in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

**22. Revenue from Operations**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Sale of services			
Interest Income from Financing Activities	5,862.77	4,054.42	2,274.20
Processing and Other Fees	459.43	508.75	228.42
<b>Total</b>	<b>6,322.20</b>	<b>4,563.17</b>	<b>2,502.62</b>

**23. Other Income**

(Amount in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest income on FD/ Security Deposit against Borrowing	56.87	42.04	26.16
Profit on sale of fixed assets	14.90	-	0.05
Bad Debts Recovered	2.08	13.52	2.53

<b>Total</b>	<b>73.85</b>	<b>55.56</b>	<b>28.74</b>
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#### 24. Employees Benefit Expense

*(Amount in Lakhs)*

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Salary and wages	167.06	126.85	118.53
Director Remuneration	117.93	107.20	97.20
Contribution to provident and other funds	13.33	10.42	9.67
Gratuity Expense	6.81	2.49	0.20
Staff Welfare	5.11	3.13	4.17
<b>Total</b>	<b>310.24</b>	<b>250.09</b>	<b>229.77</b>

#### 25. Finance Costs

*(Amount in Lakhs)*

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest on Loan	2,214.77	1,479.20	633.09
Interest on OD Limit	9.47	9.95	4.68
Interest on FLDG	195.34	113.85	45.62
Interest on Debenture (NCD)	503.46	423.16	326.72
Other Borrowing Costs	54.70	124.31	32.78
<b>Total</b>	<b>2,977.74</b>	<b>2,150.47</b>	<b>1,042.89</b>

#### 26. Depreciation & Amortization Cost

*(Amount in Lakhs)*

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation on Properties, Plant & Equipment	25.95	20.41	29.21
Depreciation on Intangible Assets	0.74	2.48	3.04
<b>Total</b>	<b>26.69</b>	<b>22.89</b>	<b>32.25</b>

#### 27. Provision and Write-off

*(Amount in Lakhs)*

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Provision on Standard Assets	(13.73)	51.73	10.48
Provision on Sub-standard & Doubtful Assets	83.95	(17.51)	40.92
Loan Write off during the period	288.76	10.01	211.85
<b>Total</b>	<b>358.98</b>	<b>44.23</b>	<b>263.25</b>

#### 28. Other Expenses

(Amount in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Business Promotion Expenses	4.79	1.58	0.53
Payment to Statutory Auditors (Refer Note No. 28(i))	2.25	2.25	0.66
Professional & Technical Fees	105.67	128.90	100.41
Portfolio Management Fees	722.11	441.58	235.50
<b>Repair and Maintenance</b>	-	-	-
-Computer repair & Maintenance	0.80	0.53	0.83
-General	3.32	2.30	3.13
Insurance Expenses	5.51	2.90	2.04
Interest on TDS	1.40		2.24
Electricity expenses	5.54	5.15	3.93
Bank Charges	1.14	0.52	0.51
Conveyance	6.58	5.73	4.07
Recruitment expenses	-	0.02	1.92
Office expenses	15.58	15.02	8.75
Misc. Expenses	1.82	1.01	0.32
Postage & Courier	0.36	0.26	0.17
Printing & Stationery	2.67	2.16	1.28
Communication expenses	1.64	1.51	1.36
Rent-Office & Branches	23.95	24.39	22.36
Travelling Exp.	24.70	12.59	5.93
Fees Rates & Taxes	2.09	14.13	1.22
Insurance Written off	-	5.02	-
Stamp Duty Expenses	0.98	4.66	0.28
Loss on Sale of Shares	-	81.86	-
Corporate Social Responsibility	17.08	18.14	17.85
<b>Total</b>	<b>949.98</b>	<b>772.21</b>	<b>415.29</b>

**Note 28 (i): Payment to Auditors**

<b>Audit Fee</b>	1.75	1.75	0.66
<b>Other Services</b>	0.50	0.50	
<b>Total</b>	<b>2.25</b>	<b>2.25</b>	<b>0.66</b>

**29. Earning Per Share**

**(A) Reconciliation Of Basic and Diluted Shares Used in Computing Earning Per Share**

(Amount in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Basic earnings per equity share - weighted average number of equity shares outstanding (Nos) - Opening	94,18,090	65,81,685	63,51,685
Add: Partly paid shares	-	-	1,46,849
Add: Issued during the year #	8,58,052	18,21,316	82
Add: Bonus shares issued on 03.06.2024	52,92,541	52,92,541	52,92,541

<b>Basic earnings per equity share - weighted average number of equity shares outstanding (Nos) - Closing</b>	<b>1,55,68,683</b>	<b>1,36,95,542</b>	<b>1,17,91,158</b>
Add/(Less): Effect of dilutive shares (Nos)			
<b>Diluted earnings per equity share - weighted average number of equity shares outstanding (Nos)</b>	<b>1,55,68,683</b>	<b>1,36,95,542</b>	<b>1,17,91,158</b>

# Number of shares issued during the year is adjusted for issue date to arrive at weighted average

### (B) Computation of basic and diluted earning per share

(Amount in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Basic earning per share</b>			
Profit after tax (Rs. In Lakhs)	1,344.95	1,016.55	414.42
Weighted average number of shares (For Basic EPS) - Number	1,55,68,687	1,36,95,546	1,17,91,162
<b>Basic EPS*</b>	<b>8.64</b>	<b>7.42</b>	<b>3.51</b>
<b>Diluted earning per share</b>			
Profit after tax	1,344.95	1,016.55	414.42
Add/(less): Effect of dilution on profit	-	-	-
Revised profit after tax	1,344.95	1,016.55	414.42
Weighted average number of shares (For Diluted EPS)	1,55,68,687	1,36,95,546	1,17,91,162
<b>Diluted EPS</b>	<b>8.64</b>	<b>7.42</b>	<b>3.51</b>

## 30. Employee benefit Plan

### A. Defined Benefit plan

#### Retiring gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump-sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 26 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company does not make any contributions to gratuity funds and the plan is unfunded. The Company accounts for the liability for gratuity benefits payable in the future based on an actuarial valuation.

**The defined benefit plans expose the Company to a number of actuarial risks as below:**

- Interest risk:** A decrease in the bond interest rate will increase the plan liability.
- Salary risk:** The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.
- Longevity risk:** The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants. An increase in the life expectancy of the plan participants will increase the plan's liability.

The following table sets out the amounts recognised in the financial statements in respect of retiring gratuity plan:

(Amount in Lakhs)

(i) Change in Benefit Obligation	As at 31st Mar, 2024	As at 31st Mar, 2023	As at 31st Mar, 2022
<b>Present value of obligation as at the beginning of the period</b>	<b>13.69</b>	<b>11.20</b>	<b>11.00</b>
Interest cost	1.01	0.81	0.74
Current service cost	3.92	3.05	2.82
Benefits paid	(0.67)	-	-
Actuarial (gain)/loss on obligation	1.88	(1.37)	(3.37)
<b>Present value of obligation as at the end of period</b>	<b>19.83</b>	<b>13.69</b>	<b>11.20</b>

(Amount in Lakhs)

(ii) Fair value of plan assets	As at 31st Mar, 2024	As at 31st Mar, 2023	As at 31st Mar, 2022
Fair value of plan assets at the beginning of the period	-	-	-
Fair value of plan assets at the end of the period	-	-	-
Funded status	(19.83)	(13.69)	(11.20)

(Amount in Lakhs)

(iii) Actuarial Gain / loss recognized	As at 31st Mar, 2024	As at 31st Mar, 2023	As at 31st Mar, 2022
Actuarial gain /(loss) for the period- obligation	(1.88)	1.37	3.37
Actuarial (gain)/loss for the period - plan assets	-	-	-
Total (gain)/loss for the period	1.88	(1.37)	(3.37)
Actuarial (gain) / loss recognized in the period	1.88	(1.37)	(3.37)

(Amount in Lakhs)

(iv) The amounts to be recognized in balance sheet and related analysis	As at 31st Mar, 2024	As at 31st Mar, 2023	As at 31st Mar, 2022
Present value of obligation as at the end of the period	19.83	13.69	11.20
Fair value of plan assets as at the end of the period	-	--	-
Funded status / Difference	(19.83)	(13.69)	(11.20)
Excess of actual over estimated	-	--	-
Unrecognized actuarial (gains)/losses	-	--	-
Net asset/(liability)recognized in balance sheet	(19.83)	(13.69)	(11.20)

(Amount in Lakhs)

(v) Expense recognized in the statement of profit and loss	As at 31st Mar, 2024	As at 31st Mar, 2023	As at 31st Mar, 2022
Current service cost	3.92	3.05	2.82
Past service cost	-	--	-
Interest cost	1.01	0.81	0.74
Expected return on plan assets	-	--	-
Curtailement cost / (Credit)	-	--	-
Settlement cost / (credit)	-	--	-
Net actuarial (gain)/ loss recognized in the period	1.88	(1.37)	(3.37)
<b>Expenses recognized in the statement of profit &amp; losses</b>	<b>6.81</b>	<b>2.49</b>	<b>0.20</b>

(Amount in Lakhs)

(vi) Bifurcation of PBO at the end of year	As at 31st Mar, 2024	As at 31st Mar, 2023	As at 31st Mar, 2022
Current liability	0.63	0.42	0.30
Non-Current liability	19.20	13.27	10.90
<b>Total PBO at the end of year</b>	<b>19.83</b>	<b>13.69</b>	<b>11.20</b>

(Amount in Lakhs)

(vii) Actuarial Assumption	As at 31st Mar, 2024	As at 31st Mar, 2023	As at 31st Mar, 2022
Discounting Rate	7.25	7.39	7.26
Future salary Increase	6.00	6.00	6.00
Expected Rate of return on plan assets	-	-	-

**(viii) Sensitivity Analysis of the defined benefit obligation.**

a) Impact of the change in discount rate		As at 31st Mar, 2024	As at 31st Mar, 2023	As at 31st Mar, 2022
	<b>Present Value of Obligation at the end of the period</b>	<b>19.83</b>	<b>13.69</b>	<b>11.20</b>
<b>1</b>	Impact due to increase of 0.50%	(1.41)	(0.99)	(0.83)
<b>2</b>	Impact due to decrease of 0.50 %	1.56	1.10	0.92
b) Impact of the change in salary increase				
	<b>Present Value of Obligation at the end of the period</b>	<b>19.83</b>	<b>13.69</b>	<b>11.20</b>
<b>1</b>	Impact due to increase of 0.50%	1.51	1.11	0.92
<b>2</b>	Impact due to decrease of 0.50 %	(1.43)	(1.01)	(0.84)

**B Defined Contribution Plan**

In accordance with the Employee's Provident Fund and Miscellaneous Provisions Act, 1952, eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary. The contributions, as specified under the law, are made to the employee provident fund organization (EPFO).

The total expenses recognised in the statement of profit and loss during the year on account of defined contribution plans amounted to Rs. 12.68 Lakhs (31.03.2023: Rs. 9.97 Lakhs ; 31.03.2022: Rs. 9.24 Lakhs).

**31. Corporate Social Responsibility (CSR) Expenses:**

(Amount in Lakhs)

Nature of Transaction	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Amount required to be spent by the company during the year	17.08	18.14	17.85
Amount of expenditure incurred	17.08	18.14	17.85
Shortfall at the end of the year	-	-	-
Total of previous year shortfall	-	-	-
Reason of shortfall	NA	NA	NA

Nature of CSR activities	Promoting Education	Promoting Education	Promoting Education
Details of related party transactions	Nil	Nil	Nil

### 32. Details of Non-Performing Assets (NPA) and % of Assets Under Management (AUM) are as follow:

(Amount in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
<b>Gross NPA on AUM</b>	1,101.32	681.55	766.10
<b>Net NPA on AUM</b>	881.05	545.24	612.28
<b>Gross NPA as % of AUM</b>	3.59%	1.91%	5.05%
<b>Net NPA as % of AUM</b>	2.87%	1.52%	4.04%

### 33. Disclosures for operating leases under Accounting Standard 19 – “Accounting for Leases”.

The Company has entered into lease and license agreements for taking office premises on rental basis for 60 months ending in February 2028.

The specified disclosure in respect of these agreements is given below:

(Amount in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Lease payments recognized in the Statement of Profit and Loss	23.95	24.39	22.36

### 34. Segment Reporting

The Company is an NBFC engaged primarily in the business of Lending and all its operations are in India only. Accordingly, there are no separate reportable segments as per Accounting Standard 17 – “Segment Reporting”.

### 35. Contingent Liabilities and Commitments

The company received a demand from the Income Tax Department for the AY 21-22 on 18/03/23. The company did not agree with the demand as the tax computation has been done incorrectly. Company has submitted the response and is expected to get a favourable order.

(Amount in Lakhs)

Issued Under Act and section	Assessment Year	Amount
Income Tax Act,1961/ Section 154	2021-22	58,88,420

### 36. Disclosure of usage of borrowed Funds

The Company has borrowed funds from different banks & financial institutions and these funds have been fully utilised only for the purpose for which they were raised.

### 37. Related Party Transactions

- a) List of related parties

Category	Name	Relationship with company
<b>Key Management Personnel (KMP)</b>	Rajesh Gupta	Director

	Anoop Garg	Director
	Geeta Goswami	Director
	Nupur Gupta	Director
	Amit Kumar Bhardwaj	Company Secretary (Dec 20 to Feb-22)
	Neha Sharma	Company Secretary (Feb-22 to Jan 24)
	Kritika Goswami	Company Secretary (Jan-24 to till Date)
<b>Relatives of KMP</b>	Arushi Garg	Daughter of Director
	Kanta Rani	Mother of Director
	Nupur Gupta	Daughter of Director
	Priya Garg	Wife of Director
	Sandhya Gupta	Sister of Director
	Shikha Gupta	Wife of Director
	Sumer Chand Garg	Director's Father
<b>Entities in which KMP / Relatives of KMP can exercise significant influence</b>	Sumer Chand Garg HUF	Concern of Father of Director
	Nupur recyclers Pvt Ltd	Common Director
	Nupur Infratech Pvt Ltd	Common Director
	Uninav Developers Pvt Ltd	Common Director
	Vertex Buildwell Pvt Ltd	Common Director
	Rajesh Gupta HUF	Director's Concern
	Anoop Garg HUF	Director's Brother's Concern
	Wellvest Capitals India Pvt. Ltd	Common Director
	B R Hands Investments Pvt Ltd.	Common Director
	Paravest Educom Private Limited	Common Director
	Frank Metals Recyclers pvt Ltd	Common Director

**b) Transactions with related parties**
*(Amount in Lakhs)*

Nature of Transaction	Key Management Personnel (KMP)	Relatives of KMP	Entities in which KMP / Relatives of KMP can exercise significant influence	Total
<b>Interest on Loan Paid</b>				
31 March, 2024	0.15	0.02	123.00	123.17
31 March, 2023	0.98	2.90	118.07	121.95
31 March, 2022	-	-	3.02	3.02
<b>Loan Repayment</b>				
31 March, 2024	513.15	7.00	3,362.00	3,882.15
31 March, 2023	81.50	146.75	376.00	604.25
31 March, 2022	-	-	290.00	290.00
<b>Loan Taken</b>				
31 March, 2024	517.15	3.00	437.00	957.15
31 March, 2023	35.00	14.00	3,191.00	3,240.00
31 March, 2022	46.50	136.75	396.00	579.25
<b>Loan Taken Back</b>				
31 March, 2024	-	-	1,436.00	1,436.00
31 March, 2023	-	-	2,252.93	2,252.93
31 March, 2022	-	-	1,525.73	1,525.73

<b>Director Remuneration</b>				
31 March, 2024	117.93	-	-	117.93
31 March, 2023	110.20	-	-	110.20
31 March, 2022	97.20	-	-	97.20
<b>Interest on NCD</b>				
31 March, 2024	0.98	2.55	2.87	6.40
31 March, 2023	0.31	2.14	2.10	4.55
31 March, 2022	2.34	32.84	0.52	35.70
<b>Investment in NCD</b>				
31 March, 2024	8.00	4.00	2.00	14.00
31 March, 2023	5.00	14.00	21.00	40.00
31 March, 2022	12.00	2.00	-	14.00
<b>Loan Given</b>				
31 March, 2024	-	-	1,373.00	1,373.00
31 March, 2023	-	-	2,262.93	2,262.93
31 March, 2022	-	-	716.22	716.22
<b>Interest Received</b>				
31 March, 2024	-	-	38.05	38.05
31 March, 2023	-	-	48.93	48.93
31 March, 2022	-	-	113.72	113.72
<b>Redemption of NCD</b>				
31 March, 2024	7.00	6.00	4.00	17.00
31 March, 2023	-	8.00	2.00	10.00
31 March, 2022	27.00	37.00	-	64.00
<b>Salary</b>				
31 March, 2024	12.93	-	-	12.93
31 March, 2023	5.00	-	-	5.00
31 March, 2022	6.14	-	-	6.14
<b>Call Money on Shares</b>				
31 March, 2024	37.80	1,003.50	9.00	1,050.30
31 March, 2023	394.13	85.13	1,244.63	1,723.88
31 March, 2022	90.51	21.54	-	112.05

c) **Balance Outstanding**

(Amount in Lakhs)

Nature of Transaction	Key Management Personnel (KMP)	Relatives of KMP	Entities in which KMP / Relatives of KMP can exercise significant influence	Total
<b>Remuneration Payable</b>				
31 March, 2024	3.10	-	-	3.10
31 March, 2023	22.95	-	-	22.95
31 March, 2022	1.42	-	-	1.42
<b>Interest on NCD Payable</b>				
31 March, 2024	0.07	0.17	0.21	0.45
31 March, 2023	0.09	0.24	0.27	0.60
31 March, 2022	0.27	0.38	0.006	0.70
<b>Loan given</b>				
31 March, 2024	-	-	107.00	107.00
31 March, 2023	-	-	170.00	170.00
31 March, 2022	-	-	160.00	160.00
<b>NCD</b>				

31 March, 2024	7.00	17.00	21.00	47.00
31 March, 2023	6.00	19.00	23.00	48.00
31 March, 2022	1.00	13.00	4.00	18.00
<b>Unsecured Loan Taken</b>				
31 March, 2024	4.00	-	-	4.00
31 March, 2023	-	4.00	2,921.00	2,925.00
31 March, 2022	46.50	136.75	106.00	289.25
<b>Interest on Loan Payable</b>				
31 March, 2024	0.15	-	-	0.15
31 March, 2023	-	0.16	33.38	33.54
31 March, 2022	0.15	1.39	0.89	2.44
<b>Interest Receivable</b>				
31 March, 2024	-	-	2.10	2.10
31 March, 2023	-	-	-	-
31 March, 2022	-	-	-	-
<b>Salary Payable</b>				
31 March, 2024	-	1.13	-	1.13
31 March, 2023	0.34	-	-	0.34
31 March, 2022	0.87	-	-	0.87

### 38. Disclosure on significant ratios

Particulars	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
Current Ratio	1.83	1.60	1.91
Debt-Equity Ratio,	1.71	3.02	2.04
Debt Service Coverage Ratio	1.60	1.65	1.56
Return on Equity Ratio	0.14	0.16	0.09
Net capital turnover ratio	0.52	0.47	0.43
Net profit ratio	0.21	0.22	0.17
Return on Capital employed	0.15	0.15	0.13

### Change

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Current Ratio	15%	-16%
Debt-Equity Ratio,	-43%	48%
Debt Service Coverage Ratio	-3%	6%
Return on Equity Ratio	-9%	70%
Net capital turnover ratio	12%	8%
Net profit ratio	-5%	35%
Return on Capital employed	4%	17%

# there are significant changes in ratio due to significant increase in business during the current and previous year

Disclosure of usage of borrowed Funds

Methodology:

1. Current Ratio = Current Asset / Current Liability
2. Debt-Equity Ratio = Total Debt / (Total Debt + Equity)
3. Debt Service Coverage Ratio = EBITDA / Finance Cost
4. Return on Equity Ratio = Profit After Tax / Average Equity
5. Net Capital Turnover Ratio = Revenue from Operations / (Current Asset - Current Liability)

6. Net Profit Ratio = Profit After Tax / Revenue from Operations
7. Return on Capital Employed = EBIT / Average (Equity + Debt)

### 39. Disclosure as per RBI Notifications -Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023

#### 39.1 Exposure to real estate sector

There is no exposure to real estate sector

#### 39.2 Exposure to Capital Market

Particulars	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
(i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	-	-	215.95
(ii) Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds , convertible debentures , and units of equity-oriented mutual funds;	-	-	-
(iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-	-
(iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;	-	-	-
(v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stock brokers and market makers;	-	-	-
(vi) Bridge loans to companies against expected equity flows / issues;	-	-	-
(vii) All exposures to Venture Capital Funds (both registered and unregistered)	-	-	-
<b>Total Exposure to Capital Market</b>	-	-	<b>215.95</b>

#### 39.3 Exposure wise Non Performing Assets – NPAs

(a) As at 31<sup>st</sup> March, 2024

(Amount in Lakhs)

Particulars	Total Exposure (Rs)	Gross NPA (Rs)	Gross NPA(%)
Agriculture & Allied Activities I.E. Micro Lending Activities	-	-	0.00%
Auto Loans	999.46	1.20	0.12%
Corporate Borrowers	22,478.19	704.00	3.13%
MSME	7,165.54	396.12	5.53%
Other Personal Loans	-	-	0.00%
Service	-	-	0.00%
Unsecured Personal Loans	52.54	-	0.00%

<b>Total</b>	<b>30,695.73</b>	<b>1,101.32</b>	
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**(b) As at 31<sup>st</sup> March, 2023**
*(Amount in Lakhs)*

Particulars	Total Exposure (Rs)	Gross NPA (Rs)	Gross NPA(%)
Agriculture & Allied Activities I.E. Micro Lending Activities	-	-	0.00%
Auto Loans	443.03	-	0.00%
Corporate Borrowers	25,527.31	-	0.00%
MSME	9,740.01	681.55	7.00%
Other Personal Loans	-	-	0.00%
Service	-	-	0.00%
Unsecured Personal Loans	58.59	-	0.00%
<b>Total</b>	<b>35,768.94</b>	<b>681.55</b>	

**(c) As at 31<sup>st</sup> March, 2022**
*(Amount in Lakhs)*

Particulars	Total Exposure (Rs)	Gross NPA (Rs)	Gross NPA(%)
Agriculture & Allied Activities I.E. Micro Lending Activities	-	-	0.00%
Auto Loans	-	-	0.00%
Corporate Borrowers	11,069.93	-	0.00%
MSME	4,059.64	766.10	18.87%
Other Personal Loans	-	-	0.00%
Service	-	-	0.00%
Unsecured Personal Loans	33.29	-	0.00%
<b>Total</b>	<b>15,162.86</b>	<b>766.10</b>	

**39.4 Unhedged foreign currency exposure**

There are no foreign currency exposure

**39.5 Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman**

I	Complaints received by NBFC	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
1	No of complaints pending at the beginning of the year	-	-	-
2	No of complaints received during the year	7	6	3
3	No of complaints redressed during the year	7	6	3
	Out Of 3, number of complaints rejected by the NBFC	-	-	-
4	No of complaints pending during the year	-	-	-

II	Complaints received by NBFC from Office of Ombudsman	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2022
1	Number of maintainable complaints received by the NBFC from Office of Ombudsman	-	3	1

2	Of 1, number of complaints resolved in favour of the NBFC by Office of Ombudsman	-	3	1
3	Of 1, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	-	-	
4	Of 1, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC			
5	Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-	

### III Top five grounds of complaints received by the NBFCs from customers

#### FY 2023-24

Grounds of Complaints	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year
1. Delay in correction of credit status	-	7	75%	

#### FY 2022-23

Grounds of Complaints	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year
1. Delay in correction of credit status	-	4	400.0%	
2. Non-adherence to Fair Practice Code	-	1	0	
3. Fake Loans Provided	-	1	100%	

#### FY 2021-22

Grounds of Complaints	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year
1. Non-adherence to Fair Practice Code	-	1	100%	-

### 40 Other disclosures/information

Additional information required as per Schedule III of the Companies Act, 2013 :

#### (i) Details of benami property held

No proceedings have been initiated or are pending against the Company as at March 31, 2024 for holding benami property under the Benami Transactions (Prohibition) Act (45 of 1988), as amended and rules made thereunder.

**(ii) Willful defaulter**

The company is not declared willful defaulter by any bank, financial institution or lender as at March 31, 2024.

**(iii) Relationship with struck off companies**

There are no transactions made by the Company during the year with struck off companies as at March 31, 2024.

**(iv) Compliance with number of layers of companies**

The Company does not have any subsidiary or Associate or Joint Venture company during the year.

**(v) Compliance with approved scheme(s) of arrangements**

During the year, no scheme of arrangements in relation to the Company has been approved by the competent authority in terms of Section 232 to 237 of the Companies Act, 2013. Accordingly, this clause is not applicable to the company.

**(vi) Utilization of borrowed funds and share premium**

As a part of normal lending business, the company grants loans and advances on the basis of security/guarantee provided by the Borrower/Co-borrower. These transactions are conducted after exercising proper due diligence. Other than transactions described above, during the year the Company has not advanced or lend or invested funds (either from the borrowed funds or share premium or any other sources or kind of funds) to any person or entity, including foreign entity (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall (a) 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 (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries. The Company has not received any fund from any person or entity, including foreign entity (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall (a) 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 (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

**(vii) Undisclosed income**

The Company does not have any unrecorded transactions in the books of account which have been surrendered or disclosed as Income during the year in the tax assessment under the Income Tax Act, 1961.

**(viii) Transactions in crypto currency or virtual currency**

The Company has not traded or invested in crypto currency or virtual currency during the year ended March 31, 2024.

**(ix) Revaluation of property, plant & equipment and intangible asset**

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the year ended March 31, 2024.

**(x) Registration of charges or satisfaction with Registrar of Companies**

There are no charges or satisfaction which are pending to be registered with the Registrar of Companies as on March 31, 2024.

**STATEMENT OF RESTATEMENT ADJUSTMENT TO AUDITED FINANCIAL STATEMENTS**
**Part A: Statement of Restatement Adjustments to Audited Financial Statements**
**Reconciliation between audited profit and restated profit**
*(Amount in Lakhs)*

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>A. Profit after tax (as per audited financial statements)</b>	1,278.86	1,028.45	358.01
<b>B. Restatement Adjustments</b>	66.09	(11.90)	56.41
<b>C. Restated profit after tax (A+B)</b>	<b>1,344.95</b>	<b>1,016.55</b>	<b>414.42</b>

**Reconciliation of the Opening Balance of Surplus of Profit and Loss under Reserves and Surplus for the FY 2021-22:**

Particulars	As on April 1, 2021
<b>(A) Opening Balance of surplus</b>	<b>1,645.41</b>
<b>Add/(Less) : Adjustments on account of -</b>	
<b>1. Impact of Change in Sub Standard and Standard Assets</b>	(126.41)
<b>2. Deferred Tax and Income Tax</b>	15.84
<b>Total Adjustments (B)</b>	(110.57)
<b>Restated Opening Balance of surplus (A+B)</b>	<b>1,534.84</b>

**Reconciliation between total audited equity and total restated equity**
*(Amount in Lakhs)*

Particulars	As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2022
<b>A. Total Equity as per audited financial statements</b>	9,014.87	7,331.63	4,163.57
<b>B. Restatement Adjustments</b>			
<b>(i) Audit Qualifications</b>	-	-	-
<b>(ii) Restatement Adjustments</b>	(0.00)	(66.06)	(54.16)
<b>C. Total Equity as Restated Statement of Assets and Liabilities(A+B)</b>	<b>9,014.87</b>	<b>7,265.57</b>	<b>4,109.41</b>

**Restatement Adjustments**

This comprises adjustments made on provisions for sub-standard and doubtful assets, Deferred taxes and Income Taxes

**Part B: Material Regrouping**

Appropriate regroupings have been made in the Restated Statement of Assets and Liabilities, Restated Statement of Profit and Loss and Restated Statement of Cash Flows, wherever required, by reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows, in order to bring them in line with the accounting policies and classification as per AS financial information of the Company for the period ended March 31, 2021 prepared in accordance with Schedule III of Companies Act, 2013 and other applicable AS principles and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements)

**Part C: Non Adjusting items**

Not applicable

**ANNEXURE VI**

**STATEMENT OF CAPITALIZATION**

*(Amount in Lakhs)*

Particulars	Pre Issue 31.03.2024	Post Issue (Refer Note 4)
<b>Debt</b>		
Short Term Debt	10,760.07	
Long Term Debt	7,368.15	
<b>Total Debt</b>	<b>18,128.22</b>	
<b>Shareholders' Fund (Equity)</b>		
Share Capital	1,587.76	
Reserves & Surplus	9,014.87	
<b>Total Shareholders' Fund (Equity)</b>	<b>10,602.63</b>	
Long Term Debt/Equity	0.69	
<b>Total Debt/Equity</b>	<b>1.71</b>	

**Notes:**

- (xi) Short term Debts represent which are expected to be paid/payable within 12 months
- (xii) Long term Debts represent debts other than Short term Debts as defined above
- (xiii) The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 31.03.2024.
- (xiv) Since this is initial stages of issuing the DP and the issue price of share is not known the post issue position cannot be presented and revised capitalization statement will be inserted at the final Prospectus stage.

## **OTHER FINANCIAL INFORMATION**

For Details on other financial information please refer to “Note 38” “Statement of Ratios Analysis” on page no 277 under the chapter titled Financial Statements as Restated beginning on page 196 of this Draft Red Herring Prospectus.

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## **MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION**

*The following discussion is intended to convey management’s perspective on our financial condition and results of operations for the financial year ended March 31, 2024, March 31, 2023, and March 31, 2022. One should read the following discussion and analysis of our financial condition and results of operations in conjunction with our section titled “Financial Statements” and the chapter titled “Financial Information” on page 249 of the Draft Red Herring Prospectus. This discussion contains forward-looking statements and reflects our current views with respect to future events and our financial performance and involves numerous risks and uncertainties, including, but not limited to, those described in the section entitled “Risk Factors” on page 31 of this Draft Red Herring Prospectus. Actual results could differ materially from those contained in any forward-looking statements and for further details regarding forward-looking statements, kindly refer the chapter titled “Forward-Looking Statements” on page 19 of this Draft Red Herring Prospectus. Unless otherwise stated, the financial information of our Company used in this section has been derived from the Restated Financial Information. Our financial year ends on March 31 of each year. Accordingly, unless otherwise stated, all references to a particular financial year are to the 12-month period ended March 31 of that year.*

*In this section, unless the context otherwise requires, any reference to “we”, “us” or “our” refers to Usha Financial Services Limited (Formerly Known as Usha Financial Services Private Limited), our Company. Unless otherwise indicated, financial information included herein are based on our Restated Financial Statements for the period 31 March 2024, and Financial Years 2023 & 2022 included in this Draft Red Herring Prospectus beginning on page 249 of this Draft Red Herring Prospectus.*

### **BUSINESS OVERVIEW**

We are a non-banking finance company (“NBFC”) incorporated in the year 1995 registered with the Reserve Bank of India as a NBFC-ICC (Investment & Credit) - base layer- non-systemically important non-deposit taking NBFC with over 9 years of lending experience. We provide lending solutions to fellow NBFCs and corporates, MSMEs, and individual, particularly to women entrepreneurs. Our services also extend to Electric vehicle (EV) financing. We provide a diversified range of financial products to individuals, body corporates, NBFCs and MSMEs.

### **SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR AND STUB PERIOD**

As per mutual discussion between the Board of the Company and BRLMs, in the opinion of the Board of the Company there have not arisen any circumstances since the date of the last financial statements as disclosed in the Draft Red Herring Prospectus and which materially and adversely affect or is likely to affect within the next twelve months except as follows:

- The Board of Directors of our Company has approved and passed a resolution on July 02, 2024, to authorize the Board of Directors to raise the funds by way of Initial Public Offering.
- The Shareholders of our company appointed Mr. Rajesh Gupta as Managing Director w.e.f. 12 June, 2023 in the Extra Ordinary General Meeting.
- The shareholders of our Company appointed Ms. Nimisha Jain as an Independent Directors in the Extra Ordinary General Meeting held on 10 June 2024.
- The shareholders of our Company appointed Mr. Pankaj Jain as an Independent Directors in the Extra Ordinary General Meeting held on 10 June 2024.
- The board of directors in its meeting held on 03 February 2024, appointed Ms. Kritika Goswami as

Company Secretary & Compliance officer of the Company & appointed Mr. Prashant Raghuwanshi as Chief Financial Officer of the Company w.e.f. June 01, 2024, respectively.

## **SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS**

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “*Risk Factor*” beginning on page 31 of this Draft Red Herring Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- Changes, if any, in the regulations / regulatory framework / economic policies in India and / or in foreign countries, which affect national & international finance.
- Company’s results of operations and financial performance;
- Performance of Company’s competitors;
- Significant developments in India’s economic and fiscal policies;
- Volatility in the Indian and global capital market;

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**MANAGEMENT'S DISCUSSION ON RESULTS OF OPERATION**

Particulars	N o. o.	For the Period ended		For the Period ended		For the Period ended	
		31-Mar-24	%age of Total Income	31-Mar-23	%age of Total Income	31-Mar-22	%age of Total Income
I. Revenue from operations	22	6,322.20	98.85%	4,563.17	98.80%	2,502.62	98.86%
II. Other Income	23	73.85	1.15%	55.56	1.20%	28.74	1.14%
<b>III. Total Income (I +II)</b>		<b>6,396.05</b>	<b>100.00%</b>	<b>4,618.73</b>	<b>100.00%</b>	<b>2,531.36</b>	<b>100.00%</b>
<b>IV. Expenses:</b>							
(a) Employee benefits expenses	24	310.24	4.85%	250.09	5.41%	229.77	0.09
(b) Finance costs	25	2,977.74	46.56%	2,150.47	46.56%	1,042.89	0.41
(c) Depreciation and amortisation expenses	26	26.69	0.42%	22.89	0.50%	32.25	0.01
(d) Provision & Write-off	27	358.98	5.61%	44.23	0.96%	263.25	0.10
(e) Other expenses	28	949.98	14.85%	772.21	16.72%	415.29	0.16
<b>Total Expenses</b>		<b>4,623.63</b>	<b>72.29%</b>	<b>3,239.89</b>	<b>70.15%</b>	<b>1,983.45</b>	<b>0.78</b>
<b>V. Profit before Exceptional and Extraordinary Items and Tax (III - IV)</b>		<b>1,772.42</b>	<b>27.71%</b>	<b>1,378.84</b>	<b>29.85%</b>	<b>547.91</b>	<b>0.22</b>
VI. Exceptional Items		-		-		-	
<b>VII. Profit before extraordinary items and tax</b>		<b>1,772.42</b>	<b>27.71%</b>	<b>1,378.84</b>	<b>29.85%</b>	<b>547.91</b>	<b>0.22</b>
VIII. Extraordinary Items		-		-		-	
<b>IX. Profit before tax (VII-VIII)</b>		<b>1,772.42</b>	<b>27.71%</b>	<b>1,378.84</b>	<b>29.85%</b>	<b>547.91</b>	<b>0.22</b>
<b>X. Tax expense:</b>							
(i) Current tax		443.20	6.93%	371.56	8.04%	147.25	0.06
(ii) Tax for earlier years		-		-		-	
(iii) Deferred tax		(15.73)	-0.25%	(9.27)	-0.20%	(13.76)	(0.01)
<b>XI. Profit/ (Loss) from the period from continuing operations (IX - X)</b>		<b>1,344.95</b>	<b>21.03%</b>	<b>1,016.55</b>	<b>22.01%</b>	<b>414.42</b>	<b>0.16</b>
XII. Profit/ (Loss) from discontinuing operations		-		-		-	
XIII. Tax expense of discounting operations		-		-		-	
<b>XIV. Profit/(Loss) from Discontinuing operations</b>		<b>-</b>		<b>-</b>		<b>-</b>	
<b>XV. Profit/ (Loss) for the period (XI + XIV)</b>		<b>1,344.95</b>	<b>21.03%</b>	<b>1,016.55</b>	<b>22.01%</b>	<b>414.42</b>	<b>0.16</b>
<b>XVI. Earnings per equity shares (of Rs. 10/- each)</b>							
(i) Basic	29	8.64		7.42		3.51	
(ii) Diluted		8.64		7.42		3.51	

### ***Our Significant Accounting Policies***

For Significant accounting policies please refer "Significant Accounting Policies", under Chapter titled Financial Statements beginning on page 249 of the Draft Red Herring Prospectus.

### **Overview of Revenue & Expenditure**

The following discussion on results of operations should be read in conjunction with the Restated Financial statements for the Financial years 2023-24, Financial Year 2022- 2023, Financial Year 2021-22. Our revenue and expenses are reported in the following manner:

#### **Revenues**

◆ **Revenue of operations**

Our Company's revenue is primarily generated from Interest and Processing and other fees.

◆ **Other Income**

Other Income includes interest income on fixed deposit, Profit on sale of fixed assets and Bad debts recovered.

#### **Expenditure**

Our total expenditure primarily consists of Employee benefit expense, Finance Costs, Depreciation and amortization expense, Provision & Write-off and Other Expenses.

◆ **Employee benefit expense**

The Employee benefit expense includes Salaries and wages, Director's Remuneration and Staff welfare expenses

◆ **Finance Cost**

Finance cost expense include interest on loan, Interest on OD limit, Interest on FLDG, Interest on Non-Convertible Debentures and Other Borrowing Cost.

◆ **Depreciation and Amortization Expenses**

Depreciation Expenses majorly includes depreciation on Furniture & Fixtures, Vehicles, Computers and Office Equipment's and Amortization expenses includes on intangible assets.

◆ **Provision & Write-off**

The Provision & Write-off includes provision for standard Assets and for sub-standard Assets & Doubtful Assets and Loan write off during the period .

◆ **Other Expenses**

Other Expenses include major expenses on Professional & Technical Fees, Portfolio Management Fees, Rent, Travelling Expenses and other expenses.

**PERIOD ENDED March 31, 2024, COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2023  
(BASED ON RESTATED STANDALONE FINANCIAL STATEMENTS)**

**Revenues**

◆ **Total Income**

Total Income for the period ended March 31, 2024, stood at Rs. 6,396.05 Lakhs whereas in Financial Year 2022-23 it stood at Rs 4,618.73 Lakhs representing an increase of 38.48%.

**Reason:** The increase in total income of the company is due to a significant increase in the revenue of the company and general growth in the business operations of the Company.

◆ **Revenue of operations**

Net revenue from operations for the period ended March 31, 2024, stood at Rs. 6,322.20 Lakhs whereas in Financial Year 2022-23 it stood at Rs. 4,563.17 Lakhs representing an increase of 38.55%.

**Reason:** The significant increase in revenue is because of increase in disbursement of loan. The disbursement of loans increased in the second half of the last financial year which thereby increase in interest income. It is the main reason for the increase in revenue of the company.

<b>Particulars</b>	<b>FY 2024</b>	<b>FY 2023</b>
Interest Income from Financing Activities	5,862.77	4,054.42
Processing and Other Fees	459.43	508.75
<b>Total</b>	<b>6,322.20</b>	<b>4,563.17</b>

◆ **Other Income**

Other Income for the Period ended March 31, 2024, stood at Rs. 73.85 Lakhs whereas in the Financial Year 2022-23 it stood at Rs. 55.56 Lakhs representing an increase of 32.92%.

**Reason:** The Increase in other income is due to increase in Interest on fixed deposits, Profit on sale of Fixed Assets and some Bad debts recovered.

**Expenditure**

◆ **Total Expenses**

Total Expenses for the Period ended March 31, 2024, stood at Rs. 4,623.63 Lakhs whereas in the Financial Year 2022-23 it stood at Rs 3,239.89 Lakhs representing an increase of 42.71%.

**Reason:** Total Expenses for the Financial Year ending on March 31, 2024, have witnessed a notable increase of 42.71%. This rise can be attributed to the increase in various factors, including an increase in the Employee benefit expenses, Finance cost, Depreciation and amortization expenses, Provision & Write-off and other expenses.

◆ **Employee benefit expense**

The Employee benefit expense for the Period ended March 31, 2024, stood at Rs. 250.09 Lakhs whereas in Financial Year 2022-23 it stood at Rs. 310.24 Lakhs representing an increase of 24.05%.

**Reason:** There has been a significant increase in Employee benefit expenses in the financial year 2024 as compared to financial year 2023. The increase in the salary and wages of employees and Staff Welfare

Expense is also increased.

Particulars	FY 2024	FY 2023
Salary and wages	167.06	126.85
Director Remuneration	117.93	107.20
Contribution to provident and other funds	13.33	10.42
Gratuity Expense	6.81	2.49
Staff Welfare	5.11	3.13
<b>Total</b>	<b>310.24</b>	<b>250.09</b>

◆ **Finance Cost**

The Finance Cost for the period ended on March 31, 2024, stood at Rs. 2,977.74 Lakhs whereas in the Financial Year 2022-23 it stood at Rs. 2,150.47 Lakhs representing an increase of 38.47% from the previous years.

**Reason:** This increase is primarily due to the increase in Short term Borrowing and Long term borrowings and hence its interest was also increased.

◆ **Depreciation and Amortization Expenses**

The Depreciation and Amortization Expenses for the Period ended March 31, 2024, stood at Rs. 26.69 Lakhs whereas in the Financial Year 2022-23 it stood at Rs. 22.89 Lakhs representing an increase of 16.60%.

**Reason:** This increase is primarily due to the purchase of fixed assets which includes mainly Vehicles, furniture, computer, office Equipment's resulting in increase of Depreciation Expenses.

◆ **Provision & Write-off**

The Provision & Write-off for the Period ended March 31, 2024, stood at Rs. 358.98 Lakhs whereas in Financial Year 2022-23 it stood at Rs. 44.23 Lakhs representing an increase of 711.62%.

**Reason:** Major reason for increase in Provision & Write-off expenses was due to increase in write-off during the period and provision was also made on substandard & doubtful assets.

Particulars	FY 2024	FY 2023
Provision on Standard Assets	(13.73)	51.73
Provision on Sub-standard & Doubtful Assets	83.95	(17.51)
Loan Write off during the period	288.76	10.01
<b>Total</b>	<b>358.98</b>	<b>44.23</b>

◆ **Other Expenses**

The Other Expenses for the Period ended March 31, 2024, stood at Rs. 949.98 Lakhs whereas in Financial Year 2022-23 it stood at Rs. 772.21 Lakhs representing an increase of 23.02%.

**Reason:** Major increase in other expenses could be seen in due to increase Professional Fee, Portfolio & Technical Fee, Office Rent & Office Expenses and other expenses also increases.

Particulars	FY 2024	FY 2023
Professional Fee	105.67	128.90
Portfolio & Technical Fee	722.11	441.58
Rent	23.95	24.39
Travelling Expenses	24.70	12.59
Office Expenses	15.58	15.02

◆ **Restated Profit before Tax**

The restated profit before tax for the Period ended March 31, 2024, stood at Rs. 1,772.42 Lakhs whereas in Financial Year 2022-23 it stood at Rs. 1,378.84 Lakhs representing an increase of 28.54%.

◆ **Tax Expense**

Tax Expense for the period ended March 31, 2024, stood at Rs. 427.47 lakhs out of which Current Tax being Rs. 443.20 lakhs and Deferred Tax being Rs. (15.73) lakhs whereas in Financial year 2022-23 it stood at Rs. 362.29 Lakhs out of which Current Tax being Rs. 371.56 and Deferred Tax being Rs. (9.27) Lakhs representing as increase of 17.99%.

**Reason:** The major reason for the increase in Tax is due to increase in revenue and constant growth of company.

◆ **Restated Profit after Tax**

The restated profit after tax for the Period ended March 31, 2024, stood at Rs. 1,344.95 Lakhs whereas in Financial Year 2022-23 it stood at Rs. 1,016.55 Lakhs representing an increase of 32.31%.

**Reason:** The increase in the profit after tax is attributed to:

1. Increase in Disbursement of loan and increase no. of customer.

**PERIOD ENDED MARCH 31, 2023, COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2022 (BASED ON RESTATED FINANCIAL STATEMENTS)**

**Revenues**

◆ **Total Income**

Total Income for the period ended March 31, 2023, stood at Rs. 4,618.73 Lakhs whereas in Financial Year 2021-22 it stood at Rs 2,531.36 Lakhs representing an increase of 82.46%.

**Reason:** The increase in total income of the company is due to a significant increase in the revenue of the company and general growth in the business operations of the Company.

◆ **Revenue of operations**

Net revenue from operations for the period ended March 31, 2023, stood at Rs. 4,563.17 Lakhs whereas in Financial Year 2021-22 it stood at Rs. 2,502.62 Lakhs representing an increase of 82.34%.

**Reason:** The significant increase in revenue is because of the increase in disbursement of loans during the year which thereby increases the overall interest income of the company. It is the main reason for the increase in revenue of the company.

<b>Particulars</b>	<b>FY 2023</b>	<b>FY 2022</b>
Interest Income from Financing Activities	4,054.42	2,274.20
Processing and Other Fees	508.75	228.42
<b>Total</b>	<b>4,563.17</b>	<b>2,502.62</b>

◆ **Other Income**

Other Income for the Period ended March 31, 2023, stood at Rs. 55.56 Lakhs whereas in the Financial Year 2021-22 it stood at Rs. 28.74 Lakhs representing an increase of 93.32%.

**Reason:** The Increase in other income is due to increase in Interest on fixed deposits.

**Expenditure**

◆ **Total Expenses**

Total Expenses for the Period ended March 31, 2024, stood at Rs. 3,239.89 Lakhs whereas in the Financial Year 2021-22 it stood at Rs 1,983.45 Lakhs representing an increase of 63.35%.

**Reason:** Total Expenses for the Financial Year ending on March 31, 2023, have witnessed a notable increase of 63.35%. This rise can be attributed to the increase in various factors, including an increase in the Employee benefit expenses, Finance cost, Depreciation and amortization expenses and other expenses.

◆ **Employee benefit expense**

The Employee benefit expense for the Period ended March 31, 2023, stood at Rs. 250.09 Lakhs whereas in Financial Year 2021-22 it stood at Rs. 229.77 Lakhs representing an increase of 8.84%.

**Reason:** There has been a significant increase in Employee benefit expenses in the financial year 2023 as compared to financial year 2022. The increase in the salary and wages of employees and Staff Welfare Expense is also increased.

Particulars	FY 2023	FY 2023
Salary and wages	126.85	118.53
Director Remuneration	107.20	97.20
Contribution to provident and other funds	10.42	9.67
Gratuity Expense	2.49	0.20
Staff Welfare	3.13	4.17
<b>Total</b>	<b>250.09</b>	<b>229.77</b>

◆ **Finance Cost**

The Finance Cost for the period ended on March 31, 2023, stood at Rs. 2,150.47 Lakhs whereas in the Financial Year 2021-22 it stood at Rs. 1,042.89 Lakhs representing an increase of 106.20% from the previous year.

**Reason:** This increase is primarily due to the increase in short term Borrowing and Long term borrowings and hence it interest was also increased because of we increase our disbursement of loan amount and increase our loan book.

◆ **Depreciation and Amortization Expenses**

The Depreciation and Amortization Expenses for the Period ended March 31, 2023, stood at Rs. 22.89 Lakhs whereas in the Financial Year 2021-22 it stood at Rs. 32.25 Lakhs representing an decrease of 29.02%.

**Reason:** This decrease is primarily due to the no future purchase of fixed assets.

◆ **Provision & Write-off**

The Provision & Write-off for the Period ended March 31, 2023, stood at Rs. 44.23 Lakhs whereas in Financial Year 2021-22 it stood at Rs. 263.25 Lakhs representing a decrease of 83.20%.

Reason: This decrease of expenses due to there is less write-off during the year as compared to the last year are as follow

Particulars	FY 2023	FY 2022
Provision on Standard Assets	51.73	10.48
Provision on Sub-standard & Doubtful Assets	(17.51)	40.92
Loan Write off during the period	10.01	211.85
<b>Total</b>	<b>44.23</b>	<b>263.25</b>

◆ **Other Expenses**

The Other Expenses for the Period ended March 31, 2023, stood at Rs. 772.21 Lakhs whereas in Financial Year 2021-22 it stood at Rs. 415.29 Lakhs representing an increase of 85.94%.

**Reason:** Major increase in other expenses could be seen in due to increase Professional Fee, Portfolio & Technical Fee, Office Rent & Office Expenses and other expenses also was increases.

Particulars	FY 2023	FY 2022
Professional Fee	128.90	100.41
Portfolio & Technical Fee	441.58	235.50

Rent	24.39	22.36
Travelling Expenses	12.59	5.93
Office Expenses	15.02	8.75

◆ **Restated Profit before Tax**

The restated profit before tax for the Period ended March 31, 2023, stood at Rs. 1,378.84 Lakhs whereas in Financial Year 2021-22 it stood at Rs. 547.91 Lakhs representing an increase of 151.65%.

◆ **Tax Expense**

Tax Expense for the period ended March 31, 2023, stood at Rs. 362.29 lakhs out of which Current Tax being Rs. 371.56 lakhs and Deferred Tax being Rs. (9.27) lakhs whereas in financial year 2021-22 it stood at Rs. 133.49 Lakhs out of which Current Tax being Rs. 147.25 Lakhs and Deferred Tax being Rs. (13.76) Lakhs representing as increase of 171.40%.

**Reason:** The major reason for the increase in Tax is due to the increase in revenue and constant growth of the company.

◆ **Restated Profit after Tax**

The restated profit after tax for the Period ended March 31, 2023, stood at Rs. 1,016.55 Lakhs whereas in Financial Year 2021-22 it stood at Rs. 414.42 Lakhs representing an increase of 145.29%.

**Reason:** The increase in the profit after tax is attributed to:

- Increase in Disbursement of loan and increase no. of customer.

**INFORMATION REQUIRED AS PER ITEM (II) (C) (I) OF PART A OF SCHEDULE VI TO THE SEBI REGULATIONS:**

**1. Unusual or infrequent events or transactions**

Except as described in this Draft Red Herring Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

**2. Significant economic changes that materially affected or are likely to affect income from continuing operations.**

Other than as described in the section titled Risk Factors beginning on page 31 of this Draft Red Herring Prospectus, to our knowledge there are no known significant economic changes that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

**3. 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 this Draft Red Herring Prospectus, particularly in the sections Risk Factors and Management's Discussion and Analysis of Financial Condition and Results of Operations on pages 31 and 288, respectively, to our knowledge, there are no known trends or uncertainties that are expected to have a material adverse impact on our revenues or income from continuing operations.

**4. Income and Sales on account of major product/main activities**

The income and sales of our Company on account of major activities derives from the business is carrying and forward activities.

**5. Future changes in the relationship between costs and revenues, in case of events such as future increase in cost of service and freight & forwarding expenses that will cause a material change are known.**

Our Company's future costs and revenues can be indirectly impacted by an increase in the cost of services and freight & forwarding expenses.

**6. Future relationship between Costs and Income**

Our Company's future costs and revenues will be determined by competition, demand/supply situation, interest rates quoted by banks & others.

**7. 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.**

Increases in our revenues are by and large linked to increases in the volume of business.

**8. Total turnover of each major industry segment in which the issuer company operates.**

The Company operates in the Financial Sector. Relevant industry data, as available, has been included in the chapter titled "*Our Industry*" beginning on page 126 of this Draft Red Herring Prospectus.

**9. Status of any publicly announced new products or business segments.**

Our Company has not announced any new services and segment / scheme, other than disclosure in this Draft Red Herring Prospectus.

**10. The extent to which the business is seasonal.**

Our business is not seasonal in nature.

**11. Competitive Conditions**

We face competition from existing and potential competitors, which is common for any business. We have, over a period of time, developed certain competitive strengths which have been discussed in the section titled Our Business on page 150 of this Draft Red Herring Prospectus.

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## FINANCIAL INDEBTEDNESS

In terms of the Articles of Association of the Company, the Board is authorized to accept deposits from members either in advance of calls or otherwise, and generally accept deposits, raise loans or borrow or secure the payment of any sum of moneys to be borrowed together with the moneys already borrowed including acceptance of deposits apart from temporary loans obtained from the Company's Bankers in the ordinary course of business, exceeding the aggregate of the paid-up capital of the Company and its free reserves (not being reserves set apart for any specific purpose) or upto such amount as may be approved by the shareholders from time to time.

Our Company has obtained the necessary consents required under the relevant loan documentation with banks and financial institutions for undertaking activities, such as change in its capital structure, change in its shareholding pattern and change in promoter's shareholding which has a possible change in the management control of our Company.

As on March 31, 2024, the aggregate borrowing of the company from bank, financial Institution and others is "18,128.22 Lakhs", as per the certificate issued by M/s K R A & Co., Chartered Accountants (FRN: 020266N), dated June 29, 2024.

Set forth below is a brief summary of our aggregate borrowings from banks and financial institutions on a consolidated basis as of March 31, 2024:

### Secured Loans

*(Rs. in Lakhs)*

S. No.	Name of persons/companies	Loan Amounts	Rate of Interest	Nature of Tenure	Maturity Date	Outstanding as on March 31, 2024
1	Au Small Finance Bank Limited	500.00	14.70%	Monthly	03-04-2024	55.56
2	South Indian Bank Term Loan-1	1,000.00	11.00%	Monthly	31-12-2024	149.82
3	South Indian Bank Term Loan-2	350.00	11.00%	Monthly	19-07-2026	163.13
4	South Indian Bank Term Loan-3	400.00	10.75%	Monthly	01-11-2026	355.55
5	State Bank Of India	2,970.00	11.05%	Monthly	30-11-2025	1709.97
6	HDFC Car Loan	37.91	8.50%	Monthly	05-06-2028	33.20
7	City Union Bank	1,200.00	10.60%	Monthly	03-01-2029	1175.91
8	Alwar General Finance Co Pvt Ltd	200.00	15.00%	Monthly	15-06-2024	28.40
9	Ambit Finvest Private Limited-1	500.00	14.00%	Monthly	05-02-2025	246.48
10	Ambit Finvest Private Limited-2	400.00	13.00%	Monthly	05-09-2025	309.48
11	Grow Money Capital Private Limited-1	1,000.00	14.00%	Monthly	16-09-2024	138.34
12	Grow Money Capital Private Limited-2	1,000.00	14.00%	Monthly	28-05-2024	47.20
13	Ikf Finance Limited-1	1,000.00	14.50%	Monthly	03-04-2027	770.83

14	Ikf Finance Limited-2	1,000.00	15.00%	Monthly	03-02-2028	1,000.00
15	Incred Financial Services Limited-1	687.00	14.00%	Monthly	10-07-2024	144.29
16	Incred Financial Services Limited-2	522.50	14.00%	Monthly	10-06-2024	13.87
17	Incred Financial Services Limited-3	825.00	14.00%	Monthly	10-01-2026	764.43
18	Incred Financial Services Ltd-4	500.00	14.00%	Monthly	10-10-2024	229.88
19	Maanaveeya Financial Services Limited	1,500.00	15.00%	Monthly	27-12-2024	643.20
20	Mas Financial Services Ltd 19A	500.00	14.35%	Monthly	04-10-2025	395.83
21	Mas Financial Services Ltd 19B	500.00	14.35%	Monthly	04-10-2025	395.83
22	Mas Financial Services Ltd Tl-18A	350.00	15.00%	Monthly	23-08-2024	72.92
23	Mas Financial Services Ltd Tl-18B	150.00	15.00%	Monthly	23-08-2024	31.25
24	Muthoot Capital Services Ltd	750.00	15.00%	Monthly	31-07-2024	166.67
25	Nabsamruddhi Finance Ltd	1,000.00	15.00%	Monthly	28-02-2025	556.56
26	Rar Fincare Limited	300.00	14.00%	Monthly	29-03-2025	160.71
27	Rar Fincare Limited- Tl 2	200.00	14.00%	Monthly	10-07-2025	140.63
28	Real Touch Finance Ltd	500.00	14.00%	Monthly	05-03-2025	267.37
29	Satin Creditcare Network Limited-1	500.00	15.00%	Monthly	02-02-2025	247.38
30	Satin Creditcare Network Ltd-2	2,500.00	14.00%	Monthly	03-09-2026	1,906.32
31	Satin Finserv Limited-1	500.00	15.00%	Monthly	05-02-2025	247.38
32	Tata Capital Financial Services Limited	300.00	12.00%	Monthly	05-01-2025	125.00
33	Vivriti Capital Limited-1	1,000.00	14.00%	Monthly	11-06-2025	833.33
34	Vivriti Capital Limited-2	300.00	14.00%	Monthly	29-09-2025	300.00
35	Western Capital Advisors Private Limited	1,000.00	13.00%	Monthly	01-10-2024	583.33
<b>Total</b>		<b>25,942.41</b>				<b>14,410.06</b>

**Secured - NCD**

**(Rs. in Lakhs)**

S. No.	Name of persons/companies	Loan Amounts	Rate of Interest	Nature of Tenure	Maturity Date	Outstanding as on March 31, 2024
1	NCD F Series-1	450.00	12.00%	on Maturity	02-03-2024	2.00
2	NCD G Series-1	465.00	12.00%	on Maturity	12-10-2024	464.00
3	NCD G Series-2	297.00	12.00%	on Maturity	31-10-2024	277.00

4	NCD H Series-1	485.00	12.00%	on Maturity	05-05-2025	480.00
5	NCD H Series-2	515.00	12.00%	on Maturity	30-05-2025	505.00
6	NCD I Series-1	352.00	12.00%	on Maturity	27-11-2025	352.00
7	NCD I Series-2	348.00	12.00%	on Maturity	15-12-2025	348.00
8	NCD J Series-1	410.00	12.00%	on Maturity	06-03-2026	410.00
9	NCD J Series-2	240.00	12.00%	on Maturity	28-03-2026	240.00
10	NCD K series	500.00	12.00%	on Maturity	15-09-2026	500.00
<b>Total</b>		<b>4,062.00</b>				<b>3,578.00</b>

**Unsecured Loans**

*(Rs. in Lakhs)*

S.No.	Name of persons/companies	Loan Amounts	Rate of Interest	Nature of Tenure	Maturity Date	Outstanding as on March 31, 2024
1	USL-Related Party	4.14	9.00%	On Demand	On Demand	4.14
2	Satin Finserv Ltd (USL)	500.00	15.00%	Quarterly	31-01-2025	136.02
<b>Total</b>		<b>504.14</b>				<b>140.16</b>

**Terms and Condition of above mentioned Term Loans:**

**Interest:**

The interest rate payable for the term loans (Secured and Unsecured) availed by the Company ranges between 8% to 15%. The interest rate payable for some of the facilities are linked to MCLR or benchmark rate of the respective lenders.

**Tenor:**

Typically, the tenor of the term loans availed by the Company ranges between 12 months to 60 months, while some of them are repayable on demand.

**Security:**

1. Vehicle Loan from HDFC Bank is secured against hypothecation of respective vehicles.
2. Secured Term loans from Banks and Financial institutions are secured by hypothecation of receivables as per their respective loan agreements.
3. Term Loan from State bank of India & AU Small Finance Bank is further secured by way of collateral security of a Residential Property and TL from City Union Bank is secured with Commercial Property held by UFSL.

4. Term loans from Grow Money Capital Pvt Ltd, Alwar General Finance Co Pvt Ltd, MAS Financial Services Ltd, TATA Capital Services Ltd and South Indian Bank are further secured by cash collateral in the shape of Fixed deposit/security deposit as per their loan agreement in addition to hypothecation of receivables.
5. In addition to the above, all secured loans are also secured by way personal guarantee of promoter director.

**Terms and Condition of Non-Convertible Debenture:**

These are Secured Redeemable Non- Convertible Debentures (“NCD”) issued on private placement basis, Debentures are being issued at face value of Rs. 1,00,000/- (Rupees One Lakh Only) each at par with ROI of 12% p.a. for a period of 3 years. Interest is payable Monthly and Principal on Maturity. All the NCDs are secured by book debts.

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## SECTION VII - LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

*Except, as stated in this section and mentioned elsewhere in this Draft Red Herring Prospectus there are no litigations including, but not limited to suits, criminal proceedings, civil proceedings, actions taken by regulatory or statutory authorities or legal proceedings, including those for economic offences, tax liabilities, show cause notice or legal notices pending against our Company, Directors, Promoters, Group Companies or against any other company or person/s whose outcomes could have a material adverse effect on the business, operations or financial position of the Company and there are no proceedings initiated for economic, civil or any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (a) of Part I of Schedule V of the Companies Act, 2013) other than unclaimed liabilities of our Company, and no disciplinary action has been taken by SEBI or any stock exchange against the Company, Directors, Promoters or Group Companies.*

Except as disclosed below there are no:

- a) litigation or legal actions, pending or taken, by any Ministry or department of the Government or a statutory authority against our Promoters during the last five years;
- b) direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action;
- c) pending proceedings initiated against our Company for economic offences;
- d) default and non-payment of statutory dues by our Company;
- e) inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous companies law in the last five years against our Company, including fines imposed or compounding of offences done in those five years;
- f) Material frauds committed against our Company in the last five years.

Pursuant to SEBI ICDR Regulations, all other pending litigations except criminal proceedings, statutory or regulatory actions and taxation matters involving our Company, Promoters, Directors and Group Companies/entities, would be considered material for the purposes of disclosure if:

- a) the monetary amount of the claim made by or against the Company, its joint venture(s) and directors in any such pending litigation is equal to or in excess of 10% of the consolidated revenue of the Company or 25% of the profits before tax of the Company (whichever is lower) as per the last audited financial statements of the Company for a complete financial year, as included in the Offer Documents; or
- b) where the decision in one case is likely to affect the decision in similar cases, even though the amount involved in an individual litigation does not exceed the amount determined as per clause (a) above, and the amount involved in all of such cases taken together exceeds the amount determined as per clause (a) above; and
- c) Any such litigation which does not meet the criteria set out in (a) above and an adverse outcome in which would materially and adversely affect the operations or financial position of the Company.

- d) Our Board, in its meeting held on July 02, 2024, determined that outstanding legal proceedings involving the Company, its Directors and Promoters will be considered as material litigation (“Material Litigation”) if the aggregate amount involved in such individual litigation exceeds 1% of profit after tax of the Company, as per the last audited standalone financial statements of the Company or such litigations outcome could have a material impact on the business, operations, prospects or reputations of the Company.

Accordingly, we have disclosed all outstanding litigations involving our Company, Promoters, Directors and Group Companies which are considered to be material. In case of pending civil litigation proceedings wherein the monetary amount involved is not quantifiable, such litigation has been considered material only in the event that the outcome of such litigation has an adverse effect on the operations or performance of our Company. Unless otherwise stated to contrary, the information provided is as of date of this Draft Red Herring Prospectus.

### III. Litigations involving our Company.

#### A. Against our Company

1. **Litigation involving Criminal Matters:** NIL
2. **Litigation involving Civil Matters:** NIL
3. **Litigation Involving Actions by Statutory/Regulatory Authorities:** NIL
4. **Litigation/Matters involving Tax Liabilities:** as per below:

#### **Income Tax notices issued against Usha Financial Services limited having PAN AAACU0841J**

1. Assessment Proceeding u/s 147 pending, Notice issued for assessment year 2019-20 Dated: 31/03/2024 under section 148 of the Income-tax Act, 1961 with Notice No: ITBA/AST/S/148\_1/2023-24/1063801819(1) citing Remarks: From the findings of search action in Galaxy group of case, it is amply clear that the assessee has taken bogus accommodation entry of Rs. 4.05 crore from shell/fictitious entities controlled and managed by entry providers Deepak Agarwal and Himanshu Verma. Thus, income of Rs. 4.05 crore is believed to have escaped assessment in this case and therefore, approval u/s 151(ii) is granted.

Response by the company : Company has submitted the revised ITR, with no changes in the taxable income. Currently fresh set of documents has been asked by the Department vide notice dated – 05/07/24

2. Assessment Proceeding u/s 147 pending Notice issued under section 148 of the Income-tax Act, 1961, with Notice No: ITBA/AST/S/148\_1/2023-24/1063801819(1)

Response by the company : Company has submitted the revised ITR, with no changes in the taxable income. Currently fresh set of documents has been asked by the Department vide notice dated – 05/07/24

3. Letter issued for Assessment Year : 2017-18 with Notice u/s 148 of the Act is being issued with order dated 30/07/2022 Order No : ITBA/COM/F/17/2022-23/1044335313(1)

Response by the company : This case is closed

4. Letter issued for Assessment Year : 2017-18 with reference to the Notice u/s 148 of the Act is being issued. An order issued for Assessment Year: 2017-18 Dated: 01/06/2022 with Letter No :

ITBA/COM/F/17/2022-23/1043288796(1)with remarks : the minimum amount of Rs. 31,11,787/- has escaped assessment for the purpose of taxation. Response made by the company that Source of Cash deposit was loan EMI received in cash towards loan disbursed under micro finance (JLG) model rural females engaged in agricultural activities.

Response by the company :This case is closed vide Assessment order dated 18.05.2023

5. Outstanding Demand of ₹47,600/- ( In INR) with Accrued Interest ₹7140/- pending for Assessment Year 2021 U/S 154 with Demand Reference No:2023202137159198021C.

Response by the company :Response submitted to the department

6. Outstanding Demand of ₹₹58,40,820/- ( In INR) with Accrued Interest ₹₹8,76,120/- pending for Assessment Year 2021 U/S 154 with Demand Reference No:2023202137159198021C.

Response by the company :Response submitted to the department

7. Outstanding Demand of ₹1/- ( In INR) pending for Assessment Year 2019 U/S 147 with Demand Reference No:2023201937006032775C.

## **B. By our Company**

### **1. Litigation involving Criminal Matters:**

#### ***Usha Financial Services Private Limited Versus Dakshin Budhakali Improvement Society***

Court Name: Metropolitan Magistrate, Shahdara, Karkardooma Court , Delhi  
Case No.: MISC CRL/224/2020

Fact of the case: The Company has given a Loan of Rs. 75,00,000/- to M/s Dakshin Budhakali Improvement Society through It's President Mrs. Swapna Das, vide Loan No. 000127111 as per terms and conditions mentioned therein. As per the terms and conditions, Borrower/Co-Borrower required to repay the loan as per agreed terms and conditions.

However, the Borrower/Co-Borrower had not repaid the full amount to the Company. Moreover, upon depositing Cheque No. 420289 dated 02.03.2020 towards aggregating amount of Rs. 50,00,000/- including interest, penalty, arrears amount, the Cheque was returned with an endorsement of "FUNDS INSUFFICIENT". Accordingly, the Company has filed Criminal Case against M/s Dakshin Budhakali Improvement Society through It's President Mrs. Swapna Das, under section 138 of the Negotiable Instruments Act, 1881 (the "NI Act") in relation to the dishonored cheque and recovery of dues.

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the basis of facts explained above.

Current stage of the case: Process U/s 82 CRPC Issued

Next date of hearing: 12.07.2024

#### ***Usha Financial Services Private Limited Versus Futureage India Micro Credit Service***

Court Name: Metropolitan Magistrate, Shahdara, Karkardooma Court , Delhi  
Case No.: MISC CRL/222/2020,

Fact of the case: The Company has given a Loan of Rs. 50,00,000/- to M/s Futureage India Micro Credit Services, vide Loan No. 000124394 as per terms and conditions mentioned therein. As per the terms

and conditions, Borrower/Co-Borrower required to repay the loan as per agreed terms and conditions. However, Borrower/Co-Borrower had not repaid the full amount to the Company. Moreover, upon depositing Cheque No. 965528 dated 20.03.2020 towards aggregating amount of Rs.16, 95,899/- including interest, penalty, arrears amount, the Cheque was returned with an endorsement of "ACCOUNT CLOSED". Accordingly, the Company has filed Criminal Case against M/s Futureage India Micro Credit Services, under section 138 of the Negotiable Instruments Act, 1881 (the "NI Act") in relation to the dishonored cheque and recovery of dues.

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the basis of facts explained above.

Current stage of the case: Process U/s 82 Crpc issued against Mr. Vijay received back executed, summons issued to Process Server for statement and Non Bailable Warrants issued against Mr. Lalit  
Next date of hearing:12.07.2024

***Usha Financial Services Private Limited Versus Futureage India Micro India Credit Service***

Court Name: Metropolitan Magistrate, Shahdara, KarkardoomaCourt , Delhi  
Case No.: MISC CRL/381/2020

Fact of the case: The Company has given a Loan of Rs. 20,00,000/- to M/s Futureage India Micro Credit Services, vide Loan No. 000128794 as per terms and conditions mentioned therein. As per the terms and conditions, Borrower/Co-Borrower required to repay the loan as per agreed terms and conditions. However, the Borrower/Co-Borrower had not repaid the full amount to the Company. Moreover, upon depositing Cheque No. 965498 dated 09.09.2020 towards aggregating amount of Rs. 18,72,712/- including interest, penalty, arrears amount, the Cheque was returned with an endorsement of "ACCOUNT CLOSED". Accordingly, the Company has filed Criminal Case against M/s Futureage India Micro Credit Services, under section 138 of the Negotiable Instruments Act, 1881 (the "NI Act") in relation to the dishonored cheque and recovery of dues.

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the basis of facts explained above.

Current stage of the case: Process U/s 82 Crpc issued against Mr. Vijay received back executed, summons issued to Process Server for statement and Non Bailable Warrants issued against Mr. Lalit

Next date of hearing: 12.07.2024

***Usha Financial Services Private Limited Versus Futureage India Micro India Credit***

Court Name: Metropolitan Magistrate, Shahdara, KarkardoomaCourt , Delhi  
Case No.: MISC CRL/217/2020

Fact of the case: The Company has given a Loan of Rs. 30,00,000/- to M/s Futureage India Micro Credit Services, vide Loan No. 000126594 as per terms and conditions mentioned therein. As per the terms and conditions, Borrower/Co-Borrower required to repay the loan as per agreed terms and conditions. However, Borrower/Co-Borrower had not repaid the full amount to the Company. Moreover, upon depositing the Cheque No. 306550dated 20.03.2020 towards aggregating amount of Rs. 24,96,627/- including interest, penalty, arrears amount, the Cheque was returned with an endorsement of "ACCOUNT CLOSED". Accordingly, the Company has filed Criminal Case against M/s Futureage India Micro Credit Services, under section 138 of the Negotiable Instruments Act, 1881 (the "NI Act") in relation to the dishonored cheque and recovery of dues.

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the basis of facts explained above.

Current stage of the case: Process U/s 82 Crpc issued against Mr. Vijay received back executed, summons issued to Process Server for statement and Non Bailable Warrants issued against Mr. Lalit  
Next date of hearing: 12.07.2024

***Usha Financial Services Private Limited Versus Hari Kishan Tejmal***

Court Name: Metropolitan Magistrate, Shahdara, Karkardooma Court, Delhi  
Case No.: CT CASE/4516/2018

Fact of the case: The Company has given a Loan of Rs. 15,00,000/- to M/s Hari Kishan tejmal& co Through its director Mr. Rajesh, as per terms and conditions mentioned therein. As per the terms and conditions, Borrower/Co-Borrower required to repay the loan as per agreed terms and conditions. However, the Borrower/Co-Borrower had not repaid the full amount to the Company. Moreover, upon depositing Cheque No. 000207 dated towards aggregating amount of Rs. 14,66,796/- including interest, penalty, arrears amount, the Cheque was returned

Accordingly, the Company has filed Criminal Case against M/s Hari Kishan tejmal & co, under section 138 of the Negotiable Instruments Act, 1881 (the "NI Act") in relation to the dishonored cheque and recovery of dues.

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the basis of facts explained above.

Current stage of the case: Process under 82 Crpc Issued against Prerna Nyati, Received back executed, Notice issued to process server who issued the process.  
Next date of hearing:23.09.2024

***Usha Financial Services Private Limited Versus Futureage India Micro India Micro Service***

Court Name: Metropolitan Magistrate, Shahdara, Karkardooma Court, Delhi  
Case No.: MISC CRL/220/2020

Fact of the case: The Company has given a Loan of Rs. 25,00,000/- to M/s Futureage India Micro Credit Services, vide Loan No. 000125947 as per terms and conditions mentioned therein. As per the terms and conditions, Borrower/Co-Borrower required to repay the loan as per agreed terms and conditions. However, Borrower/Co-Borrower had not repaid the full amount to the Company. Moreover, upon depositing Cheque No. 306531 dated 20.03.2020 towards aggregating amount of Rs. 14,65,502/- including interest, penalty, arrears amount, the Cheque was returned with an endorsement of "ACCOUNT CLOSED". Accordingly, the Company has filed Criminal Case against M/s Futureage India Micro Credit Services, under section 138 of the Negotiable Instruments Act, 1881 (the "NI Act") in relation to the dishonored cheque and recovery of dues.

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the basis of facts explained above.

Current stage of the case: Process U/s 82 Crpc issued against Mr. Vijay received back executed, summons issued to Process Server for statement and Non Bailable Warrants issued against Mr. Lalit

Next date of hearing: 12.07.2024

***Usha Financial Services Private Limited Versus Futureage India Micro Credit Service***

Court Name: Metropolitan Magistrate, Shahdara, Karkardooma Court , Delhi  
Case No.: MISC CRL/219/2020

Fact of the case: The Company has given a Loan of Rs. 25,00,000/- to M/s Futureage India Micro Credit Services, vide Loan No. 000124971 as per terms and conditions mentioned therein. As per the terms and conditions, Borrower/Co-Borrower required to repay the loan as per agreed terms and conditions. However, the Borrower/Co-Borrower had not repaid the full amount to the Company. Moreover, upon depositing Cheque No. 481748 dated 20.03.2020 towards aggregating amount of Rs. 10,42,795/- including interest, penalty, arrears amount, the Cheque was returned with an endorsement of "ACCOUNT CLOSED". Accordingly, the Company has filed Criminal Case against M/s Futureage India Micro Credit Services, under section 138 of the Negotiable Instruments Act, 1881 (the "NI Act") in relation to the dishonored cheque and recovery of dues.

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the basis of facts explained above.

Current stage of the case: Process U/s 82 Crpc issued against Mr. Vijay received back executed, summons issued to Process Server for statement and Non Bailable Warrants issued against Mr. Lalit  
Next date of hearing: 12.07.2024

***Usha Financial Services Private Limited Versus Futureage India Micro India Credit Service***

Court Name: Metropolitan Magistrate, Shahdara, Karkardooma Court , Delhi  
Case No.: MISC CRL/218/2020

Fact of the case: The Company has given a Loan of Rs. 25,00,000/- to M/s Futureage India Micro Credit Services, vide Loan No. 000125587 as per terms and conditions mentioned therein. As per the terms and conditions, Borrower/Co-Borrower required to repay the loan as per agreed terms and conditions. However, Borrower/Co-Borrower had not repaid the full amount to the Company. Moreover, upon depositing Cheque No.989790 dated 20.03.2020 towards aggregating amount of Rs. 12,70,499/- including interest, penalty, arrears amount, the Cheque was returned with an endorsement of "ACCOUNT CLOSED". Accordingly, the Company has filed Criminal Case against M/s Futureage India Micro Credit Services, under section 138 of the Negotiable Instruments Act, 1881 (the "NI Act") in relation to the dishonored cheque and recovery of dues.

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the basis of facts explained above.

Current stage of the case: Process U/s 82 Crpc issued against Mr. Vijay received back executed, summons issued to Process Server for statement and Non Bailable Warrants issued against Mr. Lalit

Next date of hearing:12.07.2024

***Usha Financial Services Private Limited Versus Futureage India Micro India Credit Service***

Court Name: Metropolitan Magistrate, Shahdara, Karkardooma Court, Delhi  
Case No.: MISC CRL/221/2020

Fact of the case: The Company has given a Loan of Rs. 25,00,000/- to M/s Futureage India Micro Credit Services, vide Loan No. 000125216 as per terms and conditions mentioned therein. As per the terms and conditions, Borrower/Co-Borrower required to repay the loan as per agreed terms and conditions. However, the Borrower/Co-Borrower had not repaid the full amount to the Company. Moreover, upon depositing Cheque No. 989753 dated 20.03.2020 towards aggregating amount of Rs. 12,45,159/- including interest, penalty, arrears amount, the Cheque was returned with an endorsement of "ACCOUNT CLOSED". Accordingly, the Company has filed Criminal Case against M/s Futureage India Micro Credit Services, under section 138 of the Negotiable Instruments Act, 1881 (the "NI Act") in relation to the dishonored cheque and recovery of dues.

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the

basis of facts explained above.

Current stage of the case: Process U/s 82 Crpc issued against Mr. Vijay received back executed, summons issued to Process Server for statement and Non Bailable Warrants issued against Mr. Lalit

Next date of hearing: 12.07.2024

***Usha Financial Services Private Limited Versus Dakshin Budhakali Improvement Society***

Court Name: Metropolitan Magistrate, Shahdara, Karkardooma Court, Delhi  
Case No.: MISC CRL/223/2020

Fact of the case: The Company has given a Loan of Rs. 30,00,000/- to M/s Dakshin Budhakali Improvement Society through It's President Mrs. Swapna Das, vide Loan No. 000125595 as per terms and conditions mentioned therein. As per the terms and conditions, Borrower/Co-Borrower required to repay the loan as per agreed terms and conditions.

However, Borrower/Co-Borrower had not repaid the full amount to the Company. Moreover, upon depositing the Cheque No. 333596 dated 02.03.2020 towards aggregating amount of Rs. 9,51,168/- including interest, penalty, arrears amount, the Cheque was returned with an endorsement of "FUNDS INSUFFICIENT". Accordingly, the Company has filed Criminal Case against M/s Dakshin Budhakali Improvement Society through It's President Mrs. Swapna Das, under section 138 of the Negotiable Instruments Act, 1881 (the "NI Act") in relation to the dishonored cheque and recovery of dues.

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the basis of facts explained above.

Current stage of the case: Process U/s 82 Crpc Issued

Next date of hearing: 12.07.2024

***Usha financial services private limited versus innovation technix corp.***

Court Name: Metropolitan Magistrate, Shahdara, Karkardooma Court, Delhi  
Case No.: CT CASE/3343/2019

Fact of the case: The Company has given a Loan of Rs. 10,00,000/- to M/s Innovation Technix Corporation through It's Proprietor Mr. Sanjeev Kumar Sharma, as per terms and conditions mentioned therein. As per the terms and conditions, Borrower/Co-Borrower required to repay the loan as per agreed terms and conditions. However, Borrower/Co-Borrower had not repaid the full amount to the Company. Accordingly, the Company has filed Criminal Case against M/s Innovation Technix Corporation through It's Proprietor Mr. Sanjeev Kumar Sharma, under section 138 of the Negotiable Instruments Act, 1881 (the "NI Act") in relation to the dishonored cheque and recovery of dues of cheques aggregating amount of 1,65,000/-

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the basis of facts explained above.

Current stage of the case: Summons issued received back unserved, complainant directed to verify the address of accused

Next date of hearing: 15.10.2024

***Usha financial services private limited versus innovation technix corp.***

Court Name: Metropolitan Magistrate, Shahdara, Karkardooma Court, Delhi  
Case No.: CT CASE/2106/2019

Fact of the case: The Company has given a Loan of Rs. 10,00,000/- to M/s Innovation Technix Corporation through It's Proprietor Mr. Sanjeev Sharma, vide Loan No. 000054625 as per terms and conditions mentioned therein. As per the terms and conditions, Borrower/Co-Borrower required to repay the loan as per agreed terms and conditions. However, Borrower/Co-Borrower had not repaid the full amount to the Company. Moreover, upon depositing the Cheque No. 840472 dated 20.03.2021 of amount Rs. 50,417/-and Cheque no 000081 dated 20.03.2021 of amount Rs. 2,47,500/-, both towards aggregating amount of Rs. 2,97,917/- including interest, penalty, arrears amount, the both Cheques was returned with an endorsement of "FUNDS INSUFFICIENT" and "ACCOUNT BLOCKED" respectively. Accordingly, the Company has filed Criminal Case against M/s Innovation Technix Corporation through It's Proprietor Mr. Sanjeev Sharma, under section 138 of the Negotiable Instruments Act, 1881 (the "NI Act") in relation to the dishonored cheque and recovery of dues.

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the basis of facts explained above.

Current stage of the case: Summons issued to accused

Next date of hearing: 04.09.2024

***Usha Financial Services Private Limited Versus Shri Ganesh Impex***

Court Name: Metropolitan Magistrate, Shahdara, Karkardooma Court, Delhi  
Case No.: CT CASE/3340/2019

Fact of the case: The Company has given a Loan of Rs. 10,00,000 /- to Shri Ganesh Impax through It's Signatory Mr. Ajay Kumar Dhingra and Mr. Harish Kumar, vide Loan No. 000068842 as per terms and conditions mentioned therein. As per the terms and conditions, Borrower/Co-Borrower required to repay the loan as per agreed terms and conditions.

However, Borrower/Co-Borrower had not repaid the full amount to the Company. Moreover, upon depositing the Cheque No. 001330 of amount Rs. 4,33,973/-, including interest, penalty, arrears amount, the both Cheques was returned with an endorsement of "Fund Insufficient".

Accordingly, the Company has filed Criminal Case against Shri Ganesh Impax through It's Signatory Mr. Ajay Kumar Dhingra and Mr. Harish Kumar., under section 138 of the Negotiable Instruments Act, 1881 (the "NI Act") in relation to the dishonored cheque and recovery of dues.

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the basis of facts explained above.

Current stage of the case:AR of Complainant seeks time from court to verify address of accused.

Next date of hearing: 15.10.2024

***Usha Financial Services Private Limited Versus Hello Panditji Services Pvt Ltd***

Court Name: Metropolitan Magistrate, Shahdara, Karkardooma Court, Delhi  
Case No.: CT CASE/3889/2019

Fact of the case: The Company has given a Loan of Rs. 3,30,000/- to Hello Panditji Services Pvt Ltd through It's Signatory Mr. Chandrashekhar Singh, vide Loan No. 000073655 as per terms and conditions mentioned therein. As per the terms and conditions, Borrower/Co-Borrower required to repay the loan as per agreed terms and conditions.

However, Borrower/Co-Borrower had not repaid the full amount to the Company. Moreover, upon depositing the Cheque No. 000168 of amount Rs. 3,53,769/-, including interest, penalty, arrears amount, the Cheque was returned with an endorsement of "Funds Insufficient".

Accordingly, the Company has filed Criminal Case against Hello Panditji Services Pvt Ltd through It's Signatory Mr. Chandrashekhar Singh, under section 138 of the Negotiable Instruments Act, 1881 (the "NI Act") in relation to the dishonored cheque and recovery of dues.

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the basis of facts explained above.

Current stage of the case: Matter Settled in Mediation

Next date of hearing: 20.07.2024

***Usha Financial Services Private Limited Versus M/S J B Trading***

Court Name: Metropolitan Magistrate, Shahdara, Karkardooma Court, Delhi  
Case No.: CT CASE/1543/2019

Fact of the case: The Company has given a Loan of Rs. 3,75,000/- to M/s JB Trading through It's Proprietor Mr. M Gulab Chand, vide Loan No.00086249 as per terms and conditions mentioned therein. As per the terms and conditions, Mr. M Gulab Chand required to repay the loan as per agreed terms and conditions. However, he had not repaid the full amount to the Company. Moreover, upon depositing the Cheque No. 548661 dated 12.02.2019 towards aggregating amount of Rs. 3,21,348/-including interest, penalty, arrears amount, the Cheque was returned with an endorsement of "FUNDS INSUFFICIENT". Accordingly, the Company has filed Criminal Case against M/s JB Trading through It's Proprietor Mr. M Gulab Chand, under section 138 of the Negotiable Instruments Act, 1881 (the "NI Act") in relation to the dishonored cheque and recovery of dues.

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the basis of facts explained above.

Current stage of the case: Case is at the stage of Complainant Evidence

Next date of hearing: 22.07.2024

***Usha Financial Services Private Limited Versus Fashion Plus***

Court Name: Metropolitan Magistrate, Shahdara, Karkardooma Court, Delhi  
Case No.: CT CASE/1837/2019

Fact of the case: The Company has given a Loan of Rs. 3,00,000/- to M/s Fashion Plus through It's Proprietor Mr. Lekhraj Saini, vide Loan No. 000054978, as per terms and conditions mentioned therein. As per the terms and conditions, Mr. Lekhraj Saini required to repay the loan as per agreed terms and conditions. However, he had not repaid the full amount to the Company. Moreover, upon depositing the Cheque No. 000841 dated 08.02.2019 towards aggregating amount of Rs. 2,56,637/-including interest, penalty, arrears amount, the Cheque was returned with an endorsement of "Insufficient Funds". Accordingly, the Company has filed Criminal Case against M/s Fashion Plus through It's Proprietor Mr. Lekhraj Saini, under section 138 of the Negotiable Instruments Act, 1881 (the "NI Act") in relation to the dishonored cheque and recovery of dues.

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the basis of facts explained above.

Current stage of the case: Counsel of Complainant seeks time from court to file fresh address of accused.

Next date of hearing: 22.07.2024

***Usha Financial Services Private Limited Versus Fashion Hub***

Court Name: Metropolitan Magistrate, Shahdara, Karkardooma Court, Delhi

Case No.: CC NI ACT/1199/2021

Fact of the case: The Company has given a Loan of Rs. 3,75,000/- to M/s Fashion Hub Through It's Proprietor Mr. Dheeraj Wadhvani, vide Loan No. 000124480 as per terms and conditions mentioned therein. As per the terms and conditions, Mr. Dheeraj Wadhvani required to repay the loan as per agreed terms and conditions. However, Mr. Dheeraj Wadhvani had not repaid the full amount to the Company. Moreover, upon depositing the Cheque No. 000636 dated 22.03.2021 towards aggregating amount of Rs. 2,77,870/- including interest, penalty, arrears amount, the Cheque was returned with an endorsement of "FUNDS INSUFFICIENT".

Accordingly, the Company has filed Criminal Case against M/s Fashion Hub Through It's Proprietor Mr. Dheeraj Wadhvani, under section 138 of the Negotiable Instruments Act, 1881 (the "NI Act") in relation to the dishonored cheque and recovery of dues.

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the basis of facts explained above.

Current stage of the case: Case is at the stage of Complainant Evidence and on arguments on application U/ s 143A

Next date of hearing: 11.07.2024

***Usha Financial Services Private Limited Versus Shree Radhey Saree***

Court Name: Metropolitan Magistrate, Shahdara, Karkardooma Court, Delhi

Case No.: CC NI ACT/1164/2021

Fact of the case: The Company has given a Loan of Rs. 2,50,000/- to Shree Radhey Saree through its Proprietor Mr. Kishor Kumar Sukhwani, vide Loan No. 000082142 as per terms and conditions mentioned therein. Mr. Kishor Kumar Sukhwani required to repay the loan as per agreed terms and conditions. However, Mr. Kishor Kumar Sukhwani had not re-paid the full amount to the Company. Moreover, upon depositing the Cheque No. 259741 dated 22.03.2021 towards aggregating amount of Rupees 2,61,022/- including interest, penalty, arrears amount, the Cheque was returned with an endorsement of "REFER TO DRAWER". Accordingly, the Company has filed Criminal Case against Shree Radhey Saree through its Proprietor Mr. Kishor Kumar Sukhwani under section 138 of the Negotiable Instruments Act, 1881 (the "NI Act") in relation to the dishonored cheque and recovery of dues.

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the basis of facts explained above.

Current stage of the case: Physical Address Verification of Accused is asked by court.

Next date of hearing: 17.08.2024

***Usha Financial Services Private Limited Versus Leen Garments***

Court Name: Metropolitan Magistrate, Shahdara, Karkardooma Court, Delhi

Case No.: CT CASE/1215/2019

Fact of the case: The Company has given a Loan of Rs. 3,00,000/- to M/S LEEN GARMENTS through its Proprietor Md. Jahir Uddin, vide Loan No. 000046354 as per terms and conditions mentioned therein. Md. Jahiruddin required to repay the loan as per agreed terms and conditions. However, Md. Jahir Uddin had not re-paid the full amount to the Company. Moreover, upon depositing Cheque No. 000016 dated 18.1.2019 towards aggregating amount of Rupees 2,48,413/- including interest, penalty, arrears amount, the Cheque was returned with an endorsement of “Insufficient Funds”. Accordingly, the Company has filed a Criminal Case against M/S LEEN GARMENTS through its Proprietor Md. Jahir Uddin under section 138 of the Negotiable Instruments Act, 1881 (the “NI Act”) in relation to the dishonored cheque and recovery of dues.

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the basis of facts explained above.

Current stage of the case: Process under 82 Crpc Issued, Received back executed, Notice issued to process server for recording of Statement.

Next date of hearing:22.07.2024

***Usha Financial Services Private Limited Versus MR Enterprises***

Court Name: Metropolitan Magistrate, Shahdara, Karkardooma Court, Delhi  
Case No.: MISC CRL/92/2020

Fact of the case: The Company has given a Loan of Rs. 2,75,000/- to MR Enterprises through its Proprietor Mr. Anshul Sharma, vide Loan No. 000069036 as per terms and conditions mentioned therein. As per the terms and conditions, Mr. Anshul Sharma required to repay the loan as per agreed terms and conditions. However, Mr. Anshul Sharma has not re-paid the full amount to the Company. Moreover, upon depositing Cheque No. 068005 dated 31.10.2019 towards aggregating amount of Rupees 2,47,738/- including interest, penalty, arrears amount, the Cheque was returned with an endorsement of “FUNDS INSUFFICIENT”. Accordingly, the Company has filed Criminal Case against MR Enterprises through its Proprietor Mr. Anshul Sharma under section 138 of the Negotiable Instruments Act, 1881 (the “NI Act”) in relation to the dishonored cheque and recovery of dues.

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the basis of facts explained above.

Current stage of the case: Summons issued through DCP

Next date of hearing: 12.07.2024

***Usha Financial Services Private Limited Versus Telkam Batteries***

Court Name: Metropolitan Magistrate, Shahdara, Karkardooma Court, Delhi  
Case No.: MISC CRL/158/2020

Fact of the case: The Company has given a Loan of Rs. 3,50,500/- to M/s Telkam Batteries Through It's Proprietor Mr. Irfan @ Mohd. Irfan, vide Loan No. 000068684 as per terms and conditions mentioned therein. As per the terms and conditions, Mr. Irfan @ Mohd. Irfan required to repay the loan as per agreed terms and conditions. However, Mr. Irfan @ Mohd. Irfan had not repaid the full amount to the Company. Moreover, upon depositing the Cheque No. 000166 dated 22.12.2019 towards aggregating amount of Rupees 2,29,087/- including interest, penalty, arrears amount, the Cheque was returned with an endorsement of “FUNDS INSUFFICIENT”. Accordingly, the Company has filed Criminal Case against M/s Telkam Batteries Through It's Proprietor Mr. Irfan @ Mohd. Irfan, under

section 138 of the Negotiable Instruments Act, 1881 (the “NI Act”) in relation to the dishonored cheque and recovery of dues.

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the basis of facts explained above.

Current stage of the case: Notice framed. Application u/s 145(2) NI Act pending.

Next date of hearing: 26.07.2024

***Usha Financial Services Private Limited Versus Ansari Interiors***

Court Name: Metropolitan Magistrate, Shahdara, Karkardooma Court, Delhi

Case No.: CT CASE/5002/2018

Fact of the case: The Company has given a Loan of Rs. 2,00,000/- to M/S Ansari Interiors through its Proprietor Mohd. Mobeen, vide Loan No. 000030107 as per terms and conditions mentioned therein. As per the terms and conditions, Mohd. Mobeen required to repay the loan as per agreed terms and conditions. However, Mohd. Mobeen had not re-paid the full amount to the Company. Moreover, upon depositing the Cheque No. 077345 vide Cheque memo Return dated .6/09/2018 towards aggregating amount of Rupees 2,15,007/- including interest, penalty, arrears amount, the Cheque was returned with an endorsement of “FUNDS INSUFFICIENT”.

Accordingly, the Company has filed Criminal Case against M/S Ansari Interiors through its Proprietor Mohd. Mobeen under section 138 of the Negotiable Instruments Act, 1881 (the “NI Act”) in relation to the dishonored cheque and recovery of dues.

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the basis of facts explained above.

Current stage of the case: Complainant seeks time to verify address of the accused

Next date of hearing:27.08.2024

***Usha Financial Services Private Limited Versus Purohit Classes***

Court Name: Metropolitan Magistrate, Shahdara, Karkardooma Court, Delhi

Case No.: CT CASE/4800/2019

Fact of the case: The Company has given a Loan of Rs. 2,35,000/- to Purohit Classes through its Proprietor Mr. Bajrang Kumar, vide Loan No. 000118241 as per terms and conditions mentioned therein. As per the terms and conditions, Mr. Bajrang Kumar required to repay the loan as per agreed terms and conditions. However, Mr. Bajrang Kumar had not re-paid the full amount to the Company. Moreover, upon depositing the Cheque No. 000173 dated 26.06.2019 towards aggregating amount of Rupees 1,87,701/- including interest, penalty, arrears amount, the Cheque was returned with an endorsement of “FUNDS INSUFFICIENT”. Accordingly, the Company has filed Criminal Case against M/S Purohit Classes through Proprietor Mr. Bajrang Kumar under section 138 of the Negotiable Instruments Act, 1881 (the “NI Act”) in relation to the dishonored cheque and recovery of dues.

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the basis of facts explained above.

Current stage of the case: Summons issued to accused

Next date of hearing: 22.08.2024

***Usha Financial Services Private Limited Versus The Influence***

Court Name: Metropolitan Magistrate, Shahdara, Karkardooma Court, Delhi  
Case No.: CC NI Act 790/2021

Fact of the case: The Company has given a Loan of Rs. 2,00,000/- to M/s The Influence through It's Proprietor Mr. Aakash Raghav vide Loan No. 000046327 as per terms and conditions mentioned therein. As per the terms and conditions, Mr. Aakash Raghav required to repay the loan as per agreed terms and conditions. However, Mr. Aakash Raghav had not repaid the full amount to the Company. Moreover, upon depositing the Cheque No. 051536 dated 22.01.2021 towards aggregating amount of Rupees 1,81,099/- including interest, penalty, arrears amount, the Cheque was returned with an endorsement of "FUNDS INSUFFICIENT".

Accordingly, the Company has filed Criminal Case against M/s The Influence through It's Proprietor Mr. Aakash Raghav, under section 138 of the Negotiable Instruments Act, 1881 (the "NI Act") in relation to the dishonored cheque and recovery of dues.

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the basis of facts explained above.

Current stage of the case: Summons issued to accused

Next date of hearing: 11.11.2024

***Usha Financial Services Private Limited Versus Health Aqua International***

Court Name: Metropolitan Magistrate, Shahdara, Karkardooma Court, Delhi  
Case No.: CT CASE/3344/2019

Fact of the case: The Company has given a Loan of Rs. 2,00,000/- to M/s Health Aqua International through It's Proprietor Mr. Jitendra Giri, vide Loan No. 0070000328 as per terms and conditions mentioned therein. As per the terms and conditions, Mr. Jitendra Giri, required to repay the loan as per agreed terms and conditions but he failed to do. However, Mr. Jitendra Giri had not repaid the full amount to the Company. Moreover, upon depositing Cheque No. 000197 ide Cheque memo Return Dated. 24.05.2019 towards aggregating amount of Rupees 1,76,282/- including interest, penalty, arrears amount, the Cheque was returned with an endorsement of "Drawer Stop payment". Accordingly, the Company has filed Criminal Case against M/s Health Aqua International through It's Proprietor Mr. Jitendra Giri, under section 138 of the Negotiable Instruments Act, 1881 (the "NI Act") in relation to the dishonored cheque and recovery of dues.

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the basis of facts explained above.

Current stage of the case: Filling of Fresh Address of accused is asked by court

Next date of hearing:16.10.2024

***Usha Financial Services Private Limited Versus Umesh Kumar***

Court Name: Metropolitan Magistrate, Shahdara, Karkardooma Court, Delhi

Case No.: CT CASE/3535/2018

Fact of the case: The Company has given a Loan of Rs. 1,70,000/- to M/s Shri Balaji Computers through It's Proprietor Mr. Saurabh Jain vide Loan No. 007-0000416 as per terms and conditions mentioned therein. As per the terms and conditions, Mr. Saurabh Jain required to repay the loan as per agreed terms and conditions but he failed to do so.

However, Mr. Umesh Kumar stood as the Guarantor of Shri Balaji Computers, therefore Company presented the Cheque of Guarantor. Moreover, upon depositing the Cheque No. 003255 dated 09.05.2018 towards aggregating amount of 1,75,799/- including interest, penalty, arrears amount, the Cheque was returned with an endorsement of "FUNDS INSUFFICIENT".

Accordingly, the Company has filed a Criminal Case against Mr. Umesh Kumar under section 138 of the Negotiable Instruments Act, 1881 (the "NI Act") in relation to the dishonored cheque and recovery of dues.

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the basis of facts explained above.

Current stage of the case: Cross Examination of complainant

Next date of hearing: 19.07.2024

***Usha Financial Services Private Limited Versus Shri Balaji Computers***

Court Name: Metropolitan Magistrate, Shahdara, Karkardooma Court, Delhi

Case No.: CT CASE/1103/2018

Fact of the case: The Company has given a Loan of Rs. 1,70,000/- to M/S Sh. Balaji Computers Through It's Proprietor Sh. Saurabh Jain, vide Loan No. 0070000416 as per terms and conditions mentioned therein. As per the terms and conditions, Sh. Saurabh Jain required to repay the loan as per agreed terms and conditions. However, Sh. Saurabh Jain had not re-paid the full amount to the Company. Moreover, upon depositing the Cheque No. 003322 vide Cheque memo Return Dated. 11.12.2017 aggregating amount of Rupees 1,75,799/- including interest, penalty, arrears amount, the Cheque was returned with an endorsement of "FUNDS INSUFFICIENT".

Accordingly, the Company has filed Criminal Case against Sh. Balaji Computers Through It's Proprietor Sh. Saurabh Jain, under section 138 of the Negotiable Instruments Act, 1881 (the "NI Act") in relation to the dishonored cheque and recovery of dues.

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the basis of facts explained above.

Current stage of the case: Process u/s 82 Crpc received back unexecuted, Complainant directed to file fresh address of Accused.

Next date of hearing: 27.08.2024

***Usha Financial Services Private Limited Versus Ruksar Bag House***

Court Name: Metropolitan Magistrate, Shahdara, Karkardooma Court, Delhi  
Case No.: CT CASE/630/2019

Fact of the case: The Company has given a Loan of Rs. 2,00,000/- to M/s Ruksar bag House through its Proprietor Md. Mushtaque vide Loan No. 0070000738 as per terms and conditions mentioned therein. Md. Mushtaque required to repay the loan as per agreed terms and conditions. However, Md. Mushtaque had not re-paid the full amount to the Company. Moreover, upon depositing the Cheque No. 463445 vide Cheque memo Return dated 28.12.2018 towards aggregating amount of Rupees 1,55,082/- including interest, penalty, arrears amount, the Cheque was returned with an endorsement of "Funds Insufficient". Accordingly, the Company has filed Criminal Case against M/s Ruksar bag House through its Proprietor Md. Mushtaque under section 138 of the Negotiable Instruments Act, 1881 (the "NI Act") in relation to the dishonored cheque and recovery of dues.

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the basis of facts explained above.

Current stage of the case: Process U/s 82 of Crpc received back executed, notice issued to process server for statement

Next date of hearing: 22.07.2024

***Usha Financial Services Private Limited Versus M/S Dream World Residency***

Court Name: Metropolitan Magistrate, Shahdara, Karkardooma Court, Delhi  
Case No.: MISC CRL/90/2020

Fact of the case: The Company has given a Loan of Rs. 1,75,000/- to M/s Dream World Residency Through It's Proprietor Mohamed Arif Mansoori, vide Loan No. 000124713 as per terms and conditions mentioned therein. As per the terms and conditions, Mohamed Arif Mansoori required to repay the loan as per agreed terms and conditions.

However, Mohamed Arif Mansoori had not re-paid the full amount to the Company. Moreover, upon depositing the Cheque No. 000066 dated 22.12.2019 towards aggregating amount of Rupees 1,51,966/- including interest, penalty, arrears amount, the Cheque was returned with an endorsement of "FUNDS INSUFFICIENT". Accordingly, the Company has filed Criminal Case against M/s Dream World Residency Through It's Proprietor Mohamed Arif Mansoori, under section 138 of the Negotiable Instruments Act, 1881 (the "NI Act") in relation to the dishonored cheque and recovery of dues.

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the basis of facts explained above.

Current stage of the case: Non Bailable Warrant (NBW) issued through DCP against accused

Next date of hearing: 12.07.2024

***Usha Financial Services Private Limited Versus Mahalaxmi Enterprises***

Court Name: Metropolitan Magistrate, Shahdara, Karkardooma Court, Delhi

Case No.: CT CASE/68/2019

Fact of the case: The Company has given a Loan of Rs. 1,75,000/- to M/s Mahalaxmi Enterprises Through It's Proprietor Mr. Ashish Kumar, vide Loan No. 000054970 as per terms and conditions mentioned therein. As per the terms and conditions, Mr. Ashish Kumar required to repay the loan as per agreed terms and conditions. However, Mr. Ashish Kumar had not re-paid the full amount to the Company. Moreover, upon depositing the Cheque No. 986948 vide Cheque memo Return dated 29.11.2018 towards aggregating amount of Rupees 1,72,776/- including interest, penalty, arrears amount, the Cheque was returned with an endorsement of "FUNDS INSUFFICIENT". Accordingly, the Company has filed Criminal Case against M/s Mahalaxmi Enterprises Through It's Proprietor Mr. Ashish Kumar, under section 138 of the Negotiable Instruments Act, 1881 (the "NI Act") in relation to the dishonored cheque and recovery of dues.

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the basis of facts explained above.

Current stage of the case: Case is on the stage of Complainant Evidence

Next date of hearing: 12.09.2024

***Usha Financial Services Private Limited Versus Kartik Footwear***

Court Name: Metropolitan Magistrate, Shahdara, Karkardooma Court, Delhi

Case No.: CC NI ACT/1197/2021

Fact of the case: The Company has given a Loan of Rs. 2,00,000/- to M/s Kartik Footwear through It's Proprietor Mr. Raj Kumar Jethani, vide Loan No. 000125215 as per terms and conditions mentioned therein. As per the terms and conditions, Mr. Raj Kumar Jethani required to repay the loan as per agreed terms and conditions. However, Mr. Raj Kumar Jethani had not re-paid the full amount to the Company. Moreover, upon depositing the Cheque No. 000056 dated 26.03.2021 towards aggregating amount of Rupees 1,46,564/- including interest, penalty, arrears amount, the Cheque was returned with an endorsement of "FUNDS INSUFFICIENT". Accordingly, the Company has filed Criminal Case against M/s Kartik Footwear through It's Proprietor Mr. Raj Kumar Jethani, under section 138 of the Negotiable Instruments Act, 1881 (the "NI Act") in relation to the dishonored cheque and recovery of dues.

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the basis of facts explained above.

Current stage of the case: Address Verification of Accused is asked by court

Next date of hearing: 01.08.2024

***Usha Financial Services Private Limited Versus Firoj Mobiles***

Court Name: Metropolitan Magistrate, Shahdara, Karkardooma Court, Delhi  
Case No.: CC NI ACT /1196/2021

Fact of the case: The Company has given a Loan of Rs. 2,00,000/- to M/s Firoj Mobiles through It's Proprietor Mr. Faqrudhin Bagwan, vide Loan No. 000077835 as per terms and conditions mentioned therein. As per the terms and conditions, Mr. Faqrudhin Bagwan required to repay the loan as per agreed terms and conditions. However, Mr. Faqrudhin Bagwan had not re-paid the full amount to the Company. Moreover, upon depositing the Cheque No. 467486 dated 22.03.2021 towards aggregating amount of Rupees 1,45,461/- including interest, penalty, arrears amount, the Cheque was returned with an endorsement of "REFER TO DRAWER". Accordingly, the Company has filed Criminal Case against M/s Firoj Mobiles through It's Proprietor Mr. Faqrudhin Bagwan, under section 138 of the Negotiable Instruments Act, 1881 (the "NI Act") in relation to the dishonored cheque and recovery of dues.

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the basis of facts explained above.

Current stage of the case: Address Verification of Accused is asked by court

Next date of hearing: 01.08.2024

***Usha Financial Services Private Limited Versus Nirmal Electronics***

Court Name: Metropolitan Magistrate, Shahdara, Karkardooma Court, Delhi  
Case No.: CC NI ACT/1163/2021

Fact of the case: The Company has given a Loan of Rs. 2,00,000/- to M/s Nirmal Electronics through It's Proprietor Mr. Chiranji Lal, vide Loan No. 000124991 as per terms and conditions mentioned therein. As per the terms and conditions, Mr. Chiranji Lal required to repay the loan as per agreed terms and conditions. However, Mr. Chiranji Lal had not re-paid the full amount to the Company. Moreover, upon depositing the Cheque No. O53O35 dated 25.03.2021 towards aggregating amount of Rs. 1,43,327/- including interest, penalty, arrears amount, the Cheque was returned with an endorsement of "FUNDS INSUFFICIENT". Accordingly, the Company has filed Criminal Case against M/s Nirmal Electronics through It's Proprietor Mr. Chiranji Lal, under section 138 of the Negotiable Instruments Act, 1881 (the "NI Act") in relation to the dishonored cheque and recovery of dues.

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the basis of facts explained above.

Current stage of the case: Case is on the stage of Cross Examination of Complainant, Matter Settled in mediation.

Next date of hearing:20.07.2024

***Usha Financial Services Private Limited Versus Sunil Kumar***

Court Name: Metropolitan Magistrate, Shahdara, Karkardooma Court, Delhi  
Case No.: CT CASE/2100/2019

Fact of the case: The Company has given a Loan of Rs. 1,65,000/- to Sisodia Industries through It's Proprietor Mr. Banwari Lal, vide Loan No. 000035137 as per terms and conditions therein. Company had filed a case against Sisodia Industries. Mr. Sunil Kumar is the guarantor of Sisodia Industries and is also liable to repay the amount if Mr. Banwari Lal fails to do so. Moreover, upon depositing the Cheque No. 000004 dated 19.03.2019 towards aggregating amount of Rupees 1,40,299/- including interest, penalty, arrears amount, the Cheque was returned with an endorsement of "DRAWER SIGNATURE DIFFERS." Accordingly, the Company has filed Criminal Case against Mr. Sunil Kumar under section 138 of the Negotiable Instruments Act, 1881 (the "NI Act") in relation to the dishonored of cheque and recovery of dues.

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the basis of facts explained above.

Current stage of the case: Last opportunity given to file Fresh Address of Accused to be filed

Next date of hearing: 22.08.2024

***Usha Financial Services Private Limited Versus Varsha Garments***

Court Name: Metropolitan Magistrate, Shahdara, Karkardooma Court, Delhi  
Case No.: CT CASE/2241/2019

Fact of the case: The Company has given a Loan of Rs. 1,50,000/- to M/s Varsha Garments through It's Proprietor Mr. Anil Kumar, vide Loan No. 000055085 as per terms and conditions mentioned therein. As per the terms and conditions, Mr. Anil Kumar required to repay the loan as per agreed terms and conditions. However, he had not re-paid the full amount to the Company. Moreover, upon depositing the Cheque No. 063851 dated 03.04.2019 towards aggregating amount of Rs. 1,38,703/- including interest, penalty, arrears amount, the Cheque was returned with an endorsement of "FUNDS INSUFFICIENT". Accordingly, the Company has filed Criminal Case against M/s Varsha Garments through It's Proprietor Mr. Anil Kumar, under section 138 of the Negotiable Instruments Act, 1881 (the "NI Act") in relation to the dishonored cheque and recovery of dues.

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the basis of facts explained above.

Current stage of the case: Bailable warrant issued against Accused

Next date of hearing: 04.09.2024

***Usha Financial Services Private Limited Versus Shri Balaji Gas Chulha***

Court Name: Metropolitan Magistrate, Shahdara, Karkardooma Court, Delhi  
Case No.: CT CASE/3891/2019

Fact of the case: The Company has given a Loan of Rs. 1,50,000/- to M/s Shri Balaji Gas Chulha through It's Proprietor Mr. Hitendra Kumar Gupta, vide Loan No. 000125556 as per terms and conditions

mentioned therein. As per the terms and conditions, Mr. Hitendra Kumar Gupta required to repay the loan as per agreed terms and conditions. However, he had not re-paid the full amount to the Company. Moreover, upon depositing the Cheque No. 138168 vide Cheque memo Return Dated 02.07.2019 towards aggregating amount of Rs. 1,55,434/- including interest, penalty, arrears amount, the Cheque was returned with an endorsement of “Funds Insufficient”. Accordingly, the Company has filed Criminal Case against M/s Shri Balaji Gas Chulha through It's Proprietor Mr. Hitendra Kumar Gupta, under section 138 of the Negotiable Instruments Act, 1881 (the “NI Act”) in relation to the dishonored cheque and recovery of dues.

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the basis of facts explained above.

Current stage of the case: Summons issued against Accused

Next date of hearing: 05.08.2024

***Usha Financial Services Private Limited Versus Speedx Infotech***

Court Name: Metropolitan Magistrate, Shahdara, Karkardooma Court, Delhi  
Case No.: CT CASE/1214/2019

Fact of the case: The Company has given a Loan of Rs. 2,00,000/- to M/s SpeedX infotech through its Proprietor Mr. Amarnath Prashad, as per terms and conditions mentioned therein. As per the terms and conditions, Mr. Amarnath Prashad required to repay the loan as per agreed terms and conditions. However, Mr. Amarnath Prashad had not re-paid the full amount to the Company. Moreover, upon depositing the Cheque No. 055491 vide Cheque memo Return dated 19.01.2019 towards aggregating amount of Rupees 1,33,486/- including interest, penalty, arrears amount, the Cheque was returned with an endorsement of “FUNDS INSUFFICIENT”. Accordingly, the Company has filed Criminal Case against M/s SpeedX infotech through its Proprietor Mr. Amarnath Prashad under section 138 of the Negotiable Instruments Act, 1881 (the “NI Act”) in relation to the dishonored cheque and recovery of dues.

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the basis of facts explained above.

Current stage of the case: SHO directed to arrest accused.

Next date of hearing: 23.07.2024

***Usha Financial Services Private Limited Versus Florence Fashion***

Court Name: Metropolitan Magistrate, Shahdara, Karkardooma Court, Delhi  
Case No.: CT CASE/1806/2019

Fact of the case: The Company has given a Loan of Rs. 1,50,000/- to M/s Florence Fashion through It's Proprietor Mr. Kamal Taneja, vide Loan No. 000054834 as per terms and conditions mentioned therein. As per the terms and conditions, Mr. Kamal Taneja required to repay the loan as per agreed terms and conditions. However, he had not re-paid the full amount to the Company. Moreover, upon depositing

the Cheque No. 644242 dated 19.03.2019 towards aggregating amount of Rs. 1,20,239/- including interest, penalty, arrears amount, the Cheque was returned with an endorsement of “FUNDS INSUFFICIENT”. Accordingly, the Company has filed Criminal Case against M/s Florence Fashion through It's Proprietor Mr. Kamal Taneja, under section 138 of the Negotiable Instruments Act, 1881 (the “NI Act”) in relation to the dishonored cheque and recovery of dues.

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the basis of facts explained above.

Current stage of the case: Bailable Warrant issued against accused (Adjourned sine dine), location of accused cannot be traced, case can revive with appropriate application when address of accused be found.

Next date of hearing: Not Applicable

***Usha Financial Services Private Limited Versus Baba Sai Overseas***

Court Name: Metropolitan Magistrate, Shahdara, Karkardooma Court, Delhi  
Case No.: CT CASE/3342/2019

Fact of the case: The Company has given a Loan of Rs. 1,75,000/- to M/s Baba Sai Overseas through It's Proprietor Ms. Mala, vide Loan No. 000046355 as per terms and conditions mentioned therein. As per the terms and conditions, Ms. Mala required to repay the loan as per agreed terms and conditions. However, he had not re-paid the full amount to the Company. Moreover, upon depositing the Cheque No. 659028 vide Cheque memo Return dated 03.06.2019 towards aggregating amount of Rs. 1,18,971/- including interest, penalty, arrears amount, the Cheque was returned with an endorsement of “FUNDS INSUFFICIENT”.

Accordingly, the Company has filed Criminal Case against M/s Baba Sai Overseas through It's Proprietor Ms. Mala, under section 138 of the Negotiable Instruments Act, 1881 (the “NI Act”) in relation to the dishonored cheque and recovery of dues.

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the basis of facts explained above.

Current stage of the case: AR of Complainant seeks time from court to verify address of accused.

Next date of hearing: 15.10.2024

***Usha Financial Services Private Limited Versus Verma Sales Corporation***

Court Name: Metropolitan Magistrate, Shahdara, Karkardooma Court, Delhi  
Case No.: CT CASE/4163/2018

Fact of the case: The Company has given a Loan of Rs. 1,00,000/- to M/s Verma Sales Corporation through It's Proprietor Mr. Chaman Verma, vide Loan No. 000046380 as per terms and conditions mentioned therein. As per the terms and conditions, Mr. Chaman Verma required to repay the loan as per agreed terms and conditions. However, Mr. Chaman Verma had not re-paid the full amount to the Company. Moreover, upon depositing the Cheque No. 000041 dated 12.06.2018 towards aggregating amount of Rupees 1,10,147/- including interest, penalty, arrears amount, the Cheque was returned with an endorsement of “FUNDS INSUFFICIENT”. Accordingly, the Company has filed Criminal Case

against M/s Verma Sales Corporation through It's Proprietor Mr. Chaman Verma, under section 138 of the Negotiable Instruments Act, 1881 (the "NI Act") in relation to the dishonored cheque and recovery of dues.

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the basis of facts explained above.

Current stage of the case: Notice Framed Against Accused, Matter Settled in Mediation

Next date of hearing: 20.07.2024

***Usha Financial Services Private Limited Versus Ratna Kumari***

Court Name: Metropolitan Magistrate, Shahdara, Karkardooma Court, Delhi  
Case No.: CT CASE/5400/2018

Fact of the case: The Company has given a Loan of Rs. 1,00,000/- to M/s Verma Sales Corporation through It's Proprietor Mr. Chaman Verma, vide Loan No. 000046380 as per terms and conditions therein. Company had filed a case against M/s Verma sales Coproration through Mr. Chaman Verma. Ratna Kumari is the guarantor of M/S Verma Sales Corporation also liable to repay the amount if Mr. Chaman Verma fails to do so. Moreover, up on depositing the Cheque No. 329507 towards aggregating amount of Rupees 1,10,147/- including interest, penalty, arrears amount, the Cheque was returned with an endorsement of "Insufficient Funds".

Accordingly, the Company has filed Criminal Case against Mrs. Ratna Kumari under section 138 of the Negotiable Instruments Act, 1881 (the "NI Act") in relation to the dishonored of cheque and recovery of dues.

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the basis of facts explained above.

Current stage of the case: Case is at the stage of Cross Examination of Complainant, Matter settled in Mediation.

Next date of hearing: 20.07.2024

***Usha Financial Services Private Limited Versus Student Economic Academy***

Court Name: Metropolitan Magistrate, Shahdara, Karkardooma Court, Delhi  
Case No.: CT CASE/2102/2019

Fact of the case: The Company has given a Loan of Rs. 2,00,000/- to M/s Student Economic Academy through It's Proprietor Mr. Mukesh Dwedia, as per terms and conditions mentioned therein. As per the terms and conditions. Mr. Mukesh Dwedia required to repay the loan as per agreed terms and conditions. However, Mr. Mukesh Dwedia had not repaid the full amount to the Company. Moreover, upon depositing the Cheque No. 000164 towards aggregating amount of Rupees 1,03,551/- including interest, penalty, arrears amount, the Cheque was returned with an endorsement of "FUNDS INSUFFICIENT". Accordingly, the Company has filed Criminal Case against/s Student Economic Academy through It's Proprietor Ms. Mukesh Dwedia, under section 138 of the Negotiable Instruments Act, 1881 (the "NI

Act”) in relation to the dishonored cheque and recovery of dues.

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the basis of facts explained above.

Current stage of the case: Summons issued against accused.

Next date of hearing: 18.11.2024

***Usha Financial Services Private Limited Versus Vaishno Enterprises***

Court Name: Metropolitan Magistrate, Shahdara, Karkardooma Court, Delhi

Case No.: CT CASE/1077/2019

Fact of the case: The Company has given a Loan of Rs. 2,00,000/- to M/s Vaishno Enterprises through It’s Proprietor Ms. Geeta Sharma vide loan account no 0070000686, as per terms and conditions mentioned therein. As per the terms and conditions, Ms. Geeta Sharma required to repay the loan as per agreed terms and conditions. However, Ms. Geeta Sharma had not repaid the full amount to the Company. Moreover, upon depositing the Cheque No. 000220 vide Cheque memo Return dated 19.01.2019 towards aggregating amount of Rupees 99,908/- including interest, penalty, arrears amount, the Cheque was returned with an endorsement of “FUNDS INSUFFICIENT”. Accordingly, the Company has filed Criminal Case against M/s Vaishno Enterprises through It’s Proprietor Ms. Geeta Sharma, under section 138 of the Negotiable Instruments Act, 1881 (the “NI Act”) in relation to the dishonored cheque and recovery of dues.

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the basis of facts explained above.

Current stage of the case: Filing of Address verification of Affidavit Complainant is asked by court.

Next date of hearing: 19.07.2024

***Usha Financial Services Private Limited Versus Universal Diesels***

Court Name: Metropolitan Magistrate, Shahdara, Karkardooma Court, Delhi

Case No.: CC NI Act 804/2021

Fact of the case: The Company has given a Loan of Rs. 1,65,000/- to M/s Universal Diesels through It’s Proprietor Mr. Tejpal Singh Jodha, vide Loan No. 000119867 as per terms and conditions mentioned therein. As per the terms and conditions, Mr. Tejpal Singh Jodha required to repay the loan as per agreed terms and conditions. However, Mr. Tejpal Singh Jodha had not repaid the full amount to the Company. Moreover, upon depositing the Cheque No. 142003 dated 05.02.2021 towards aggregating amount of Rupees 98,962/- including interest, penalty, arrears amount, the Cheque was returned with an endorsement of “FUNDS INSUFFICIENT”.

Accordingly, the Company has filed Criminal Case against M/s Universal Diesel through It’s Proprietor Mr. Tejpal Singh Jodha, under section 138 of the Negotiable Instruments Act, 1881 (the “NI Act”) in relation to the dishonored cheque and recovery of dues.

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the basis of facts explained above.

Current stage of the case: process u/s 82 Crpc issued

Next date of hearing: 26.10.2024

***Usha Financial Services Private Limited Versus New Look Collection***

Court Name: Metropolitan Magistrate, Shahdara, Karkardooma Court, Delhi  
Case No.: MISC CRL/159/2020

Fact of the case: The Company has given a Loan of Rs. 1,60,000/- to M/s New Look Collection Through It's Proprietor Mr. Naresh Wadhvani, vide Loan No. 000124497 as per terms and conditions mentioned therein. As per the terms and conditions, Mr. Naresh Wadhvani required to repay the loan as per agreed terms and conditions. However, Mr. Naresh Wadhvani had not repaid the full amount to the Company. Moreover, upon depositing the Cheque No. 242938 vide Cheque memo Return dated 28.01.2020 towards aggregating amount of Rupees 97,967/- including interest, penalty, arrears amount, the Cheque was returned with an endorsement of "FUNDS INSUFFICIENT". Accordingly, the Company has filed Criminal Case against M/s New Look Collection Through It's Proprietor Mr. Naresh Wadhvani, under section 138 of the Negotiable Instruments Act, 1881 (the "NI Act") in relation to the dishonored cheque and recovery of dues.

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the basis of facts explained above.

Current stage of the case: Non Bailable Warrant process received back , Complainant is directed to file fresh address of accused

Next date of hearing: 07.09.2024

***Usha Financial Services Private Limited Versus Kumud Sanitary And Building Materials***

Court Name: Metropolitan Magistrate, Shahdara, Karkardooma Court, Delhi  
Case No.: MISC CRL/160/2020

Fact of the case: The Company has given a Loan of Rs. 2,00,000/- to M/s Kumud Sanitary and Building Materials through It's Proprietor Mr. Ambikesh Singhal, vide Loan No. 000086325 as per terms and conditions mentioned therein. As per the terms and conditions, Mr. Ambikesh Singhal required to repay the loan as per agreed terms and conditions. However, Mr. Ambikesh Singhal had not repaid the full amount to the Company. Moreover, upon depositing the Cheque No. 000957 vide Cheque memo Return dated 28.01.2020 towards aggregating amount of Rupees 94,678/- including interest, penalty, arrears amount, the Cheque was returned with an endorsement of "FUNDS INSUFFICIENT". Accordingly, the Company has filed Criminal Case against M/s Kumud Sanitary and Building Materials through It's Proprietor Mr. Ambikesh Singhal, under section 138 of the Negotiable Instruments Act, 1881 (the "NI Act") in relation to the dishonored cheque and recovery of dues.

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the basis of facts explained above.

Current stage of the case: Notice framed, application U/S 145(2) NI Act Pending

Next date of hearing: 26.07.2024

***Usha Financial Services Private Limited Versus Shubh Kadam Traders***

Court Name: Metropolitan Magistrate, Shahdara, Karkardooma Court, Delhi  
Case No.: CT CASE/627/2019

Fact of the case: The Company has given a Loan of Rs. 1,20,000/- to M/s Shubh Kadam Traders through It's Proprietor Mr. Amit Gupta, vide Loan No. 000037798 as per terms and conditions mentioned therein. As per the terms and conditions, Mr. Amit Gupta required to repay the loan as per agreed terms and conditions. However, Mr. Amit Gupta had not repaid the full amount to the Company. Moreover, upon depositing the Cheque No. 000869 vide Cheque memo Return dated 28.12.2018 towards aggregating amount of Rupees 93,260/- including interest, penalty, arrears amount, the Cheque was returned with an endorsement of "FUNDS INSUFFICIENT". Accordingly, the Company has filed Criminal Case against M/s Shubh Kadam Traders through It's Proprietor Mr. Amit Gupta, under section 138 of the Negotiable Instruments Act, 1881 (the "NI Act") in relation to the dishonored cheque and recovery of dues.

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the basis of facts explained above.

Current stage of the case: Process U/s 82 Crpc Received back executed, summons issued to process server

Next date of hearing: 22.07.2024

***Usha Financial Services Private Limited Versus Ayush Stationery & Gift***

Court Name: Metropolitan Magistrate, Shahdara, Karkardooma Court, Delhi  
Case No.: CT CASE/4799/2019

Fact of the case: The Company has given a Loan of Rs. 1,25,000/- to M/s Ayush Stationery & gift through it's Proprietor Mr. Dilip Paswan vide Loan No. 000035089 as per terms and conditions mentioned therein. As per the terms and conditions, Mr. Dilip Paswan required to repay the loan as per agreed terms and conditions. However, he had not repaid the full amount to the Company. Moreover, upon depositing the Cheque No. 154580 dated 26.06.2019 towards aggregating amount of Rs. 85,736/- including interest, penalty, arrears amount, the Cheque was returned with an endorsement of "FUNDS INSUFFICIENT". Accordingly, the Company has filed Criminal Case against M/s Ayush Stationery & gift through it's Proprietor Mr. Dilip Paswan, under section 138 of the Negotiable Instruments Act, 1881 (the "NI Act") in relation to the dishonored cheque and recovery of dues.

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the basis of facts explained above.

Current stage of the case: Filling of Address Verification is asked

Next date of hearing: 22.08.2024

***Usha Financial Services Private Limited Versus S.K Garments Kota***

Court Name: Metropolitan Magistrate, Shahdara, Karkardooma Court, Delhi  
Case No.: CC NI ACT/1195/2021

Fact of the case: The Company has given a Loan of Rs. 75,000/- to M/s S K Garments through It's Proprietor Mr. Surendra Kumar, vide Loan No. 000124382 as per terms and conditions mentioned therein. As per the terms and conditions, Mr. Surendra Kumar required to repay the loan as per agreed terms and conditions. However, Mr. Surendra Kumar had not repaid the full amount to the Company. Moreover, upon depositing the Cheque No. 972745 dated 26.03.2021 towards aggregating amount of Rs. 84,374/- including interest, penalty, arrears amount, the Cheque was returned with an endorsement of "FUNDS INSUFFICIENT". Accordingly, the Company has filed Criminal Case against M/s S K Garments through It's Proprietor Mr. Surendra Kumar, under section 138 of the Negotiable Instruments Act, 1881 (the "NI Act") in relation to the dishonored cheque and recovery of dues.

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the basis of facts explained above.

Current stage of the case: Process u/s 82 Crpc issued against Accused

Next date of hearing: 01.08.2024

***Usha Financial Services Private Limited Versus Sunil Popat Shelke***

Court Name: Metropolitan Magistrate, Shahdara, Karkardooma Court, Delhi  
Case No.: CT CASE/4517/2018

Fact of the case: The Company has given a Loan of Rs. 1,00,000/- to Sunil Popat Shelke, vide Loan No. 007-0000940 as per terms and conditions mentioned therein. As per the terms and conditions, Mr. Sunil Popat Shelke required to repay the loan as per agreed terms and conditions.

However, Sunil Popat Shelke had not repaid the full amount to the Company. Moreover, upon depositing the Cheque No. 000022 vide Cheque memo Return dated 18.08.2018 towards aggregating amount of Rs. 79,790/- including interest, penalty, arrears amount, the Cheque was returned. Accordingly, the Company has filed Criminal Case against Sunil Popat Shelke, under section 138 of the Negotiable Instruments Act, 1881 (the "NI Act") in relation to the dishonored cheque and recovery of dues.

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the basis of facts explained above.

Current stage of the case: Accused declared a proclaimed person, accused arrested, matter is referred to mediation center.

Next date of hearing: 12.08.2024

***Usha Financial Services Private Limited Versus Mohan Enterprises***

Court Name: Metropolitan Magistrate, Shahdara, Karkardooma Court, Delhi  
Case No.: CC NI ACT/1198/2021

Fact of the case: The Company has given a Loan of Rs. 2,50,000/- to M/s Mohan Enterprises through It's Proprietor Mr. Mohan Chand, vide Loan No. 000081736 as per terms and conditions mentioned therein. As per the terms and conditions, Mr. Mohan Chand required to repay the loan as per agreed terms and conditions. However, Mr. Mohan Chand had not repaid the full amount to the Company. Moreover, upon depositing the Cheque No. 334022 dated 26.03.2021 towards aggregating amount of Rupees 78,636/- including interest, penalty, arrears amount, the Cheque was returned with an endorsement of "FUNDS INSUFFICIENT". Accordingly, the Company has filed Criminal Case against M/s Mohan Enterprises through It's Proprietor Mr. Mohan Chand, under section 138 of the Negotiable Instruments Act, 1881 (the "NI Act") in relation to the dishonored cheque and recovery of dues.

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the basis of facts explained above.

Current stage of the case: Address Verification of Accused is asked

Next date of hearing: 01.08.2024

***Usha Financial Services Private Limited Versus Saras Booth Center***

Court Name: Metropolitan Magistrate, Shahdara, Karkardooma Court, Delhi  
Case No.: MISC CRL/409/2020

Fact of the case: The Company has given a Loan of Rs. 40,000/- to M/s Saras Booth Center through It's Proprietor Mr. Hansraj Verma, vide Loan No. 000128252 as per terms and conditions mentioned therein. As per the terms and conditions, Mr. Hansraj Verma required to repay the loan as per agreed terms and conditions. However, Mr. Hansraj Verma had not repaid the full amount to the Company. Moreover, upon depositing the Cheque No. 000001 dated 23.09.2020 towards aggregating amount of Rupees 63,910/- including interest, penalty, arrears amount, the Cheque was returned with an endorsement of "FUNDS INSUFFICIENT".

Accordingly, the Company has filed Criminal Case against M/s Saras Booth Center through It's Proprietor Mr. Hansraj Verma, under section 138 of the Negotiable Instruments Act, 1881 (the "NI Act") in relation to the dishonored cheque and recovery of dues.

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the basis of facts explained above.

Current stage of the case: Non Bailable Warrant issued against accused

Next date of hearing: 26.07.2024

***Usha Financial Services Private Limited Versus Khushi Enterprises***

Court Name: Metropolitan Magistrate, Shahdara, Karkardooma Court, Delhi  
Case No.: CT CASE/1083/2019

Fact of the case: The Company has given a Loan of Rs. 1,00,000/- to M/s Khushi Enterprises through It's Proprietor Mr. Subramanya N, vide Loan No. 000077907 as per terms and conditions mentioned therein. As per the terms and conditions, Mr. Subramanya N required to repay the loan as per agreed

terms and conditions. However, Mr. Subramanya N had not repaid the full amount to the Company. Moreover, upon depositing the Cheque No. 284682 towards aggregating amount of Rs.63,721/- including interest, penalty, arrears amount, the Cheque was returned with an endorsement of "Funds Insufficient". Accordingly, the Company has filed Criminal Case against M/s Khushi Enterprises through It's Proprietor Mr. Subramanya N, under section 138 of the Negotiable Instruments Act, 1881 (the "NI Act") in relation to the dishonored cheque and recovery of dues.

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the basis of facts explained above.

Current stage of the case: Warrant issued against accused upon filing of PF.

Next date of hearing: 19.07.2024

***Usha Financial Services Private Limited Versus M V Courier And Cargo***

Court Name: Metropolitan Magistrate, Shahdara, Karkardooma Court, Delhi  
Case No.: CT CASE/3887/2019

Fact of the case: The Company has given a Loan of Rs. 50,000/- to M/s M V Courier and cargo through It's Proprietor Mr. Atul Sharma, vide Loan No. 000054944 as per terms and conditions mentioned therein. As per the terms and conditions, Mr. Atul Sharma required to repay the loan as per agreed terms and conditions. However, he had not repaid the full amount to the Company. Moreover, upon depositing the Cheque No. 233826 towards aggregating amount of Rs. 60,577/- including interest, penalty, arrears amount, the Cheque was returned with an endorsement of "Account Closed". Accordingly, the Company has filed Criminal Case against M/s M V Courier and Cargo through It's Proprietor Mr. Atul Sharma, under section 138 of the Negotiable Instruments Act, 1881 (the "NI Act") in relation to the dishonored cheque and recovery of dues.

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the basis of facts explained above.

Current stage of the case: Case is on the stage of evidence and matter is settled in mediation.

Next date of hearing: 16.07.2024

***Usha Financial Services Private Limited Versus Mojuddin***

Court Name: Metropolitan Magistrate, Shahdara, Karkardooma Court, Delhi  
Case No.: CT CASE/2348/2019

Fact of the case: The Company has given a Loan of Rs. 50,000/- to M/s Firoj Garments through It's Proprietor Mr. Faqrudin Bagwan, vide Loan No. 000044696 as per terms and conditions therein. Company had filed a case against M/S Firoj Garments through Proprietor Mr. Faqrudin Bagwan. Mojuddin is the guarantor of M/s Firoj Garments and is also liable to repay the amount if Mr. Faqrudin Bagwan fails to do so. Moreover, upon depositing the Cheque No. 083554 towards aggregating amount of Rs. 51,060/-, cheque dated 03.4.2019, including interest, penalty, arrears amount, the Cheque was returned with an endorsement of "Insufficient Funds". Accordingly, the Company has filed Criminal

Case against Mojuddin under section 138 of the Negotiable Instruments Act, 1881 (the “NI Act”) in relation to the dishonored of cheque and recovery of dues.

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the basis of facts explained above.

Current stage of the case: Address verification of Accused is asked by court

Next date of hearing: 04.09.2024

***Usha Financial Services Private Limited Versus The Bling Store***

Court Name: Metropolitan Magistrate, Shahdara, Karkardooma Court, Delhi  
Case No.: CT CASE/2349/2019

Fact of the case: The Company has given a Loan of Rs. 1,00,000/- to M/s The Bling Store through It’s Proprietor Mrs. Kiran Arora, vide Loan No. 000036437 as per terms and conditions mentioned therein. As per the terms and conditions, Mrs. Kiran Arora required to repay the loan as per agreed terms and conditions. However, he had not repaid the full amount to the Company. Moreover, upon depositing the Cheque No. 000051 towards aggregating amount of Rs. 29,250/- including interest, penalty, arrears amount, the Cheque was returned with an endorsement of “ Payment Stop by Drawer”. Accordingly, the Company has filed Criminal Case against M/s The Bling Store through It’s Proprietor Mrs. Kiran Arora, under section 138 of the Negotiable Instruments Act, 1881 (the “NI Act”) in relation to the dishonored cheque and recovery of dues.

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the basis of facts explained above.

Current stage of the case: Summons issued against Accused

Next date of hearing:04.09.2024

***Usha financial services private limited versus s.k. Shringar centre***

Court Name: Metropolitan Magistrate, Shahdara, Karkardooma Court, Delhi  
Case No.: CT CASE/3345/2019

Fact of the case: The Company has given a Loan of Rs. 1,00,000/- to M/s S.K. Shringar Centre through It’s Proprietor Mr. Sonu Bairwa, vide Loan No. 007-0000132 as per terms and conditions mentioned therein. As per the terms and conditions, Mr. Sonu Bairwa required to repay the loan as per agreed terms and conditions. However, he had not repaid the full amount to the Company. Moreover, upon depositing the Cheque No. 954034, dated 23.05.2019 towards aggregating amount of Rs. 25,259/- including interest, penalty, arrears amount, the Cheque was returned with an endorsement of “ Account Blocked”. Accordingly, the Company has filed Criminal Case against M/s S.K. Shringar Centre through It’s Proprietor Mr. Sonu Bairwa, under section 138 of the Negotiable Instruments Act, 1881 (the “NI Act”) in relation to the dishonored cheque and recovery of dues.

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the basis of facts explained above.

Current stage of the case: Fresh Address of Accused asked

Next date of hearing: 16.10.2024

***Usha Financial Services Private Limited Versus Rukhsana Boutique***

Court Name: Metropolitan Magistrate, Shahdara, Karkardooma Court, Delhi  
Case No.: CT CASE/3341/2019

Fact of the case: The Company has given a Loan of Rs. 50,000/- to M/s Rukshana Boutique through It's Proprietor Rukhsana Begum vide Loan No. 000035197 as per terms and conditions mentioned therein. As per the terms and conditions, Rukhsana Begum required to repay the loan as per agreed terms and conditions. However, he had not repaid the full amount to the Company. Moreover, upon depositing Cheque No. 570195 Dated-23.05.2019 towards aggregating amount of Rs. 24,063/- including interest, penalty, arrears amount, the Cheque was returned with an endorsement of "Funds Insufficient". Accordingly, the Company has filed Criminal Case against M/s Rukshana Boutique through It's Proprietor Rukhsana Begum, under section 138 of the Negotiable Instruments Act, 1881 (the "NI Act") in relation to the dishonored cheque and recovery of dues.

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the basis of facts explained above.

Current stage of the case: Non-bailable warrants issued against accused

Next date of hearing: 15.10.2024

***Usha Financial Services Private Limited Versus Galaxy Mobile & Stationary***

Court Name: Metropolitan Magistrate, Shahdara, Karkardooma Court, Delhi  
Case No.: CT CASE/1079/2019

Fact of the case: The Company has given a Loan of Rs. 1,00,000/- to M/s Galaxy Mobile & Stationary through It's Proprietor Mr. Arif bhai Sharif bhai Makhnojiya vide Loan No. 000104847 as per terms and conditions mentioned therein. As per the terms and conditions, Mr. Arif bhai Sharif bhai Makhnojiya required to repay the loan as per agreed terms and conditions.

However, he had not repaid the full amount to the Company. Moreover, upon depositing the Cheque No. 000384, dated 16.01.2019 towards aggregating amount of Rs. 62,775/- including interest, penalty, arrears amount, the Cheque was returned with an endorsement of "Funds Insufficient". Accordingly, the Company has filed Criminal Case against M/s Galaxy Mobile & Stationary through It's Proprietor Mr. Arif bhai Sharif bhai Makhnojiya, under section 138 of the Negotiable Instruments Act, 1881 (the "NI Act") in relation to the dishonored cheque and recovery of dues.

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the basis of facts explained above.

Current stage of the case: Bailable warrants issued against Accused

Next date of hearing: 19.07.2024

***Usha financial services private limited versus anil suiwal and anr.***

Court Name: Metropolitan Magistrate, East District, Karkardooma Court, Delhi  
Case No.: CT Cases/3836/2019

Fact of the case: That M/s A-One Group approached complainant for availing the business loan facility and had provided self-attested several documents in this regard i.e. Identity Card, bank statement and income tax returns with audited computation of account and balance sheet. The loan of Rs. 5,00,000/- was approved by the complainant vide loan agreement no. 00012477 and on 26.09.2018, the complainant disbursed the loan in the account of M/s A-One Group. In the month of Nov, 2018, when the instalment of the accused bounced, the complainant under the process of follow-up with the accused persons came to know that the accused had handed over to the complainant some forged and fabricated documents which were not audited through M/s B.P. Kyal & Company (Chartered accountant firm) and the stamp and signature of the firm is also forged and fabricated. That after knowing this fact the complainant made further enquiry and investigations and found that all the documents produced by the above-mentioned accused persons are false, forged and fabricated and had only been made to procure the funds from the complainant company and defraud the complainant company. Therefore, the Complainant had filed this Application in the Court to proceed against him.

Brief of the case: Compliant case filed under section 156(3) and 200 of CRPC to recover the said amount on the basis of facts explained above.

Current stage of the case: Case is on the stage of arguments and summons to witness no 5 for pre summoning evidence

Next date of hearing: 22.07.2024

***Usha Financial Services Private Limited Versus Devendra Yadav***

Court Name: Metropolitan Magistrate, Shahdara, Karkardooma Court, Delhi  
Case No.: CT CASE/5404/2018

Fact of the case: The Company has given a Loan of Rs. 2,00,000/- to M/s Ansari Interiors through Its Proprietor Mohd. Mobeen vide Loan No. 000030107 as per terms and conditions therein. Mr. Devendra Yadav is the guarantor of M/s Ansari Interiors and is also liable to repay the amount if Mohd Mobeen fails to do so. Therefore, Company approached Devendra Yadav for repayment and thereafter deposited Cheque no 034272 dated 21.09.2018 towards aggregating amount of Rs. 2,15,007/- including interest, penalty, arrears amount, the Cheque was returned with an endorsement of "FUNDS INSUFFICIENT" Accordingly, the Company has filed Criminal Case against Mr. Devendra Yadav under section 138 of the Negotiable Instruments Act, 1881 (the "NI Act") in relation to the dishonored of cheque and recovery of dues.

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the basis of facts explained above.

Current stage of the case: Process u/s 82 Crpc issued, Notice to Process Server for recording of statement

Next date of hearing: 27.08.2024

***Usha Financial Services Private Limited Versus Subhash Garments***

Court Name: Metropolitan Magistrate, Shahdara, Karkardooma Court, Delhi  
Case No.: CT CASE/5560/2019

Fact of the case: The Company has given a Loan of Rs. 1,00,000/- to M/s S.K. Garments through It's Proprietor Mr. Sunil Kumar, vide Loan No. 000046492 as per terms and conditions mentioned therein. As per the terms and conditions, Borrower/Co-Borrower required to repay the loan as per agreed terms and conditions. However, Borrower/Co-Borrower had not repaid the full amount to the Company. There was another case in the name of S.K. Garments, the Borrower. Therefore, Company approached Subhash Garments through Proprietor Mr. Subhash Chand, the guarantor of M/s S.K. Garments. Moreover, upon depositing Cheque No. 625452 towards aggregating amount of Rs. 96,582/- including interest, penalty, arrears amount, the Cheque was returned with an endorsement of "REFER TO DRAWER". Accordingly, the Company has filed Criminal Case against Subhash Garments through Proprietor Mr. Subhash Chand, under section 138 of the Negotiable Instruments Act, 1881 (the "NI Act") in relation to the dishonored cheque and recovery of dues.

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the basis of facts explained above.

Current stage of the case: Bailable warrants through SHO issued against accused

Next date of hearing: 05.08.2024

***Usha Financial Services Private Limited Versus Poonam Yadav***

Court Name: Metropolitan Magistrate, Shahdara, Karkardooma Court, Delhi  
Case No.: CT/2099/2019

Fact of the case: The Company has given a Loan of Rs. 1,50,000/- to M/s Vinni Export Fashion zone through It's Proprietor Mr. Krishan Singh vide Loan No. 007-0000174 as per terms and conditions therein. Poonam Yadav is the guarantor of M/S Vinni Export Fashion Zone and also liable to repay the amount if Borrower fails to do so. Moreover, up on depositing the Cheque No. 000006 dated 19.03.2019 towards aggregating amount of Rupees 1,17,725/- including interest, penalty, arrears amount, the Cheque was returned with an endorsement of "Insufficient Funds". Accordingly, the Company has filed Criminal Case against Mrs. Poonam Yadav under section 138 of the Negotiable Instruments Act, 1881 (the "NI Act") in relation to the dishonored of cheque and recovery of dues.

Brief of the case: Compliant case filed under section 138 of NI Act to recover the said amount on the basis of facts explained above.

Current stage of the case: Summons issued to Accused

Next date of hearing: 09.09.2024

## 2. Litigation involving Civil Matters:

### *Usha Financial Services Limited Versus State Of U.P Through Collector, Ghaziabad*

Court Name: Revenue board, Lucknow, branch Meerut, Uttar Pradesh

Case No.: Appeal/104/2024

Fact of the case: M/S Usha Financial services Ltd purchased property at Kaushambi, district Ghaziabad for a sum of Rs.6,00,00,000/- and the said consideration Paid through RTGS for the execution of sale Deed and other relevant documents and same had been presented for registration before the Sub Registrar-IV, Sadar Ghaziabad, U.P and accordingly Appellant had paid the stamp duty as per Stamp Act, 1908. After that show case notice had been issued to the appellant for the deficiency of Stamp duty and registration fee. On dated 04.03.2024 court order to pay the Deficiency of stamp duty of Rs.32,27,000/-, Registration Fee of Rs.4,61,000/-, and Penalty of Rs.3,25,000/- total sum of Rs.40,13,000/- with 1.5% simple interest. In Perusal of order passed by lower court hence this appeal has been filled by the appellant to set aside the order dated 04.03.2024 in Case No. 2642/2023 (State of U.P Vs Usha Financial Services Ltd)

Brief of the case: Appeal filed u/s 56-I (a) of Indian Stamp Act to set aside the lower court Order dated 04.03.2024 in Case No. 2642/2023

Current stage of the case: Appeal admitted by Board

Next date of hearing:19.07.2024

**3. Litigation Involving Actions by Statutory/Regulatory Authorities: NIL**

**4. Litigation/Matters involving Tax Liabilities: NIL**

## IV. Litigations involving our Promoters/Directors

### A. Against our Promoters/Directors

#### 1. Litigation involving Criminal Matters:

### *Akshita Aggarwal Vs Nupur Gupta*

Court Name: Mactcourt, Shahdara, Karkardooma Court, Delhi

Case No.: MACT/345/2024

Fact of the case: On February 12, 2023, the complainant filed an FIR against Ms. Nupur Gupta, registered as FIR No. 41/2023. The complainant alleged that they were struck by a car driven by Ms. Gupta near Cross River Mall. The Investigating Officer submitted the Detailed Accident Report (DAR) to the court on May 9, 2024. The case is currently pending further court proceedings. A notice has been issued to the petitioner to appear in court, and the petition under Section 166 of the Motor Vehicles Act has been accepted.

Brief of the case: FIR filed against Ms. Nupur Gupta (FIR No. 41/2023) alleging a car accident near Cross River Mall. The Investigating Officer submitted the Detailed Accident Report (DAR) on May 9,

2024, and the case is pending court proceedings under Section 166 of the Motor Vehicles Act.

Current stage of the case: Case is on the stage of written statements by accused

Next date of hearing: 08.08.2024

2. **Litigation involving Civil Matters:** NIL
3. **Litigation Involving Actions by Statutory/Regulatory Authorities:** NIL
4. **Litigation/Matters involving Tax Liabilities:** As per below:

Income Tax notices issued against Rajesh Gupta having PAN AAGPG4011R

1. Outstanding Demand of ₹1,246/- ( In INR) pending for Assessment Year 2008 U/S 143(1) with Demand Reference No:2010200851066295436T.
2. Outstanding Demand of ₹6,060/- ( In INR) pending for Assessment Year 2009 U/S 143(1) with Demand Reference No:2017200910159986725T.
3. Outstanding Demand of ₹34,210/- ( In INR) pending for Assessment Year 2011 U/S 143(1) with Demand Reference No:2017201110159986704T.
4. Outstanding Demand of ₹6/- ( In INR) pending for Assessment Year 2010 U/S 220(2) with Demand Reference No:2012201037000860550T.
5. Outstanding Demand of ₹10/- ( In INR) pending for Assessment Year 2018 U/S 143(1) with Demand Reference No:2018201837089994712T.

Response by the Director: Amounts of above five Notices referred here has been adjusted

6. Outstanding Demand of ₹82,90,180/- ( In INR) pending for Assessment Year 2019 U/S 143(1) with Demand Reference No:2023201937006155370T.

Response by the Director :Appeal has been filed in above demand

7. Outstanding Demand of ₹10,41,75,600/- ( In INR) with Accrued Interest of ₹4,06,28,484/- ( In INR) pending for Assessment Year 2020 U/S 147 with Demand Reference No:2023202037246542645T.

Response by the Director :Appeal has been filed in above demand

8. Outstanding Demand of ₹18,09,64,563/- ( In INR) with Accrued Interest of ₹36,19,290/- (In INR) pending for Assessment Year 2021 U/S 147 with Demand Reference No:2023202140415857123T.

Response by the Director :Appeal has been filed in above demand

9. First Appeal Proceedings open for Assessment Year : 2021-22 with Document reference ID - ITBA/APL/S/62/2024-25/1064506896(1) and Notice/ Communication Reference ID : 100079161711
10. First Appeal Proceedings open for Assessment Year : 2020-21 with Document reference ID - ITBA/APL/S/62/2024-25/1064489961(1) and Notice/ Communication Reference ID : 100079144775
11. First Appeal Proceedings open for Assessment Year : 2019-20 with Document reference ID -

ITBA/APL/S/62/2024-25/1064513028(1) and Notice/ Communication Reference ID : 100079167838

12. Penalty Proceeding open for Assessment Year : 2021-22 with Document reference ID - ITBA/PNL/S/270A/2023-24/1063585588(1) and Notice/ Communication Reference ID : 100077913356 for under-reporting income which is in consequence of misreporting, show cause notice issued under section 274 read with section 270A of the Income Tax Act, 1961

Response by the Director :Appeal has been filed in above demand

13. Penalty Proceeding open for Assessment Year : 2021-22 with Document reference ID - ITBA/PNL/S/271AAD(1)(ii)/2023-24/1063585641(1) and Notice/ Communication Reference ID : 100077913436 in books of accounts maintained there is an omission of entry, relevant for the computation of total income, for the purpose of evasion of tax liability, show cause notice issued under section 271AAD(1)(ii) read with section 270A of the Income Tax Act, 1961

Response by the Director :Appeal has been filed in above demand

14. Penalty Proceeding open for Assessment Year : 2020-21 with Document reference ID - ITBA/PNL/S/270A/2023-24/1063510863(1)and Notice/ Communication Reference ID : 100077822729 for under-reporting income which is in consequence of misreporting, show cause notice issued under section 274 read with section 270A of the Income Tax Act, 1961

Response by the Director :Appeal has been filed in above demand

15. Penalty Proceeding open for Assessment Year : 2019-20 with Document reference ID - ITBA/PNL/S/270A/202324/1063511451(1) and ITBA/PNL/S/270A/2023- 24/1063511452(1) and Notice/ Communication Reference ID : 100077823424 for under-reporting income which is in consequence of misreporting, show cause notice issued under section 274 read with section 270A of the Income Tax Act, 1961

Response by the Director :Appeal has been filed in above demand

16. Notice Dated: 27/02/2023 issued order u/s 127 of the I.T. Act, 1961 with Document reference ID - ITBA/COM/F/17/2022-23/1050142570(1)and Notice/ Communication Reference ID : 100058378675.

17. Assessment Proceeding u/s 147 open for Assessment Year : 2015-16 with Document reference ID - ITBA/AST/S/148/2021-22/1033848902(1) and Notice/ Communication Reference ID : 100036234894. Notice issued Under Section 148 Of The Income Tax Act, 1961 with Notice No : 2015-16 ITBA/AST/S/148/2021-22/1033848902(1), Notice under sub-section (1) of Section 142 of the Income Tax Act, 1961 with Notice No : 2015-16 16/11/2021 ITBA/AST/F/142(1)/2021-22/1036972802(1)

Response by the Director :Response is filed, the above-said reassessment notices issued u/s 148 have been quashed vide Hon'ble High court of Delhi in WP(C) 13798 of 2021 in the case titled Rajesh Gupta vs ACIT.

18. Notice issued for filing Defective return u/s 139(9) for Assessment Year : 2016-17 with Document Identification Number (DIN) : CPC/1617/G5/1627007442

#### **Income Tax notices issued against Anoop Garg having PAN AAPPG0817L**

1. Notice issued for filing Defective return u/s 139(9) for Assessment Year: 2022-23 with Document

Identification Number (DIN) : EFL/2223/G5a/ITR000372864855.

2. Assessment Proceeding u/s 147 pending for Assessment Year: 2015-16 , Notice issued under sub-section (1) of Section 142 of the Income Tax Act, 1961 with Notice No ITBA/AST/F/142(1)/2021-22/1036972958(1), Notice issued Under Section 148 Of The Income Tax Act, 1961 with Notice No : ITBA/AST/S/148/2021-22/1033848782(1).

Response by the Director: Response for both notices above are submitted by the taxpayer.

3. Notice issued for filing Defective return u/s 139(9) for Assessment Year : 2016-17 with Document Identification Number (DIN) : CPC/1617/G5/1625503395

#### **Income Tax notices issued against Priya Garg having PAN AAEPG7263M**

19. Notice issued for filing Defective return u/s 139(9) for Assessment Year : 2016-17 with Document Identification Number (DIN) : CPC/1617/G5/1626727187.

20. Outstanding Demand of ₹50,966/- ( In INR) with Accrued Interest of ₹39,391/- (In INR) pending for Assessment Year 2008 U/S 143(1) with Demand Reference No:2023202140415857123T.

Response by the tax payer – filed, disagreed with demand

#### **Income Tax notices issued against Sandhya Gupta having PAN AIFPG8776N**

1. Notice issued for filing Defective return u/s 139(9) for Assessment Year : 2016-17 with Document Identification Number (DIN) : CPC/1617/G5/1619668266.

#### **Income Tax notices issued against Sumer Chand Garg having PAN AAPPG0664F**

1. Notice issued for filing Defective return u/s 139(9) for Assessment Year : 2016-17 with Document Identification Number (DIN) : CPC/1617/G5/1620700866.
2. Outstanding Demand of ₹8,160/- ( In INR) pending for Assessment Year 2020 U/S 143(1) with Demand Reference No:2020202037026754680T.
3. Outstanding Demand of ₹770/- ( In INR) pending for Assessment Year 2013 U/S 143(1) with Demand Reference No:2014201337029384590T.

Response by the taxpayer: Both of the above notices (2) and (3) with Outstanding Demand of ₹8,160/- and Outstanding Demand of ₹770 are adjusted.

#### **Income Tax notices issued against Sumer Chand Garg HUF having PAN AAOHS2418E**

1. Notice issued for filing Defective return u/s 139(9) for Assessment Year: 2016-17 with Document Identification Number (DIN) : CPC/1617/G5/1627589506

#### **Income Tax notices issued against Rajesh Gupta HUF having PAN AAJHR0550F**

1. Notice issued for filing Defective return u/s 139(9) for Assessment Year: 2016-17 with Document Identification Number (DIN) : CPC/1617/G5/1625356077
2. Assessment Proceeding u/s 147 is pending for Assessment Year: 2020-21, Order issued under clause (d) of section 148A of the Income-tax Act,1961 with Notice No: ITBA/AST/F/148A/2023-24/1063670721(1), That as per information available with Assessing Officer clearly suggests that the income totaling to **Rs. 3,84,35,865/-** (Rs. 2,10,42,078/- + Rs. 18,93,787/- + Rs. 35,00,000/- + Rs. 35,00,000/- + Rs. 50,00,000/- + Rs. 35,00,000/-) chargeable to tax for the assessment year 2020-21, has escaped assessment. In connection of same Notice issued under section 148 of the Income-tax Act,1961 with Notice No: ITBA/AST/S/148\_1/2023-24/1063671219(1). response have been submitted by the taxpayer to the department.

#### **Income Tax notices issued against Anoop Garg HUF having PAN AADHA7158Q**

4. Notice issued for filing Defective return u/s 139(9) for Assessment Year: 2016-17 with Document Identification Number (DIN): CPC/1617/G5/1626087536

**Income Tax notices issued against Continent Buildwel Private Limited having PAN AAEECC8786A**

17. Notice issued for filing Defective return u/s 139(9) for Assessment Year: 2017-18 with Return Acknowledgement number: 274512101301017
18. Notice issued for Communication of proposed adjustment u/s 143(1)(a) of Income Tax Act, 1961. for Assessment Year: 2017-18 Dated 24-09-2018 With Communication Reference No. CPC/1718/G22/1818445337

**Income Tax notices issued against Nupur Recyclers Limited having PAN AAGCN3740B**

1. Notice issued u/s 143(1)(a) proposing adjustments to the total income for the AY 2022-23 with Notice/ Communication Reference IDEFL/2223/G22/ITR000473810788
2. First Appeal Proceedings pending for Assessment Year: 2022-23 with Letter No: ITBA/NFAC/S/62/2024-25/1064532485(1)
3. Notice for Assessment Proceeding u/s 147 pending for Assessment Year: 2020-21 and Notice issued under section 148 of the Income-tax Act,1961 Dated: 22/03/2024 Notice No: ITBA/AST/S/148\_1/2023-24/1063174573(1) along with an order dated 19.03.2024 with remarks that assessee has obtained accommodation entries tune to ₹65,00,000/- (In INR).

Response by the company :Filed the ITR in response to the above Three notices and reassessment proceeding is in progress.

4. Notice issued for Penalty under section 274 read with section 271AAC (1) of the Income-tax Act,1961 on date 21/03/2024 Assessment Year: 2022-23 with Notice No: ITBA/PNL/S/271AAC (1)/2023-24/1063129428(1) with remarks that income determined, includes income chargeable to tax under the provisions of section 115BBE of the Income Tax Act, 1961.

Response by the company :Replies have already been filed for keeping the said penalty proceedings in abeyance till the disposal of First appeal by ld. CIT(A).

5. First Appeal Proceedings pending for Assessment Year: 2021-22 with Notice/ Communication Reference ID: 100058528577.

Response by the company: However the demand has already been stand canceled in the light of the CBDT circular.

6. Outstanding Demand of ₹1,30,51,450/-(In INR) with Accrued Interest ₹19,57,710/- pending for Assessment Year 2022 U/S 143(3) with Demand Reference No:2023202237246228641C.

Response by the company:This notice is regarding notice no 1 above , 1st Appeal has been made and the same is pending for disposal.

**Income Tax notices issued against S D M Metalloys Limited having PAN AAIC8851J**

1. Notice issued u/s 148 in Assessment Proceeding u/s 147 for Assessment Year : 2021-22 with Notice No: ITBA/AST/S/148\_1/2023-24/1063374566(1) with remarks that the assessee S.D.M. Metalloys Ltd. (PAN:AAIC8851J) has entered into fictitious transaction of Rs.30,00,000/- with Attractive Capital Services Pvt. Ltd., non-genuine entities during the F.Y. 2020-21.

Response by the company : Return revised under section 148 of the act.

2. Outstanding Demand of ₹57,409/- (In INR) pending for Assessment Year 2009 U/S 143(1a) with Demand Reference No: 2010200937014934380C

Response by the company : Income tax was paid, however credit of the same was not given.

3. Outstanding Demand of ₹48,384/- (In INR) with Accrued Interest ₹5,467/- pending for Assessment Year 2007 U/S 143(1) with Demand Reference No:2010200751058676024C

**Income Tax notices issued against Vertex Buildwell Private LIMITED having PAN AACCV6035H**

1. Outstanding Demand of ₹1,00,90,930/- (In INR) pending for Assessment Year 2012 U/S 147 with Demand Reference No:2019201240403760061C

Response by the company : An Appeal has been filed against above demand

2. Letter issued for Assessment Year : 2021-22 Dated: 17/05/2023 with Letter No : ITBA/COM/F/17/2023-24/1052900113(1) stating that the assessee filed its ITR on 12-0-2022 wherein claimed a TDS of Rs.5200/- and payment of self asstt tax amounting to Rs.13,878/-. But the credit of the same is not given at the time of passing order u/s 143(1).

Response by the company: An order under Section 154 has been received. In this case, the assessee filed their Income Tax Return (ITR) on 12-08-2022, claiming a TDS of Rs. 5,200/- and a payment of self-assessment tax amounting to Rs. 13,878/-. However, the credit for these amounts was not accounted for when the order under Section 143(1) was initially passed. This omission has now been rectified, and the appropriate credit has been granted.

3. Notice issued under section 221(1) of the income tax act,1961 for demand of Rs 22/- U/s 220(2) , Rs 1,00,90,930/- U/s 147 and Rs 14,160/- U/s 143(1a) Notice No : ITBA/RCV/S/221/2022 23/1046235752(1)

Response by the company: An Appeal has been filed against above demand

4. Letter issued Dated: 15/09/2022 with Notice No : ITBA/COM/F/17/2022-23/1045503369(1) for Outstanding Demands pending of Rs 1,00,90,930/- U/s 147 for Assessment Year 2012-13

Response by the company: An Appeal has been filed against above demand

5. Letter issued Dated: 24/11/2021 with Letter No : ITBA/RCV/F/17/2021-22/1037187300(1) for Outstanding Demands pending of Rs 1,00,90,930/- U/s 147 for Assessment Year 2012-13

Response by the company: An Appeal has been filed against above demand

6. Letter/Notice for Assessment Year: 2012-13 Dated: 24/08/2021 with Notice No: ITBA/COM/F/17/2021-22/1035059701(1) issued for Proceedings under section 154 against short levy of interest amounting to Rs. 2,10,066/- u/s 234A.
7. Letter/Notice for Assessment Year: 2012-13 Dated: 24/08/2021 with Notice No: ITBA/COM/F/17/2021-22/1035059890(1) issued for Proceedings under section 154 against short levy of interest amounting to Rs. 5,25,066/- u/s 234A.
8. Hearing Notice received u/s 250 of Income Tax Act 1961 with Document reference IDITBA/APL/F/APL\_1/2022-23/1049528028(1)
9. Letter issued Dated: 28/02/2020 with Notice No : ITBA/RCV/S/221/2019 20/1025900116(1) for Outstanding Demands pending of Rs 1,00,90,930/- U/s 147 for Assessment Year 2012-13

Response by the company: An Appeal has been filed against above demand

10. Notice issued under section 274 read with section 271(1)(c) of the Income Tax Act, 1961 that that assessee have concealed the particulars of income or furnished inaccurate particulars of such income.

**Income Tax notices issued against Uninav Buildcon Private Limited having PAN: AAFCK9148M**

1. Notice issued for intimation u/s 143(1)(a) proposing adjustments to the total income for the AY 2021-22 with Document Identification Number (DIN): EFL/2122/G22/ITR000205081465

Response by the company : Nil Demand Intimation Order Passed on 24/06/22

**Income Tax notices issued against Uninav Developers Private Limited having PAN: AAPCS6124B**

1. Outstanding Demand of ₹1,40,42,057/- (In INR) pending for Assessment Year 2019 U/S 147 with Demand Reference No:2023201937006227614C

Response by the company : An Appeal has been filed against above demand

2. Outstanding Demand of ₹24,83,819/- (In INR) with Accrued Interest ₹74,514/- pending for Assessment Year 2014 U/S 271(1)(c) with Demand Reference No:2021201440409474381C

Response by the company : An Appeal has been filed against above demand

3. First Appeal Proceedings pending for Assessment Year : 2019-20 with Notice/ Communication Reference ID : 100079148417 and Document reference ID ITBA/APL/S/62/2024-25/1064493602(1)
4. Penalty Proceeding pending for Assessment Year : 2019-20 with notice no. ITBA/PNL/S/271AAC(1)/2023 24/1063799131(1) where Notice issued under section 274 read with section 271AAC(1) of the Income Tax Act, 1961 that income determined, includes income chargeable to tax under the provisions of section 15BBE of the Income Tax Act, 1961.

Response by the company : An Appeal has been filed against above demand

5. Penalty Proceeding pending for Assessment Year : 2019-20 with Notice/ Communication Reference ID : 100078004368 and notice no. ITBA/PNL/S/270A/2023 24/1063663626(1) where Notice issued under section 274 read with section 270A of the Income Tax Act, 1961 stated Under-reporting of income in consequence of misreporting.

Response by the company : An Appeal has been filed against above demand

6. First Appeal Proceedings pending for Assessment Year : 2014-15 with Notice/ Communication Reference ID : 100071857102 and Document reference ID ITBA/NFAC/S/62/2023-24/1059238073(1)
7. Notice issued under clause(b) of section 148A of the Income-tax Act, 1961 Dated: 07/03/2023 with Notice No: ITBA/AST/F/148A(SCN)/2022 23/1050490066(1) which suggests that income chargeable to tax for the Assessment Year 2019-20 has escaped assessment within the meaning of section 147 of the Income-tax Act, 1961 where the assessee company M/s UNINAV DEVELOPERS PRIVATE LIMITED. is appearing in the list of beneficiary of taking accommodation entry of Rs.26,12,840/- from the entry providing entity M/s Sukhmehar Finance P. Ltd.

Response by the company : An Appeal has been filed against above demand

8. First Appeal Proceedings pending for Assessment Year : 2014-15 with Notice/ Communication Reference ID : 100054372957 and Letter No: ITBA/NFAC/S/62/2022-23/1047424507(1)
9. Penalty Proceeding pending for Assessment Year : 2014-15 u/s 271(1)c initiated for concealment of income and furnishing inaccurate particulars of income stated in Document reference ID ITBA/PNL/M/271(1)(c)/2021-22/1039932315(1) & ITBA/PNL/M/271(1)(c)/2021-22/1039932305(1) and Notice/ Communication Reference ID : 100044366922 & Notice/ Communication Reference ID : 100044366912
10. Recovery notice issued for Outstanding Demand a sum of Rs. 63,240/- for Assessment Year: 2017-18 Dated: 05/01/2022 with Letter No : ITBA/RCV/F/17/2021-22/1038442575(1) and Notice/ Communication Reference ID : 100042262043

Response by the company :Rectification Order Passed on 19/03/2022 with Order No. 223307028

11. Recovery notice issued for Outstanding Demand a sum of Rs. 75,350/- for Assessment Year: 2016-17 Dated: 05/01/2022 with Letter No : ITBA/RCV/F/17/2021-22/1038442701(1) and Notice/ Communication Reference ID : 100042262229

Response by the company : Rectification Order Passed for Waiver of Demand OF Rs. 75350/- with order No. 225042147 dated 07/04/2022 and The claim of the assessee is found correct by the department and credit of all available prepaid taxes has given to the assessee

12. Recovery notice issued for Outstanding Demand a sum of Rs. 3,02,240/- for Assessment Year: 2020-21 Dated: 05/01/2022 with Letter No : ITBA ITBA/RCV/F/17/2021-22/1038442238(1) and Notice/ Communication Reference ID : 100042261561

Response by the company :Order Passed U/s 143 (3) with Order No. 228353199 dated 02/09/22 for Issue copy of assessment order, computation sheet and demand notice to the assessee.

13. Recovery notice issued for Outstanding Demand a sum of Rs. 11,820/- for Assessment Year: 2019-20 Dated: 05/01/2022 with Letter No : ITBA/RCV/F/17/2021-22/1038442432(1) & ITBA/RCV/F/17/2021-22/1038442331(1) and Notice/ Communication Reference ID : 100042261717 & 100042261800

Response by the company : Demand deposited on date 27/02/2020 with challan no. 280

14. Recovery notice issued for Outstanding Demand a sum of Rs. 2,16,38,430/- for Assessment Year: 2014-15 Dated: 05/01/2022 with Letter No ITBA/RCV/F/17/2021-22/1038442932(1) and Notice/ Communication Reference ID : 100042262610

Response by the company :Demand Nullified vide Order no. 225791218 dated 19/05/22

15. Recovery notice issued for Outstanding Demand a sum of Rs. 25,86,750/- for Assessment Year: 2018-19 Dated: 05/01/2022 with Letter No ITBA/RCV/F/17/2021-22/1038442516(1) and Notice/ Communication Reference ID : 100042261948

Response by the company :Rectification order passed u/s 154, Demand Nullified vide Order No. 225421054 Dated 08/04/2022)

16. Notice issued under section 221(1) of the income tax act,1961 Dated: 06/02/2020 with Notice No : ITBA/RCV/S/221/2019 20/1024797345(1) U/s 154 for AY 2014-15 for Rs 2,16,38,430/- U/s 271(1)(b) for AY 2016-17 for Rs 10,000/- U/s 154 for AY 2017-18 for Rs 63,240/- U/s 143(3) For AY 2016-17 for Rs 75,350/- U/s 1431a for AY 2018-19 for Rs 23,01,790/- with Notice/ Communication Reference ID : 100024989990

17. Notice issued under section 221(1) of the income tax act,1961 Dated: 04/10/2019 with Notice No : ITBA/RCV/S/221/2019 20/1018588280(1) U/s 154 for AY 2014-15 for Rs 2,16,38,430/- U/s 271(1)(b) for AY 2016-17 for Rs 10,000/- U/s 143(3) For AY 2016-17 for Rs 75,350/- U/s 1431a for AY 2018-19 for Rs 23,01,790/- U/s 1431a for AY 2013-14 for Rs 1,700/- U/s 154 for AY 2017-18 for Rs 12,89,850/- with Notice/ Communication Reference ID : 100017867520

Response by the company :Rs. 10,000/- for AY 2016-2017 Deposited on Date 01/01/2020

18. Assessment Proceeding u/s 143(3) pending for Assessment Year : 2015-16 with Notice/ Communication Reference ID : 100006752941 and letter no. ITBA/AST/F/17/2017-18/1006745572(1) Dated: 06/10/2017

### GST Notices

#### **GST notices issued against Nupur Recyclers Limited having GSTIN: 07AAGCN3740B1ZU**

1. Notice for intimating discrepancies in return in Form GST ASMT-10 with ref id ZD0708200004114 on date 04/08/2020 Whereas an investigation under the DGST Act, 2017 is being carried out and it has 80% or more used/adjustment of ITC. Hence transactions appear to be suspicious.

**Status:** Reply furnished, Pending for order by tax officer

2. Notice issued for ITC mismatch (Form GST DRC-01C) on 20/06/2024 with demand of Rs 32,69,662.49/-  
Response by the company: Response for above notice has been submitted
3. Notice issued for ITC mismatch (Form GST DRC-01C) on 20/02/2024 with demand of Rs 83,16,731.98/-  
Response by the company: Response for above notice has been submitted
4. Notice to return defaulter u/s 46 for not filing return on 25/11/2021  
Response by the company : Return filed with corrections

#### **GST notices issued against Rajesh Gupta HUF having GSTIN: 07AAJHR0550F1ZB**

1. Notice issued U/s 74 Tax period: APR 2019 - AUG 2019 and F.Y.: 2019-2020 for intimating discrepancies in return in Form GST ASMT-10 with reference id ZA070919010941C it was said as per GSTR 3b & GSTR 2a during the period april to june 2019 taxpayer has excess claim of ITC amounting to Rs. 1,91,98,721/-

**Status:** Reply furnished, Pending for order by tax officer

2. Notice issued U/s 61 for Tax period: APR 2019 - MAR 2020 and F.Y.: 2019-2020 for intimating discrepancies in return in Form GST ASMT-10 with reference id ZD070222010892S for mismatch between GSTR 1 - 3B and GSTR 3B- GSTR2A/2B. In response to the notice regarding the discrepancy between the GST ITC claimed in Return 38 and the available GST ITC in GSTR 2A and taxpayer clarify that during the filing of GSTR 38 for the year 2019-2020, taxpayer have inadvertently claimed ITC on the import of goods amounting to Rs. 3,11,34,354/- under the wrong column (4 A. (5)) instead of the correct column (4 A. (1)). Enclosed are copies of the monthly GSTR 2A sheets showing the availability of this ITC on imports for your reference. Additionally, an amount of Rs. 67,515/- (IGST: Rs. 35,454.60, CGST: Rs. 16,030.50, SGST: Rs. 16,030.50) pertains to the financial year 2018-2019 but was claimed in the current financial year, with relevant invoices enclosed. Furthermore, an amount of Rs. 27,481/- was reversed in the next financial year. These points explain the apparent discrepancy and justify the claimed ITC amount, documents attached for verification.

**Status:** Reply furnished, Pending for order by tax officer

3. Notice issued U/s 61 for Tax period: APR 2020 - MAR 2021 and F.Y.: 2020-2021 for intimating discrepancies in return in Form GST ASMT-10 with reference id ZD0704220063221 for mismatch between GSTR 1 - 3B and GSTR 3B- GSTR2A/2B In response to notice (reference No. 21J170422W63221 dated 11-April-2022), taxpayer states that his business involves importing non-ferrous metal scrap from European countries and the USA, claiming IGST (ITC) on customs duty as per the Bill of Entries from the Customs office. Taxpayer submits the following clarifications: 1) There is no discrepancy between GSTR-1 and GSTR-3B, with a reconciliation statement attached for your reference. 2) they have claimed less GST inputs of Rs. 30,645/- in GSTR-3B compared to GSTR 2A/2B, with a reconciliation statement attached. 3) An amount of Rs. 6,35,575/- was inadvertently filled under the general categories in GSTR-3B for May-2020 instead of under imports. This discrepancy has been corrected in Annual Return Form GSTR-9 for the financial year 2020-21.

**Status:** Reply furnished, Pending for order by tax officer

**B. By our Promoters/Directors**

1. **Litigation involving Criminal Matters:** NIL
2. **Litigation involving Civil Matters:** NIL
3. **Litigation Involving Actions by Statutory/Regulatory Authorities:** NIL
4. **Litigation/Matters involving Tax Liabilities:** NIL

**V. Litigations involving our Group Entities**

**A. Against our Group Entities:** NIL

**B. By our Group Entities:** NIL

**VI. Litigations relating to the Subsidiary Company**

**A. Against Directors of our Subsidiary Company:** NA

**B. By Directors of our Subsidiary Company:** NA

*Note: Our Company has no Subsidiary Company.*

**VII. Other litigations involving any other entities may have a material adverse effect on our company.**

There is no outstanding litigation, suits, criminal or civil prosecutions, statutory or legal proceedings including those for economic offences, tax liabilities, prosecution under any enactment in respect of the Companies Act, show cause notices or legal notices pending against any company whose outcome could affect the operation or finances of our Company or have a material adverse effect on the position of our Company.

**VIII. Details of the past penalties imposed on our Company / Directors**

Except as disclosed above as on the date of this Draft Red Herring Prospectus, there are no cases in the last five years in which penalties have been imposed on our Company or our Directors.

**IX. Outstanding dues to Creditors**

As per the materiality policy of the Company for disclosing outstanding amounts to creditors. Based on the same, as on December 31, 2023, our Company had outstanding dues to creditors as follows:

Particulars	(Rupees in Lakhs)
<b>Trade Payables</b>	
Micro, Small and Medium Enterprises	2.39
Others	45.09
<b>Total</b>	<b>47.48</b>

The information provided on the website of our Company is not a part of this Draft Red Herring Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company's website, <https://www.ushafinancial.com/> would be doing so at their own risk.

**X. Material developments occurring after last balance sheet date, that is, March 31, 2024.**

Except as disclosed in the section titled –Management’s Discussion and Analysis of Financial Condition and Results of Operations of our Company beginning on page number 288 of this Draft Red Herring Prospectus, in the opinion of our Board, there have not arisen, since the date of the last financial statements disclosed in this Draft Red Herring Prospectus, any circumstances that materially or adversely affect or are likely to affect our profitability taken as a whole or the value of its assets or its ability to pay its material liabilities within the next 12 months.

**We certify that except as stated herein above:**

- a. There are no defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by our Company, promoters, group entities, companies promoted by the promoters during the past three years.
- b. There are no cases of litigation pending against the Company or against any other Company in which Directors are interested, whose outcome could have a materially adverse effect on the financial position of the Company.
- c. There are no pending litigation against the Promoters/ Directors in their personal capacities and also involving violation of statutory regulations or criminal offences.
- d. There are no pending proceedings initiated for economic offences against the Directors, Promoters, Companies and firms promoted by the Promoters.
- e. There are no outstanding litigation, defaults etc. pertaining to matters likely to affect the operations and finances of the Company including disputed tax liability or prosecution under any enactment.
- f. The Company, its Promoters and other Companies with which promoters are associated have neither been suspended by SEBI nor has any disciplinary action been taken by SEBI.
- g. There is no material regulatory or disciplinary action by SEBI, stock exchange or regulatory authority in the past five year in respect of our promoters, group company’s entities, entities promoted by the promoters of our company.
- h. There are no status of criminal cases filed or any investigation being undertaken with regard to alleged commission of any offence by any of our Directors. Further, none of our Directors has been charge-sheeted with serious crimes like murder, rape, forgery, economic offences etc.
- i. The issue is in compliance with applicable provision of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation 2018.
- j. Neither the Company nor any of its promoters or directors is a willful defaulter.

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## GOVERNMENT AND OTHER APPROVALS

*In view of the licenses / permissions / approvals / no-objections / certifications / registrations, (collectively “Authorisations”) listed below, our Company can undertake this Issue and our current business activities and to the best of our knowledge, no further approvals from any governmental or regulatory authority or any other entity are required to undertake this Issue or continue our business activities. Unless otherwise stated, these approvals are all valid as of the date of this Draft Red Herring Prospectus. It must be distinctly understood that, in granting these approvals, the GoI, the RBI or any other authority does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. For further details in connection with the regulatory and legal framework within which we operate, please refer to the chapter titled “Key Industry Regulation and Policies” beginning on page 172 of the Draft Red Herring Prospectus.*

### CORPORATE APPROVALS FOR THIS ISSUE

1. The Board of Directors have, pursuant to resolutions passed at its meeting held on July 02, 2024, has approved the Issue, subject to the approval by the shareholders of the Company under Section 62 (1) (c) of the Companies Act 2013.
2. The Shareholders have, pursuant to the resolution dated July 04, 2024, under section 62 (1) (c) of the Companies Act 2013, authorized the Issue.

### IN-PRINCIPLE APPROVAL

The Company has obtained approval from NSE vide its letter dated [●] to use the name of NSE in this Offer document for listing of equity shares on Emerge Platform of NSE. NSE is the Designated Stock Exchange.

### AGREEMENTS WITH NSDL AND CDSL

1. The Company has entered into an agreement dated May 27, 2022, with the Central Depository Services (India) Limited (CDSL), and the Registrar and Transfer Agent, who, in this case, is, Skyline Financial Services Private Limited for the dematerialization of its shares.
2. The Company has also entered into an agreement dated May 10, 2022, with the National Securities Depository Limited (NSDL) and the Registrar and Transfer Agent, who, in this case, is, Skyline Financial Services Private Limited for the dematerialization of its shares.
3. The Company’s International Securities Identification Number (ISIN) is INE0LS001014.

### INCORPORATION DETAILS OF OUR COMPANY

S.N.	Authorisation granted	Issuing Authority	CIN	Date of Issue	Valid upto
1.	Certificate of Incorporation in the name of “Usha Financial Services Private Limited”	ROC, Delhi	U74899DL1995PTC068604	16/05/1995	Perpetual
2.	Certificate of Incorporation	ROC,	U74899DL1995PLC068604	12/10/2022	Perpetual

	for conversion from Private to Public company in the name of “Usha Financial Services Limited”	Delhi			
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### TAX RELATED AUTHORISATIONS OF COMPANY

S.N.	Authorization granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Validity
1.	Permanent Account Number	Income Tax Department, GOI	AAACU0841J	16/05/1995	Perpetual
2.	Tax Deduction Account Number	Income Tax Department, GOI	DELU05574C	01/10/2022	Perpetual
<b>Details of GST registration of the Company</b>					
3.	GST Registration Certificate (Delhi)	Central Goods and Services Tax Act, 2017	07AAACU0841J1ZG	01/07/2017	Valid until cancellation

### LABOUR LAW RELATED APPROVALS

S.N.	Authorization granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Valid upto
01.	Employees’ Provident Funds and Miscellaneous Provisions Act, 1952	Employees Provident Funds Organisation	DSSHD1645163000	15/09/2017	Valid until cancellation
02.	Employees State Insurance Act, 1948	Employees State Insurance Corporation	10001218400001099	15/09/2017	Valid until cancellation
03.	Shop & Establishment Certificate	Department of Labour, Government of NCT of Delhi	2024137275	25/6/2024	Valid until cancellation

### BUSINESS RELATED CERTIFICATIONS

Our Company has received the following significant government and other approvals pertaining to our business:

S.N.	Authorization granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Valid upto
01.	Certificate of Registration for commencing the business of Non-	Reserve Bank of India,	B-14.0281	04/01/2003	Valid until cancellation

	Banking Financial Institution without accepting Public Deposit.	Department of Non-Banking Supervision, New Delhi			
02.	Registration with CRIF High Mark Credit Information Services, Credit Information Company as per Master Direction - Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016*	CRIF High Mark Credit Information Services Private Limited	NBF0002468	11/02/2024	10/02/2025
03.	Registration with Equifax, Credit Information Company as per Master Direction – Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016*	Equifax	007FZ00322	01/04/2024	31/03/2025
04.	Registration with Experian Credit Information Company of India Private Limited, Credit Information Company as per Master Direction – Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016*	Experian Credit Information Company of India Private Limited	NBFUFS4726	01/07/2024	30/06/2025
05	Trans Union CIBIL	Certificate of Membership	NB7709	01/05/2024	01/05/2025
06.	General Trade/Storage License	Delhi Municipal Corporation	EGTL04211643 57	15/04/2024	31/03/2025
07.	ISO Certificate	QSA International Limited	QSA-22113093	10/11/2022	09/11/2025
08	Legal Entity Identifier Registration	Legal Entity Identifier India Limited	335800PULF37 YIOLFN13	-	05/05/2025
09	Udyam Registration Certificate	Ministry of Micro, Small and Medium Enterprise, GOI	UDYAM-DL-02-0044198	21/02/2023	Valid until cancellation

\* Application for change in name of the Company from “Usha Financial Services Private Limited” to “Usha Financial Services Limited” has been made to respective Issuing Authority and the same is under process.

In addition to the above certificate and License, the company has also obtained the following registrations: FIU-IND, CERSAI, Central KYC Registry for carrying out the business operations of the company.

### **Intellectual Property Rights**

As on the date of this Draft Red Herring Prospectus, no Intellectual Property rights are registered in the name of the company. The company has applied for the registration of its Logo and the same in under the process of registration. For further information regarding our Intellectual Property Rights, please refer to chapter titled “Our Business” under the heading “Intellectual Property Rights” on page 170 of the Draft Red Herring Prospectus.

### **Domain**

The company owned 1 (One) domain in its own name, the details of which are given on page 171 under the chapter titled “Our Business” under the heading “Domain” of the Draft Red Herring Prospectus.

### **Material licenses/approvals for which our Company is yet to apply / Statutory Approvals/ Licenses required for the proposed expansion.**

Our Company do not have any pending licenses, permissions, and approvals from the Central and State Governments and other government agencies/regulatory authorities/certification bodies which applied for but not yet received.

*Note: Some of the approvals are in the name of Usha Financial Services Private Limited and the Company is in the process of taking all the approval in the new name of the Company i.e. Usha Financial Services Limited.*

**IT MUST, HOWEVER BE, DISTINCTLY UNDERSTOOD THAT IN GRANTING THE ABOVE-MENTIONED APPROVALS, THE CENTRAL GOVERNMENT, STATE GOVERNMENT, RBI AND OTHER AUTHORITIES DO NOT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL SOUNDNESS OF THE COMPANY OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS.**

*This space has been left blank intentionally.*

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Issue

1. This Issue has been authorized by a resolution passed by our Board of Directors at its meeting held on July 02, 2024,
2. The Shareholders of our Company have authorized this Issue by their Special Resolution passed pursuant to Section 62 (1) (c) of the Companies Act, 2013, at its EGM held on July 04, 2024, and authorized the Board to take decisions in relation to this Issue.
3. The Company has obtained approval from NSE vide its letter dated [●] to use the name of NSE in this Offer document for listing of equity shares on Emerge Platform of NSE. NSE is the Designated Stock Exchange.
4. Our Board has approved this Draft Red Herring Prospectus through its resolution dated July 11, 2024.
5. We have also obtained all necessary contractual approvals required for this Issue. For further details, refer to the chapter titled “*Government and Other Approvals*” beginning on page no. 345 of this Draft Red Herring Prospectus.

### Prohibition by SEBI

Our Company, Directors, Promoters, members of the Promoter Group and Group Entities or the Director and Promoter of our Promoter Companies, have not been prohibited 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 or any other regulatory or governmental authority.

The companies, with which Promoters, Directors or persons in control of our Company were or are associated as promoters, directors or persons in control of any other company have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

### Prohibition by RBI or Governmental authority

Our Company, our Promoters or their relatives (as defined under the Companies Act) and our Group Entities have confirmed that they have not been declared as wilful defaulters by the RBI or any other government authority and there are no violations of securities laws committed by them in the past or no proceeding thereof are pending against them.

Our directors have not been declared as wilful defaulter by RBI or any other government authority and there have been no violation of securities laws committed by them in the past or no proceedings thereof are pending against them.

### Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018

In view of the General Circular No. 07/2018 dated September 6, 2018 and General Circular No. 8/ 2018 dated September 10, 2018 issued by the Ministry of Corporate Affairs, Government of India, our Company, and our Promoter Group will ensure compliance with the Companies (Significant Beneficial Ownerships) Rules, 2018,

upon notification of the relevant forms, as may be applicable to them.

### **Directors associated with the Securities Market**

We confirm that none of our directors are associated with the securities market in any manner and no action has been initiated against these entities by SEBI in the past five (5) years preceding the date of this Draft Red Herring Prospectus.

### **ELIGIBILITY FOR THIS ISSUE**

Our Company is eligible for the Offer in accordance with Regulation 229(2) and other provisions of Chapter IX of the SEBI (ICDR) Regulations, 2018 as the post Offer face value capital is More than Rs.1,000 Lakh, But upto 2,500 Lakh. Our Company also complies with the eligibility conditions laid by the Emerge Platform of NSE Limited for listing of our Equity Shares.

#### **We confirm that:**

- a) In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this Issue ***will be hundred percent underwritten and that the BRLMs to the Offer will underwrite at least 15% of the Total Issue Size.*** For further details pertaining to said underwriting please refer to “General Information” Underwriting on page 66 of this Draft Red Herring Prospectus.
- b) In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight (8) days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight (8) days, be liable to repay such application money with interest as prescribed under Section 40 of the Companies Act, 2013 and SEBI (ICDR) Regulations.
- c) In accordance with Regulation 246 of the SEBI (ICDR) Regulations, the BRLMs shall ensure that the Issuer shall file a copy of the Red Herring Prospectus/ Prospectus with SEBI along with a due diligence certificate including additional confirmations as required to SEBI at the time of filing the Red Herring Prospectus/ Prospectus with the Registrar of Companies.
- d) In accordance with Regulation 261 of the SEBI (ICDR) Regulations, the BRLMs will ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of equity shares offered in this Issue. For further details of market making arrangement, please refer to the section titled “*General Information*”, “*Details of the Market Making Arrangements for this Issue*” on page 66 of this Draft Red Herring Prospectus.
- e) In accordance with Regulation 228 (a) of the SEBI (ICDR) Regulations, Neither the issuer, nor any of its promoters, promoter group or directors are debarred from accessing the capital market by the Board.
- f) In accordance with Regulation 228 (b) of the SEBI (ICDR) Regulations, none of the promoters or directors of the issuer is a promoter or director of any other company which is debarred from accessing the capital market by the Board.
- g) In accordance with Regulation 228 (c) of the SEBI (ICDR) Regulations, Neither the issuer nor any of its promoters or directors is a wilful defaulter or fraudulent borrower.

- h) In accordance with Regulation 228 (d) of the SEBI (ICDR) Regulations, None of the Issuer's promoters or directors is a fugitive economic offender.
- i) In accordance with Regulation 230 (1) (a) of the SEBI (ICDR) Regulations, Application is being made to NSE Limited and NSE Limited is the Designated Stock Exchange.
- j) In accordance with Regulation 230 (1) (b) of the SEBI (ICDR) Regulations, the Company has entered into agreement with depositories for dematerialization of specified securities already issued and proposed to be issued.
- k) In accordance with Regulation 230 (1) (c) of the SEBI (ICDR) Regulations, all the present Equity share Capital fully Paid Up.
- l) In accordance with Regulation 230 (1) (d) of the SEBI (ICDR) Regulations, all the specified securities held by the promoters are already in dematerialized form.

**NSE ELIGIBILITY NORMS:**

1. **The Issuer should be a Company incorporated under the Companies Act, 2013/1956.**

Our Company has been incorporated under the Companies Act, 1956 on May 16, 1995.

2. **The post issue paid up capital of the company (face value) shall not be more than ₹ 25 crores.**

The post issue paid up capital of the Company (face value) will not be more than Rs. 25 Crores.

3. **Track Record:**

1. **The Company should have a track record of at least 3 (three) years.**

Our Company was incorporated on 16/05/1995 under the provisions of the Companies Act, 1956, therefore we are in compliance of the track record.

**On the basis of restated financial statements:**

*(Amount in Lakhs)*

Particulars	2023-2024	2022-2023	2021-22
Net Profit as per Restated Financial Statement	1,344.95	1,016.55	414.42

2. The Company should have operating profit (earnings before interest, depreciation and tax) from operations for at least 2 financial years preceding the application and that the Company has track record of 3 years & the net-worth of the Company should be positive.

*(Amount in Lakhs)*

Particulars	2023-2024	2022-2023	2021-22
Operating profit (earnings before interest, depreciation and tax)	4776.85	3552.2	1623.05
Net-worth	10,602.63	8,207.38	4,767.58

**Other Requirements**

- The company shall mandatorily facilitate trading in demat securities and will entered into an agreement with both the depositories. Also, the Equity Shares allotted through this Issue will be in dematerialized mode.
- Our Company has a live and operational website: [www.ushafinancial.com](http://www.ushafinancial.com)
- Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
- There is no winding up petition against our Company that has been accepted by a court.
- There has been no change in the promoter/s of the Company in the preceding one year from date of filing application to NSE for listing on SME segment.
- There has been no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against our company.

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter IX of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the NSE Emerge.

**DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THIS OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGERS NAMED NARNOLIA FINANCIAL SERVICES LIMITED AND UNISTONE CAPITAL PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGERS, NARNOLIA FINANCIAL SERVICES LIMITED AND UNISTONE CAPITAL PRIVATE LIMITED IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGERS, NARNOLIA FINANCIAL SERVICES LIMITED AND UNISTONE CAPITAL PRIVATE LIMITED, SHALL FURNISH TO SEBI A DUE DILIGENCE CERTIFICATE DATED JULY 10, 2024, IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF SECURITIES AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.**

**THE FILING OF THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGERS ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.**

## **DISCLAIMER STATEMENT FROM OUR COMPANY AND THE BOOK RUNNING LEAD MANAGERS**

Our Company, its Directors and the BRLMs accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at instance of our Company and anyone placing reliance on any other source of information, including our website [www.ushafinancial.com](http://www.ushafinancial.com), [www.narnolia.com](http://www.narnolia.com) and <https://unistonecapital.com/> would be doing so at his or her own risk.

### **Caution**

The BRLMs accepts no responsibility, save to the limited extent as provided in the Agreement for Issue management, the Underwriting Agreement and the Market Making Agreement. Our Company, our Directors and the BRLMs shall make all information available 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 or at collection centers, *etc.* The BRLMs and its associates and affiliates may engage in transactions with and perform services for, our Company and their respective associates in the ordinary course of business & have engaged and may in future engage in the provision of financial services for which they have received, and may in future receive, compensation.

**Investors who apply in this Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares and will not offer, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company and the BRLMs and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.**

### **Disclaimer in Respect of Jurisdiction**

This Issue is being made in India to persons resident in India including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of Rs. 2,500 Lakh, pension funds with minimum corpus of Rs.2,500 Lakh and the National Investment Fund, and permitted non-residents including FPIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. The Draft Red Herring Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red

Herring Prospectus comes is required to inform him or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Delhi only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that the Draft Red Herring Prospectus had been filed with NSE Emerge for its observations and NSE Emerge gave its observations on the same. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S Securities Act and in compliance with applicable laws, legislations and Draft Red Herring Prospectus in each jurisdiction, including India.

#### **Disclaimer Clause of the Emerge Platform of NSE**

NSE Limited (NSE) has given vide its letter dated [●] permission to this Company to use its name in this offer document as one of the stock exchange on which this company's securities are proposed to be listed on the Emerge Platform. NSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. NSE Limited does not in any manner:-

- i. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- ii. warrant that this Company's securities will be listed on completion of Initial Public Offer or will continue to be listed on NSE; or
- iii. take any responsibility for the financial or other soundness of this Company, its promoter, its management or any scheme or project of this Company;
- iv. warrant, certify or endorse the validity, correctness or reasonableness of the price at which the equity shares are offered by the Company and investors are informed to take the decision to invest in the equity shares of the Company only after making their own independent enquiries, investigation and analysis. The price at which the equity shares are offered by the Company is determined by the Company in consultation with the Merchant Banker (s) to the issue and the Exchange has no role to play in the same and it should not for any reason be deemed or construed that the contents of this offer document have been cleared or approved by NSE. Every person who desires to apply for or otherwise acquire any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against NSE, whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.
- v. NSE does not in any manner be liable for any direct, indirect, consequential or other losses or damages

including loss of profits incurred by any investor or any third party that may arise from any reliance on this offer document or for the reliability, accuracy, completeness, truthfulness or timeliness thereof.

- vi. The Company has chosen the Emerge platform on its own initiative and at its own risk, and is responsible for complying with all local laws, rules, regulations, and other statutory or regulatory requirements stipulated by NSE / other regulatory authority. Any use of the Emerge platform and the related services are subject to Indian Laws and Courts exclusively situated in Mumbai.

**DISCLAIMER CLAUSE UNDER RULE 144A OF U.S. SECURITIES ACT.**

The Equity Shares have not been and will not be registered under the U.S Securities Act of 1933, as amended (U.S. Securities Act) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, U.S Persons (as defined in Regulation S), except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transaction in reliance on Regulation S under the U.S Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

**TRACK RECORD OF THE PAST ISSUES HANDLED BY THE BOOK RUNNING LEAD MANAGERS**

For details regarding the price information and the track record of the past Issues handled by the BRLMs to the Issue as specified in Circular reference no. CIR/CFD/DIL/7/2015 dated October 30, 2015, issued by the SEBI, please refer to Annexure A to the Draft Red Herring Prospectus and the website of the BRLMs at [www.narnolia.com](http://www.narnolia.com) and <https://unistonecapital.com/>.

**PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE BOOK RUNNING LEAD MANAGERS**

**ANNEXURE-A**

**Disclosure of Price Information of Past Issues Handled by Book Running Lead Managers**

**NARNOLIA FINANCIAL SERVICES LIMITED:**

**TABLE 1**

S. No.	Issuer Name	Issue Size (Rs. in Cr.)	Issue Price (Rs.)	Listing Date	Opening Price on Listing Date	+/-% change in closing price, benchmark]-30th calendar days from listing	+/-% change in closing price, benchmark]-90th calendar days from listing	+/-% change in closing price, benchmark]-180th calendar days from listing
<b>Initial Public Offering - Main Board</b>								
<b>N.A.</b>								

Initial Public Offering – SME Exchange								
1.	Drone Destination Limited	44.20	65	21 July 2023	107.45	15.91% (1.78%)	16.15% (0.61%)	43.04% (8.47%)
2.	Yudiz Solutions Limited	44.84	165	17 August 2023	185.00	(5.59%) 4.48%	(19.16%) 1.81%	(19.30%) (11.12%)
3.	Cellecor Gadgets Limited	50.77	92	28 September 2023	96.00	131.85% (2.44) %	214.35% 10.92%	123.10% (11.28%)
4.	Inspire Films Limited	21.23	59	05 October 2023	67.85	(3.28%) (1.61) %	(6.57%) 10.09%	(53.43%) (12.95%)
5.	Womancart Limited	9.56	86	27 October 2023	122.85	43.85% 3.92%	16.24% 12.10%	3.42% (14.98%)
6.	Supreme Power Equipments Limited	46.67	65	29 December 2023	102.90	81.17% (1.74%)	18.42% 2.74%	225.46% (8.95%)
7.	Akanksha Power and Infrastructure Limited	27.49	55	03 January 2024	65.10	93.79% 1.56%	29.03% 4.35%	124.19% (10.87%)
8.	Addictive Learning Technology Limited	6016	140	30 January 2024	294.50	(6.84%) 1.00%	(4.87%) 5.03%	N.A.
9.	Radiowalla Network Limited	14.25	76	05 April 2024	120.15	4.45% (0.40%)	5.78% 7.94%	N.A.
10.	Z-Tech (India) Limited	37.30	110	05 June 2024	100.00	185.90% 7.53%	N.A.	N.A.

**TABLE 2**

**Summary statement of price information of past public issues handled by Narnolia Financial Services Limited.**

Financial Year	Total no. of IPOs	Total Amount of Funds raised. (Rs. Cr.)	No. of IPOs trading at discount-30th calendar days from listing			No. of IPOs trading at premium-30th calendar days from listing			No. of IPOs trading at discount-180th calendar days from listing			No. of IPOs trading at premium-180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2023-24	8	304.92	-	-	3	3	1	1	1	-	1	3	1	1
2024-25	2	51.55	-	-	-	1	-	1	N.A.			N.A.		

Note: Listing date is considered for calculation of total number of IPO's in the respective financial year.

**UNISTONE CAPITAL PRIVATE LIMITED**

**TABLE 1**

Sr. No.	Issue Name	Issue Size (Millions)	Issue price	Listing date	Opening price on listing date	+/- % change in closing price, [+/- % change in closing benchmark] - 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 180th calendar days from listing
<b>Main Board</b>								
1	Global Surfaces Limited	1549.8	140	March 23, 2023	163	54.64% [3.90%]	43.32% [10.42%]	- 22.89% [16.54%]
2	Ratnaveer	1650.32	98	September	123.2	16.63%	19.90%	-0.16%

Sr. No.	Issue Name	Issue Size (Millions)	Issue price	Listing date	Opening price on listing date	+/- % change in closing price, [+/- % change in closing benchmark] - 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 180th calendar days from listing
	Precision Engineering Limited			11, 2023		[-0.93%]	[4.87%]	[11.68%]
3	Valiant Laboratories Limited	1524.60	140	October 03, 2023	162.15	44.25% [-2.07%]	23.71% [11.28%]	4.21% [14.33%]
4	BLS E-Services Limited	3092.93	135	February 06, 2024	305.00	5.36% [2.57%]	122.15% [2.49%]	-
5	Platinum Industries Limited	2,353.17	171	February 27, 2024	225.00	2.05% [-0.34%]	23.30% [0.93%]	-
<b>SME Platform</b>								
1	MOS Utility Limited	499.65	76	April 18, 2023	90	39.47% [2.66%]	15.39% [11.62%]	17.28% [11.84]
2	Sahana System Limited	327.38	135	June 12, 2023	163	8.22% [4.21%]	97.67% [6.55%]	321.67% [12.73%]
3	Sangani Hospitals Limited	151.68	40	August 17, 2023	44	-4.55% [4.27%]	-1.25% [1.60%]	7.87% [12.28%]
4	Mono Pharmacare Limited	148.40	28	September 7, 2023	29	40.18% [-0.37%]	69.82% [4.87%]	103.45% [13.33%]
5	Unihealth Consultancy Limited	565.49	132	September 21, 2023	135	4.84% [-1.02%]	-2.92% [8.67%]	-3.70% [10.51%]

Source: [www.nseindia.com](http://www.nseindia.com)

(1) NSE as Designated Stock Exchange.

**Notes:**

- Issue size derived from Prospectus/final post issue reports, as available.
- The CNX NIFTY is considered as the Benchmark Index as per the Designated Stock Exchange disclosed by the respective Issuer at the time of the issue, as applicable.
- Price on NSE is considered for all of the above calculations as per the Designated Stock Exchange disclosed by the respective Issuer at the time of the issue, as applicable.
- In case 30th/90th/180th day is not a trading day, closing price of the previous trading day has been considered.
- Since 30 calendar days, 90 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.

**TABLE 2**
**Summary statement of price information of past public issues handled by Unistone Capital Private Limited**

Financial year	Total no. of IPO*	Total funds Raised (₹ Mn)	Nos of IPOs trading at discount on 30 <sup>th</sup> Calendar day from listing date			Nos of IPOs trading at premium on 30 <sup>th</sup> Calendar day from listing date			Nos of IPOs trading at discount on 180 <sup>th</sup> Calendar day from listing date			Nos of IPOs trading at premium on 180 <sup>th</sup> Calendar day from listing date		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less Than 25%
<b>Main Board</b>														
FY 2021-22	2	2513.9	-	1	-	-	-	1	1	-	-	-	-	1
FY 2022-23	1	1549.80	-	-	-	-	1	-	-	-	1	-	-	-
FY 2023-24	4	8621.02	-	-	-	1	1	2	-	-	2	-	-	1
<b>SME Platform</b>														
FY 2021-22	2	89.82	-	-	-	-	1	1	-	-	-	1	1	-
FY 2022-23	2	565.20	-	-	1	-	-	1	-	-	2	-	-	-
FY 2023-24	5	1692.60	-	-	1	-	2	2	-	-	1	2	-	2

**LISTING**

Application will be made to the NSE Limited for obtaining permission to deal in and for an official quotation of our Equity Shares. NSE Limited is the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

The Emerge Platform of NSE Limited has given its in-principle approval for using its name in our Offer documents vide its letter no. [●] dated [●].

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the Emerge Platform of NSE Limited, our Company will forthwith repay, without interest, all moneys received from the Applicant in pursuance of the Draft Red Herring Prospectus. If such money is not repaid within 8 days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 working days from the Offer Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of 8 days, be liable to repay the money, with interest at the rate of 15 per cent per annum on application money, as prescribed under section 40 of the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Emerge Platform of NSE Limited mentioned above are taken within Three Working Days from the Offer Closing Date.

**Impersonation**

*Attention of the Applicants is specifically drawn to the provisions 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 Equity Shares have not been and will not be registered under the U.S Securities Act of 1933, as amended (U.S. Securities Act) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, U.S Persons (as defined in Regulation S), except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transaction in reliance on Regulation S under the U.S Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.*

*The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.*

## **CONSENTS**

Consents in writing of:(a) the Directors, Statutory Auditor & Peer Reviewed Auditor, the Company Secretary & Compliance Officer, Chief Financial Officer, Banker to the Company and (b) BRLMs, Market Maker, Registrar to the Issue, Public Issue Bank / Banker to the Issue and Refund Banker to the Issue, Legal Advisor to the Issue to act in their respective capacities have been/or will be obtained (before filing Red Herring prospectus to ROC) and will be filed along with a copy of the Red Herring Prospectus with the RoC, as required under Section 26 of the Companies Act and such consents shall not be withdrawn up to the time of delivery of the Red Herring Prospectus for registration with the RoC. Our Auditors have given their written consent to the inclusion of their report in the form and context in which it appears in the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus and such consent and report is not withdrawn up to the time of delivery of this Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus with NSE.

## **EXPERT OPINION**

Except the report of the Peer Review Auditor on (a) the restated financial statements; (b) statement of tax benefits, Audit reports by Peer Review Auditors for period ended on 31<sup>st</sup> March 2024, 31<sup>st</sup> March 2023 and 31<sup>st</sup> March 2022 And an Industry report of Infomeries Analytics and Research Private Limited (Infomeries) on “NBFC Industry Report”, our Company has not obtained any other expert opinion, our Company has not obtained any other expert opinion. All the intermediaries, including Merchant Bankers, has relied upon the appropriacy and authenticity of the same.

## **PREVIOUS RIGHTS AND PUBLIC ISSUES SINCE INCORPORATION**

We have not made any previous rights and/or public issues since incorporation and are an Unlisted Issuer in terms of the SEBI (ICDR) Regulations and this Issue is an Initial Public Offering in terms of the SEBI (ICDR) Regulations.

## **PREVIOUS ISSUES OF SHARES OTHERWISE THAN FOR CASH**

Other than as detailed under chapter titled “Capital Structure” beginning on page 76 of the Draft Red Herring Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

## **COMMISSION AND BROKERAGE ON PREVIOUS ISSUES**

Since this is the IPO of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares in the five years preceding the date of this Draft Red Herring Prospectus.

## **PREVIOUS CAPITAL ISSUE DURING THE PREVIOUS THREE YEARS BY LISTED SUBSIDIARIES, GROUP COMPANIES AND ASSOCIATES OF OUR COMPANY**

None of our Group Companies and Associates are listed and have undertaken any public or rights issue in the three (3) years preceding the date of this Draft Red Herring Prospectus, except mentioned below.

<b>S. No.</b>	<b>Name of Companies</b>	<b>CIN</b>	<b>Date of Listing</b>
<b>1.</b>	Nupur Recyclers Limited	L37100DL2019PLC344788	12-Jan-2023

## **PERFORMANCE VIS-À-VIS OBJECTS – PUBLIC/ RIGHTS ISSUE OF THE LISTED SUBSIDIARIES OF OUR COMPANY**

The Company has no subsidiary company as on the date of Draft Red Herring Prospectus.

## **OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY OUR COMPANY**

Other than as detailed under chapter titled “Financial Indebtedness” beginning on page 299 of the Draft Red Herring Prospectus, our Company has no outstanding debentures.

As on the date of the Draft Red Herring Prospectus, our Company has no outstanding bonds or redeemable preference shares.

## **OPTION TO SUBSCRIBE**

Equity Shares being offered through this Draft Red Herring Prospectus can be applied for in dematerialized form only.

## **STOCK MARKET DATA FOR OUR EQUITY SHARES**

Our Company is an Unlisted Issuer in terms of the SEBI (ICDR) Regulations, and this Offer is an Initial Public Offering in terms of the SEBI (ICDR) Regulations. Thus, there is no stock market data available for the Equity Shares of our Company.

## **MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES**

The Memorandum of Understanding between the Registrar and us will provide for retention of records with the Registrar for a period of at least one year from the last date of dispatch of the letters of allotment, demat credit and refund orders to enable the investors to approach the Registrar to this Issue for redressal of their grievances. All grievances relating to this Offer may be addressed to the Registrar with a copy to the Company Secretary and Compliance Officer, giving full details such as the name, address of the applicant, number of Equity Shares applied for, amount paid on application and the bank branch or collection center where the application was submitted. All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection center of the SCSB where the Bid-cum-Application Form was submitted by the ASBA Applicant.

## **DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY**

Our Company or the Registrar to the Offer or the SCSB in case of ASBA Applicant shall redress routine investor grievances. We estimate that the average time required by us or the Registrar to this Offer for the redressal of routine investor grievances will be 12 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Ms. Kritika Goswami as the Company Secretary and Compliance Officer and may be contacted at the following address:

### **USHA FINANCIAL SERVICES LIMITED**

330, Mezzanine Floor, Functional Industrial Estate,  
Patparganj, Delhi - 110092, India.  
Tel.: 011 47019079; Fax: N.A.  
E-mail: [compliance@ushafinancial.com](mailto:compliance@ushafinancial.com)  
Website: [www.ushafinancial.com](http://www.ushafinancial.com);

Investors can contact the Company Secretary and Compliance Officer or the Registrar in case of any pre-Offeror post-Offer related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or refund orders, *etc.*

## **EXEMPTION FROM COMPLYING ANY PROVISION OF SECURITIES LAW**

As on the date of this prospectus, our company has not obtained exemption from complying any provision of Securities law.

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## SECTION VIII – ISSUE INFORMATION

### TERMS OF THE ISSUE

The Equity Shares being issued pursuant to this issue shall be subject to the provision of the Companies Act, SEBI (ICDR) Regulations, 2018, SCRA, SCRR, Memorandum and Articles, the terms of this Draft Red- Herring Prospectus, Red Herring Prospectus, Prospectus, Abridged Prospectus, Application Form, the Revision Form, the Confirmation of Allocation Note (CAN) and other terms and conditions as may be incorporated in the Allotment advices and other documents/ certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing of securities issued from time to time by SEBI, the Government of India, NSE, ROC, RBI and / or other authorities, as in force on the date of the Issue and to the extent applicable.

Please note that, in accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (Except Anchor investors) applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment. Further, in terms of SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, and as modified through its circular SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, in relation to clarifications on streamlining the process of public issue of equity shares and convertibles it has proposed to introduce an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. Currently, for application by RIIs through Designated Intermediaries, the existing process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds is discontinued and RIIs submitting their Application Forms through Designated Intermediaries (other than SCSBs) can only use the UPI mechanism with existing timeline of T+3 days. Further SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, has decided to continue with the Phase II of the UPI ASBA till further notice.

The SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 09, 2023, has introduced reduction of timeline for listing of shares in public issue from existing T+6 days to T+3 days. This circular shall be applicable on voluntary basis for public issues opening on or after September 1, 2023, and Mandatory for public issues opening on or after December 1, 2023.

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.

#### **The Issue**

The Issue consists of a Fresh Issue by our Company. Expenses for the issue shall be borne by our Company in the manner specified in “Objects of the Issue” on page 105 of this Draft Red Herring Prospectus.

#### **Ranking of Equity Shares**

The Equity Shares being Offered/Alloted in the Issue shall be subject to the provisions of the Companies Act, 2013 and the Memorandum & Articles of Association, SEBI ICDR Regulations and shall rank pari-passu with

the existing Equity Shares of our Company including rights in respect of dividend. The Allottees upon receipt of Allotment of Equity Shares under this issue will be entitled to dividends, Voting Power and other corporate benefits, if any, declared by our Company after the date of allotment in accordance with Companies Act, 2013 and the Articles of Association of the Company.

### **Authority for the Issue**

This Issue has been authorized by a resolution of the Board passed at their meeting held on July 02, 2024, subject to the approval of shareholders through a special resolution to be passed pursuant to section 62 (1) (c) of the Companies Act, 2013. The shareholders have authorized the Issue by a special resolution in accordance with Section 62 (1) (c) of the Companies Act, 2013 passed at the EGM of the Company held on July 04, 2024.

### **Mode of Payment of Dividend**

The declaration and payment of dividend will be as per the provisions of Companies Act, 2013 and recommended by the Board of Directors at their discretion and approved by the shareholders and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act, 2013. Dividends, if any, declared by our Company after the date of Allotment will be payable to the transferee who have been Allotted Equity Shares in the Offer, for the entire year, in accordance with applicable laws. For further details, please refer to the chapter titled Dividend Policy beginning on pages 248 of this Draft Red Herring Prospectus.

### **Face Value and Issue Price**

The face value of each Equity Share is Rs. 10/- and the Offer Price at the lower end of the Price Band is Rs. [●] /- per Equity Share and at the higher end of the Price Band is Rs. [●] /- per Equity Share. The Anchor Investor Offer Price is Rs. [●] /- per Equity Share.

The Price Band and the Bid Lot will be decided by our Company, in consultation with the BRLMs, and published by our Company in [●] edition of [●] (a widely circulated English national daily newspaper) and [●] edition of [●] (a widely circulated Hindi national daily newspaper and [●] edition of [●] being the regional language of Delhi, where our Registered Office is located) at least two Working Days prior to the Bid/Offer Opening Date, and shall be made available to the Stock Exchange for the purpose of uploading the same on their website. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price shall be pre-filled in the Bid-cum-Application Forms available at the website of the Stock Exchange. The Offer Price shall be determined by our Company, in consultation with the BRLMs, after the Bid/Offer Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of the Book Building Process.

At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

### **Compliance with the disclosure and accounting norms**

Our Company shall comply with all the applicable disclosure and accounting norms as specified by SEBI from time to time.

## **Rights of the Equity Shareholder**

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, our Shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy or e-voting, in accordance with the provisions of the Companies Act;
- Right to receive annual reports and notices to members;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability, subject to applicable laws and regulations; and the Articles of Association of our Company; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act and the Memorandum and Articles of Association of the Company.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see “Main Provisions of Articles of Association” on page 417 of this Draft Red Herring Prospectus.

### **Allotment only in Dematerialized form**

Pursuant to Section 29 of the Companies Act, the Equity Shares shall be Allotted only in dematerialized form. As per SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialized form. In this context, two agreements have been signed by our Company with the respective Depositories and the Registrar to the Issue before filing this Draft Red Herring Prospectus:

- Tripartite agreement dated May 27, 2022, among CDSL, our Company and the Registrar to the Issue; and
- Tripartite agreement dated May 10, 2022, among NSDL, our Company and the Registrar to the Issue.

As per the provisions of the Depositories Act, 1996 & regulations made there under and Section 29 (1) of the Companies Act, 2013, the equity shares of a body corporate shall be in dematerialized form i.e. not in the form of physical certificates but be fungible and be represented by the statement issued through electronic mode. The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the NSE Limited from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Issue will be done in multiples of [●] Equity Shares subject to a minimum allotment of [●] Equity Shares to the successful Applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

### **Minimum Application value, Market Lot and Trading Lot**

In accordance with Regulation 267 (2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹ 1,00,000/- (Rupees One Lakh) per application.

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the EMERGE Platform of NSE from time to time by giving prior notice to investors at large. For further details, see “Issue Procedure” on page 371 of this Draft Red Herring Prospectus.

### **Minimum Number of Allottees**

Further in accordance with the Regulation 268(1) of SEBI (ICDR) Regulations, the minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and all the monies blocked by SCSBs shall be unblocked within four (4) working days of closure of Issue.

### **Joint Holders**

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint holders with benefits of survivorship.

### **Jurisdiction**

Exclusive Jurisdiction for the purpose of this Issue is with the competent courts/authorities in India.

The Equity Share have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and may not be issued or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being issued and sold only outside the United States in off-shore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those issues and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

### **Nomination Facility to the Investor**

In accordance with Section 72 of the Companies Act, 2013, read with Companies (Share Capital and Debentures) Rules, 2014, the sole Applicant, or the first Applicant along with other joint Applicants, may nominate any one person in whom, in the event of the death of sole Applicant or in case of joint Applicants, death of all the Applicants, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to equity share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of Equity Share(s) by the person nominating.

A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or Corporate Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act shall upon production of such evidence, as may be required by the Board, elect either:

1. to register himself or herself as the holder of the equity shares; or
2. to make such transfer of the equity shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the equity shares, and if the notice is not complied with within a period of ninety (90) days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the equity shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the Applicants require changing of their nomination, they are requested to inform their respective depository participant.

### **Restrictions, if any on Transfer and Transmission of Equity Shares**

Except for the lock-in of the pre-Issue capital of our Company, Promoters' minimum contribution as provided in "Capital Structure" on page 76 of this Draft Red Herring Prospectus and except as provided in the Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details, please refer "Main Provisions of Articles of Association" on page 417 of this Draft Red Herring Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the BRLMs do not accept any responsibility for the completeness and accuracy of the information stated herein above. Our Company and the BRLMs are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

### **Arrangements for Disposal of Odd Lots**

The trading of the Equity Shares will happen in the minimum contract size of [●] shares in terms of the SEBI Circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, in terms of Regulation 261(5) of the SEBI ICDR Regulations, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the EMERGE platform of NSE.

### **New Financial Instruments**

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium

notes, etc. issued by our Company. Application by eligible NRIs, FPIs Registered with SEBI, VCFs, AIFs registered with SEBI and QFIs. It is to be understood that there is no reservation for Eligible NRIs or FPIs or QFIs or VCFs or AIFs registered with SEBI. Such Eligible NRIs, QFIs, FPIs, VCFs or AIFs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

### **Withdrawal of the Issue**

Our Company in consultation with the BRLMs, reserve the right to not to proceed with the Issue after the Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two (2) days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The BRLMs through, the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA applicant within one (1) Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an issue/issue for sale of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus with Stock Exchange.

### **Minimum Subscription**

This Offer is not restricted to any minimum subscription level. This Offer is 100% underwritten. If the Issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriter within sixty days from the date of closure of the Offer, the Issuer shall forthwith refund the entire subscription amount received within the time limit as prescribed under the SEBI (ICDR) Regulations and Companies Act, 2013.

In terms of Regulation 272(2) of SEBI ICDR Regulations, in case the issuer fails to obtain listing or trading permission from the stock exchanges where the specified securities were to be listed, it shall refund through verifiable means the entire monies received within four (4) days of receipt of intimation from stock exchanges rejecting the application for listing of specified securities, and if any such money is not repaid within four (4) days after the issuer becomes liable to repay it the issuer and every director of the 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 the rate of fifteen per cent. per annum.

In terms of Regulation 260 of the SEBI ICDR Regulations, 2018, the Issue is 100% underwritten. For details of underwriting arrangement, kindly refer the chapter titled “General Information” on page 66 of this Draft Red Herring Prospectus.

Further, in accordance with Regulation 267 of the SEBI ICDR Regulations, 2018, the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

Further, in accordance with Regulation 268 of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will allotted will not be less than 50 (Fifty).

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such

jurisdiction, except in compliance with the applicable laws of such jurisdiction.

### Period of Subscription List of the Public Issue

Event	Indicative Date
Offer Opening Date	[●]
Offer Closing Date	[●]
Finalization of Basis of Allotment with the Designated Stock Exchange	On or before [●]
Initiation of Allotment/ Refunds/ Unblocking of Funds from ASBA Account or UPI ID linked bank account	On or before [●]
Credit of Equity Shares to Demat Accounts of Allottees	On or before [●]
Commencement of trading of the Equity Shares on the Stock Exchange	On or before [●]

*Note: Our Company in consultation with the Book Running Lead Managers, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date in accordance with the SEBI ICDR Regulations.*

The above timetable is indicative and does not constitute any obligation on our Company and the BRLMs Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 3 Working Days of the Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue by our Company or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

\*In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Offer Closing Date for cancelled / withdrawn / deleted ASBA Forms, the Bidder shall be compensated in accordance with applicable law by the intermediary responsible for causing such delay in unblocking, for which period shall start from the day following the receipt of a complaint from the Bidder. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The Bidder shall be compensated in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 shall be deemed to be incorporated in the deemed agreement of the Bank with the SCSBs to the extent applicable, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of our Company with the SCSBs, to the extent applicable.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular no. dated April 20, 2022 and SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022.

Bids and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Bidding Centers mentioned in the Bid cum Application Form.

Standardization of cut-off time for uploading of bids on the Bid/Issue closing date:

- i. A standard cut-off time of 3.00 p.m. for acceptance of bids.
- ii. A standard cut-off time of 4.00 p.m. for uploading of bids received from other than retail individual applicants.
- iii. A standard cut-off time of 5.00 p.m. for uploading of bids received from only retail individual applicants, which may be extended up to such time as deemed fit by National Stock Exchange of India Limited after taking into account the total number of bids received up to the closure of timings and reported by BRLMs to National Stock Exchange of India Limited within half an hour of such closure.

It is clarified that Bids not uploaded in the book, would be rejected. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid form, for a particular bidder, the details as per physical bid cum application form of that Bidder may be taken as the final data for the purpose of allotment. Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

### **Migration to Main Board**

In accordance with the National Stock Exchange of India Limited Circular dated March 10, 2014, our Company will have to be mandatorily listed and traded on the Emerge Platform of the NSE for a minimum period of 2 (Two) years from the date of listing and only after that it can migrate to the Main Board of National Stock Exchange of India Limited as per the guidelines specified by SEBI and as per the procedures laid down under Chapter IX of the SEBI (ICDR) Regulations.

Our company may migrate to the main board of NSE Limited at a later date subject to the following:

- a. *If the Paid-up Capital of our Company is likely to increase above Rs. 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in- principal approval from the main board), our Company shall apply to NSE Limited for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.*

OR

- b. *If the paid-up Capital of our company is more than Rs. 10 Crores but below Rs. 25Crores, our Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.*

Further, as per the NSE Circular no. 01/2023 dated April 20, 2023, Following are the Eligibility criteria for Migration from NSE SME Platform to NSE Main Board:

1. Our company should have been listed on SME platform of the Exchange for at least 3 years.

2. Our company should have positive cash accruals (Earnings before Interest, Depreciation and Tax) from operations for each of the 3 financial years preceding the migration application and has positive PAT in the immediate Financial Year of making the migration application to Exchange.
3. The total number of public shareholders of our company on the last day of the preceding quarter from date of application should be at least 1000 (One Thousand).
4. The Net worth of our company should be at least 50 crores.

### **Market Making**

The shares issued and transferred through this Offer are proposed to be listed on the Emerge Platform of NSE Limited with compulsory market making through the registered Market Maker of the Emerge Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on the Emerge Platform of NSE Limited. For further details of the market making arrangement please refer to chapter titled General Information beginning on page 66 of this Draft Red Herring Prospectus.

### **Option to receive securities in Dematerialized Form**

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the StockExchange. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

## ISSUE PROCEDURE

*Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and the BRLMs would not be liable for any amendment, modification or change in applicable law, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that their applications are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Draft Red Herring Prospectus.*

*All Applicants shall review the “General Information Document for Investing in Public Issues” prepared and issued in accordance with the circular SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 notified by SEBI, suitably modified from time to time, if any, and the UPI Circulars (“General Information Document”), highlighting the key rules, procedures applicable to public issues in general in accordance with the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, and the SEBI Regulations. The General Information Document will also be available on the websites of the Stock Exchange and the BRLMs, before opening of the Issue. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.*

*Additionally, all Applicants may refer to the General Information Document for information in relation to (i) Category of investor eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) Allocation of shares; (iii) Payment Instructions for ASBA Applicants; (iv) Issuance of CAN and Allotment in the Offer; (v) General instructions (limited to instructions for completing the Application Form); (vi) Submission of Application Form; (vii) Other Instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (viii) applicable provisions of the Companies Act, 2013 relating to punishment for fictitious applications; (vi) mode of making refunds; and (vii) interest in case of delay in Allotment or refund.*

*The SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. From January 01, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“UPI Phase I”). The UPI Phase-I was effective till June 30, 2019.*

*Subsequently, for applications by Retail Individual Investors through Designated Intermediaries, the process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism with existing timeline of T+6 days is applicable for a period of six months or launch of five main board public issues, whichever is later (“UPI Phase II”), with effect from July 1, 2019, by SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, read with circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019. Further, as per the SEBI circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, the UPI Phase II had been extended until March 31, 2020. However, due to the outbreak of COVID-19 pandemic, UPI Phase II has been further extended by SEBI until further notice, by its circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020. Thereafter, the final reduced timeline of T+3 days may be made effective using the UPI Mechanism for applications by Retail Individual Investors (“UPI Phase III”), as may be prescribed by SEBI. Further, SEBI, vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, and circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, has introduced certain additional measures for*

streamlining the process of initial public offers and redressing investor grievances. This circular is effective for initial public offers opening on or after May 1, 2021, except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, and the provisions of this circular are deemed to form part of this Prospectus. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual Investors in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹ 500,000 shall use the UPI Mechanism.

Furthermore, SEBI vide press release bearing number 12/2023 has approved the proposal for reducing the time period for listing of shares in public issue from existing 6 working days to 3 working days from the date of the closure of the issue. The revised timeline of T+3 days shall be made applicable in two phases i.e. voluntary for all public issues opening on or after September 1, 2023, and mandatory on or after December 1, 2023. Further, SEBI has vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 reduced the time taken for listing of specified securities after the closure of a public issue to three Working Days. Accordingly, the Issue will be made under UPI Phase III on a mandatory basis, subject to any circulars, clarification or notification issued by the SEBI from time to time.

### **REDUCTION OF TIMELINE FOR LISTING OF SHARES IN PUBLIC ISSUE FROM EXISTING T+6 DAYS TO T+3 DAYS**

The SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 09, 2023, has introduced reduction of timeline for listing of shares in public issue from existing t+6 days to t+3 days. This circular shall be applicable on voluntary basis for public issues opening on or after September 1, 2023 and Mandatory for public issues opening on or after December 1, 2023.

Consequent to extensive consultation with the market participants and considering the public comments received pursuant to consultation paper on the aforesaid subject matter, it has been decided to reduce the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days) as against the requirement of 6 working days (T+6 days); 'T' being issue closing date.

The T+3 timeline for listing shall be appropriately disclosed in the Offer Documents of public issues.

Notwithstanding anything contained in Schedule VI of the ICDR Regulations, the provisions of this circular shall be applicable:

- On voluntary basis for public issues opening on or after September 1, 2023, and
- Mandatory for public issues opening on or after December 1, 2023

The timelines prescribed for public issues as mentioned in SEBI circulars dated November 1, 2018, June 28, 2019, November 8, 2019, March 30, 2020, March 16, 2021, June 2, 2021, and April 20, 2022, shall stand modified to the extent stated in this Circular.

SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 effective to public issues opening on or after from May 01, 2021. However, said circular has been modified pursuant to SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 in which certain applicable procedure w.r.t. SMS Alerts, Web portal to CUG etc. shall be applicable to Public Issue opening on or after January 1, 2022 and October 1, 2021 respectively and the provisions of this circular, as amended, are deemed to form part of this Draft Red Herring Prospectus. Additionally, SEBI vide its circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47

*dated March 31, 2021 has reduced the time period for refund of application monies from 15 days to four days. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all UPI Bidders in initial public offerings (opening on or after May 01, 2022) whose application sizes are up to Rs. 5,00,000/- shall use the UPI Mechanism.*

*The list of Banks that have been notified by SEBI as Issuer Banks for UPI are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>. The list of Stock Brokers, Depository Participants (DP), Registrar to an Issue and Share Transfer Agent (RTA) that have been notified by NSE to act as intermediaries for submitting Application Forms are provided on [www.nseindia.com](http://www.nseindia.com) For details on their designated branches for submitting Application Forms, please see the above mentioned website of NSE.*

*ASBA Applicants are required to submit ASBA Applications to the selected branches / offices of the RTAs, DPs, Designated Bank Branches of SCSBs. The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <http://www.sebi.gov.in>. For details on designated branches of SCSB collecting the Application Form, please refer the above-mentioned SEBI link. The list of Stock Brokers, Depository Participants (“DP”), Registrar to an Issue and Share Transfer Agent (“RTA”) that have been notified by NSE to act as intermediaries for submitting Application Forms are provided on <http://www.nseindia.com>. For details on their designated branches for submitting Application Forms, please refer the above mentioned NSE website.*

*Our Company, the Promoter and the BRLMs do not accept any responsibility for the completeness and accuracy of the information stated in this section and General Information Document and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Draft Red Herring Prospectus.*

## **BOOK BUILT PROCEDURE**

The Issue is being made in terms of Rule 19(2)(b) of the SCRR, through the Book Building Process in accordance with Regulation 253 of the SEBI ICDR Regulations wherein not more than 50.00% of the Issue shall be allocated on a proportionate basis to QIBs, provided that our Company may, in consultation with the BRLMs, allocate up to 60.00% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allotment in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion. Further, 5.00% of the QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and spill-over from the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15.00% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35.00% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the offer Price.

Under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories of Bidders at the discretion of our Company in

consultation with the BRLMs and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Issue Price. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spillover from any other category or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchange.

Investors should note that according to Section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialized form. It is mandatory to furnish the details of Applicant's depository account along with Application Form. The Application Forms which do not have the details of the Applicants' depository account, including the DP ID Numbers and the beneficiary account number shall be treated as incomplete and rejected. Application Forms which do not have the details of the Applicants' PAN, (other than Applications made on behalf of the Central and the State Governments, residents of the state of Sikkim and official appointed by the courts) shall be treated as incomplete and are liable to be rejected. Applicants will not have the option of being Allotted Equity Shares in physical form. The Equity Shares on Allotment shall be traded only in the dematerialised segment of the Stock Exchanges. However, investors may get the specified securities rematerialized subsequent to allotment.

### **AVAILABILITY OF PROSPECTUS AND APPLICATION FORMS**

The Memorandum containing the salient features of the Prospectus together with the Application Forms and copies of the Draft Red Herring Prospectus/ Red Herring Prospectus/ Abridged Prospectus/ Prospectus may be obtained from the Registered Office of our Company, from the Registered Office of the BRLMs to the Issue, Registrar to the Issue as mentioned in the Application form. The application forms may also be downloaded from the website of NSE i.e. [www.nseindia.com](http://www.nseindia.com). Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Draft Red Herring Prospectus. All the applicants shall have to apply only through the ASBA process. ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking of funds that are available in the bank account specified in the Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Draft Red Herring Prospectus. The Application Form shall contain space for indicating number of specified securities subscribed for in demat form.

### **PHASED IMPLEMENTATION OF UNIFIED PAYMENTS INTERFACE**

SEBI has issued UPI Circulars in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circulars, UPI will be introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by RIIs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI Mechanism, the UPI Circulars proposes to introduce and implement the UPI Mechanism in three phases in the following manner:

- a. Phase I: This phase was applicable from January 01, 2019 and lasted till June 30, 2019. Under this phase, a Retail Individual applicant, besides the modes of Bidding available prior to the UPI Circulars, also had the option to submit the Bid cum Application Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be Three Working Days.
- b. Phase II: This phase commenced on completion of Phase I i.e. with effect from July 1, 2019 and was to be continued for a period of three months or launch of five main board public issues, whichever is later.

Further, as per the SEBI circular SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, the UPI Phase II has been extended until March 31, 2020. Further still, as per SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the current Phase II of Unified Payments Interface with Application Supported by Blocked Amount be continued till further notice. Under this phase, submission of the Application Form by a Retail Individual Applicant through intermediaries to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI Mechanism. However, the time duration from public issue closure to listing would continue to be Three Working Days during this phase.

- c. Phase III: This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023, and on a mandatory basis for all issues opening on or after December 1, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("T+3 Notification"). In this phase, the time duration from public issue closure to listing has been reduced to three Working Days. The Issue shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by the SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

All SCSBs offering the facility of making applications in public issues are required to provide a facility to make applications using the UPI Mechanism. Further, in accordance with the UPI Circulars, our Company has appointed [●] as the Sponsor Bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Investors into the UPI mechanism.

Pursuant to the UPI Circular, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints in this regard, the relevant SCSB as well as the post – Offer BRLMs will be required to compensate the concerned investor.

SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to Rs. 5,00,000, shall use UPI. Individual investors bidding under the Non-Institutional Portion bidding for more than Rs. 200,000 and up to Rs. 5,00,000, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

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

For further details, refer to the “General Information Document” available on the websites of the Stock Exchange and the BRLMs.

### **Bid cum Application Form**

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centres, and our Registered and Corporate Office. An electronic copy of the Bid cum Application Form will also be available for download on the websites of NSE ([www.nseindia.com](http://www.nseindia.com)) at least one day prior to the Bid/Offer Opening Date.

Copies of the Anchor Investor Application Form will be available at the office of the BRLMs.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. Anchor Investors are not permitted to participate in the Offer through the ASBA process. The RIS Bidding in the Retail Portion can additionally Bid through the UPI Mechanism.

A Retail Individual Investor making applications using the UPI Mechanism shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application in the Issue. The SCSBs, upon receipt of the Application Form will upload the Bid details along with the UPI ID in the bidding platform of the Stock Exchange. Applications made by the Retail Individual Investors using third party bank accounts or using UPI IDs linked to the bank accounts of any third parties are liable for rejection. The Bankers to the Issue shall provide the investors’ UPI linked bank account details to the RTA for the purpose of reconciliation. Post uploading of the Bid details on the bidding platform, the Stock Exchanges will validate the PAN and demat account details of Retail Individual Investors with the Depositories.

ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSB’s authorizing blocking funds that are available in the bank account specified in the Application Form used by ASBA applicants.

ASBA Bidders (other than RIBs using UPI Mechanism) must provide bank account details and authorization to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details are liable to be rejected.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. RIBs Bidding in the Retail Portion using UPI Mechanism, may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs. RIBs authorizing an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank, as applicable at the time of submitting the Bid.

In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Draft Red Herring Prospectus.

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour of Application Form
Resident Indians, including resident QIBs, Non-Institutional Bidders, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis	[●]
Non-Residents including Eligible NRIs, FVCIs, FPIs, registered multilateral and bilateral development financial institutions applying on a repatriation basis	[●]
Anchor Investors	[●]

*\*Excluding electronic Bid cum Application Form*

Note:

- ◆ Details of depository account are mandatory and applications without depository account shall be treated as incomplete and rejected. Investors will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities re-materialised subsequent to allotment.
- ◆ The shares of the Company, on allotment, shall be traded on stock exchanges in demat mode only.
- ◆ Single bid from any investor shall not exceed the investment limit/maximum number of specified securities that can be held by such investor under the relevant regulations/statutory guidelines.
- ◆ The correct procedure for applications by Hindu Undivided Families and applications by Hindu Undivided Families would be treated as on par with applications by individuals;

#### **ELECTRONIC REGISTRATION OF BIDS**

- a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchange. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the Offer.
- b) On the Bid/Offer Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchange and as disclosed in the Red Herring Prospectus.
- c) Only Bids that are uploaded on the Stock Exchange Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1:00 pm on the next Working Day following the Bid/Offer Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

## SUBMISSION AND ACCEPTANCE OF APPLICATION FORMS

An Investor, intending to subscribe to this Issue, shall submit a completed Bid Cum Application Form to any of the following intermediaries (Collectively called – Designated Intermediaries”)

Sr. No.	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained.
2.	A syndicate member (or sub-syndicate member).
3.	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (‘broker’).
4.	A depository participant (‘P’) (whose name is mentioned on the website of the stock exchange as eligible for this activity).
5.	A registrar to an Offer and share transfer agent (‘RTA’) (whose name is mentioned on the website of the stock exchange as eligible for this activity).

*Retails investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as “Intermediaries”), and intending to use UPI, shall also enter their UPI ID in the Bid Cum Application Form.*

*The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.*

The upload of the details in the electronic bidding system of stock exchange will be done by:

<b>For Applications submitted by investors to SCSB:</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
<b>For Applications submitted by investors to intermediaries other than SCSBs:</b>	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange(s). Post uploading they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.
<b>For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment:</b>	<p>After accepting the application form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange.</p> <p>Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds.</p> <p>Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account.</p>

Stock exchange shall validate the electronic bid details with depository’s records for DP ID/Client ID and PAN, on a real-time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and

re-submission within the time specified by stock exchange.

Stock exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.

Upon completion and submission of the Bid Cum Application Form to Application Collecting intermediaries, the Bidders are deemed to have authorized our Company to make the necessary changes in the Red Herring Prospectus, without prior or subsequent notice of such changes to the Bidders.

## **AVAILABILITY OF RED HERRING PROSPECTUS/ PROSPECTUS AND BID CUM APPLICATION FORMS**

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the BRLMs, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of SCSBs (via Internet Banking) and NSE ([www.nseindia.com](http://www.nseindia.com)) at least one day prior to the Bid/Offer Opening Date.

Bid cum application for Anchor Investor shall be made available at the Office of the BRLMs.

## **WHO CAN BID?**

Each Bidder should check whether it is eligible to apply under applicable law, rules, regulations, guidelines and policies.

Furthermore, certain categories of Bidders, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Offer or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the DRHP for more details.

Subject to the above, an illustrative list of Bidders is as follows:

a) Indian nationals' resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);

b) Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the application is being made in the name of the HUF in the Bid Cum Application Form as follows: —Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Kartal. Applications by HUFs would be considered at par with those from individuals;

c) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;

d) Mutual Funds registered with SEBI;

e) Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Offer;

- f) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- g) FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI;
- h) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- i) Sub-accounts of FIIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional Bidder 's category;
- j) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- k) Foreign Venture Capital Investors registered with the SEBI;
- l) Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- m) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- n) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- o) Provident Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- p) Pension Funds and Pension Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- q) National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- r) Multilateral and bilateral development financial institution;
- s) Eligible QFIs;
- t) Insurance funds set up and managed by army, navy or air force of the Union of India;
- u) Insurance funds set up and managed by the Department of Posts, India;
- v) Any other person eligible to apply in this Offer, under the laws, rules, regulations, guidelines and policies applicable to them.

Applications shall not be made by:

- a. Minors (except through their Guardians)
- b. Partnership firms or their nominations
- c. Foreign Nationals (except NRIs)

d. Overseas Corporate Bodies

As per the existing regulations, OCBs are not eligible to participate in this Offer. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as 138 incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Offer provided it obtains a prior approval from the RBI. On submission of such approval along with the Bid cum Application Form, the OCB shall be eligible to be considered for share allocation.

## MAXIMUM AND MINIMUM APPLICATION SIZE

### 1. For Retail Individual Bidders

The Application must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Application Price payable by the Bidder does not exceed Rs. 2,00,000. In case of revision of Applications, the Retail Individual Bidders have to ensure that the Application Price does not exceed Rs. 2,00,000.

### 2. For Other than Retail Individual Bidders (Non-Institutional Bidders and QIBs)

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds ₹ 2,00,000 and in multiples of [●] Equity Shares thereafter. An application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Bidder cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application. In case of revision in Applications, the Non-Institutional Bidders, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion.

**Bidders are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Red Herring Prospectus.**

**The above information is given for the benefit of the Bidders. The Company and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.**

## METHOD OF BIDDING PROCESS

Our Company in consultation with the BRLMs will decide the Price Band and the minimum Bid lot size for the Offer and the same shall be advertised in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●], all editions of [●] newspaper being Regional language where the registered office of the company is situated, each with wide circulation at least two Working Days prior to the Bid / Offer Opening

Date. The BRLMs and the SCSBs shall accept Bids from the Bidders during the Bid / Offer Period.

a) The Bid / Offer Period shall be for a minimum of three (3) Working Days and shall not exceed ten (10) Working Days. The Bid/ Offer Period may be extended, if required, by an additional three Working Days, subject to the total Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid / Offer Period, if applicable, will be published in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●], all editions of [●] newspaper being Regional language where the registered office of the company is situated, each with wide circulation and also by indicating the change on the websites of the Book Running Lead Managers.

b) During the Bid/ Offer Period, Retail Individual Bidders, should approach the BRLMs or their authorized agents to register their Bids. The BRLMs shall accept Bids from Anchor Investors and ASBA Bidders in Specified Cities and it shall have the right to vet the Bids during the Bid/ Offer Period in accordance with the terms of the Red Herring Prospectus. ASBA Bidders should approach the Designated Branches or the BRLMs (for the Bids to be submitted in the Specified Cities) to register their Bids.

c) Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled “Bids at Different Price Levels and Revision of Bids” below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Offer Price, the maximum number of Equity Shares Bid for by a Bidder/Applicant at or above the Offer Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.

d) The Bidder / Applicant cannot Bid through another Bid cum Application Form after Bids through one Bid cum Application Form have been submitted to a BRLMs or the SCSBs. Submission of a second Bid cum Application Form to either the same or to another BRLMs or SCSB will be treated as multiple Bid and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Offer. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph “Buildup of the Book and Revision of Bids”.

e) Except in relation to the Bids received from the Anchor Investors, the BRLMs/the SCSBs will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip, (“TRS”), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form.

f) The BRLMs shall accept the Bids from the Anchor Investors during the Anchor Investor Bid/ Offer Period i.e. one working day prior to the Bid/ Offer Opening Date. Bids by QIBs under the Anchor Investor Portion and the QIB Portion shall not be considered as multiple Bids.

g) Along with the Bid cum Application Form, Anchor Investors will make payment in the manner described in “Escrow Mechanism - Terms of payment and payment into the Escrow Accounts” in the section “Issue Procedure” beginning on page 371 of this Draft Red Herring Prospectus.

h) Upon receipt of the Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form prior to uploading such Bids with the Stock

Exchange.

i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchange.

j) If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and will enter each Bid option into the electronic bidding system as a separate Bid and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Bidder on request.

k) The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Offer or until withdrawal/rejection of the Bid cum Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Offer shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Bidders to the Public Issue Account. In case of withdrawal/failure of the Offer, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Offer.

#### **Bids At Different Price Levels And Revision Of Bids**

1. Our Company in consultation with the BRLMs, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/ Offer Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.
2. Our Company, in consultation with the BRLMs, will finalize the Offer Price within the Price Band, without the prior approval of, or intimation, to the Bidders.
3. The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders may Bid at the Cut-off Price. However, bidding at the Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.
4. Retail Individual Bidders, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders shall submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount based on the Cap Price with the Syndicate. In case of ASBA Bidders (excluding Non-Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price.
5. The price of the specified securities offered to an anchor investor shall not be lower than the price offered to other Bidders

#### **PARTICIPATION BY ASSOCIATES/AFFILIATES OF BRLMs AND THE SYNDICATE MEMBERS**

The BRLMs and the syndicate member, if any shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the BRLMs and the syndicate members may subscribe to Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of Applicants, including associates and affiliates of the BRLMs and syndicate member, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Neither the BRLMs nor any persons related to the BRLMs (other than Mutual Funds sponsored by entities related to the BRLMs), Promoters and Promoter Group can apply in the Offer under the Anchor Investor Portion.

### **OPTION TO SUBSCRIBE IN THE ISSUE**

- a) As per Section 29(1) of the Companies Act 2013, Investors will get the allotment of Equity Shares in dematerialization form only.
- b) The Equity Shares, on allotment, shall be traded on Stock Exchange in demat segment only.
- c) In a single Application Form any investor shall not exceed the investment limit/minimum number of specified securities that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

### **Information for the Bidders**

1. Our Company and the Book Running Lead Managers shall declare the Issue Opening Date and Issue Closing Date in the Red Herring Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in prescribed format.
2. Our Company will file the Red Herring Prospectus with the RoC at least 3 (three) days before the Issue Opening Date.
3. Copies of the Bid Cum Application Form along with Abridged Prospectus and copies of the Red Herring Prospectus will be available with the, the Book Running Lead Managers, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Bid Cum Application Forms will also be available on the websites of the Stock Exchange.
4. Any Bidder who would like to obtain the Red Herring Prospectus and/ or the Bid Cum Application Form can obtain the same from our Registered Office.
5. Bidders who are interested in subscribing for Equity Shares should approach Designated Intermediaries to register their applications.

6. Bid Cum Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Bid Cum Application Form submitted by Bidders whose beneficiary account is inactive shall be rejected.
7. The Bid Cum Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. The Retail Individual Bidders has to apply only through UPI Channel, they have to provide the UPI ID and validate the blocking of the funds and such Bid Cum Application Forms that do not contain such details are liable to be rejected.
8. Bidders applying directly through the SCSBs should ensure that the Bid Cum Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Bid Cum Application Form, before entering the ASBA application into the electronic system.
9. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Bidders, or in the case of application in joint names, the first Bidder (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating in transacting in the securities market, irrespective of the amount of transaction. Any Bid Cum Application Form without PAN is liable to be rejected. The demat accounts of Bidders for whom PAN details have not been verified, excluding persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Bidders.
10. The Bidders may note that in case the PAN, the DP ID and Client ID mentioned in the Bid Cum Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Bid Cum Application Form is liable to be rejected.

### **BID BY MUTUAL FUNDS**

With respect to Bid by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company, in consultation with BRLMs reserves the right to reject any application without assigning any reason thereof.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

As per the current regulations, the following restrictions are applicable for investments by mutual funds.

No mutual fund scheme shall invest more than 10.00% of its net asset value in the Equity Shares or equity related instruments of any single Company provided that the limit of 10.00% shall not be applicable for

investments in case of index funds or sector or industry specific funds/Schemes. No mutual fund under all its schemes should own more than 10.00% of any Company's paid up share capital carrying voting rights.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

The Application made by Asset Management Companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

### **BIDS BY HUFs**

Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the Application is being made in the name of the HUF in the Bid cum Application Form as follows: "Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bid cum Applications by HUFs may be considered at par with Bid cum Applications from individuals.

### **BIDS BY ELIGIBLE NRI**

Eligible NRIs may obtain copies of Bid cum Application Form from the members of the Syndicate, the sub-Syndicate, if applicable, the SCSBs, the Registered Brokers, RTAs and CDPs. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") Accounts, and eligible NRI Bidders bidding on a non- repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary ("NRO") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

Bids by Eligible NRIs and Category III FPIs for a Bid Amount of less than Rs. 2,00,000 would be considered under the Retail Category for the purposes of allocation and Bids for a Bid Amount exceeding Rs. 2,00,000 would be considered under the Non-Institutional Category for allocation in the Offer.

In case of Eligible NRIs bidding under the Retail Category through the UPI mechanism, depending on the nature of the investment whether repatriable or non-repatriable, the Eligible NRI may mention the appropriate UPI ID in respect of the NRE account or the NRO account, in the Application Form.

Under FEMA, general permission is granted to companies vide notification no. FEMA/20/2000 RB dated May 03, 2000 to issue securities to NRIs subject to the terms and conditions stipulated therein. Companies are required to file the declaration in the prescribed form to the concerned Regional Office of RBI within 30 (thirty) days from the date of issue of shares of allotment to NRIs on repatriation basis. Allotment of Equity shares to non-residents Indians shall be subject to the prevailing Reserve Bank of India guidelines. Sale proceeds of such investments in equity shares will be allowed to be repatriated along with an income thereon subject to permission of the RBI and subject to the Indian Tax Laws and Regulations and any other applicable laws. The company does not require approvals from FIPB or RBI for the issue of equity shares to eligible NRIs, FIIs, Foreign Venture Capital Investors registered with SEBI and multi-lateral and Bi-lateral development financial institutions.

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents (white

in color). Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for non-Residents (blue in color). For details of restrictions on investment by NRIs, please refer to the chapter titled “Restrictions on Foreign Ownership of Indian Securities” beginning on page 411 of this Draft Red Herring Prospectus.

### **BIDS BY ELIGIBLE FIIs/FPIs**

In terms of the SEBI FPI Regulations, an FII who holds a valid certificate of registration from SEBI shall be deemed to be a registered FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations.

An FII or sub-account may, subject to payment of conversion fees under the SEBI FPI Regulations participate in the Issue until the expiry of its registration with SEBI as an FII or sub-account, or if it has obtained a certificate of registration as an FPI, whichever is earlier. Accordingly, such FIIs can, subject to the payment of conversion fees under the SEBI FPI Regulations, participate in this Offer in accordance with Schedule 2 of the FEMA Regulations. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In terms of the SEBI FPI Regulations, the purchase of Equity Shares and total holding by a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included.

Further, pursuant to the Master Directions on Foreign Investment in India issued by the RBI dated January 4, 2018 (updated as on March 8, 2019) the investments made by a SEBI registered FPI in a listed Indian company will be reclassified as FDI if the total shareholding of such FPI increases to more than 10% of the total paid-up equity share capital on a fully diluted basis or 10% or more of the paid up value of each series of debentures or preference shares or warrants.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio investor and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, 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 a 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 who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with know your client’ norms. Further, pursuant to a Circular dated November 24, 2014 issued by the SEBI, FPIs are permitted to issue offshore derivative instruments only to subscribers that (i) meet the eligibility criteria set forth in Regulation 4 of the SEBI

FPI Regulations; and (ii) do not have opaque structures, as defined under the SEBI FPI Regulations. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority. Further, where an investor has investments as FPI and also holds positions as an overseas direct investment subscriber, investment restrictions under the SEBI FPI Regulations shall apply on the aggregate of FPI investments and overseas direct investment positions held in the underlying Indian company.

FPIs who wish to participate in the Offer are advised to use the Application Form for Non-Residents (blue in color). FPIs are required to apply through the ASBA process to participate in the Offer.

### **BIDS BY SEBI REGISTERED ALTERNATIVE INVESTMENT FUND(AIF), VENTURE CAPITAL FUNDS AND FOREIGN VENTURE CAPITAL INVESTORS**

The Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 as amended, (the “SEBI VCF Regulations”) and the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended, among other things prescribe the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 (the “SEBI AIF Regulations”) prescribe, amongst others, the investment restrictions on AIFs.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends, and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Our Company or the BRLMs will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.

### **BIDS BY LIMITED LIABILITY PARTNERSHIPS**

In case of applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof. Limited Liability Partnerships can participate in the issue only through the ASBA Process.

### **BIDS BY INSURANCE COMPANIES**

In case of applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended (the IRDA Investment Regulations), are broadly set forth below:

1. Equity shares of a company: the least of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
2. The entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
3. The industry sector in which the investee company belong to not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be. Insurance companies participating in this Offer shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time

The above limit of 10.00% shall stand substituted as 15.00% of outstanding equity shares (face value) for insurance companies with investment assets of Rs. 2,500,000 million or more and 12.00% of outstanding equity shares (face value) for insurers with investment assets of Rs. 500,000.00 million or more but less than Rs. 2,500,000.00 million.

Insurance companies participating in this Issue, shall comply with all applicable regulations, guidelines and circulars issued by IRDA from time to time

### **BIDS BY BANKING COMPANIES**

Applications by Banking Companies: In case of Applications made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Application Form, failing which our Company reserves the right to reject any Application without assigning any reason. The investment limit for banking companies in non-financial services Companies as per the Banking Regulation Act, 1949, and the Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company or 10% of the banks' own paid-up share capital and reserves, whichever is less. Further, the aggregate investment in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paid-up share capital and reserves. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI provided that the investee Company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

Applications by SCSBs: SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 02, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with

any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

### **BIDS BY PROVIDENT FUNDS/ PENSION FUNDS**

In case of applications made by provident funds/pension funds, subject to applicable laws, with minimum corpus of Rs. 2,500 Lakhs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof.

### **BIDS BY ANCHOR INVESTORS**

Our Company, in consultation with the BRLMs, may consider participation by Anchor Investors in the Issue for up to 60% of the QIB Portion in accordance with the SEBI Regulations. Only QIBs as defined in Regulation 2(1)(ss) of the SEBI Regulations and not otherwise excluded pursuant to Schedule XIII of the SEBI Regulations are eligible to invest. The QIB Portion will be reduced in proportion to allocation under the Anchor Investor Portion. In the event of undersubscription in the Anchor Investor Portion, the balance Equity Shares will be added to the QIB Portion. In accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion are provided below.

1. Anchor Investor Application Forms will be made available for the Anchor Investors at the offices of the BRLMs.
2. The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is at least 200.00 lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of 200.00 lakhs.
3. One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
4. Bidding for Anchor Investors will open one Working Day before the Bid/ Issue Opening Date and be completed on the same day.
5. Our Company in consultation with the BRLMs, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:
  - where allocation in the Anchor Investor Portion is up to 200.00 Lakhs, maximum of 2 (two) Anchor Investors.
  - where the allocation under the Anchor Investor Portion is more than 200.00 Lakhs but upto 2500.00 Lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor; and
  - where the allocation under the Anchor Investor portion is more than 2500.00 Lakhs:(i)minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation upto2500.00 Lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of 2500.00 Lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor.

6. Allocation to Anchor Investors will be completed on the Anchor Investor Bid/ Issue Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLMs before the Bid/Issue Opening Date, through intimation to the Stock Exchange.
7. Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
8. If the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within 2 (two) Working Days from the Bid/ Issue Closing Date. If the Issue Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Issue Price.
9. At the end of each day of the bidding period, the demand including allocation made to anchor investors, shall be shown graphically on the bidding terminals of syndicate members and website of stock exchange offering electronically linked transparent bidding facility, for information of public.
10. Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 90 days on fifty per cent of the shares allotted to the anchor investors from the date of allotment, and a lock-in of 30 days on the remaining fifty per cent of the shares allotted to the anchor investors from the date of allotment.
11. The BRLMs, our Promoters, Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the BRLMs) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the BRLMs and made available as part of the records of the BRLMs for inspection byes.
12. Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.
13. Anchor Investors are not permitted to Bid in the Issue through the ASBA process.

### **BIDS UNDER POWER OF ATTORNEY**

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with minimum corpus of Rs. 2,500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2,500 Lakhs a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason therefore.

In addition to the above, certain additional documents are required to be submitted by the following entities:

- (a) With respect to applications by VCFs, FVCIs, FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.

- (b) With respect to applications by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged with the Application Form as applicable. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
- (c) With respect to applications made by provident funds with minimum corpus of Rs. 2,500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2,500 Lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject such application, in whole or in part, in either case without assigning any reasons thereof.

Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form, subject to such terms and conditions that our Company, the BRLMs may deem fit.

Our Company, in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the Issue that, for the purpose of mailing of the Allotment Advice / CANs / letters notifying the unblocking of the bank accounts of ASBA applicants, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the application). In such cases, the Registrar to the Issue shall use Demographic Details as given on the Application Form instead of those obtained from the Depositories.

The above information is given for the benefit of the Applicants. The Company and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

#### **ISSUANCE OF A CONFIRMATION NOTE ("CAN") AND ALLOTMENT IN THE OFFER:**

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLMs or Registrar to the Offer shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Offer.
2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Offer. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder.

#### **Offer Procedure for Application Supported by Blocked Account (ASBA) Bidders**

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Bidders have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Managers are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid Cum Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the

ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>  
For details on designated branches of SCSB collecting the Bid Cum Application Form, please refer the above-mentioned SEBI link.

### **Terms of Payment**

The entire Offer price of Rs. [●] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Bidders.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the Offer or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Offer and the Registrar to the Offer to facilitate collections from the Bidders.

### **Payment mechanism**

The Bidders shall specify the bank account number in their Bid Cum Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Bid Cum Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non-Retail Bidders shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Bid Cum Application Form or for unsuccessful Bid Cum Application Forms, the Registrar to the Offer shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Offer and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Offer or until rejection of the Application by the ASBA Bidder, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

### **Payment into Escrow Account for Anchor Investors**

#### **Electronic Registration of Applications**

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.

2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Issue Closing Date.
  
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
  - i. the applications accepted by them,
  - ii. the applications uploaded by them
  - iii. the applications accepted but not uploaded by them, or
  - iv. With respect to applications by Bidders, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Bid Cum Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
  
4. Neither the Book Running Lead Managers nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
  - i. The applications accepted by any Designated Intermediaries
  - ii. The applications uploaded by any Designated Intermediaries or
  - iii. The applications accepted but not uploaded by any Designated Intermediaries
  
5. The Stock Exchange will Issue an electronic facility for registering applications for the Issue. This facility will available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Book Running Lead Managers on a regular basis.
  
6. With respect to applications by Bidders, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Bid Cum Application Forms to Designated Branches of the SCSBs for blocking of funds:

S. No.	DETAILS*
1.	Symbol
2.	Intermediary Code
3.	Location Code
4.	Application No.
5.	Category
6.	PAN
7.	DP ID
8.	Client ID
9.	Quantity

10.	Amount
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*\*Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields.*

7. With respect to applications by Bidders, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Bidders into in the on-line system:
  - Name of the Bidder;
  - IPO Name;
  - Bid Cum Application Form Number;
  - Investor Category;
  - PAN (of First Bidder, if more than one Bidder);
  - DP ID of the demat account of the Bidder;
  - Client Identification Number of the demat account of the Bidder;
  - Number of Equity Shares Applied for;
  - Bank Account details;
  - Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
  - Bank account number.
8. In case of submission of the Application by a Bidder through the Electronic Mode, the Bidder shall complete the above- mentioned details and mention the bank account number, except the Electronic ASBA Bid Cum Application Form number which shall be system generated.
9. In case of submission of the Application by a Bidder through the Electronic Mode, the Bidder shall complete the above- mentioned details and mention the bank account number, except the Electronic ASBA Bid Cum Application Form number which shall be system generated.
10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
11. In case of Non-Retail Bidders and Retail Individual Bidders, applications would not be rejected except on the technical grounds as mentioned in the Red Herring Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Book Running Lead Managers are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Red Herring Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Bid/ Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
14. The SCSBs shall be given one day after the Bid/ Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.
15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

### **Build of the book**

- a) Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchange on a regular basis. The book gets built up at various price levels. This information may be available with the BRLMs at the end of the Bid/ Offer Period.
- b) Based on the aggregate demand and price for Bids registered on the Stock Exchange Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchange may be made available at the Bidding centres during the Bid/ Offer Period.

### **Withdrawal of Bids**

- i. RIIs can withdraw their Bids until Bid/ Offer Closing Date. In case a RII wishes to withdraw the Bid during the Bid/ Offer Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- ii. The Registrar to the Offer shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

### **Price Discovery and Allocation**

- a. Based on the demand generated at various price levels, our Company in consultation with the BRLMs, shall finalise the Offer Price and the Anchor Investor Offer Price.
- b. The SEBI ICDR Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Offer depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Offer size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.
- c. Under-subscription in any category (except QIB Category) is allowed to be met with spillover from any other category or combination of categories at the discretion of the Issuer and the in consultation with the

BRLMs and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.

- d. In case of under subscription in the Offer, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Offer. For allocation in the event of an under subscription applicable to the Issuer, Bidders may refer to the RHP.
- e. In case if the Retail Individual Investor category is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage. f) Allocation to Anchor Investors shall be at the discretion of our Company and in consultation with the BRLMs, subject to compliance with the SEBI Regulations.

### **Illustration of the Book Building and Price Discovery Process:**

Bidders should note that this example is solely for illustrative purposes and is not specific to the Offer; it also excludes Bidding by Anchor Investors. Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹20 to ₹ 24 per share, Offer size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Offer the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The Issuer, in consultation with the BRLMs, may finalise the Offer Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above this Offer Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

### **Signing of Underwriting Agreement and Filing of Red Herring Prospectus/Prospectus with ROC**

- a) Our company has entered into an Underwriting Agreement dated [●].
- b) A copy of Red Herring Prospectus will be registered with the ROC and copy of Prospectus will be filing with ROC in terms of Section 32 of Companies Act, 2013 and Section 26 of Companies Act, 2013.

### **Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act, 2013 and Regulation 264 of SEBI (ICDR) Regulations, 2018, the company shall, after filing the Red Herring Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation. In the pre-issue advertisement, we shall state the Bid/Issue Opening Date and the Bid/Issue

Closing Date and the floor price or price band along with necessary details subject to regulation 250 of SEBI ICDR. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013 and Regulation 264 of SEBI ICDR Regulations, shall be in the format prescribed in Part A of Schedule VI of the SEBI ICDR Regulations.

## GENERAL INSTRUCTIONS

### Do's:

- Check if you are eligible to apply as per the terms of the Draft Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
- Ensure that you have Bid within the Price Band;
- Read all the instructions carefully and complete the applicable Bid cum Application Form in prescribed format;
- Ensure that the details about the PAN, DP ID, Client ID, UPI ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialized form only;
- All Bidders should submit their Bids through the ASBA process only;
- Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;
- In case of joint Bids, ensure that First Bidder is the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) and the signature of the First Bidder is included in the Bid cum Application Form;
- Bidders (other than RIIs bidding through the non-UPI Mechanism) should submit the Bid cum Application Form only at the Bidding Centers, i.e. to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centres, the CRTA at the Designated RTA Locations or CDP at the Designated CDP Locations. RIIs bidding through the non-UPI Mechanism should either submit the physical Application Form with the SCSBs or Designated Branches of SCSBs under Channel I (described in the UPI Circulars) or submit the Application Form online using the facility of 3-in 1 type accounts under Channel II (described in the UPI Circulars);
- Ensure that you have mentioned the correct ASBA Account number (for all Bidders other than RIBs using the UPI Mechanism) in the Bid cum Application Form;
- RIBs using the UPI Mechanism should ensure that the correct UPI ID (with maximum length of 45 characters including the handle) is mentioned in the Application Form;
- RIBs using UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the Bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. RIBs shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019;
- RIBs bidding using the UPI Mechanism should ensure that they use only their own bank account linked UPI ID to make an application in the Offer;
- RIBs submitting an Application Form using the UPI Mechanism, should ensure that: (a) the bank where the bank account linked to their UPI ID is maintained; and (b) the Mobile App and UPI handle being used for making the Bid is listed on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40;>

- RIBs submitting a Bid-cum Application Form to any Designated Intermediary (other than SCSBs) should ensure that only UPI ID is included in the Field Number 7: Payment Details in the Application Form;
- RIBs using the UPI Mechanism shall ensure that the bank, with which it has its bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI;
- If the first applicant is not the account holder, ensure that the Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Application Form;
- Ensure that the signature of the First Bidder in case of joint Bids, is included in the Application Forms
- QIBs and Non-Institutional Bidders should submit their Bids through the ASBA process only. Pursuant to SEBI circular dated November 01, 2018 and July 26, 2019, RII shall submit their bid by using UPI mechanism for payment;
- Ensure that the name(s) given in the Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
- Ensure that you request for and receive a stamped acknowledgement of the Application Form for all your Bid options;
- Ensure that you have funds equal to the Bid Amount in the Bank Account maintained with the SCSB before submitting the Application Form under the ASBA process or application forms submitted by RIIs using UPI mechanism for payment, to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centers), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
- Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
- Bidders, other than RIBs using the UPI Mechanism, shall ensure that they have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to the relevant Designated Intermediaries;
- Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the I.T. Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
- Ensure that the Demographic Details are updated, true and correct in all respects;
- Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;

- Ensure that the category and the investor status is indicated;
- Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;
- Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
- Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Application Form and entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Application Form;
- Ensure that the Application Forms are delivered by the Bidders within the time prescribed as per the Application Form and the Draft Red Herring Prospectus;
- Ensure that you have mentioned the correct ASBA Account number or UPI ID in the Application Form;
- Ensure that you have mentioned the details of your own bank account for blocking of fund or your own bank account linked UPI ID to make application in the Public Offer;
- Ensure that on receipt of the mandate request from sponsor bank, you have taken necessary step in timely manner for blocking of fund on your account through UPI ID using UPI application;
- Ensure that you have correctly signed the authorization/undertaking box in the Application Form, or have otherwise provided an authorization to the SCSB via the electronic mode, for blocking funds in the ASBA
- Account equivalent to the Bid Amount mentioned in the Application Form at the time of submission of the Bid;
- Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form; and
- RIBs shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an RIB may be deemed to have verified the attachment containing the application details of the RIB in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Application Form;
- RIBs shall ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank before 5:00 p.m. before the Bid / Offer Closing Date;
- RIBs who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which RIBs should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorize blocking of funds equivalent to the revised Bid Amount in the RIB's ASBA Account;
- RIBs using the UPI Mechanism, who have revised their Bids subsequent to making the initial Bid, should also approve the revised Mandate Request generated by the Sponsor Bank to authorize blocking of funds equivalent to the revised Bid Amount and subsequent debit of funds in case of Allotment in a timely manner; and

- Bids by Eligible NRIs and HUFs for a Bid Amount of less than Rs. 200,000 would be considered under the Retail Portion, and Bids for a Bid Amount exceeding Rs. 200,000 would be considered under the Non-Institutional Portion, for the purposes of allocation in the Offer.

The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, is liable to be rejected.

**Don'ts:**

- Do not apply for lower than the minimum Application size;
- Do not apply at a Price Different from the Price Mentioned herein or in the Application Form
- Do not pay the Application Price in cash, cheque, by money order or by postal order or by stock invest
- RIBs should not submit a Bid using the UPI Mechanism, unless the name of the bank where the bank account linked to your UPI ID is maintained, is listed on the website of the SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>;
- RIB should not submit a Bid using the UPI Mechanism, using a Mobile App or UPI handle, not listed on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>;
- Do not send Application Forms by post, instead submit the Designated Intermediary only;
- Do not submit the Application Forms to any non-SCSB bank or our Company;
- Do not apply on an Application Form that does not have the stamp of the relevant Designated Intermediary;
- Do not submit the application without ensuring that funds equivalent to the entire application Amount are blocked in the relevant ASBA Account;
- Do not apply for an Application Amount exceeding Rs. 2,00,000 (for applications by Retail Individual Applicants);
- Do not fill up the Application Form such that the Equity Shares applied for exceeds the Offer Size and/or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the General Index Register number instead of the PAN as the application is liable to be rejected on this ground;
- Do not submit incorrect details of the DP ID, beneficiary account number and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer.
- Do not submit applications on plain paper or incomplete or illegible Application Forms in a color prescribed for another category of Applicant;
- All Investors submit their applications through the ASBA process only except as mentioned in SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019 & SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021;
- Do not make Applications if you are not competent to contract under the Indian Contract Act, 1872, as amended.

- Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by RIB Bidders using the UPI Mechanism;

The Applications should be submitted on the prescribed Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

## **OTHER INSTRUCTIONS**

### **Joint Applications in the case of Individuals**

In the case of Joint Bids, the Bids should be made in the name of the Bidders whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidders would be required in the Bid cum Application Form/Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Bidder whose name appears in the Bid cum Application Form or the Revision Form and all communications may be addressed to such Bidder and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

### **Multiple Applications**

An Applicant should submit only one Application (and not more than one) for the total number of Equity Shares required. Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same.

In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

- (i) All applications are electronically strung on first name, address (1<sup>st</sup> line) and applicant's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/ husband's name to determine if they are multiple applications.
- (ii) Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.
- (iii) Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

In cases where there are more than 20 valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of know your client' norms by the depositories. The Company reserves the right to reject, in our absolute discretion, all or any multiple Applications in any or all

categories.

After submitting an ASBA Application either in physical or electronic mode, an ASBA Applicant cannot apply (either in physical or electronic mode) to either the same or another Designated Branch of the SCSB. Submission of a second Application in such manner will be deemed a multiple Application and would be rejected. More than one ASBA Applicant may apply for Equity Shares using the same ASBA Account, provided that the SCSBs will not accept a total of more than five Application Forms with respect to any single ASBA Account.

Duplicate copies of Application Forms downloaded and printed from the website of the Stock Exchange bearing the same application number shall be treated as multiple applications and are liable to be rejected. The Company, in consultation with the BRLMs reserves the right to reject, in its absolute discretion, all or any multiple applications in any or all categories. In this regard, the procedure which would be followed by the Registrar to the Issue to detect multiple applications is given below:

1. All Applications will be checked for common PAN. For Applicants other than Mutual Funds and FII subaccounts, Applications bearing the same PAN will be treated as multiple Applications and will be rejected.
2. For Applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Applications on behalf of the Applicants for whom submission of PAN is not mandatory such as the Central or State Government, an official liquidator or receiver appointed by a court and residents of Sikkim, the Application Forms will be checked for common DP ID and Client ID.

#### **PERMANENT ACCOUNT NUMBER OR PAN**

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number (PAN) to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 02, 2007. Each of the Applicants should mention his/her PAN allotted under the IT Act. Bid submitted without this information will be considered incomplete and are liable to be rejected. It is to be specifically noted that Applicants should not submit the GIR number instead of the PAN, as the Application is liable to be rejected on this ground.

#### **GROUND FOR REJECTIONS**

In addition to the grounds for rejection of Bids on technical grounds as provided in the General Information Document, the bidders are advised to note that Bids are liable to be rejected inter alia on the following technical grounds:

- Bids submitted without instruction to the SCSBs to block the entire Bid Amount;
- Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form
- Bids submitted on a plain paper
- Bids submitted by RIBs using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI
- ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary

- Bids under the UPI Mechanism submitted by RIBs using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank);
- Bids submitted without the signature of the First Bidder or sole Bidder
- The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;
- Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are “suspended for credit” in terms of SEBI circular CIR/MRD/DP/ 22 /2010 dated July 29, 2010;
- GIR number furnished instead of PAN;
- Bids by RIBs with Bid Amount of a value of more than Rs. 2,00,000;
- Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals
- Bids accompanied by stock invest, money order, postal order or cash; and
- Bids uploaded by QIBs after 4.00 pm on the QIB Bid/ Offer Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/ Offer Closing Date, and Bids by RIBs uploaded after 5.00 p.m. on the Bid/ Offer Closing Date, unless extended by the Stock Exchange
- Applications by OCBs;

**BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.**

#### **BASIS OF ALLOTMENT**

##### **a. For Retail Individual Bidders**

Bids received from the Retail Individual Bidders at or above the Offer Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Offer Price.

The Net Offer size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Retail Individual Bidders who have Bid in the Offer at a price that is equal to or greater than the Offer Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Offer Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.

If the aggregate demand in this category is greater than [●] Equity Shares at or above the Offer Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

##### **b. For Non-Institutional Bidders**

Bids received from Non-Institutional Bidders at or above the Offer Price shall be grouped together to determine

the total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Offer Price.

The Net Offer size less Allotment to QIBs and Retail shall be available for Allotment to Non- Institutional Bidders who have Bid in the Offer at a price that is equal to or greater than the Offer Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Offer Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than [●] Equity Shares at or above the Offer Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

### **c. For QIBs**

Bids received from QIBs Bidding in the QIB Category at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price.

Allotment shall be undertaken in the following manner:

- In the first instance allocation to Mutual Funds for [●] % of the QIB Portion shall be determined as follows:
  - i. In the event that Bids by Mutual Fund exceeds [●] % of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for [●] % of the QIB Portion.
  - ii. In the event that the aggregate demand from Mutual Funds is less than [●] % of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Offer Price.
  - iii. Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;
- In the second instance Allotment to all QIBs shall be determined as follows:
  - i. In the event that the oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Offer Price shall be allotted Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter for [●] % of the QIB Portion.
  - ii. Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, along with other QIB Bidders.
  - iii. Under-subscription below [●] % of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis. The aggregate Allotment to QIB Bidders shall not be more than [●] Equity Shares.

#### **c) Basis of Allotment for QIBs and NIIs in case of Over Subscribed Offer:**

In the event of the Offer being Over-Subscribed, the Issuer may finalise the Basis of Allotment in consultation with the NSE EMERGE (The Designated Stock Exchange). The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

- The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category multiplied by number of Shares applied for).
- The number of Shares to be allocated to the successful Bidders will be arrived at on a proportionate basis in marketable lots (i.e., Total number of Shares applied for into the inverse of the over subscription ratio).
- For Bids where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:
  - Each successful Bidder shall be allotted [●] equity shares; and
  - The successful Bidder out of the total bidders for that category shall be determined by draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (b) above.
- If the proportionate allotment to a Bidder works out to a number that is not a multiple of [●] equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.
- If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Offer specified under the Capital Structure mentioned in this DRHP.

**“Retail Individual Investor” means an investor who applies for shares of value of not more than ₹ 2,00,000/. Investors may note that in case of over subscription, allotment shall be on proportionate basis and will be finalized in consultation with National Stock Exchange of India Limited.**

**The Executive Director / Managing Director of NSE - the Designated Stock Exchange in addition to Book Running Lead Managers and Registrar to the Public Offer shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.**

#### **Issuance of Allotment advice**

- a. Upon approval of the Basis of Allotment by the Designated Stock Exchange.
- b. On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Bidders are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the Offer. The Book Running Lead Managers or the Registrar to the Offer will dispatch an Allotment Advice to their Bidders who have

been allocated Equity Shares in the Offer. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Bidder.

- c. Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful Bidders Depository Account within 4 working days of the Offer Closing date. The Issuer also ensures the credit of shares to the successful Bidders Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

### **Designated Date**

On the Designated date, the SCSBs shall transfer the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will Issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any, within a period of 4 working days of the Bid/ Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any.

### **Instruction for completing the Bid cum application form.**

The Applications should be submitted on the prescribed Bid Cum Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Bid Cum Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Bid Cum Application Forms should bear the stamp of the Designated Intermediaries. ASBA Bid Cum Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012, has introduced an additional mechanism for investors to submit Bid Cum Application Forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an Offer with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e., [www.bseindia.com](http://www.bseindia.com) and NSE i.e. [www.nseindia.com](http://www.nseindia.com). With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Offer and Share Transfer Agent and Depository Participants registered with SEBI to accept the Bid Cum Application Forms in Public Issue with effect front January 01, 2016. The List of ETA and DPs centres for collecting the application shall be disclosed is available on the websites of BSE i.e., [www.bseindia.com/](http://www.bseindia.com/) and NSE i.e. [www.nseindia.com/](http://www.nseindia.com/)

### **Bidder's Depository Account and Bank Details**

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the Bid Cum Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository

Participant Identification number and Beneficiary Account Number provided by them in the Bid Cum Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain from the Depository, the demographic details including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Bidders including mailing of the Allotment Advice. The Demographic Details given by Bidders in the Bid Cum Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Bid Cum Application Form, the Bidder would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

### **Submission of Bid cum Application form**

All Bid Cum Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

### **Communications**

All future communications in connection with Applications made in this Offer should be addressed to the Registrar to the Offer quoting the full name of the sole or First Bidder, Bid Cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid Cum Application Form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Offer in case of any pre-Offer or post Offer related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

### **Disposal of Application and Application Moneys and Interest in case of Delay**

The Company shall ensure the dispatch of Allotment advice and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at SME Platform of NSE where the Equity Shares are proposed to be listed are taken within 3 (Three) working days from Offer Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 3 (Three) days of the Offer Closing Date;
2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 4(four) working days of the Offer Closing Date, would be ensured; and

3. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

### **Impersonation**

*Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:*

#### **"Any person who –**

- a. Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- b. Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c. Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

shall be liable for action under Section 447."

### **Undertakings by our company**

Our Company undertakes the following:

1. that if our Company do not proceed with the Issue after the Issue Closing Date, the reason thereof shall be given as a public notice in the newspapers to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers in which the Pre- Issue advertisement was published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
2. that if our Company withdraw the Issue after the Issue Closing Date, our Company shall be required to file a fresh offer document with the RoC / SEBI, in the event our Company subsequently decides to proceed with the Issue;
3. That the complaints received in respect of this Issue shall be attended to by us expeditiously and satisfactorily;
4. That all steps shall be taken to ensure that listing and commencement of trading of the Equity Shares at the Stock Exchange where the Equity Shares are proposed to be listed are taken within Three Working Days of Issue Closing Date or such time as prescribed;
5. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;

6. Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within three Working Days from the Offer Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund.
7. That no further Issue of Equity Shares shall be made till the Equity Shares issued through this Draft Red Herring Prospectus are listed or until the Application monies are refunded on account of non-listing, under-subscription etc.
8. That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment.
9. That if Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the ICDR Regulations and applicable law for the delayed period;
10. That the letter of allotment/ unblocking of funds to the non-resident Indians shall be dispatched within specified time;

#### **Utilization of Issue Proceeds**

Our Board certifies that:

1. All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in Section 40 of the Companies Act, 2013;
2. Details of all monies utilized out of the issue referred to in point 1 above shall be disclosed and continued to be disclosed till the time any part of the issue proceeds remains unutilized under an appropriate separate head in the balance-sheet of the issuer indicating the purpose for which such monies had been utilized;
3. Details of all unutilized monies out of the Issue referred to in 1, if any shall be disclosed under the appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested and
4. Our Company shall comply with the requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.
5. Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
6. Our Company undertakes that the complaints or comments received in respect of the Offer shall be attended by our Company expeditiously and satisfactorily.

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## RESTRICTION 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, unless specifically restricted, foreign investment is freely permitted in all sectors of 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. Foreign investment is allowed up to 100% under automatic route in our Company.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (DIPP), issued consolidated FDI Policy, which with effect from August 28, 2017 consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as on August 27, 2017. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore, the Consolidation FDI Policy will be valid until the DIPP issues an updated circular.

The transfer of shares by an Indian resident to a Non-Resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the Consolidated FDI Policy and transfer does not attract the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI/RBI.

**As per the existing policy of the Government of India, OCBs cannot participate in this Issue. The Equity Shares offered in the Issue have not been and will not be registered under the Securities Act and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws.**

**Accordingly, the Equity Shares are being offered and sold (i) within the United States to persons reasonably believed to be “qualified institutional investors” (as defined in Rule 144A under the Securities Act) pursuant to Rule 144A under the Securities Act or other applicable exemption under the Securities Act and (ii) outside the United States in offshore transactions in reliance on Regulations under the Securities Act and the applicable laws of the jurisdictions where such offers and sales occur.**

**The above information is given for the benefit of the Applicants. Our Company and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them.**

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## ISSUE STRUCTURE

*This Issue has been made in terms of Regulation 229(2) of Chapter IX of SEBI ICDR Regulations whereby, our post-issue face value capital is more than ten crore rupees and upto twenty five crore rupees. The Company shall issue specified securities to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the Emerge Platform of NSE Limited). For further details regarding the salient features and terms of this Offer, please refer to the chapter titled "Terms of the Issue" and "Issue Procedure" beginning on page 362 and 371 of this Draft Red Herring Prospectus.*

### Present Issue Structure

Initial Public Offer of 58,60,000 Equity Shares of Rs. 10/- each ("Equity Shares") of Usha Financial Services Limited ("UFSL" or the "Company") for cash at a price of Rs. [●]/- per equity share (the "Issue Price"), aggregating to Rs. [●] Lakhs ("The Offer). Out of the Issue, 3,20,800 equity shares aggregating to Rs. [●] Lakhs will be reserved for subscription by Market Maker ("Market Maker Reservation Portion"). The Issue less the Market Maker Reservation Portion i.e. Issue of 55,39,200 equity shares of face value of Rs. 10.00/- each at an issue price of Rs. [●]/- per equity share aggregating to Rs. [●] Lakhs is hereinafter referred to as the "Net Issue". The Issue and the net Issue will constitute 26.96% and 25.48%, respectively of the Post Issue paid up equity share capital of our company.

Particulars of the Issue	Market Maker Reservation Portion	QIBs	Non – Institutional Investors	Retail Individual Investors
<b>Number of Equity Shares available for allocation</b>	3,20,800 Equity shares	[●] Equity shares	[●] Equity shares	[●] Equity shares
<b>Percentage of Issue Size available for allocation</b>	5.47 % of the issue size	Not more than 50.00% of the Net offer size shall be available for allocation to QIBs. However, up to 5.00% of net QIB Portion (excluding the Anchor Investor Portion) will be available for allocation proportionately to Mutual Fund only. Up to 60.00% of the QIB Portion may be available for allocation to Anchor Investors and one third of the Anchor Investors Portion shall be available for	Not less than 15.00% of the Offer shall be available for allocation	Not less than 35.00% shall be available for allocation.

		allocation to domestic mutual funds only.		
<b>Basis of Allotment</b>	Firm Allotment	Proportionate as follows (excluding the Anchor Investor Portion: (a) up to [●] Equity Shares, shall be available for allocation on a proportionate basis to Mutual Funds only; and; (b) [●] Equity shares shall be allotted on a proportionate basis to all QIBs including Mutual Funds receiving allocation as per (a) above [●] Equity Shares may be allocated on a discretionary basis to Anchor Investors For further details please refer to the section titled “Offer Procedure” beginning on page 371.	Proportionate	Allotment to each Retail Individual Bidder shall not be less than the minimum Bid lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be allotted on a proportionate basis. For details see, “Offer Procedure” on page 371.
<b>Mode of Application</b>	All the applicants shall make the application (Online or Physical) through the ASBA Process only (including UPI mechanism for Retail Investors using Syndicate ASBA).			
<b>Minimum Bid Size</b>	[●] Equity Shares in multiple of [●] Equity shares	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds Rs. 200,000.	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds Rs. 200,000.	[●] Equity Shares in multiple of [●] Equity shares so that the Bid Amount does not exceed Rs. 2,00,000.
<b>Maximum Application Size</b>	[●] Equity Shares	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Issue, subject to applicable limits.	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the issue (excluding the QIB portion),	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed Rs.

			subject to limits as applicable to the Bidder.	2,00,000.
<b>Mode of Allotment</b>	Dematerialized Form			
<b>Trading Lot</b>	[•] Equity Shares, however, the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations	[•] Equity Shares and in multiples thereof	[•] Equity Shares and in multiples thereof	[•] Equity Shares and in multiples thereof
<b>Terms of Payment</b>	Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder or by the Sponsor Bank through the UPI Mechanism that is specified in the ASBA Form at the time of submission of the ASBA Form.			

**Note:**

1. In case of joint application, the Application Form should contain only the name of the First Applicant whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such First Applicant would be required in the Application Form and such First Applicant would be deemed to have signed on behalf of the joint holders.
2. Applicants will be required to confirm and will be deemed to have represented to our Company, the BRLMs, their respective directors, officers, agents, affiliates, and representatives that they are eligible under applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares in this Issue.
3. SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB.

**Lot Size**

SEBI vide circular CIR/MRD/DSA/06/2012 dated February 21, 2012 (the Circular) standardized the lot size for Initial Public Offer proposing to list on Emerge exchange/platform and for the secondary market trading on such exchange/platform, as under:

Issue Price (in Rs. )	Lot Size (No. of shares)
Upto 14	10000
More than 14 upto 18	8000
More than 18 upto 25	6000
More than 25 upto 35	4000
More than 35 upto 50	3000
More than 50 upto 70	2000
More than 70 upto 90	1600

More than 90 upto 120	1200
More than 120 upto 150	1000
More than 150 upto 180	800
More than 180 upto 250	600
More than 250 upto 350	400
More than 350 upto 500	300
More than 500 upto 600	240
More than 600 upto 750	200
More than 750 upto 1000	160
Above 1000	100

Further to the Circular, at the initial public offer stage the Registrar to Issue in consultation with BRLMs, our Company and NSE shall ensure to finalize the basis of allotment in minimum lots and in multiples of minimum lot size, as per the above given table. The secondary market trading lot size shall be the same, as shall be the initial public offer lot size at the application/allotment stage, facilitating secondary market trading.

\*50% of the shares offered are reserved for applications below Rs.2.00 lakh and the balance for higher amount applications.

#### **WITHDRAWAL OF THE ISSUE**

In accordance with SEBI (ICDR) Regulations, the Company, in consultation with the Book Running Lead Managers, reserves the right to not to proceed with the Issue at any time before the Bid/Issue Opening Date, without assigning any reason thereof.

In case, the Company wishes to withdraw the Issue after Bid/ Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (one each in English and Hindi) and one in regional newspaper, where the Registered office of the Company is situated.

The Book Running Lead Managers, through the Registrar to the Issue, will instruct the SCSBs, to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly. If our Company withdraws the Issue after the Bid/ Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh Draft Red Herring Prospectus with the stock exchange where the Equity Shares may be proposed to be listed. Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approval of the Stock Exchange, which our Company will apply for only after Allotment; and (ii) the registration of Draft Red Herring Prospectus/ Red Herring Prospectus with RoC.

#### **JURISDICTION**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities at Delhi.

#### **BID/ISSUE PROGRAMME**

Events	Indicatives date
Bid/Issue opening date	[●]

Bid/Issue closing date	[•]
Finalization of Basis of Allotment with the Designated Stock Exchange	[•]
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	[•]
Credit of Equity Shares to Demat accounts of Allottees	[•]
Commencement of trading of the Equity Shares on the Stock Exchange	[•]

Applications and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form, or in the case of ASBA Applicants, at the Designated Bank Branches except that on the Issue closing date when applications will be accepted only between 10.00 a.m. to 2.00 p.m.

In case of discrepancy in the data entered in the electronic book vis a vis the data contained in the physical bid form, for a particular bidder, the detail as per physical application form of that bidder may be taken as the final data for the purpose of allotment.

Standardization of cut-off time for uploading of applications on the issue closing date:

- (a) A standard cut-off time of 3.00 PM for acceptance of applications.
- (b) A standard cut-off time of 4.00 PM for uploading of applications received from non-retail applicants i.e., QIBs, HNIs and employees (if any).

A standard cut-off time of 5.00 PM for uploading of applications received from only retail applicants, which may be extended up to such time as deemed fit by Stock Exchanges after taking into account the total number of applications received upto the closure of timings and reported by BRLMs to the Exchange within half an hour of such closure.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

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## SECTION IX - MAIN PROVISION OF ARTICLE OF ASSOCIATION

### The Companies Act, 2013

(Company Limited by Shares)

## ARTICLES OF ASSOCIATION

OF

## USHA FINANCIAL SERVICES LIMITED

### PRELIMINERY

1. The Regulations contained in Table F in Schedule I to the Companies Act, 2013 shall apply to the Company and the Regulations herein contained shall be the regulations for the management of the Company and for the observance of its members and their representatives. They shall be binding on the Company and its members as if they are the terms of an agreement between them.

### INTERPRETATION

2. (i) In these Regulations:-

1. **"Company"** means **USHA FINANCIAL SERVICES LIMITED.**
2. **"Office"** means the Registered Office of the Company.
3. "the Act" means the "Companies Act, 2013 and every statutory modification or re-enactment thereof and references to Sections of the Act shall be deemed to mean and include references to sections enacted in modification or replacement thereof.
4. "these Regulations" means these Articles of Associations as originally framed or as altered, from time to time.
5. "the office" means the Registered Office for the time being of the Company.
6. "the Seal" means the common seal and stamp of the Company.
7. Words imparting the singular shall include the plural and vice versa, words imparting the masculine gender shall include the feminine gender and words imparting persons shall includes bodies corporate and all other persons recognized by law as such.
8. "month" means a calendar month and "year" means financial year respectively.
9. Expressions referring to writing shall be construed as including references to printing, lithography, photography, and other modes of representing or reproducing words in a visible form.

10. Unless the context otherwise requires, the words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modifications thereof, in force at the date at which these regulations become binding on the Company.

11. The Company is a “**Public Company**” within the meaning of Section 2(71) of the Companies Act, 2013 and accordingly means a company which-

1. is not a private company;
2. has minimum paid up share capital, as may be prescribed.

Title of Article	No.	Content
<b>CAPITAL AND INCREASE AND REDUCTION OF CAPITAL</b>		
Share Capital	3	The Authorised Share Capital of the Company shall be such amount; divided into such class(es) denomination(s) and number of shares in the Company as stated in Clause V of the Memorandum of Association of the Company; with power to increase or reduce such Capital from time to time and power to divide the shares in the Capital for the time being into other classes and to attach thereto respectively such preferential, convertible, deferred, qualified or other special rights, privileges, conditions or restrictions and to vary, modify or abrogate the same in such manner as may be determined by or in accordance with the regulations of the Company or the provisions of the Company or the provisions of the law for the time being in force.
Increase of Capital by the Company how carried into effect	4	The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new shares which may be unclassified and may be classified at the time of issue in one or more classes and such amount or amounts as may be deemed expedient. The new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Companies Act, 2013. Whenever the capital of the Company has been increased under the provisions of these Articles the Directors shall comply with the provisions of Section 64 of the Companies Act, 2013.
New Capital same as existing capital	5	Except so far as otherwise provided by the conditions of issue or by these presents, any capital raised by the creation of new shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.
Non Voting Shares	6	The Board shall have the power to issue a part of authorised capital by way of non- voting Shares at price(s) premium, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, in the event it is permitted by law to issue shares without voting rights attached to the subject however to provisions of law, rules, regulations, notifications and enforceable

		guidelines for the time being in force.
Redeemable Preference Shares	7	Subject to the provisions of Section 55 of the Companies Act, 2013, the Company shall have the power to issue preference shares which are or at the option of the Company, liable to be redeemed and the resolution authorizing such issue shall prescribe the manner, terms and conditions of redemption.
Voting rights of preference shares	8	The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares and in circumstances provided under Section 47(2).
Provisions to apply on issue of Redeemable Preference Shares	9	<p>On the issue of redeemable preference shares under the provisions of Article 7 hereof, the following provisions-shall take effect:</p> <ol style="list-style-type: none"> <li>1. No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purpose of the redemption.</li> <li>2. No such Shares shall be redeemed unless they are fully paid.</li> <li>3. The premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed.</li> <li>4. Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55 of the Companies Act, 2013 apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company.</li> <li>5. Subject to the provisions of Section 55 of the Companies Act, 2013, the redemption of preference shares hereunder may be affected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit.</li> </ol>
Reduction of capital	10	<p>The Company may (subject to the provisions of section 52, 55(1) &amp; (2) of the Companies Act, 2013 and Section 80 of the Companies Act, 1956, to the extent applicable, and Section 100 to 105 of the Companies Act, 1956, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce</p> <ol style="list-style-type: none"> <li>1. the share capital;</li> <li>2. any capital redemption reserve account; or</li> <li>3. any security premium account.</li> </ol> <p>in any manner for the time being, authorized by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.</p>
Purchase of own Shares	11	The Company shall have power, subject to and in accordance with all applicable provisions of the Act, to purchase any of its own fully paid shares whether or not they are redeemable and may make a payment out of capital in respect of such purchase.
Sub-division consolidation and cancellation of	12	Subject to the provisions of Section 61 of the Companies Act, 2013 and other applicable provisions of the Act, the Company in General Meeting may, from time to time, sub-divide or consolidate its shares, or any of them and the resolution whereby any Share is sub-divided may determine that, as between the

Shares		holders of the Shares resulting from such sub-divisions, one or more of such shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the other(s). Subject as aforesaid, the Company in General Meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the Shares so cancelled.
<b>MODIFICATION OF RIGHTS</b>		
Modification of rights	13	<p>Whenever the capital, by reason of the issue of preference shares or otherwise, is divided into different classes of Shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Sections 48 of the Companies Act, 2013 be modified, commuted, affected, abrogated, dealt with or varied with the consent in writing of the holders of not less than three-fourth of the issued capital of that class or with the sanction of a Special Resolution passed at a separate General Meeting of the holders of Shares of that class, and all the provisions hereafter contained as to General Meeting shall mutatis mutandis apply to every such Meeting. This Article is not to derogate from any power the Company would have if this Article was omitted.</p> <p>The rights conferred upon the holders of the Shares (including preference shares, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of Shares of that class, be deemed not to be modified, commuted, affected, dealt with or varied by the creation or issue of further Shares ranking pari passu therewith.</p>
<b>SHARES, CERTIFICATES AND DEMATERIALISATION</b>		
Restriction on allotment and return of allotment	14	The Board of Directors shall observe the restrictions on allotment of Shares to the public contained in Section 39 of the Companies Act, 2013, and shall cause to be made the returns as to allotment provided for in Section 39 of the Companies Act, 2013.
Further issue of shares	15	<p>1. Where at any time, a company having a share capital proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered-</p> <p>a. to persons who, at the date of the offer, are holders of equity shares of the company in proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the following conditions, namely:—</p> <p>i) the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days and not exceeding thirty days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;</p> <p>ii) the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; and the notice referred to in clause (i) shall contain a statement of this right;</p> <p>iii) after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose them off in such manner which is not disadvantageous to the shareholders</p>

		<p>and the company;</p> <p>b. to employees under a scheme of employees' stock option, subject to special resolution passed by company and subject to such conditions as may be prescribed; or</p> <p>c. to any persons, if it is authorized by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b), either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed.</p> <p>2. The notice referred to in sub-clause (a)(i) of Clause (1) shall be dispatched through registered post or speed post or through electronic mode to all the existing shareholders at least three days before the opening of the issue.</p> <p>3. Nothing aforesaid shall apply to the increase of the subscribed capital of a company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the company to convert such debentures or loans into shares in the company:</p> <p>Provided that the terms of issue of such debentures or loan containing such an option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the company in general meeting.</p>
Shares at the disposal of the Directors	16	<p>Subject to the provisions of Section 62 of the Companies Act, 2013 and these Articles, the Shares in the capital of the Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such person, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of Section 53 of the Companies Act, 2013) at a discount and at such time as they may from time to time think fit and with sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any Shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot Shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any Shares which may so be allotted may be issued as fully paid up Shares and if so issued, shall be deemed to be fully paid Shares. Provided that option or right to call for Shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.</p>
Power to offer Shares/ options to acquire Shares	16A	<p>1. Without prejudice to the generality of the powers of the Board under Article 16 or in any other Article of these Articles of Association, the Board or any Committee thereof duly constituted may, subject to the applicable provisions of the Act, rules notified thereunder and any other applicable laws, rules and regulations, at any point of time, offer existing or further Shares (consequent to increase of share capital) of the Company, or options to acquire such Shares at any point of time, whether such options are granted by way of warrants or in any other manner (subject to such consents and permissions as may be required) to its employees, including Directors (whether whole-time or not), whether at par, at discount or at a premium, for cash or for consideration other than cash, or any combination thereof as may be permitted by law for the time being in force.</p>
		<p>2. In addition to the powers of the Board under Article 16A (1), the Board may also allot the Shares referred to in Article 16A (1) to any trust, whose principal</p>

		objects would inter alia include further transferring such Shares to the Company's employees [including by way of options, as referred to in Article 16A (1)] in accordance with the directions of the Board or any Committee thereof duly constituted for this purpose. The Board may make such provision of moneys for the purposes of such trust, as it deems fit.
		3. The Board, or any Committee thereof duly authorized for this purpose, may do all such acts, deeds, things, etc. as may be necessary or expedient for the purposes of achieving the objectives set out in Articles 16A (1) and (2) above.
Application of premium received on Shares	17	1. Where the Company issues Shares at a premium whether for cash or otherwise, a sum equal to the aggregate amount or value of the premium on these Shares shall be transferred to an account, to be called "the securities premium account" and the provisions of the Act relating to the reduction of the share capital of the Company shall except as provided in this Article, apply as if the securities premium account were paid up share capital of the Company.
		2. The securities premium account may, notwithstanding anything in clause (1) thereof be applied by the Company: In paying up unissued Shares of the Company, to be issued to the Members of the Company as fully paid bonus shares; In writing off the preliminary expenses of the Company; In writing off the expenses of or the commission paid or discount allowed or any issue of Shares or debentures of the Company ;or In providing for the premium payable on the redemption of any redeemable preference shares or of any debentures of the Company. For the purchase of its own shares or other securities under Section 68 of the Companies Act, 2013.
Power also to Company in General Meeting to issue Shares	18	In addition to and without derogating from the powers for that purpose conferred on the Board under these Articles, the Company in General Meeting may, subject to the provisions of Section 62 of the Companies Act, 2013, determine that any Shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether Members or not) in such proportion and on such terms and conditions and either (subject to compliance with the provisions of Sections 52 and 53 of the Companies Act, 2013) at a premium or at par or at a discount as such General Meeting shall determine and with full power to give any person (whether a Member or not) the option or right to call for or buy allotted Shares of any class of the Company either (subject to compliance with the provisions of Sections 52 and 53 of the Companies Act, 2013) at a premium or at par or at a discount, such option being exercisable at such times and for such consideration as may be directed by such General Meeting or the Company in General Meeting may make any other provision whatsoever for the issue, allotment, or disposal of any Shares.
Power of General Meeting to authorize Board to offer Shares/Options to employees	18A	Without prejudice to the generality of the powers of the General Meeting under Article 18 or in any other Article of these Articles of Association, the General Meeting may, subject to the applicable provisions of the Act, rules notified thereunder and any other applicable laws, rules and regulations, determine, or give the right to the Board or any Committee thereof to determine, that any existing or further Shares (consequent to increase of share capital) of the Company, or options to acquire such Shares at any point of time, whether such

		options are granted by way of warrants or in any other manner (subject to such consents and permissions as may be required) be allotted/granted to its employees, including Directors (whether whole-time or not), whether at par, at discount or a premium, for cash or for consideration other than cash, or any combination thereof as may be permitted by law for the time being in force. The General Meeting may also approve any Scheme/Plan/ other writing, as may be set out before it, for the aforesaid purpose. In addition to the powers contained in Article 18A (1), the General Meeting may authorize the Board or any Committee thereof to exercise all such powers and do all such things as may be necessary or expedient to achieve the objectives of any Scheme/Plan/other writing approved under the aforesaid Article.
Shares at a discount	19	The Company shall not issue Shares at a discount except the issue of Sweat Equity Shares of a class already issued, if the following conditions are fulfilled, namely: <ul style="list-style-type: none"> <li>(a) the issue is authorized by a special resolution passed by the company;</li> <li>(b) the resolution specifies the number of shares, the current market price, consideration, if any, and the class or classes of directors or employees to whom such equity shares are to be issued;</li> <li>(c) not less than one year has, at the date of such issue, elapsed since the date on which the company had commenced business; and</li> <li>(d) where the equity shares of the company are listed on a recognized stock exchange, the sweat equity shares are issued in accordance with the regulations made by the Securities and Exchange Board in this behalf and if they are not so listed, the sweat equity shares are issued in accordance with the prescribed rules.</li> </ul>
Installments of Shares to be duly paid	20	If by the conditions of any allotment of any Shares the whole or any part of the amount or issued price thereof shall, be payable by installments, every such installment shall when due, be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the Shares or his legal representatives, and shall for the purposes of these Articles be deemed to be payable on the date fixed for payment and in case of non-payment the provisions of these Articles as to payment of interest and expenses forfeiture and like and all the other relevant provisions of the Articles shall apply as if such installments were a call duly made notified as hereby provided.
The Board may issue Shares as fully paid-up	21	Subject to the provisions of the Act and these Articles, the Board may allot and issue Shares in the Capital of the Company as payment for any property purchased or acquired or for services rendered to the Company in the conduct of its business or in satisfaction of any other lawful consideration. Shares which may be so issued may be issued as fully paid-up or partly paid up Shares.
Acceptance of Shares	22	Any application signed by or on behalf of an applicant for Share(s) in the Company, followed by an allotment of any Share therein, shall be an acceptance of Share(s) within the meaning of these Articles, and every person who thus or otherwise accepts any Shares and whose name is therefore placed on the Register of Members shall for the purpose of this Article, be a Member.
Deposit and call etc., to be debt payable	23	The money, if any which the Board of Directors shall on the allotment of any Shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any Shares allotted by them shall immediately on the inscription of the name of the allottee in the Register of Members as the holder of such Shares, become a debt due to and recoverable by the Company from the

		allottee thereof, and shall be paid by him accordingly.
Liability of Members	24	Every Member, or his heirs, executors or administrators to the extent of his assets which come to their hands, shall be liable to pay to the Company the portion of the capital represented by his Share which may, for the time being, remain unpaid thereon in such amounts at such time or times and in such manner as the Board of Directors shall, from time to time, in accordance with the Company's requirements require or fix for the payment there of.
Dematerialization of securities	25A	<p>Definitions:</p> <p><b>Beneficial Owner</b> “Beneficial Owner” means a person whose name is recorded as such with a Depository.</p> <p><b>SEBI</b> “SEBI” means the Securities and Exchange Board of India.</p> <p><b>Bye-Laws</b> “Bye-Laws” mean bye-laws made by a depository under Section 26 of the Depositories Act, 1996;</p> <p><b>Depositories Act</b> “Depositories Act” means the Depositories Act, 1996 including any statutory modifications or re-enactment thereof for the time being in force;</p> <p><b>Depository</b> “Depository” means a company formed and registered under the Companies Act, 1956 and which has been granted a certificate of registration under sub-section (1A) of Section 12 of the Securities and Exchange Board of India Act, 1992;</p> <p><b>Record</b> “Record” includes the records maintained in the form of books or stored in a computer or in such other form as may be determined by the regulations made by SEBI;</p> <p><b>Regulations</b> “Regulations” mean the regulations made by SEBI;</p> <p><b>Security</b> “Security” means such security as may be specified by SEBI.</p>
Dematerialization of securities	25B	Either on the Company or on the investor exercising an option to hold his securities with a depository in a dematerialized form, the Company shall enter into an agreement with the depository to enable the investor to dematerialize the Securities, in which event the rights and obligations of the parties concerned shall be governed by the Depositories Act.
Options to receive security certificates or hold securities with depository	25C	<p>Every person subscribing to securities offered by the Company shall have the option to receive the Security certificates or hold securities with a depository.</p> <p>Where a person opts to hold a Security with a depository, the Company shall intimate such depository the details of allotment of the Security, and on receipt of such information the depository shall enter in its record the name of the allotted as the Beneficial Owner of that Security.</p>
Securities in depositories to be in fungible form	25D	All Securities held by a Depository shall be dematerialized and shall be in a fungible form;
Rights of depositories and beneficial owners	25E	<p>a) Notwithstanding anything to the contrary contained in the Articles, a Depository shall be deemed to be a registered owner for the purposes of effecting transfer of ownership of Security on behalf of the Beneficial Owner;</p> <p>b) Save as otherwise provided in (1) above, the Depository as a registered owner shall not have any voting rights or any other rights in respect of Securities held by it;</p> <p>c) Every person holding equity share capital of the Company and whose name is entered as Beneficial Owner in the Records of the Depository shall be</p>

		deemed to be a Member of the Company. The Beneficial Owner shall be titled to all the rights and benefits and be subjected to all the liabilities in respect of the Securities held by a Depository.
Depository To Furnish Information	25F	Every Depository shall furnish to the Company information about the transfer of Securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by the bye-laws and the Company in that behalf.
Service of documents	25G	Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of floppies or discs.
Option to opt out in respect of any security	25H	If a Beneficial Owner seeks to opt out of a Depository in respect of any Security, the Beneficial Owner shall inform the Depository accordingly. The Depository shall on receipt of information as above make appropriate entries in its Records and shall inform the Company. The Company shall, within thirty (30) days of the receipt of intimation from the depository and on fulfillment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the Beneficial Owner or the transferee as the case may be.
Sections 45 and 56 of the Companies Act, 2013 not to apply	25I	Notwithstanding anything to the contrary contained in the Articles: (a) Section 45 of the Companies Act, 2013 shall not apply to the Shares held with a Depository; (b) Section 56 of the Companies Act, 2013 shall not apply to transfer of Security affected by the transferor and the transferee both of whom are entered as Beneficial Owners in the Records of a Depository.
Share certificate	26	(a) Every Member or allottee of Shares is entitled, without payment, to receive one certificate for all the Shares of the same class registered in his name. (b) Any two or more joint allottees or holders of Shares shall, for the purpose of this Article, be treated as a single Member and the certificate of any Share which may be the subject of joint ownership may be delivered to anyone of such joint owners, on behalf of all of them.
Limitation of time for issue of certificates	26A	Every Member shall be entitled, without payment to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the directors so approve (upon paying such fee as the Directors so time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within two months of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its Shares as the case may be. Every certificate of Shares shall be under the seal of the company and shall specify the number and distinctive numbers of Shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe and approve, provided that in respect of a Share or Shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of Shares to one or several joint holders shall be a sufficient delivery to all such holder.
Renewal of share certificates	27	No certificate of any Share or Shares shall be issued either in exchange for those, which are sub-divided or consolidated or in replacement of those which are defaced, torn or old, decrepit, worn-out, or where the pages on the reverse for recording transfer have been duly utilised unless the certificate in lieu of which it

		<p>is issued is surrendered to the Company.</p> <p>PROVIDED THAT no fee shall be charged for issue of new certificate in replacement of those which are old, decrepit or worn out or where the pages on the reverse for recording transfer have been fully utilized.</p>
Issue of new certificate in place of one defaced, lost or destroyed	28	<p>If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new Certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the company deem adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every certificate under the article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.2/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new Certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.</p>
		<p>Provided that notwithstanding what is stated above the Directors shall comply with such rules or regulations or requirements of any Stock Exchange or the rules made under the Act or rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable thereof in this behalf.</p>
		<p>The provision of this Article shall mutatis mutandis apply to Debentures of the Company.</p>
The first name joint holder deemed sole holder	29	<p>If any Share(s) stands in the name of two or more persons, the person first named in the Register of Members shall, as regards receipt of dividends or bonus or service of notice and all or any other matters connected with Company except voting at Meetings and the transfer of the Shares be deemed the sole holder thereof but the joint holders of a Share shall severally as well as jointly be liable for the payment of all incidents thereof according to the Company's Articles.</p>
Issue of Shares without Voting Rights	30	<p>In the event it is permitted by law to issue shares without voting rights attached to them, the Directors may issue such share upon such terms and conditions and with such rights and privileges annexed thereto as thought fit and as may be permitted by law.</p>
Buy-Back of Shares and Securities	31	<p>Notwithstanding anything contained in these articles, in the event it is permitted by law for a company to purchase its own shares or securities, the Board of Directors may, when and if thought fit, buy back, such of the Company's own shares or securities as it may think necessary, subject to such limits, upon such terms and conditions, and subject to such approvals, provision of section 67 and SEBI (Buy Back of Shares) Regulations as may be permitted by law.</p>
Employees Stock Options Scheme/Plan	32	<p>The Directors shall have the power to offer, issue and allot Equity Shares in or Debentures (Whether fully/ partly convertible or not into Equity Shares) of the Company with or without Equity Warrants to such of the Officers, Employees, Workers of the Company or of its Subsidiary and / or Associate Companies or Managing and Whole Time Directors of the Company (hereinafter in this Article collectively referred to as "the Employees") as may be selected by them or by the trustees of such trust as may be set up for the benefit of the Employees in accordance with the terms and conditions of the Scheme, trust, plan or proposal that may be formulated , created, instituted or set up by the Board of Directors or</p>

		the Committee thereof in that behalf on such terms and conditions as the Board may in its discretion deem fit.
Sweat Equity	33	Subject to the provisions of the Act (including any statutory modification or re-enactment thereof, for the time being in force), shares of the Company may be issued at a discount or for consideration other than cash to Directors or employees who provide know-how to the Company or create an intellectual property right or other value addition.
Postal Ballot	34	The Company may pass such resolution by postal ballot in the manner prescribed by Section 110 of the Companies Act, 2013 and such other applicable provisions of the Act and any future amendments or re-enactment thereof and as may be required by any other law including Listing Regulations as amended from time to time. Notwithstanding anything contained in the provisions of the Act, the Company shall in the case of a resolution relating to such business, as the Central Government may, by notification, declare to be conducted only by postal ballot, get such resolution passed by means of postal ballot instead of transacting such business in a general meeting of the Company.
Company not bound to recognize any interest in Shares other than of registered holder	35	Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognize, even when having notice thereof any equitable, contingent, future or partial interest in any Share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a Share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as holder thereof but the Board shall be at liberty at their sole discretion to register any Share in the joint names of any two or more persons (but not exceeding 4 persons) or the survivor or survivors of them.
Trust recognized	36	<ol style="list-style-type: none"> <li>1) Except as ordered, by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognize, even when having notice thereof, any equitable, contingent, future or partial interest in any Share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a Share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as holder thereof but the Board shall be at liberty at their sole discretion to register any Share in the joint names of any two or more persons (but not exceeding 4 persons) or the survivor or survivors of them.</li> <li>2) Shares may be registered in the name of an incorporated Company or other body corporate but not in the name of a minor or of a person of unsound mind (except in case where they are fully paid) or in the name of any firm or partnership.</li> </ol>
Declaration by person not holding beneficial interest in any Shares	37	<ol style="list-style-type: none"> <li>1) Notwithstanding anything herein contained a person whose name is at any time entered in Register of Member of the Company as the holder of a Share in the Company, but who does not hold the beneficial interest in such Shares, shall, if so required by the Act within such time and in such forms as may be prescribed, make declaration to the Company specifying the name and other particulars of the person or persons who hold the beneficial interest in such Share in the manner provided in the Act.</li> <li>2) A person who holds a beneficial interest in a Share or a class of Shares of the Company, shall if so required by the Act, within the time prescribed, after his becoming such beneficial owner, make a declaration to the Company specifying the nature of his interest, particulars of the person in whose name</li> </ol>

		<p>the Shares stand in the Register of Members of the Company and such other particulars as may be prescribed as provided in the Act.</p> <p>3) Whenever there is a change in the beneficial interest in a Share referred to above, the beneficial owner shall, if so required by the Act, within the time prescribed, from the date of such change, make a declaration to the Company in such form and containing such particulars as may be prescribed in the Act</p> <p>4) Notwithstanding anything contained in the Act and Articles 35 and 36 hereof, where any declaration referred to above is made to the Company, the Company shall, if so required by the Act, make a note of such declaration in the Register of Members and file within the time prescribed from the date of receipt of the declaration a return in the prescribed form with the Registrar with regard to such declaration.</p>
Funds of Company not to be applied in purchase of Shares of the Company	38	No funds of the Company shall except as provided by Section 67 of the Companies Act, 2013 be employed in the purchase of its own Shares, unless the consequent reduction of capital is effected and sanction in pursuance of Sections 52, 55 (to the extent applicable) of Companies Act, 2013 and Sections 80 and 100 to 105 of the Companies Act, 1956 and these Articles or in giving either directly or indirectly and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any Share in the Company in its holding Company.
<b>UNDERWRITING AND BROKERAGE</b>		
Commission may be paid	39	Subject to the provisions of Section 40 of the Companies Act, 2013, the Company may at anytime pay commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any Shares in or debentures of the Company.
Brokerage	40	The Company may on any issue of Shares or Debentures or on deposits pay such brokerage as may be reasonable and lawful.
Commission to be included in the annual return	41	Where the Company has paid any sum by way of commission in respect of any Shares or Debentures or allowed any sums by way of discount in respect to any Shares or Debentures, such statement thereof shall be made in the annual return as required by Section 92 to the Companies Act, 2013.
<b>DEBENTURES</b>		
Debentures with voting rights not to be issued	42	<p>1) The Company shall not issue any debentures carrying voting rights at any Meeting of the Company whether generally or in respect of particular classes of business.</p> <p>2) Payments of certain debts out of assets subject to floating charge in priority to claims under the charge may be made in accordance with the provisions of Section 327 of the Companies Act, 2013.</p> <p>3) Certain charges (which expression includes mortgage) mentioned in Section 77 of the Companies Act, 2013 shall be void against the Liquidator or creditor unless registered as provided in Section 77 of the Companies Act, 2013.</p> <p>4) A contract with the Company to take up and pay debentures of the Company may be enforced by a decree for specific performance.</p> <p>5) Unless the conditions of issue thereof otherwise provide, the Company shall (subject to the provisions of Section 56 of the Companies Act, 2013) within</p>

		<p>six months after the allotment of its debentures or debenture-stock and within one month after the application for the registration of the transfer of any such debentures or debentures-stock have completed and ready for delivery the certificate of all debenture- stock allotted or transferred.</p> <p>6) The Company shall comply with the provisions of Section 71 of the Companies Act, 2013 as regards supply of copies of Debenture Trust Deed and inspection thereof.</p> <p>7) The Company shall comply with the provisions of Section 2(16), 77 to 87 (inclusive) of the Companies Act, 2013 as regards registration of charges.</p>
<b>CALLS</b>		
Directors may make calls	43	<p>(a) Subject to the provisions of Section 49 of the Companies Act, 2013 the Board of Directors may from time to time by a resolution passed at a meeting of a Board (and not by a circular resolution) make such calls as it thinks fit upon the Members in respect of all moneys unpaid on the Shares or by way of premium, held by them respectively and not by conditions of allotment thereof made payable at fixed time and each Member shall pay the amount of every call so made on him to person or persons and at the times and places appointed by the Board of Directors. A call may be made payable by installments. A call may be postponed or revoked as the Board may determine. No call shall be made payable within less than one month from the date fixed for the payment of the last preceding call.</p> <p>(b) The joint holders of a Share shall be jointly and severally liable to pay all calls in respect thereof.</p>
Notice of call when to be given	44	Not less than fourteen days notice in writing of any call shall be given by the Company specifying the time and place of payment and the person or persons to whom such call shall be paid.
Call deemed to have been made	45	A call shall be deemed to have been made at the time when the resolution authorizing such call was passed at a meeting of the Board of Directors and may be made payable by the Members of such date or at the discretion of the Directors on such subsequent date as shall be fixed by the Board of Directors.
Directors may extend time	46	The Directors may, from time to time, at their discretion, extend the time fixed for the payment of any call, and may extend such time as to all or any of the members who from residence at a distance or other cause, the Directors may deem fairly entitled to such extension, but no member shall be entitled to such extension, save as a matter of grace and favour.
Amount payable at fixed time or by installments to be treated as calls	47	If by the terms of issue of any Share or otherwise any amount is made payable at any fixed time or by installments at fixed time (whether on account of the amount of the Share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.
When interest on call or installment payable	48	If the sum payable in respect of any call or installment is not paid on or before the day appointed for the payment thereof, the holder for the time being or allottee of the Share in respect of which the call shall have been made or the installment shall be due, shall pay interest on the same at such rate not exceeding ten percent per annum as Directors shall fix from the day appointed for the payment thereof up to the time of actual payment but the Directors may waive payment of such interest wholly or in part.

Evidence in action by Company against any share holder	49	On the trial of hearing of any action or suit brought by the Company against any Member or his Legal Representatives for the recovery of any money claimed to be due to the Company in respect of his Shares, it shall be sufficient to prove that the name of the Member in respect of whose Shares the money is sought to be recovered is entered on the Register of Members as the holder or as one of the holders at or subsequent to the date at which the money sought to be recovered is alleged to have become due on the Shares in respect of which the money is sought to be recovered, that the resolution making the call is duly recorded in the minute book and the notice of such call was duly given to the Member or his legal representatives sued in pursuance of these Articles and it shall not be necessary to prove the appointment of Directors who made such call, nor that a quorum of Directors was present at the Board meeting at which any call was made nor that the meeting at which any call was made was duly convened or constituted nor any other matter whatsoever but the proof of the matters aforesaid shall be conclusive evidence of the debt.
Payment in anticipation of calls may carry interest	50	<p>The Directors may, if they think fit, subject to the provisions of Section 50 of the Companies Act, 2013, agree to and receive from any Member willing to advance the same whole or any part of the moneys due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate, as the member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced.</p> <p>The Members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable.</p> <p>The provisions of these Articles shall mutatis mutandis apply to the calls on Debentures of the Company.</p>
<b>LIEN</b>		
Partial payment not to preclude forfeiture	51	Neither the receipt by the Company of a portion of any money which shall, from time to time be due from any Member to the Company in respect of his Shares, either by way of principal or interest, or any indulgence granted by the Company in respect of the payment of such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such Shares as hereinafter provided.
Company's lien on Shares/ Debentures	52	The Company shall have first and paramount lien upon all Shares/ Debentures (other than fully paid up Shares/ Debentures) registered in the name of each Member (whether solely or jointly with others) and upon the proceeds of sale thereof, for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such Shares/ Debentures and no equitable interest in any Share shall be created except upon the footing and condition that this Article will have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such Shares/Debentures; Unless otherwise agreed the registration of a transfer of Shares/ Debentures shall operate as a waiver of the Company's lien if any, on such Shares/Debentures. The Directors may at any

		time declare any Shares/ Debentures wholly or in part exempt from the provisions of this Article.
As to enforcing lien by sale	53	<p>The Company may sell, in such manner as the Board thinks fit, any Shares on which the Company has lien for the purpose of enforcing the same.</p> <p>PROVIDED THAT no sale shall be made:-</p> <ol style="list-style-type: none"> <li>1) Unless a sum in respect of which the lien exists is presently payable; or</li> <li>2) Until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is /presently payable has been given to the registered holder for the time being of the Share or the person entitled thereto by reason of his death or insolvency.</li> </ol> <p>For the purpose of such sale the Board may cause to be issued a duplicate certificate in respect of such Shares and may authorize one of their members to execute a transfer there from on behalf of and in the name of such Members.</p> <p>The purchaser shall not be bound to see the application of the purchase money, nor shall his title to the Shares be affected by any irregularity, or invalidity in the proceedings in reference to the sale.</p>
Application of proceeds of sale	54	<ol style="list-style-type: none"> <li>1) The net proceeds of any such sale shall be received by the Company and applied in or towards satisfaction of such part of the amount in respect of which the lien exists as is presently payable, and</li> <li>2) The residue if any, after adjusting costs and expenses if any incurred shall be paid to the person entitled to the Shares at the date of the sale (subject to a like lien for sums not presently payable as existed on the Shares before the sale).</li> </ol>
<b>FORFEITURE OF SHARES</b>		
If money payable on Shares not paid, notice to be given	55	If any Member fails to pay the whole or any part of any call or any installments of a call on or before the day appointed for the payment of the same or any such extension thereof, the Board of Directors may, at any time thereafter, during such time as the call for installment remains unpaid, give notice to him requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.
Sum payable on allotment to be deemed a call	56	For the purposes of the provisions of these Articles relating to forfeiture of Shares, the sum payable upon allotment in respect of a share shall be deemed to be a call payable upon such Share on the day of allotment.
Form of notice	57	The notice shall name a day, (not being less than fourteen days from the day of the notice) and a place or places on and at which such call in installment and such interest thereon at such rate not exceeding eighteen percent per annum as the Directors may determine and expenses as aforesaid are to be paid. The notice shall also state that in the event of the non-payment at or before the time and at the place appointed, Shares in respect of which the call was made or installment is payable will be liable to be forfeited.
In default of payment Shares to be	58	If the requirements of any such notice as aforesaid are not complied with, any Share or Shares in respect of which such notice has been given may at any time thereafter before payment of all calls or installments, interests and expenses due

forfeited		in respect thereof, be forfeited by a resolution of the Board of Directors to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited Shares and not actually paid before the forfeiture.
Notice of forfeiture to a Member	59	When any Share shall have been so forfeited, notice of the forfeiture shall be given to the Member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Members, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.
Forfeited Shares to be the property of the Company and may be sold etc.	60	Any Share so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of, either to the original holder or to any other person, upon such terms and in such manner as the Board of Directors shall think fit.
Member still liable for money owing at the time of forfeiture and interest	61	Any Member whose Shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company on demand all calls, installments, interest and expenses owing upon or in respect of such Shares at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment, at such rate not exceeding eighteen percent per annum as the Board of Directors may determine and the Board of Directors may enforce the payment of such moneys or any part thereof, if it thinks fit, but shall not be under any obligation to do so.
Effects of forfeiture	62	The forfeiture of a Share shall involve the extinction at the time of the forfeiture, of all interest in and all claims and demand against the Company in respect of the Share and all other rights incidental to the Share, except only such of those rights as by these Articles are expressly saved.
Power to annul forfeiture	63	The Board of Directors may at any time before any Share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.
Declaration of forfeiture	64	<p>(a) A duly verified declaration in writing that the declarant is a Director, the Managing Director or the Manager or the Secretary of the Company, and that Share in the Company has been duly forfeited in accordance with these Articles, on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share.</p> <p>(b) The Company may receive the consideration, if any, given for the Share on any sale, re-allotment or other disposal thereof and may execute a transfer of the Share in favour of the person to whom the Share is sold or disposed off.</p> <p>(c) The person to whom such Share is sold, re-allotted or disposed of shall thereupon be registered as the holder of the Share.</p> <p>(d) Any such purchaser or allottee shall not (unless by express agreement) be liable to pay calls, amounts, installments, interests and expenses owing to the Company prior to such purchase or allotment nor shall be entitled (unless by express agreement) to any of the dividends, interests or bonuses accrued or which might have accrued upon the Share before the time of completing such purchase or before such allotment.</p> <p>(e) Such purchaser or allottee shall not be bound to see to the application of the</p>

		purchase money, if any, nor shall his title to the Share be affected by the irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the Shares.
Provisions of these articles as to forfeiture to apply in case of non-payment of any sum	65	The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which by the terms of issue of a Share becomes payable at a fixed time, whether on account of the nominal value of Share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.
Cancellation of shares certificates in respect of forfeited Shares	66	Upon sale, re-allotment or other disposal under the provisions of these Articles, the certificate or certificates originally issued in respect of the said Shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Member) stand cancelled and become null and void and of no effect and the Directors shall be entitled to issue a new certificate or certificates in respect of the said Shares to the person or persons entitled thereto.
Evidence of forfeiture	67	The declaration as mentioned in Article 64(a) of these Articles shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share.
Validity of sale	68	Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers herein before given, the Board may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such Shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.
Surrender of Shares	69	The Directors may subject to the provisions of the Act, accept surrender of any share from any Member desirous of surrendering on such terms and conditions as they think fit.
<b>TRANSFER AND TRANSMISSION OF SHARES</b>		
No transfers to minors etc.	70	No Share which is partly paid-up or on which any sum of money is due shall in any circumstances be transferred to any minor, insolvent or person of unsound mind.
Instrument of transfer	71	The instrument of transfer shall be in writing and a common form of transfer shall be used and all provisions of Section 56 of the Companies Act, 2013 and statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof.
Application for transfer	72	<p>(a) An application for registration of a transfer of the Shares in the Company may be made either by the transferor or the transferee.</p> <p>(b) Where the application is made by the transferor and relates to partly paid Shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.</p> <p>(c) For the purposes of clause (b) above notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post to the</p>

		transferee at the address, given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.
Execution of transfer	73	The instrument of transfer of any Share shall be duly stamped and executed by or on behalf of both the transferor and the transferee and shall be witnessed. The transferor shall be deemed to remain the holder of such Share until the name of the transferee shall have been entered in the Register of Members in respect thereof. The requirements of provisions of Section 56 of the Companies Act, 2013 and any statutory modification thereof for the time being shall be duly complied with.
Transfer by legal representatives	74	A transfer of Share in the Company of a deceased Member thereof made by his legal representative shall, although the legal representative is not himself a Member be as valid as if he had been a Member at the time of the execution of the instrument of transfer.
Register of Members etc when closed	75	The Board of Directors shall have power on giving not less than seven days pervious notice by advertisement in some newspaper circulating in the district in which the registered office of the Company is situated to close the Register of Members and/or the Register of debentures holders, in accordance with Section 91 of the Companies Act, 2013 and rules made thereunder, at such time or times and for such period or periods, not exceeding thirty days at a time and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board.
Directors may refuse to register transfer	76	Subject to the provisions of Section 58 & 59 of the Companies Act, 2013, these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may refuse whether in pursuance of any power of the company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to, any Shares or interest of a Member in or Debentures of the Company. The Company shall within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. Provided that the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except where the Company has a lien on Shares.
Death of one or more joint holders of Shares	77	In case of the death of any one or more of the persons named in the Register of Members as the joint holders of any Share, the survivor or survivors shall be the only persons recognized by the Company as having any title or interest in such Share, but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on Shares held by him with any other person.
Titles of Shares of deceased Member	78	The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the

		Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks it, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 72 and 56 of the Companies Act, 2013.
Notice of application when to be given	79	Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Companies Act, 2013.
Registration of persons entitled to Shares otherwise than by transfer (Transmission Clause)	80	Subject to the provisions of the Act and Article 77 hereto, any person becoming entitled to Share in consequence of the death, lunacy, bankruptcy or insolvency of any Member or by any lawful means other than by a transfer in accordance with these Articles may, with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of such title as the Board thinks sufficient, either be registered himself as the holder of the Share or elect to have some person nominated by him and approved by the Board registered as such holder; provided nevertheless, that if such person shall elect to have his nominee registered as a holder, he shall execute an instrument of transfer in accordance with the provisions herein contained, and until he does so, he shall not be freed from any liability in respect of the Shares. This clause is hereinafter referred to as the "Transmission Clause".
Refusal to register nominee	81	Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse to register a person entitled by transmission to any Share of his nominee as if he was the transferee named in an ordinary transfer presented for registration.
Person entitled may receive dividend without being registered as a Member	82	A person entitled to a Share by transmission shall subject to the right of the Directors to retain dividends or money as is herein provided, be entitled to receive and may give a discharge for any dividends or other moneys payable in respect of the Share.
No fee on transfer or transmissions	83	No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate & Letters of Administration, Certificate of Death or Marriage, Power of Attorney or other similar document.
Transfer to be presented with evidence of title	84	Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board may require to prove the title of the transferor, his right to transfer the Shares and generally under and subject to such conditions and regulations as the Board may, from time to time prescribe, and every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board.
Company not liable for disregard of a notice	85	The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of Shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any

prohibiting registration of transfer		equitable right, title or interest to or in the said Shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice, or referred thereto, in any book of the Company, and the Company shall not be bound to be required to regard or attend to give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting to do so, though it may have been entered or referred to in some book of the Company, but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit.
<b>CONVERSION OF SHARES INTO STOCK AND RECONVERSION</b>		
Share may be converted into stock	86	The Company may, by Ordinary Resolution convert any fully paid up Share into stock, and reconvert any stock into fully paid-up Shares.
Transfer of stock	87	The several holders of such stock may transfer their respective interest therein or any part thereof in the same manner and subject to the same regulations under which the stock arose might before the conversion, have been transferred, or as near thereto as circumstances admit.  PROVIDED THAT the Board may, from time to time, fix the minimum amount of stock transferable, so however that such minimum shall not exceed the nominal amount of the Shares from which stock arose.
Right of stockholders	88	The holders of stock shall, according to the amount of stock held by them, have the same right, privileges and advantages as regards dividends, voting at meeting of the Company, and other matters, as if they held them in Shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in Shares, have conferred those privileges or advantages.
Regulation applicable to stock and share warrant	89	Such of the regulations of the Company as are applicable to the paid up Shares shall apply to stock and the words "Share" and "Shareholder" in these regulations shall include "stock" and "stock holder" respectively.
<b>BORROWING POWERS</b>		
Power to borrow	90	Subject to the provisions of Sections 73, 74 and 179 of the Companies Act, 2013 and these Articles, the Board of Directors may, from time to time at its discretion by a resolution passed at a meeting of the Board, borrow, accept deposits from Members either in advance of calls or otherwise and generally raise or borrow or secure the payment of any such sum or sums of money for the purposes of the Company from any source.  PROVIDED THAT, where the moneys to be borrowed together with the moneys already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the paid up capital of the Company and its free reserves (not being reserves set apart for any specific purpose) the Board of Directors shall not borrow such money without the sanction of the Company in General Meeting. No debts incurred by the Company

		in excess of the limit imposed by this Article shall be valid or effectual unless the lender proves that he advanced the loan in good faith and without knowledge that the limit imposed by this Article had been exceeded.
The payment or repayment of moneys borrowed	91	The payment or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board of Directors may think fit, and in particular in pursuance of a resolution passed at a meeting of the Board (and not by circular resolution) by the issue of bonds, debentures or debentures stock of the Company, charged upon all or any part of the property of the Company, (both present and future), including its un-called capital for the time being and the debentures and the debenture stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.
Bonds, Debentures, etc. to be subject to control of Directors	92	Any bonds, debentures, debenture-stock or other securities issued or to be issued by the Company shall be under the control of the Directors who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider being for the benefit of the Company.
Terms of issue of Debentures	93	Any Debentures, Debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into Shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawing, allotment of Shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. However, Debentures with the right to conversion into or allotment of Shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.
Mortgage of uncalled capital	94	If any uncalled capital of the Company is included in or charged by mortgage or other security, the Directors may, subject to the provisions of the Act and these Articles, make calls on the Members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security has been executed.
Indemnity may be given	95	Subject to the provisions of the Act and these Articles, if the Directors or any of them or any other person shall incur or about to incur any liability as principal or surety for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.
<b>RELATED PARTY TRANSACTIONS</b>		
Related Party Transactions	96	<ol style="list-style-type: none"> <li>1) Subject to the provisions of the Act, the Company may enter into contracts with the Related Party which are at arm's length and are in ordinary course of business of the company with approval of the Audit Committee.</li> <li>2) Subject to the provisions of the Act, the Company may enter into contracts with the related parties which are of such nature wherein it requires consent of shareholders in terms of Act or Listing Regulations or any other law for the time being in force, with approval of the shareholders in the general meeting.</li> </ol>
<b>MEETING OF MEMBERS</b>		
Annual General	97	(a) An Annual General Meeting of the Company shall be held within six months after the expiry of each financial year, provided that not more than

Meeting		<p>fifteen months shall lapse between the date of one Annual General Meeting and that of next.</p> <p>(b) Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 96(1) of the Act to extend the time with which any Annual General Meeting may be held.</p> <p>(c) Every Annual General Meeting shall be called at a time during business hours i.e. 9 a.m. to 6 p.m., on a day that is not a National holiday, and shall be held at the office of the Company or at some other place within the city in which the Registered Office of the Company is situated as the Board may determine and the notices calling the Meeting shall specify it as the Annual General Meeting.</p> <p>(d) The company may in any one Annual General Meeting fix the time for its subsequent Annual General Meeting.</p> <p>(e) Every Member of the Company shall be entitled to attend, either in person or by proxy and the Auditors of the Company shall have the right to attend and be heard at any General Meeting which he attends on any part of the business which concerns him as an Auditor.</p> <p>(f) At every Annual General Meeting of the Company, there shall be laid on the table the Director's Report and Audited statement of accounts, the Proxy Register with proxies and the Register of Director's Shareholding, which Registers shall remain open and accessible during the continuance of the Meeting.</p> <p>(g) The Board shall cause to be prepared the annual list of Members, summary of share capital, balance sheet and profit and loss account and forward the same to the Registrar in accordance with Sections 92 and 137 of the Act.</p>
Report statement and registers to be laid before the Annual General Meeting	98	<p>The Company shall in every Annual General Meeting in addition to any other Report or Statement lay on the table the Director's Report and audited statement of accounts, Auditor's Report (if not already incorporated in the audited statement of accounts), the Proxy Register with proxies and the Register of Director's Shareholdings, which Registers shall remain open and accessible during the continuance of the Meeting.</p>
Extra-Ordinary General Meeting	99	<p>All General Meeting other than Annual General Meeting shall be called Extra-Ordinary General Meeting.</p>
Requisitionists' Meeting	100	<p>(a) Subject to the provisions of Section 111 of the Companies Act, 2013, the Directors shall on the requisition in writing of such number of Members as is herein after specified:-</p> <ol style="list-style-type: none"> <li>a. Give to the Members of the Company entitled to receive notice of the next Annual General Meeting, notice of any resolution which may properly be moved and is intended to be moved at that meeting.</li> <li>b. Circulate to the Members entitled to have notice of any General Meeting sent to them, any statement with respect to the matter referred to in any proposed resolution or any business to be dealt with at that Meeting.</li> </ol> <p>(b) The number of Members necessary for a requisition under clause (1) hereof shall be such number of Members as represent not less than one-tenth of the total voting power of all the Members having at the date of the resolution a</p>

		<p>right to vote on the resolution or business to which the requisition relates; or</p> <p>(c) Notice of any such resolution shall be given and any such statement shall be circulated, to Members of the Company entitled to have notice of the Meeting sent to them by serving a copy of the resolution or statement to each Member in any manner permitted by the Act for service of notice of the Meeting and notice of any such resolution shall be given to any other Member of the Company by giving notice of the general effect of the resolution in any manner permitted by the Act for giving him notice of meeting of the Company. The copy of the resolution shall be served, or notice of the effect of the resolution shall be given, as the case may be in the same manner, and so far as practicable, at the same time as notice of the Meeting and where it is not practicable for it to be served or given at the time it shall be served or given as soon as practicable thereafter.</p> <p>(d) The Company shall not be bound under this Article to give notice of any resolution or to circulate any statement unless:</p> <p>a. A copy of the requisition signed by the requisitionists (or two or more copies which between them contain the signature of all the requisitionists) is deposited at the Registered Office of the Company.</p> <p>i. In the case of a requisition, requiring notice of resolution, not less than six weeks before the Meeting;</p> <p>ii. In the case of any other requisition, not less than two weeks before the Meeting, and</p> <p>b. There is deposited or tendered with the requisition sum reasonably sufficient to meet the Company's expenses in giving effect thereto.</p> <p>PROVIDED THAT if, after a copy of the requisition requiring notice of a resolution has been deposited at the Registered Office of the Company, an Annual General Meeting is called for a date six weeks or less after such copy has been deposited, the copy although not deposited within the time required by this clause, shall be deemed to have been properly deposited for the purposes thereof.</p> <p>(e) The Company shall also not be bound under this Article to circulate any statement, if on the application either of the Company or of any other person who claims to be aggrieved, the Company Law Board is satisfied that the rights conferred by this Article are being abused to secure needless publicity for defamatory matter.</p> <p>(f) Notwithstanding anything in these Articles, the business which may be dealt with at Annual General Meeting shall include any resolution for which notice is given in accordance with this Article, and for the purposes of this clause, notice shall be deemed to have been so given, notwithstanding the accidental omission in giving it to one or more Members.</p>
Extra-Ordinary General Meeting by Board and by requisition When a Director or any two Members may call an	101	<p>(a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of the Members as herein provided, forthwith proceed to convene Extra-Ordinary General Meeting of the Company.</p> <p>(b) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more</p>

Extra-Ordinary General Meeting		Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.
Contents of requisition, and number of requisitionists required and the conduct of Meeting	102	<p>(a) In case of requisition the following provisions shall have effect:</p> <p>(a) The requisition shall set out the matter for the purpose of which the Meeting is to be called and shall be signed by the requisitionists and shall be deposited at the Registered Office of the Company.</p> <p>(b) The requisition may consist of several documents in like form each signed by one or more requisitionists.</p> <p>(c) The number of Members entitled to requisition a Meeting in regard to any matter shall be such number as hold at the date of the deposit of the requisition, not less than one-tenth of such of the paid-up share capital of the Company as that date carried the right of voting in regard to that matter.</p> <p>(d) Where two or more distinct matters are specified in the requisition, the provisions of sub-clause (c) shall apply separately in regard to each such matter and the requisition shall accordingly be valid only in respect of those matters in regard to which the conditions specified in that clause are fulfilled.</p> <p>(e) If the Board does not, within twenty-one days from the date of the deposit of a valid requisition in regard to any matters, proceed duly to call a Meeting for the consideration of those matters on a day not later than forty-five days from the date of the deposit of the requisition, the Meeting may be called:</p> <p>(a) by the requisitionists themselves; or</p> <p>(b) by such of the requisitionists as represent either a majority in value of the paid up share capital held by all of them or not less than one tenth of the paid-up share capital of the Company as is referred to in sub clauses (c) of clause (I) whichever is less.</p> <p>PROVIDED THAT for the purpose of this sub-clause, the Board shall, in the case of a Meeting at which a resolution is to be proposed as a Special Resolution, be deemed not to have duly convened the Meeting if they do not give such notice thereof as is required by sub-section (2) of Section 114 of the Companies Act, 2013.</p>
		<p>(b) A meeting called under sub-clause (c) of clause (1) by requisitionists or any of them:</p> <p>A. shall be called in the same manner as, nearly as possible, as that in which meeting is to be called by the Board; but</p> <p>B. shall not be held after the expiration of three months from the date of deposit of the requisition.</p> <p>PROVIDED THAT nothing in sub-clause (b) shall be deemed to prevent a Meeting duly commenced before the expiry of the period of three months aforesaid, from adjourning to some days after the expiry of that period.</p>
		<p>(c) Where two or more Persons hold any Shares in the Company jointly; a requisition or a notice calling a Meeting signed by one or some only of them shall, for the purpose of this Article, have the same force and effect as if it has</p>

		been signed by all of them.
		(d) Any reasonable expenses incurred by the requisitionists by reason of the failure of the Board to duly call a Meeting shall be repaid to the requisitionists by the Company; and any sum repaid shall be retained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration for their services to such of the Directors as were in default.
Length of notice of Meeting	103	<p>A General Meeting of the Company may be called by giving not less than twenty-one days' notice in writing.</p> <p>A General Meeting may be called after giving shorter notice than that specified in clause (1) hereof, if consent is accorded thereto:</p> <ol style="list-style-type: none"> <li>1) In the case of Annual General Meeting by all the Members entitled to vote thereat; and</li> <li>2) In the case of any other Meeting, by Members of the Company holding not less than ninety-five percent of such part of the paid up share capital of the Company as gives a right to vote at the Meeting.</li> </ol> <p>PROVIDED THAT where any Members of the Company are entitled to vote only on some resolution, or resolutions to be moved at a Meeting and not on the others, those Members shall be taken into account for the purposes of this clause in respect of the former resolutions and not in respect of the later.</p>
Contents and manner of service of notice and persons on whom it is to be served	104	<p>(a) Every notice of a Meeting of the Company shall specify the place and the day and hour of the Meeting and shall contain a statement of the business to be transacted thereat.</p> <p>(b) Subject to the provisions of the Act notice of every General Meeting shall be given;</p> <ol style="list-style-type: none"> <li>1) to every Member of the Company, in any manner authorized by Section 20 of the Companies Act, 2013</li> <li>2) to the persons entitled to a Share in consequence of the death or insolvency of a Member, by sending it through post in a prepaid letter addressed to them by name or by the title of representative of the deceased, or assignees of the insolvent, or by like description, at the address, if any in India supplied for the purpose by the persons claiming to be so entitled or until such an address has been so supplied, by giving the notice in any manner in which it might have been given if the death or insolvency had not occurred; and</li> <li>3) to the Auditor or Auditors for the time being of the Company</li> </ol> <p>(c) Every notice convening a Meeting of the Company shall state with reasonable prominence that a Member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote instead of himself and that a proxy need not be a Member of the Company.</p>
Special and ordinary business and explanatory statement	105	<p>(a) (a) In the case of an Annual General Meeting all business to be transacted at the Meeting shall be deemed special, with the exception of business relating to</p> <ol style="list-style-type: none"> <li>i. the consideration of the accounts, balance sheet, the reports of the Board of Directors and Auditors;</li> <li>ii. the declaration of dividend;</li> <li>iii. the appointment of Directors in the place of those retiring; and</li> <li>iv. the appointment of, and the fixing of the remuneration of the Auditors, and</li> </ol>

		<p>(b) In the case of any other meeting, all business shall be deemed special.</p> <p>(b) Where any items of business to be transacted at the Meeting of the Company are deemed to be special as aforesaid, there shall be annexed to the notice of the Meeting a statement setting out all material facts concerning each such item of business, including in particular the nature of the concern or interest, if any, therein of every Director.</p> <p>PROVIDED THAT where any such item of special business at the Meeting of the Company relates to or affects, any other company, the extent of shareholding interest in that other company of every Director of the Company shall also be set out in the statement, if the extent of such shareholding interest is not less than twenty percent of the paid up- share capital of the other company.</p> <p>(c) Where any item of business consists of the according of approval to any document by the Meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.</p>
Omission to give notice not to invalidate Proceedings	106	The accidental omission to give such notice as aforesaid to or non-receipt thereof by any Member or other person to whom it should be given, shall not invalidate the proceedings of any such Meeting.
<b>MEETING OF MEMBERS</b>		
Notice of business to be given	107	No General Meeting, Annual or Extra-Ordinary shall be competent to enter upon, discuss or transact any business which has not been mentioned in the notice or notices convening the Meeting.
Quorum	108	<p>The quorum for General Meetings shall be as under:-</p> <p>(a) five members personally present if the number of members as on the date of meeting is not more than one thousand;</p> <p>(b) fifteen members personally present if the number of members as on the date of meeting is more than one thousand but up to five thousand;</p> <p>(c) thirty members personally present if the number of members as on the date of the meeting exceeds five thousand;</p> <p>No business shall be transacted at the General Meeting unless the requisite quorum is present at the commencement of the Meeting. A body corporate being a Member shall be deemed to be personally present if it is represented in accordance with Section 113 of the Companies Act, 2013. The President of India or the Governor of a State being a Member of the Company shall be deemed to be personally present if it is presented in accordance with Section 113 of the Companies Act, 2013.</p>
If quorum not present, when Meeting to be dissolved and when to be adjourned	109	If within half an hour from the time appointed for holding a Meeting of the Company, a quorum is not present, the Meeting, if called by or upon the requisition of the Members shall stand dissolved and in any other case the Meeting shall stand, adjourned to the same day in the next week or if that day is a public holiday until the next succeeding day which is not a public holiday, at the same time and place or to such other day and at such other time and place as the Board may determine. If at the adjourned meeting also, a quorum is not

		present within half an hour from the time appointed for holding the Meeting, the Members present shall be a quorum and may transact the business for which the Meeting was called.
Resolution passed at adjourned Meeting	110	Where a resolution is passed at an adjourned Meeting of the Company, the resolution for all purposes is treated as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed on any earlier date.
Chairman of General Meeting.	111	At every General Meeting the Chair shall be taken by the Chairman of the Board of Directors. If at any Meeting, the Chairman of the Board of Directors is not present within ten minutes after the time appointed for holding the Meeting or though present, is unwilling to act as Chairman, the Vice Chairman of the Board of Directors would act as Chairman of the Meeting and if Vice Chairman of the Board of Directors is not present or, though present, is unwilling to act as Chairman, the Directors present may choose one of themselves to be a Chairman, and in default or their doing so or if no Directors shall be present and willing to take the Chair, then the Members present shall choose one of themselves, being a Member entitled to vote, to be Chairman.
Act for resolution sufficiently done or passed by Ordinary Resolution unless otherwise required	112	Any act or resolution which, under the provisions of these Articles or of the Act, is permitted or required to be done or passed by the Company in General Meeting shall be sufficiently done so or passed if effected by an Ordinary Resolution unless either the Act or the Articles specifically require such act to be done or resolution be passed by a Special Resolution.
Business confined to election of Chairman whilst the Chair is vacant	113	No business shall be discussed at any General Meeting except the election of a Chairman whilst the Chair is vacant.
Chairman may adjourn Meeting	114	<ol style="list-style-type: none"> <li>1) The Chairman may with the consent of Meeting at which a quorum is present and shall if so directed by the Meeting adjourn the Meeting from time to time and from place to place.</li> <li>2) No business shall be transacted at any adjourned Meeting other than the business left unfinished at the Meeting from which the adjournment took place.</li> <li>3) When a Meeting is adjourned for thirty days or more notice of the adjourned Meeting shall be given as in the case of an original Meeting.</li> <li>4) Save as aforesaid, it shall not be necessary to give any notice of an adjournment of or of the business to be transacted at any adjourned Meeting.</li> </ol>
How questions are decided at Meetings	115	Every question submitted to a General Meeting shall be decided in the first instance by a show of hands unless the poll is demanded as provided in these Articles.
Chairman's declaration of result of voting on show of	116	A declaration by the Chairman of the Meeting that on a show of hands, a resolution has or has not been carried either unanimously or by a particular majority, and an entry to that effect in the book containing the minutes of the proceeding of the Company's General Meeting shall be conclusive evidence of

hands		the fact, without proof of the number or proportion of votes cast in favour of or against such resolution.
Demand of poll	117	Before or on the declaration of the result of the voting on any resolution on a show of hands a poll may be ordered to be taken by the Chairman of the Meeting on his own motion and shall be ordered to be taken by him on a demand made in that behalf by any Member or Members present in person or by proxy and holding Shares in the Company which confer a power to vote on the resolution not being less than one-tenth of the total voting power in respect of the resolution, or on which an aggregate sum of not less than fifty thousand rupees has been paid up. The demand for a poll may be withdrawn at any time by the Person or Persons who made the demand.
Time of taking poll	118	A poll demanded on a question of adjournment or election of a Chairman shall be taken forthwith. A poll demanded on any other question shall be taken at such time not being later than forty-eight hours from the time when the demand was made and in such manner and place as the Chairman of the Meeting may direct and the result of the poll shall be deemed to be the decision of the Meeting on the resolution on which the poll was taken.
Chairman's casting vote	119	In the case of equality of votes, the Chairman shall both on a show of hands and on a poll (if any) have a casting vote in addition to the vote or votes to which he may be entitled as a Member.
Appointment of scrutinizers	120	Where a poll is to be taken, the Chairman of the Meeting shall appoint two scrutinizers to scrutinize the vote given on the poll and to report thereon to him. One of the scrutinizers so appointed shall always be a Member (not being an officer or employee of the Company) present at the Meeting, provided such a Member is available and willing to be appointed. The Chairman shall have power, at any time before the result of the poll is declared, to remove a scrutineer from office and fill vacancies in the office of the scrutineer arising from such removal or from any other cause.
Demand for poll not to prevent transaction of other business	121	The demand for a poll shall not prevent transaction of other business (except on the question of the election of the Chairman and of an adjournment) other than the question on which the poll has been demanded.
Special notice	122	Where by any provision contained in the Act or in these Articles, special notice is required for any resolution, the notice of the intention to move the resolution shall be given to the Company not less than fourteen days before the Meeting at which it is to be moved, exclusive of the day which the notice is served or deemed to be served on the day of the Meeting. The Company shall immediately after the notice of the intention to move any such resolution has been received by it, give its Members notice of the resolution in the same manner as it gives notice of the Meeting, or if that is not practicable shall give them notice thereof, either by advertisement in a newspaper having an appropriate circulation or in any other mode allowed by these presents not less than seven days before the Meeting.
<b>VOTES OF MEMBERS</b>		
Member paying money	123	A Member paying the whole or a part of the amount remaining unpaid on any Share held by him although no part of that amount has been called up, shall not

in advance not to be entitled to vote in respect thereof		be entitled to any voting rights in respect of moneys so paid by him until the same would but for such payment become presently payable.
Restriction on exercise of voting rights of Members who have not paid calls	124	No Member shall exercise any voting rights in respect of any Shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien.
Number of votes to which Member entitled	125	<p>Subject to the provisions of Article 123, every Member of the Company holding any equity share capital and otherwise entitled to vote shall, on a show of hands when present in person (or being a body corporate present by a representative duly authorized) have one vote and on a poll, when present in person (including a body corporate by a duly authorized representative), or by an agent duly authorized under a Power of Attorney or by proxy, his voting right shall be in proportion to his share of the paid-up equity share capital of the Company.</p> <p>Provided however, if any preference shareholder is present at any meeting of the Company, (save as provided in sub-section (2) of Section 47 of Companies Act, 2013) he shall have a right to vote only on resolutions before the Meeting which directly affect the rights attached to his preference shares.</p> <p>A Member is not prohibited from exercising his voting rights on the ground that he has not held his Shares or interest in the Company for any specified period preceding the date on which the vote is taken.</p>
Votes of Members of unsound mind	126	A Member of unsound mind, or in respect of whom order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian and any such committee or guardian may, on a poll, vote by proxy.
Votes of joint Members	127	If there be joint registered holders of any Shares, one of such persons may vote at any Meeting personally or by an agent duly authorized under a Power of Attorney or by proxy in respect of such Shares, as if he were solely entitled there to but the proxy so appointed shall not have any right to speak at the Meeting, and if more than one of such joint holders be present at any Meeting either personally or by agent or by proxy, that one of the said persons so present whose name appears higher on the Register of Members shall alone be entitled to speak and to vote in respect of such Shares, but the other holder(s) shall be entitled to vote in preference to a person present by an agent duly authorized under a Power of Attorney or by proxy although the name of such person present by agent or proxy stands first or higher in the Register of Members in respect of such Shares. Several executors or administrators of a deceased Member in whose name Shares stand shall for the purpose of these Articles be deemed joint holders thereof.
Representation of body corporate	128	i. A body corporate (whether a company within the meaning of the Act or not) may, if it is a Member or creditor of the Company (including a holder of Debentures) authorize such person as it thinks fit by a resolution of its Board of Directors or other governing body, to act as its representative at any Meeting of the Company or any class of shareholders of the Company or at any meeting

		<p>of the creditors of the Company or Debenture-holders of the Company. A person authorized by resolutions aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise if it were an individual Member, shareholder, creditor or holder of Debentures of the Company. The production of a copy of the resolution referred to above certified by a Director or the Secretary of such body corporate before the commencement of the Meeting shall be accepted by the Company as sufficient evidence of the validity of the said representatives' appointment and his right to vote thereat.</p> <p>ii. Where the President of India or the Governor of a State is a Member of the Company, the President or as the case may be the Governor may appoint such person as he thinks fit to act as his representative at any Meeting of the Company or at any meeting of any class of shareholders of the Company and such a person shall be entitled to exercise the same rights and powers, including the right to vote by proxy, as the President, or as the case may be, the Governor could exercise as a Member of the Company.</p>
Votes in respects of deceased or insolvent Members	129	Any person entitled under the Transmission Article to transfer any Shares may vote at any General Meeting in respect thereof in the same manner as if he was the registered holder of such Shares; provided that at least forty-eight hours before the time of holding the Meeting or adjourned Meeting, as the case may be, at which he proposes to vote, he shall satisfy the Directors of the right to transfer such Shares and give such indemnity (if any) as the Directors may require unless the Directors shall have previously admitted his right to vote at such Meeting in respect thereof.
Voting in person or by proxy	130	Subject to the provisions of these Articles, votes may be given either personally or by proxy. A body corporate being a Member may vote either by a proxy or by a representative duly authorized in accordance with Section 105 of the Companies Act, 2013.
Rights of Members to use votes differently	131	On a poll taken at a Meeting of the Company a Member entitled to more than one vote or his proxy, or other persons entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses
Proxies	132	Any Member of the Company entitled to attend and vote at a Meeting of the Company, shall be entitled to appoint another person (whether a Member or not) as his proxy to attend and vote instead of himself. PROVIDED THAT a proxy so appointed shall not have any right whatsoever to speak at the Meeting. Every notice convening a Meeting of the Company shall state that a Member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of himself, and that a proxy need not be a Member of the Company.
Proxy either for specified meeting or for a period	133	An instrument of proxy may appoint a proxy either for the purposes of a particular Meeting specified in the instrument and any adjournment thereof or it may appoint a proxy for the purpose of every Meeting to be held before a date specified in the instrument and every adjournment of any such Meeting.
No proxy to vote on a show	134	No proxy shall be entitled to vote by a show of hands.

of hands		
Instrument of proxy when to be deposited	135	The instrument appointing a proxy and the Power of Attorney or authority (if any) under which it is signed or a notarially certified copy of that Power of Attorney or authority, shall be deposited at the Registered Office of the Company atleast forty eight hours before the time for holding the Meeting at which the person named in the instrument purposes to vote and in default the instrument of proxy shall not be treated as valid.
Form of Proxy	136	Every instrument of proxy whether for a specified Meeting or otherwise shall, as nearly as circumstances will admit, be in any of the forms as prescribed in the Companies Act, 2013, and signed by the appointer or his attorney duly authorized in writing or if the appointer is a body corporate, be under its seal or be signed by any officer or attorney duly authorized by it.
Validity of votes given by proxy notwithstanding revocation of authority	137	A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the proxy or of any Power of Attorney under which such proxy was signed, or the transfer of the Share in respect of which the vote is given, provided that no intimation in writing of the death, insanity, revocation or transfer shall have been received by the Company at the Registered Office before the commencement of the Meeting or adjourned Meeting at which the proxy is used provided nevertheless that the Chairman of any Meeting shall be entitled to require such evidence as he may in his discretion think fit of the due execution of an instrument of proxy and of the same not having been revoked.
Time for objection to vote	138	No objection shall be made to the qualification of any voter or to the validity of a vote except at the Meeting or adjourned Meeting at which the vote objected to is given or tendered, and every vote, whether given personally or by proxy, not disallowed at such Meeting, shall be valid for all proposes and such objection made in due time shall be referred to the Chairman of the Meeting.
Chairman of any Meeting to be the judge of Validity of any value	139	The Chairman of any Meeting shall be the sole judge of the validity of every vote tendered at such Meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll. The decision of the Chairman shall be final and conclusive.
Custody of Instrument	140	If any such instrument of appointment is confined to the object of appointing at attorney or proxy for voting at Meetings of the Company, it shall remain permanently or for such time as the Directors may determine, in the custody of the Company. If such instrument embraces other objects, a copy there of examined with the original shall be delivered to the Company to remain in the custody of the Company.
<b>DIRECTORS</b>		
Number of Directors	141	Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Companies Act, 2013, the number of Directors shall not be less than three and not more than fifteen.
	141A	First Directors of the Company were: 1) Mr. Satya Prakash Gupta 2) Ms. Usha Gupta
Appointment of Directors	142	The appointment of Directors of the Company shall be in accordance with the provisions of the Act and these Articles, to the extent applicable.
Debenture	143	Any Trust Deed for securing Debentures may if so arranged, provide for the

Directors		<p>appointment, from time to time by the Trustees thereof or by the holders of Debentures, of some person to be a Director of the Company and may empower such Trustees or holder of Debentures, from time to time, to remove and re-appoint any Director so appointed. The Director appointed under this Article is herein referred to as "Debenture Director" and the term "Debenture Director" means the Director for the time being in office under this Article. The Debenture Director shall not be liable to retire by rotation or be removed by the Company. The Trust Deed may contain such ancillary provisions as may be agreed between the Company and the Trustees and all such provisions shall have effect notwithstanding any of the other provisions contained herein.</p>
Nominee Director or Corporation Director	144	<p>(a) Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to any Finance Corporation or Credit Corporation or to any Financing company or body, (which corporation or body is hereinafter in this Article referred to as "the corporation") out of any loans granted or to be granted by them to the Company or so long as the corporation continue to hold Debentures in the Company by direct subscription or private placement, or so long as the Corporation holds Shares in the Company as a result of underwriting or direct subscription or so long as any liability of the Company arising out of any guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time any person or persons as a Director, whole time or non-whole time (which Director or Directors is/are hereinafter referred to as "Nominee Director(s)") on the Board of the Company and to remove from such office any persons so appointed and to appoint any person or persons in his/their places.</p>
		<p>(b) The Board of Directors of the Company shall have no power to remove from office the Nominee Director(s). Such Nominee Director(s) shall not be required to hold any Share qualification in the Company. Further Nominee Director shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Directors(s) shall be entitled to the same rights and privileges and be subject to the obligations as any other Director of the Company.</p>
		<p>(c) The Nominee Director(s) so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Corporation and the Nominee Director/s so appointed in exercise of the said power, shall ipso facto vacate such office immediately on the moneys owing by the Company to the Corporation being paid off.</p>
		<p>(d) The Nominee Director(s) appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and all the Meetings of the Committee of which the Nominee Director(s) is/are Member(s) as also the minutes of such Meetings. The Corporation shall also be entitled to receive all such notices and minutes.</p>
		<p>(e) The sitting fees in relation to such Nominee Director(s) shall also accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any other fees, commission, moneys or remuneration in any form is payable to the Nominee Director of the Company, such fees, commission, moneys and remuneration in relation to such Nominee Director(s) shall accrue to the Corporation and the same shall accordingly be</p>

		paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or such Nominee Director(s), in connection with their appointment or Directorship, shall also be paid or reimbursed by the Company to the Corporation or as the case may be to such Nominee Director/s provided that if any such Nominee Director/s is/are an officer(s) of the Corporation.
		PROVIDED ALSO THAT in the event of the Nominee Director(s) being appointed as Whole-time Director(s); such Nominee Director/s shall exercise such power and duties as may be approved by the lenders and have such rights as are usually exercised or available to a whole-time Director in the management of the affairs of Company. Such Nominee Director shall be entitled to receive such remuneration, fees, commission and moneys as may be approved by the Corporation(s) nominated by him.
Special Director	145	<p>1) In connection with any collaboration arrangement with any company or corporation or any firm or person for supply of technical know-how and/or machinery or technical advice the directors may authorize such company, corporation, firm or person herein-after in this clause referred to as "collaboration" to appoint from time to time any person as director of the company (hereinafter referred to as "special director") and may agree that such special director shall not be liable to retire by rotation and need not possess any qualification shares to qualify him for office of such director, so however that such special director shall hold office so long as such collaboration arrangement remains in force unless otherwise agreed upon between the Company and such collaborator under the collaboration arrangements or at any time thereafter.</p> <p>2) The collaborators may at any time and from time to time remove any such special director appointed by it and may at the time of such removal and also in the case of death or resignation of the person so appointed, at any time appoint any other person as special director in his place and such appointment or removal shall be made in writing signed by such company or corporation or any partner or such person and shall be delivered to the Company at its registered office.</p> <p>3) It is clarified that every collaborator entitled to appoint a director under this article may appoint one such person as a director and so that if more than one collaborator is so entitled there may be at any time as may special directors as the collaborators eligible to make the appointment.</p>
Limit on number of non-retiring Directors	146	The provisions of Articles 143, 144 and 145 are subject to the provisions of Section 152 of the Companies Act, 2013 and number of such Directors appointed shall not exceed in the aggregate one third of the total number of Directors for the time being in office.
Alternate Director	147	The Board may appoint, an Alternate Director recommended for such appointment by the Director (hereinafter in this Article called "the Original Director") to act for him during his absence for a period of not less than three months from the State in which the meetings of the Board are ordinarily held. Every such Alternate Director shall, subject to his giving to the Company an address in India at which notice may be served on him, be entitled to notice of meetings of Directors and to attend and vote as a Director and be counted for the purposes of a quorum and generally at such Meetings to have and exercise all the powers and duties and authorities of the Original Director. The Alternate Director

		appointed under this Article shall vacate office as and when the Original Director returns to the State in which the meetings of the Board are ordinarily held and if the term of office of the Original Director is determined before he returns to as aforesaid, any provisions in the Act or in these Articles for automatic reappointment of retiring Director in default of another appointment shall apply to the Original Director and not the Alternate Director.
Directors may fill in vacancies	148	The Directors shall have power at any time and from time to time to appoint any person to be a Director to fill a casual vacancy. Such casual vacancy shall be filled by the Board of Directors at a meeting of the Board. Any person so appointed shall hold office only up to the date to which the Director in whose place he is appointed would have held office, if it had not been vacated as aforesaid. However, he shall then be eligible for re-election.
Additional Directors	149	Subject to the provisions of Section 161 of the Companies Act, 2013 the Directors shall have the power at any time and from time to time to appoint any other person to be a Director as an addition to the Board (“Additional Director”) so that the total number of Directors shall not at any time exceed the maximum fixed by these Articles. Any person so appointed as an Additional Director to the Board shall hold his office only up to the date of the next Annual General Meeting and shall be eligible for election at such Meeting.
Qualification shares	150	A Director need not hold any qualification shares.
Directors’ sitting fees	151	The fees payable to a Director for attending each Board meeting shall be such sum as may be fixed by the Board of Directors not exceeding such sum as may be prescribed by the Central Government for each of the meetings of the Board or a Committee thereof and adjournments thereto attended by him. The Directors, subject to the sanction of the Central Government (if any required) may be paid such higher fees as the Company in General Meeting shall from time to time determine.
Extra remuneration to Directors for special work	152	<p>Subject to the provisions of Sections 188 and 197 of the Companies Act, 2013, if any Director, being willing, shall be called upon to perform extra services (which expression shall include work done by a Director as a Member of any Committee formed by the Directors or in relation to signing share certificate) or to make special exertions in going or residing or residing out of his usual place of residence or otherwise for any of the purposes of the Company, the Company may remunerate the Director so doing either by a fixed sum or otherwise as may be determined by the Director, and such remuneration may be either in addition to or in substitution for his share in the remuneration herein provided.</p> <p>Subject to the provisions of the Act, a Director who is neither in the whole time employment nor a Managing Director may be paid remuneration either:</p> <ol style="list-style-type: none"> <li>i. by way of monthly, quarterly or annual payment with the approval of the Central Government; or</li> <li>ii. by way of commission if the Company by a Special Resolution authorized such payment.</li> </ol>
Traveling expenses incurred by Directors on	153	The Board of Directors may subject to the limitations provided by the Act allow and pay to any Director who attends a meeting of the Board of Directors or any Committee thereof or General Meeting of the Company or in connection with the business of the Company at a place other than his usual place of residence, for the

Company's business		purpose of attending a Meeting such sum as the Board may consider fair compensation for traveling, hotel, and other incidental expenses properly incurred by him in addition to his fees for attending such Meeting as above specified.
Director may act notwithstanding vacancy	154	The continuing Director or Directors may act notwithstanding any vacancy in their body, but if and so long as their number is reduced below the quorum fixed by these Articles for a meeting of the Board, the Director or Directors may act for the purpose of increasing the number of Directors or that fixed for the quorum or for summoning a General Meeting of the Company but for no other purposes.
Board resolution necessary for certain contracts	155	<p>i. Subject to the provisions of Section 188 of the Companies Act, 2013, except with the consent of the Board of Directors of the Company, a Director of the Company or his relative, a firm in which such a Director or relative is partner, any other partner in such a firm or a private company of which the Director is a member or director, shall not enter into any contract with the Company:</p> <p>(a) For the sale, purchase or supply of goods, materials or services; or</p> <p>(b) for underwriting the subscription of any Share in or debentures of the Company;</p> <p>(c) nothing contained in clause (a) of sub-clause (1) shall affect:-</p> <p>(a) the purchase of goods and materials from the Company, or the sale of goods and materials to the Company by any Director, relative, firm, partner or private company as aforesaid for cash at prevailing market prices; or</p> <p>(b) any contract or contracts between the Company on one side and any such Director, relative, firm, partner or private company on the other for sale, purchase or supply of any goods, materials and services in which either the Company, or the Director, relative, firm, partner or private company, as the case may be regularly trades or does business.</p> <p><b>PROVIDED THAT</b> such contract or contracts do not relate to goods and materials the value of which, or services the cost of which, exceeds five thousand rupees in the aggregate in any year comprised in the period of the contract or contracts.</p>
		<p>ii. Notwithstanding any contained in sub-clause (1) hereof, a Director, relative, firm partner or private company as aforesaid may, in circumstances of urgent necessity, enter without obtaining the consent of the Board, into any contract with the Company for the sale, purchase or supply of any goods, materials or services even if the value of such goods or cost of such services exceeds rupees five thousand in the aggregate in any year comprised in the period of the contract; but in such a case the consent of the Board shall be obtained at a Meeting within three months of the date on which the contract was entered into.</p> <p>ii. Every consent of the Board required under this Article shall be accorded by are solution passed at a meeting of the Board required under clause and the same shall not be deemed to have been given within the meaning of that clause unless the consent is accorded before the contract is entered into or within three months of the data on which was entered into</p>
		<p>v. If consent is not accorded to any contract under this Article, anything done in pursuance of the contract will be voidable at the option of the Board.</p> <p>v. The Directors, so contracting or being so interested shall not be liable to the Company for any profit realized by any such contract or the fiduciary relation</p>

		there by established.
Disclosure to the Members of Directors' interest in contract appointing Managers, managing Director or Whole-time Director	156	<p>When the Company:-</p> <ol style="list-style-type: none"> <li>i. enters into a contract for the appointment of a Managing Director or Whole-time Director in which contract any Director of the Company is whether directly or indirectly, concerned or interested; or</li> <li>ii. varies any such contract already in existence and in which a Director is concerned or interested as aforesaid, the provisions of Section 190 of the Companies Act, 2013 shall be complied with.</li> </ol>
Directors of interest General notice of disclosure	157	<ol style="list-style-type: none"> <li>(a) A Director of the Company who is in any way, whether directly or indirectly concerned or interested in a contract entered into or to be entered into by or on behalf of the Company shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in Section 184 of the Companies Act, 2013.</li> <li>(b) A general notice, given to the Board by the Director to the effect that he is a director or is a member of a specified body corporate or is a member of a specified firm under Sections 184 of the Companies Act, 2013 shall expire at the end of the financial year in which it shall be given but may be renewed for a further period of one financial year at a time by fresh notice given in the last month of the financial year in which it would have otherwise expired. No such general notice and no renewal thereof shall be of effect unless, either it is given at a meeting of the Board or the Director concerned takes reasonable steps to secure that is brought up and read at the first meeting of the Board after it is given.</li> </ol>
Directors and Managing Director may contract with Company	158	<p>Subject to the provisions of the Act the Directors (including a Managing Director and Whole time Director) shall not be disqualified by reason of his or their office as such from holding office under the Company or from contracting with the Company either as vendor, purchaser, lender, agent, broker, lessor or lessee or otherwise, nor shall any such contract or any contracts or arrangement entered into by or on behalf of the Company with any Director or with any company or partnership of or in which any Director shall be a member or otherwise interested be avoided nor shall any Director so contracting be liable to account to the Company for any profit realized by such contract or arrangement by reason only of such Director holding that office or of the fiduciary relation thereby established, but it is declared that the nature of his interest shall be disclosed as provided by Section 184 of the Companies Act, 2013 and in this respect all the provisions of Section 184 and 189 of the Companies Act, 2013 shall be duly observed and complied with.</p>
Disqualification of the Director	159	<p>A person shall not be capable of being appointed as a Director of the Company if:-</p> <ol style="list-style-type: none"> <li>(a) he has been found to be of unsound mind by a Court of competent jurisdiction and the finding is in force;</li> <li>(b) he is an un-discharged insolvent;</li> <li>(c) he has applied to be adjudged an insolvent and his application is pending;</li> <li>(d) he has been convicted by a Court of any offence involving moral turpitude</li> </ol>

		<p>sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the date of expiry of the sentence;</p> <p>(e) he has not paid any call in respect of Shares of the Company held by him whether alone or jointly with others and six months have lapsed from the last day fixed for the payment of the call; or</p> <p>(f) an order disqualifying him for appointment as Director has been passed by a Court, unless the leave of the Court has been obtained for his appointment.</p>
Vacation of office by Directors	160	<p>The office of Director shall become vacant if:-</p> <p>i. he is found to be of unsound mind by a Court of competent jurisdiction; or</p> <p>ii. he applies to be adjudged an insolvent; or</p> <p>iii. he is adjudged an insolvent; or</p> <p>iv. he is convicted by a Court of any offence involving moral turpitude and sentenced in respect thereof to imprisonment for less than six months; or</p> <p>v. he fails to pay any call in respect of Shares of the Company held by him, whether alone or jointly with others within six months from the last date fixed for the payment of the call unless the Central Government, by a notification in the Official Gazette removes the disqualification incurred by such failure; or</p> <p>vi. he absents himself from three consecutive meetings of the Board of Directors, or from all meetings of the Board for a continuous period of three months, whichever is longer, without obtaining leave of absence from the Board; or</p> <p>vii. he (whether by himself or by any person for his benefit or on his account or any firm in which he is a partner or any private company of which he is a director), accepts a loan, or any guarantee or security for a loan, from the Company in contravention of Section 185 of the Companies Act, 2013; or</p> <p>viii. he being in any way whether directly or indirectly concerned or interested in a contract or arrangement or proposed contract or arrangement, entered into or to be entered into by or on behalf of the Company fails to disclose the nature of his concern or interest at a meeting of the Board of Directors as required by Section 184 of the Companies Act, 2013; or</p> <p>ix. he is removed by an Ordinary Resolution of the Company before the expiry of his period of notice; or</p> <p>x. if by notice in writing to the Company, he resigns his office, or</p> <p>xi. having been appointed as a Director by virtue of his holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company.</p>
Vacation of office by Directors (contd.)	161	<p>Notwithstanding anything contained in sub-clauses (c), (d) and (i) of Article 160 hereof, the disqualification referred to in these clauses shall not take effect:</p> <p>(a) for thirty days from the date of the adjudication, sentence or order;</p> <p>(b) where any appeal or petition is preferred within thirty days aforesaid against the adjudication, sentence or conviction resulting in the sentence or order until the expiry of seven days from the date on which such appeal or petition is disposed of; or</p> <p>(c) where within the seven days aforesaid, any further appeal or petition is preferred in respect of the adjudication, sentence, conviction or order, and the appeal or petition, if allowed, would result in the removal of the disqualification, until such further appeal or petition is disposed of.</p>
Removal of Directors	162	<p>(a) The Company may subject to the provisions of Section 169 and other applicable provisions of the Companies Act, 2013 and these Articles by Ordinary Resolution remove any Director not being a Director appointed by</p>

	<p>the Central Government in pursuance of Section 242 of the Companies Act, 2013 before the expiry of his period of office.</p> <p>(b) Special Notice as provided by these Articles or Section 115 of the Companies Act, 2013 shall be required of any resolution to remove a Director under this Article or to appoint some other person in place of a Director so removed at the Meeting at which he is removed.</p>
	<p>(c) On receipt of notice of a resolution to remove a Director under this Article; the Company shall forthwith send a copy thereof to the Director concerned and the Director (whether or not he is a Member of a Company) shall be entitled to be heard on the resolution at the Meeting.</p> <p>(d) where notice is given of a resolution to remove a Director under this Article and the Director concerned makes with respect thereto representations in writing to the Company (not exceeding reasonable length) and requests their notification to Members of the Company, the Company shall, unless the representations are, received by it too late for it to do so:</p> <ol style="list-style-type: none"> <li>i. in the notice of the resolution given to the Members of the Company state the fact of the representations having been made, and</li> <li>ii. send a copy of the representations to every Member of the Company to whom notice of the Meeting is sent (before or after the representations by the Company) and if a copy of the representations is not sent as aforesaid because they were received too late\or because of the Company's default, the Director may (without prejudice to his right to be heard orally) require that the representation shall be read out at the Meeting:</li> </ol> <p>Provided that copies of the representation need not be sent or read out at the Meeting if, on the application either of the Company or of any other person who claims to be aggrieved, the Court is satisfied that the rights concerned by this sub-clause are being abused to secure needless publicity for defamatory matter.</p>
	<p>(e) A vacancy created by the removal of the Director under this Article may, if he had been appointed by the Company in General Meeting or by the Board, in pursuance of Article 153 or Section 161 of the Companies Act, 2013 be filled by the appointment of another Director in his place by the Meeting at which he is removed, provided special notice of the intended appointment has been given under clause (b) hereof. A Director so appointed shall hold office until the date upto which his predecessor would have held office if he had not been removed as aforesaid.</p> <p>(f) If the vacancy is not filled under sub-clause (e) hereof, it may be filled as a casual vacancy in accordance with the provisions, in so far as they are applicable of Article 148 or Section 161 of the Companies Act, 2013 and all the provisions of that Article and Section shall apply accordingly</p> <p>Provided that the Director who was removed from office under this Article shall not be re-appointed as a Director by the Board of Directors.</p> <p>(g) Nothing contained in this Article shall be taken:-</p> <ol style="list-style-type: none"> <li>i. as depriving a person removed hereunder of any compensation of damages payable to him in respect of the termination of his appointment as Director, or</li> </ol>

		ii. as derogating from any power to remove a Director which may exist apart from this Article.
Interested Directors not to participate or vote in Board's proceedings	163	<p>No Director shall as a Director take part in the discussion of or vote on any contract, arrangement or proceedings entered into or to be entered into by or on behalf of the Company, if he is in any way, whether directly or indirectly, concerned or interested in such contract or arrangement, not shall his presence count for the purpose of forming a quorum at the time of any such discussion or voting, and if he does vote, his vote shall be void.</p> <p>Provided however, that nothing herein contained shall apply to:-</p> <p>i. any contract of indemnity against any loss which the Directors, or any one or more of them, may suffer by reason of becoming or being sureties or a surety for the Company;</p> <p>ii. any contract or arrangement entered into or to be entered into with a public company or a private company which is a subsidiary of a public company in which the interest of the Director consists solely;</p> <p>(a) in his being:</p> <p>(a) a director of such company; and</p> <p>(b) the holder of not more than shares of such number of value therein as is requisite to qualify him for appointment as a director, thereof, he having been nominated as director by the company, or</p> <p>(b) in his being a member holding not more than two percent of its paid-up share capital.</p>
Director may be director of companies promoted by the Company	164	A Director may be or become a director of any company promoted by the Company, or in which it may be interested as a vendor, shareholder, or otherwise and no such Director shall be accountable for any benefit received as director or shareholder of such company except in so far Section 197 or Section 188 of the Companies Act, 2013 may be applicable.
<b>ROTATION AND APPOINTMENT OF DIRECTORS</b>		
Rotation of Directors	165	<p>Not less than two third of the total number of Directors shall:</p> <p>(a) Be persons whose period of the office is liable to termination by retirement by rotation and</p> <p>(b) Save as otherwise expressly provided in the Articles be appointed by the Company in General Meeting.</p>
Retirement of Directors	166	Subject to the provisions of Articles 145 and 147, the non-retiring Directors should be appointed by the Board for such period or periods as it may in its discretion deem appropriate.
Retiring Directors	167	Subject to the provisions of Section 152 of the Companies Act, 2013 and Articles 143 to 154, at every Annual General Meeting of the Company, one- third or such of the Directors for the time being as are liable to retire by rotation; or if their number is not three or a multiple of three the number nearest to one-third shall retire from office. The Debenture Directors, Nominee Directors, Corporation Directors, Managing Directors if any, subject to Article 180, shall not be taken into account in determining the number of Directors to retire by rotation. In these Articles a "Retiring Director" means a Director retiring by rotation.
Appointment of Technical or Executive Directors	168	<p>(a) The Board of Directors shall have the right from time to time to appoint any person or persons as Technical Director or Executive Director/s and remove any such persons from time to time without assigning any reason whatsoever. A Technical Director or Executive Director shall not be required to hold any</p>

		<p>qualification shares and shall not be entitled to vote at any meeting of the Board of Directors.</p> <p>(b) Subject to the provisions of Section 161 of the Companies Act, 2013 if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.</p>
Ascertainment of Directors retiring by rotation and filling of vacancies	169	Subject to Section 152 of the Companies Act, 2013 the Directors retiring by rotation under Article 167 at every Annual General Meeting shall be those, who have been longest in office since their last appointment, but as between those who became Directors on the same day, those who are to retire shall in default of and subject to any agreement amongst themselves be determined by the lot.
Eligibility for re-election	170	A retiring Director shall be eligible for re-election and shall act as a Director throughout and till the conclusion of the Meeting at which he retires.
Company to fill vacancies	171	At the General Meeting, at which a Director retires as aforesaid, the Company may fill up the vacancy by appointing the retiring Director or some other person thereto.
Provision in default of appointment	172	<p>(a) If the place of retiring Director is not so filled up and the Meeting has not expressly resolved not to fill the vacancy, the Meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday, till the next succeeding day which is not a public holiday, at the same time and place.</p> <p>(b) If at the adjourned Meeting also, the place of the retiring Director is not filled up and the Meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned Meeting, unless:</p> <p>(a) at that Meeting or the previous Meeting a resolution for the re- appointment of such Director has been put to the Meeting and lost.</p> <p>(b) the retiring Director has by a notice in writing addressed to the Company or its Board of Directors expressed his unwillingness to be re-appointed.</p> <p>(c) he is not qualified or is disqualified for appointment.</p> <p>(d) a resolution, whether Special or Ordinary is required for his appointment or re-appointment by virtue of any provisions of the Act, or</p> <p>(e) section 162 of the Companies Act, 2013 is applicable to the case.</p>
Company may increase or reduce the number of Directors or remove any Director	173	Subject to the provisions of Section 149 and 152 of the Companies Act, 2013 the Company may by Ordinary Resolution from time to time, increase or reduce the number of Directors and may alter qualifications.
Appointment of Directors to be voted	174	(a) No motion, at any General Meeting of the Company shall be made for the appointment of two or more persons as Directors of the Company by a single resolution unless a resolution that it shall be so made has been first agreed to

individually		<p>by the Meeting without any vote being given against it.</p> <p>(b) A resolution moved in contravention of clause (a) hereof shall be void, whether or not objection was taken at the time of its being so moved, provided where a resolution so moved has passed no provisions or the automatic re-appointment of retiring Directors in default of another appointment as therein before provided shall apply.</p> <p>(c) For the purposes of this Article, a motion for approving a person's appointment, or for nominating a person for appointment, shall be treated as a motion for his appointment.</p>
Notice of candidature for office of Directors except in certain cases	175	<p>(a) No person not being a retiring Director shall be eligible for election to the office of Director at any General Meeting unless he or some other Member intending to propose him has given at least fourteen days' notice in writing under his hand signifying his candidature for the office of a Director or the intention of such person to propose him as Director for that office as the case may be, along with a deposit of one lakh rupees or such higher amount as may be prescribed which shall be refunded to such person or, as the case may be, to such Member, if the person succeeds in getting elected as a Director or gets more than twenty-five per cent. of total valid votes cast either on show of hands or on poll on such resolution.</p> <p>(b) The Company shall inform its Members of the candidature of the person for the office of Director or the intention, of a Member to propose such person as candidate for that office in such manner as may be prescribed.</p> <p>(c) Every person (other than Director retiring by rotation or otherwise or a person who has left at the office of the Company a notice under Section 160 of the Companies Act, 2013 signifying his candidature for the office of a Director) proposed as a candidate for the office a Director shall sign and file with the Company his consent in writing to act as a Director, if appointed.</p> <p>(d) A person other than:</p> <p>(a) a Director appointed after retirement by rotation or immediately on the expiry of his term of office, or</p> <p>(b) an Additional or Alternate Director or a person filling a casual vacancy in the office of a Director under Section 161 of the Companies Act, 2013 appointed as a Director or re-appointed as an additional or alternate Director, immediately on the expiry of his term of office</p> <p>shall not act as a Director of the Company unless he has within thirty days of his appointment signed and filled with the Registrar his consent in writing to act as such Director.</p>
Disclosure by Directors of their holdings of their Shares and debentures of the Company	176	<p>Every Director and every person deemed to be Director of the Company by virtue of Section 170 of the Companies Act, 2013 shall give notice to the Company of such matters relating to himself as may be necessary for the purpose of enabling the Company to comply with the provisions of that Section. Any such notice shall be given in writing and if it is not given at a meeting of the Board the person giving the notice shall take all reasonable steps to secure that it is brought up and read at the next meeting of the Board after it is given.</p>
Votes of Body Corporate	177	<p>A body corporate, whether a company within the meaning of the Act or not, which is a member of the Company, may by resolution of its Board of Directors or other governing body, authorize such person as it thinks fit to act as its representative at any meeting of the company or at any meeting of any class of members of the company and the persons so authorized shall be entitled to exercise the same</p>

		rights and power (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise as if it were an individual member of the company and the production of a copy of the Minutes of such resolution certified by a director or the copy of the Minutes of such resolution certified by a Director or the Secretary of such body corporate as being a true copy of the Minutes of such resolution shall be accepted as sufficient evidence of the validity of the said representative's appointment and of his right to vote.
<b>MANAGING DIRECTOR</b>		
Powers to appoint Managing Director	178	Subject to the provisions of Section 196 and 203 of the Companies Act, 2013 the Board may, from time to time, appoint one or more Directors to be Managing Director or Managing Directors or Whole-time Directors of the Company, for a fixed term not exceeding five years as to the period for which he is or they are to hold such office, and may, from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places. The Managing Director shall perform such functions and exercise such powers as are delegated to him by the Board of Directors of the Company in accordance with the provisions of the Companies Act, 2013 and Companies Act, 1956, to the extent applicable subject to the provisions of Section 152 of the Companies Act, 2013 the Managing Director shall not be, while he continues to hold that office, subject to retirement by rotation.
Remuneration of Managing Director	179	Subject to the provisions of Sections 196 and 197 of the Companies Act, 2013 a Managing Director shall, in addition to any remuneration that might be payable to him as a Director of the Company under these Articles, receive such remuneration as may from time to time be approved by the Company.
Special position of Managing Director	180	Subject to any contract between him and the Company, a Managing or Whole-time Director shall not, while he continues to hold that office, be subject to retirement by rotation and he shall not be reckoned as a Director for the purpose of determining the rotation of retirement of Directors or in fixing the number of Directors to retire but (subject to the provision of any contract between him and the Company), he shall be subject to the same provisions as to resignation and removal as the Directors of the Company and shall, ipso facto and immediately, cease to be a Managing Director if he ceases to hold the office of Director from any cause.
Powers of Managing Director	181	The Director may from time to time entrust to and confer upon a Managing Director or Whole-time Director for the time being such of the powers exercisable under these provisions by the Directors, as they may think fit, and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions, as they think expedient and they may confer such powers either collaterally with or to the exclusion of and in substitution for all or any of the powers of the Directors in that behalf and from time to time, revoke, withdraw, alter, or vary all or any of such powers.
	182	The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Whole-time Director or Whole-time Directors of the Company and may exercise all the powers referred to in these Articles.

	183	Receipts signed by the Managing Director for any moneys, goods or property received in the usual course of business of the Company or for any money, goods, or property lent to or belonging to the Company shall be an official discharge on behalf of and against the Company for the money, funds or property which in such receipts shall be acknowledged to be received and the persons paying such moneys shall not be bound to see to the application or be answerable for any misapplication thereof. The Managing Director shall also have the power to sign, accept and endorse cheques on behalf of the Company.
	184	The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit.
	185	Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company.
Appointment and powers of Manager	186	The Board may, from time to time, appoint any person as Manager (under Section 2(53) of the Companies Act, 2013) to manage the affairs of the Company. The Board may from time to time entrust to and confer upon a Manager such of the powers exercisable under these Articles by the Directors, as they may think fit, and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as they think expedient.
<b>WHOLE TIME DIRECTOR</b>		
Power to appoint Whole-Time Director and/or Whole-time Directors	187	Subject to the provisions of the Act and of these Articles, the Board may from time to time with such sanction of the Central Government as may be required by law appoint one or more of its Director/s or other person/s as Whole-Time Director or Whole-Time Directors of the Company out of the Directors/persons nominated under Article only either for a fixed term that the Board may determine or permanently for life time upon such terms and conditions as the Board may determine and thinks fit. The Board may by ordinary resolution and/or an agreement/s vest in such Whole-Time Director or Whole Time Directors such of the powers, authorities and functions hereby vested in the Board generally as it thinks fit and such powers may be made exercisable and for such period or periods and upon such conditions and subject to such restrictions as it may be determined or specified by the Board and the Board has the powers to revoke, withdraw, alter or vary all or any of such powers and/or remove or dismiss him or them and appoint another or others in his or their place or places again out of the Directors/persons nominated under Article 188 only. The Whole Time Director or Whole Time Directors will be entitled for remuneration as may be fixed and determined by the Board from time to time either by way of ordinary resolution or a Court act/s or an agreement/s under such terms not expressly prohibited by the Act.
To what provisions	188	Subject to the provisions of Section 152 of the Companies Act, 2013 and these Articles, a Whole Time Director or Whole Time Directors shall not, while he/they

Whole time Directors shall subject		continue to hold that office, be liable to retirement by rotation but (subject to the provisions of any contract between him/they and the Company) he/they shall be subject to the same provision as to resignation and removal as the other Directors and he/they shall ipso facto and immediately ceases or otherwise cease to hold the office of Director/s for any reason whatsoever save that if he/they shall vacate office whether by retirement, by rotation or otherwise under the provisions of the Act in any Annual General Meeting and shall be re-appointed as a Director or Directors at the same meeting he/they shall not by reason only of such vacation, cease to be a Whole Time Director or Whole Time Directors.
Seniority of Whole Time Director and Managing Director	189	If at any time the total number of Managing Directors and Whole Time Directors is more than one-third who shall retire shall be determined by and in accordance with their respective seniorities. For the purpose of this Article, the seniorities of the Whole Time Directors and Managing Directors shall be determined by the date of their respective appointments as Whole Time Directors and Managing Directors of the Company.
<b>PROCEEDINGS OF THE BOARD OF DIRECTORS</b>		
Meeting of Directors	190	The Directors may meet together as a Board for the dispatch of business from time to time, and unless the Central Government by virtue of the provisions of Section 173 of the Companies Act, 2013 allow otherwise, Directors shall so meet at least once in every three months and at least four such Meetings shall be held in every year. The Directors may adjourn and otherwise regulate their Meetings as they think fit. The provisions of this Article shall not be deemed to have been contravened merely by reason of the fact that the meeting of the Board which had been called in compliance with the terms of this Article could not be held for want of a quorum.
Quorum	191	<p>(a) Subject to Section 174 of the Companies Act, 2013 the quorum for a meeting of the Board of Directors shall be one-third of its total strength (excluding Directors, if any, whose place may be vacant at the time and any fraction contained in that one third being rounded off as one) or two Directors whichever is higher.</p> <p>PROVIDED that where at any time the number of interested Directors at any meeting exceeds or is equal to two-third of the Total Strength, the number of the remaining Directors that is to say, the number of directors who are not interested present at the Meeting being not less than two shall be, the quorum during such time.</p> <p>(b) For the purpose of clause(a)</p> <p>(a)"Total Strength" means total strength of the Board of Directors of the Company determined in pursuance of the Act after deducting there from number of the Directors if any, whose places may be vacant at the time, and</p> <p>(b) "Interested Directors" mean any Directors whose presence cannot by reason of any provisions in the Act count for the purpose of forming a quorum at a meeting of the Board at the time of the discussion or vote on any matter.</p>
Procedure	192	If a meeting of the Board could not be held for want of quorum then, the Meeting

when Meeting adjourned for want of quorum		shall automatically stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday, till the next succeeding day which is not a public holiday at the same time and place, unless otherwise adjourned to a specific date, time and place.
Chairman of Meeting	193	The Chairman of the Board of Directors shall be the Chairman of the meetings of Directors, provided that if the Chairman of the Board of Directors is not present within five minutes after the appointed time for holding the same, meeting of the Director shall choose one of their members to be Chairman of such Meeting.
Question at Board meeting how decided	194	Subject to the provisions of Section 203 of the Companies Act, 2013 questions arising at any meeting of the Board shall be decided by a majority of votes, and in case of any equality of votes, the Chairman shall have a second or casting vote.
Powers of Board meeting	195	A meeting of the Board of Directors at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions which by or under the Act, or the Articles for the time being of the Company which are vested in or exercisable by the Board of Directors generally.
Directors may appoint Committee	196	The Board of Directors may subject to the provisions of Section 179 and other relevant provisions of the Companies Act, 2013 and of these Articles delegate any of the powers other than the powers to make calls and to issue debentures to such Committee or Committees and may from time to time revoke and discharge any such Committee of the Board, either wholly or in part and either as to the persons or purposes, but every Committee of the Board so formed shall in exercise of the powers so delegated conform to any regulation(s) that may from time to time be imposed on it by the Board of Directors. All acts done by any such Committee of the Board in conformity with such regulations and in fulfillment of the purpose of their appointments, but not otherwise, shall have the like force and effect, as if done by the Board.
Meeting of the Committee how to be governed	197	The meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding article. Quorum for the Committee meetings shall be two.
Circular resolution	198	<p>i. A resolution passed by circulation without a meeting of the Board or a Committee of the Board appointed under Article 197 shall subject to the provisions of sub-clause (b) hereof and the Act, be as valid and effectual as the resolution duly passed at a meeting of Directors or of a Committee duly called and held.</p> <p>ii. A resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation if the resolution has been circulated in draft together with necessary papers if any to all the Directors, or to all the members of the Committee, then in India (not being less in number than the quorum fixed for a meeting of the Board or Committee as the case may be) and to all other Directors or members of the Committee at their usual addresses in India or to such other addresses outside India specified by any such Directors or members of the Committee and has been approved by such of the Directors or members of the Committee, as are then in India, or by a majority of such of them as are entitled to vote on the resolution.</p>
Acts of Board or Committee	199	All acts done by any meeting of the Board or by a Committee of the Board or by any person acting as a Director shall, notwithstanding that it shall afterwards be

valid notwithstanding defect in appointment		discovered; that there was some defect in the appointment of one or more of such Directors or any person acting as aforesaid; or that they or any of them were disqualified or had vacated office or that the appointment of any of them is deemed to be terminated by virtue of any provision contained in the Act or in these Articles, be as valid as if every such person had been duly appointed and was qualified to be a Director; provided nothing in the Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.
<b>POWERS OF THE BOARD</b>		
General powers of management vested in the Board of Directors	200	The Board may exercise all such powers of the Company and do all such acts and things as are not, by the Act, or any other Act or by the Memorandum or by the Articles of the Company required to be exercised by the Company in General Meeting, subject nevertheless to these Articles, to the provisions of the Act, or any other Act and to such regulations being not inconsistent with the aforesaid Articles, as may be prescribed by the Company in General Meeting but no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.
		<p>Provided that the Board shall not, except with the consent of the Company in General Meeting :-</p> <ul style="list-style-type: none"> <li>(a) sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking of the whole, or substantially the whole, of any such undertaking;</li> <li>(b) remit, or give time for the repayment of, any debt due by a Director,</li> <li>(c) invest otherwise than in trust securities the amount of compensation received by the Company in respect of the compulsory acquisition or any such undertaking as is referred to in clause (a) or of any premises or properties used for any such undertaking and without which it cannot be carried on or can be carried on only with difficulty or only after a considerable time;</li> </ul>
		<ul style="list-style-type: none"> <li>(d) borrow moneys where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), will exceed the aggregate of the paid-up capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose;</li> <li>(e) contribute to charitable and other funds not directly relating to the business of the Company or the welfare of its employees, any amounts the aggregate of which will, in any financial year, exceed fifty thousand rupees or five per cent of its average net profits as determined in accordance with the provisions of Section 349 and 350 of the Act during the three financial years immediately preceding whichever is greater, provided that the Company in the General Meeting or the Board of Directors shall not contribute any amount to any political party or for any political purposes to any individual or body;             <ul style="list-style-type: none"> <li>(a) Provided that in respect of the matter referred to in clause (d) and clause (e) such consent shall be obtained by a resolution of the Company which shall specify the total amount upto which moneys may be borrowed by the Board under clause (d) or as the case may be total amount which may be contributed to charitable or other funds in a financial year under</li> </ul> </li> </ul>

		<p>clause(e)</p> <p>(b) Provided further that the expression “temporary loans” in clause (d) above shall mean loans repayable on demand or within six months from the date of the loan such as short term cash credit arrangements, the discounting of bills and the issue of other short term loans of a seasonal character, but does not include loans raised for the purpose of financing expenditure of a capital nature.</p>
Certain powers to be exercised by the Board only at Meetings	201	<p>1) Without derogating from the powers vested in the Board of Directors under these Articles, the Board shall exercise the following powers on behalf of the Company and they shall do so only by means of resolutions passed at the meeting of the Board;</p> <p>(a) the power to make calls, on shareholders in respect of money unpaid on their Shares,</p> <p>(b) the power to issue Debentures,</p> <p>(c) the power to borrow moneys otherwise than on Debentures,</p> <p>(d) the power to invest the funds of the Company, and</p> <p>(e) the power to make loans</p> <p>Provided that the Board may, by resolution passed at a Meeting, delegate to any Committee of Directors, the Managing Director, the Manager or any other principal officer of the Company, the powers specified in sub- clause (c),(d) and (e) to the extent specified below.</p> <p>2) Every resolution delegating the power referred to in sub-clause (1)(c) above shall specify the total amount outstanding at any one time, upto which moneys may be borrowed by the delegate.</p> <p>3) Every resolution delegating the power referred to in sub-clause (1)(d) above shall specify the total amount upto which the funds of the Company may be invested, and the nature of the investments which may be made by the delegate.</p> <p>4) Every resolution delegating the power referred to in sub-clause (1)(e) above shall specify the total amount upto which loans may be made and the maximum amount of loans which may be made for each such purpose in individual cases.</p>
Certain powers of the Board	202	<p>Without prejudice to the general powers conferred by the last preceding Article and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the last preceding Article, it is hereby declared that the Directors shall have the following powers, that is to say, power:</p> <p>(a) To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.</p> <p>(b) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 76 and 208 of the Act.</p> <p>(c) Subject to Section 292 and 297 and other provisions applicable of the Act to purchase or otherwise acquire for the Company any property, right or privileges which the Company is authorized to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit and in any such purchase or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory.</p>
		(d) At their discretion and subject to the provisions of the Act to pay for any

		<p>property, rights or privileges acquired by or services rendered to the Company, either wholly or partially in cash or in share, bonds, debentures, mortgages, or other securities of the Company, and any such Shares may be issued either as fully paid-up or with such amount credited as paid-up thereon as may be agreed upon and any such bonds, debentures, mortgages or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.</p> <p>(e) To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such manner as they may think fit.</p> <p>(f) To accept from any Member, as far as may be permissible by law to a surrender of his Shares or any part thereof, on such terms and conditions as shall be agreed.</p> <p>(g) To appoint any person to accept and hold in trust for the Company any property belonging to the Company, in which it is interested, or for any other purpose and to execute and do all such deeds and things as may be required in relation to any trust, and to provide for the remuneration of such trustee or trustees.</p> <p>(h) To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due and of any claim or demands by or against the Company and to refer any differences to arbitration and observe and perform any awards made thereon either according to Indian law or according to foreign law and either in India or abroad and to observe and perform or challenge any award made there on.</p> <p>(i) To act on behalf of the Company in all matters relating to bankruptcy and insolvency, winding up and liquidation of companies.</p> <p>(j) To make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company.</p> <p>(k) Subject to the provisions of Sections 291, 292, 295, 370, 372 and all other applicable provisions of the Act, to invest and deal with any moneys of the Company not immediately required for the purpose thereof upon such security (not being Shares of this Company), or without security and in such manner as they may think fit and from time to time vary or realise such investments. Save as provided in Section 49 of the Act, all investments shall be made and held in the Company's own name.</p> <p>(l) To execute in the name and on behalf of the Company, in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or surety, for the benefit of the Company, such mortgages of the Company's property (present and future) as they think fit, and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon.</p>
		<p>(m) To open bank account and to determine from time to time who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose.</p>

	<p>(n) To distribute by way of bonus amongst the staff of the Company a Share or Shares in the profits of the Company and to give to any Director, officer or other person employed by the Company a commission on the profits of any particular business or transaction and to charge such bonus or commission as a part of the working expenses of the Company.</p> <p>(o) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 293(1)(e) of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.</p> <p>(p) Before recommending any dividend, to set aside out of the profits of the Company such sums as they may think proper for depreciation or to depreciation fund, or to an insurance fund, or as reserve fund or any special fund to meet contingencies or to repay redeemable preference shares or debentures or debenture stock, or for special dividends or for equalising dividends or for repairing, improving, extending and maintaining any of the property of the Company and for such other purposes (including the purpose referred to in the preceding clause), as the Board may in their absolute discretion, think conducive to the interest of the Company and subject to Section 292 of the Act, to invest several sums so set aside or so much thereof as required to be invested, upon such investments (other than Shares of the Company) as they may think fit, and from time to time to deal with and vary such investments and dispose of and apply and expend all or any such part thereof for the benefit of the Company, in such a manner and for such purposes as the Board in their absolute discretion, think conducive to the interest of the Company notwithstanding that the matters to which the Board apply or upon which they expend the same or any part thereof or upon which the capital moneys of the Company might rightly be applied or expended; and to divide the general reserve or reserve fund into such special funds as the Board may think fit with full power to transfer the whole or any portion of reserve fund or division of a reserve fund and with full power to employ the assets constituting all or any of the above funds, including the depreciation fund, in the business of the Company or in the purchase or repayment of redeemable preference shares or debentures or debenture stock, and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with power however, to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper.</p>
	<p>(q) To appoint, and at their discretion, remove or suspend, such general managers, managers, secretaries, assistants, supervisors, scientists,</p>

	<p>technicians, engineers, consultants, legal, medical or economic advisors, research workers, laborers, clerks, agents and servants for permanent, temporary or special services as they may from time to time think fit and to determine their powers and duties, and fix their salaries or emoluments or remuneration, and to require security in such instances and to such amount as they may think fit. And also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think and the provisions contained in the four next following sub-clauses shall be without prejudice to the general powers conferred by this sub-clause.</p> <p>(r) To appoint or authorize appointment of officers, clerks and servants for permanent or temporary or special services as the Board may from time to time think fit and to determine their powers and duties and to fix their salaries and emoluments and to require securities in such instances and of such amounts as the Board may think fit and to remove or suspend any such officers, clerks and servants. Provided further that the Board may delegate matters relating to allocation of duties, functions, reporting etc. of such persons to the Managing Director or Manager.</p> <p>(s) From time to time and at any time to establish any local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any person to be members of such local Boards, and to fix their remuneration or salaries or emoluments.</p> <p>(t) Subject to Section 292 of the Act, from time to time and at any time to delegate to any person so appointed any of the powers, authorities and discretions for the time being vested in the Board, other than their power to make calls or to make loans or borrow money, and to authorize the members for the time being of any such local Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be made on such terms and subject to such terms and subject to such conditions as the Board may think fit, and Board may at any time remove any person so appointed, and may annul or vary any such delegation.</p>
	<p>(u) At any time and from time to time by Power of Attorney under the Seal of the Company, to appoint any person or person to be the Attorney or Attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and subject to the provisions of Section 292 of the Act) and for such period and subject to such conditions as the Board may from time to time think fit; and any such appointment may (if the Board thinks fit) be made in favour of any company, or the shareholders, directors, nominees, or managers of any company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and such Power of Attorney may contain such powers for the protection or convenience of persons dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of the powers authorities and discretions for the time being vested in them.</p> <p>(v) Subject to Sections 294 and 297 and other applicable provisions of the Act,</p>

	<p>for or in relation to any of the matters aforesaid or, otherwise for the purposes of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.</p> <p>(w) From time to time to make, vary and repeal bye-laws for the regulations of the business of the Company, its officers and servants.</p> <p>(x) To purchase or otherwise acquire any land, buildings, machinery, premises, hereditaments, property, effects, assets, rights, credits, royalties, business and goodwill of any joint stock company carrying on the business which the Company is authorized to carry on in any part of India.</p> <p>(y) To purchase, take on lease, for any term or terms of years, or otherwise acquire any factories or any land or lands, with or without buildings and out-houses thereon, situated in any part of India, at such price or rent and under and subject to such terms and conditions as the Directors may think fit. And in any such purchase, lease or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory.</p>
	<p>(z) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as it may think proper all or any part of the buildings, machinery, goods, stores, produce and other movable property of the Company, either separately or co jointly, also to insure all or any portion of the goods, produce, machinery and other articles imported or exported-by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.</p> <p>(aa) To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how.</p> <p>(bb) To sell from time to time any articles, materials, machinery, plants, stores and other articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products.</p> <p>(cc) From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient.</p> <p>(dd) To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on freehold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate.</p> <p>(ee) To improve, manage, develop, exchange, lease, sell, resell and re- purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested.</p> <p>(ff) To let, sell or otherwise dispose of subject to the provisions of Section 293 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction</p>

		<p>for the same in cash or otherwise as it thinks fit.</p> <p>(gg) Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid.</p> <p>(hh) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.</p>
<b>MANAGEMENT</b>		
Appointment of different categories of Key managerial personnel	203	<p>The Company shall have the following whole-time key managerial personnel,—</p> <p>(a) managing director, or Chief Executive Officer or manager and in their absence,</p> <p>(b) a whole-time director;</p> <p>(c) company secretary; and</p> <p>(d) Chief Financial Officer</p>
Same person may be Chairperson of the Board and MD/CEO	203A	<p>The same individual may, at the same time, be appointed as the Chairperson of the Company as well as the Managing Director or Chief Executive Officer of the Company.</p>
<b>MINUTES</b>		
Minutes to be made	204	<p>i. The Company shall cause minutes of all proceedings of General Meeting and of all proceedings of every meeting of the Board of Directors or every Committee thereof within thirty days of the conclusion of every such meeting concerned by making entries thereof in books kept for that purpose with their pages consecutively numbered.</p> <p>ii. Each page of every such books shall be initialed or signed and the last page of the record of proceedings of each Meeting in such books shall be dated and signed:</p> <p>(a) in the case of minutes of proceedings of a meeting of Board or of a Committee thereof by the Chairman of the said meeting or the Chairman of the next succeeding meeting.</p> <p>(b) in the case of minutes of proceeding of the General Meeting, by the Chairman of the said meeting within the aforesaid period of thirty days or in the event of the death or inability of that Chairman within that period by a Director duly authorized by the Board for the purpose.</p>
Minutes to be evidence of the proceeds Books of minutes of General Meeting to be kept	205	<p>(a) The minutes of proceedings of every General Meeting and of the proceedings of every meeting of the Board or every Committee kept in accordance with the provisions of Section 118 of the Companies Act, 2013 shall be evidence of the proceedings recorded therein.</p> <p>(b) The books containing the aforesaid minutes shall be kept at the Registered Office of the Company and be open to the inspection of any Member without charge as provided in Section 119 and Section 120 of the Companies Act, 2013 and any Member shall be furnished with a copy of any minutes in accordance with the terms of that Section.</p>
Presumptions	206	<p>Where the minutes of the proceedings of any General Meeting of the Company or of any meeting of the Board or of a Committee of Directors have been kept in accordance with the provisions of Section 118 of the Companies Act, 2013 until</p>

		the contrary is proved, the meeting shall be deemed to have been duly called and held, all proceedings thereat to have been duly taken place and in particular all appointments of Directors or Liquidators made at the meeting shall be deemed to be valid.
<b>THE SECRETARY</b>		
Secretary	207	The Directors may from time to time appoint, and at their discretion, remove any individual, (hereinafter called “the Secretary”) to perform any functions, which by the Act are to be performed by the Secretary, and to execute any other ministerial or administrative duties, which may from time to time be assigned to the Secretary by the Directors. The Directors may also at any time appoint some person (who need not be the Secretary) to keep the registers required to be kept by the Company. The appointment of Secretary shall be made according to the provisions of the Companies Act, read with rules made thereunder.
The Seal, its custody and use	208	<ol style="list-style-type: none"> <li>i. The Board shall provide for the safe custody of the seal.</li> <li>ii. The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least one director and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.</li> </ol>
<b>DIVIDENDS AND CAPITALISATION OF RESERVES</b>		
Division of profits	209	<ol style="list-style-type: none"> <li>1) Subject to the rights of persons, if any, entitled to Shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the Shares in respect whereof the dividend is paid but if and so long as nothing is paid upon any of Share in the Company, dividends may be declared and paid according to the amounts of the Shares;</li> <li>2) No amount paid or credited as paid on a Share in advance of calls shall be treated for the purpose of this Article as paid on the Shares.</li> </ol>
The Company at General Meeting may declare dividend	210	The Company in General Meeting may declare dividends, to be paid to Members according to their respective rights and interest in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Companies Act, 2013 but no dividends shall exceed the amount recommended by the Board of Directors. However, the Company may declare a smaller dividend than that recommended by the Board in General Meeting.
Dividends out of profits only	211	No dividend shall be payable except out of profits of the Company arrived at the manner provided for in Section 123 of the Companies Act, 2013.
Interim Dividend	212	The Board of Directors may from time to time pay to the Members such interim dividends as in their judgment the position of the Company justifies.
Debts may be deducted	213	<ol style="list-style-type: none"> <li>1) The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.</li> <li>2) The Board of Directors may retain the dividend payable upon Shares in respect of which any person is, under the Transmission Article, entitled to become a Member or which any person under that Article is entitled to transfer until such person shall become a Member or shall duly transfer the same.</li> </ol>

Capital paid-up in advance to carry interest, not the right to earn dividend	214	Where the capital is paid in advance of the calls upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right to dividend or to participate in profits.
Dividends in proportion to amounts paid-up	215	All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the Shares during any portion or portions of the period in respect of which the dividend is paid, but if any Share is issued on terms provided that it shall rank for dividends as from a particular date such Share shall rank for dividend accordingly.
No Member to receive dividend while indebted to the Company and the Company's right in respect thereof	216	No Member shall be entitled to receive payment of any interest or dividend or bonus in respect of his Share or Shares, whilst any money may be due or owing from him to the Company in respect of such Share or Shares (or otherwise however either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend to any Member all such sums of money so due from him to the Company.
Effect of transfer of Shares	217	A transfer of Shares shall not pass the right to any dividend declared therein before the registration of the transfer.
Dividend to joint holders	218	Any one of several persons who are registered as joint holders of any Shares may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such Shares.
Dividend how remitted	219	The dividend payable in cash may be paid by cheque or warrant sent through post directly to registered address of the shareholder entitled to the payment of the dividend or in case of joint holders to the registered address of that one of the joint holders who is first named on the Register of Members or to such person and to such address as the holder or joint holders may in writing direct. The Company shall not be liable or responsible for any cheque or warrant or pay slip or receipt lost in transit or for any dividend lost, to the Member or person entitled thereto by forged endorsement of any cheque or warrant or forged signature on any pay slip or receipt or the fraudulent recovery of the dividend by any other means.
Notice of dividend	220	Notice of the declaration of any dividend whether interim or otherwise shall be given to the registered holders of Share in the manner herein provided.
Reserves	221	The Directors may, before recommending or declaring any dividend set aside out of the profits of the Company such sums as they think proper as reserve or reserves, which shall, at the discretion of the Directors, be applicable for meeting contingencies or for any other purposes to which the profits of the Company may be properly applied and pending such application, may at the like discretion, either be employed in the business of the Company or be invested in such investments (other than Shares of the Company) as the Directors may from time to time think fit.
Dividend to be paid within time required by law.	222	The Company shall pay the dividend, or send the warrant in respect thereof to the shareholders entitled to the payment of dividend, within such time as may be required by law from the date of the declaration unless:-where the dividend could not be paid by reason of the operation on any law; or where a shareholder has

		given directions regarding the payment of the dividend and those directions cannot be complied with; or where there is dispute regarding the right to receive the dividend; or where the dividend has been lawfully adjusted by the Company against any sum due to it from shareholder; or where for any other reason, the failure to pay the dividend or to post the warrant within the period aforesaid was not due to any default on the part of the Company.
Unpaid or unclaimed dividend	223	Where the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of declaration, to any shareholder entitled to the payment of dividend, the Company shall within seven days from the date of expiry of the said period of thirty days, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of thirty days, to a special account to be opened by the Company in that behalf in any scheduled bank, to be called “Usha Financial Services Limited Unpaid Dividend Account”. Any money transferred to the unpaid dividend account of a company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the company to the Fund known as Investor Education and Protection Fund established under section 125 of the Companies Act, 2013. No unclaimed or unpaid dividend shall be forfeited by the Board.
Set-off of calls against dividends	224	Any General Meeting declaring a dividend may on the recommendation of the Directors make a call on the Members of such amount as the Meeting fixes but so that the call on each Member shall not exceed the dividend payable to him, and so that the call be made payable at the same time as the dividend, and the dividend may, if so arranged between the Company and the Members, be set off against the calls.
Dividends in cash	225	No dividends shall be payable except in cash, provided that nothing in this Article shall be deemed to prohibit the capitalisation of the profits or reserves of the Company for the purpose of issuing fully paid up bonus Shares or paying up any amount for the time being unpaid on any Shares held by Members of the Company.
Capitalisation	226	<p>i. The Company in General Meeting may, upon the recommendation of the Board, resolve:</p> <ol style="list-style-type: none"> <li>1) That is desirable to capitalise any part of the amount for the time being standing to the credit of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution, and</li> <li>2) That such sum be accordingly set free for distribution in the manner specified in clause amongst the Members who would have been entitled thereto, if distributed by way of dividend and in the same proportion.</li> </ol> <p>ii. The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained in clause (3) either in or towards;</p> <ol style="list-style-type: none"> <li>1) paying up any amount for the time being unpaid on any Shares held by such Members respectively, or</li> <li>2) paying up in full unissued Shares of the Company to be allocated and distributed, credited as fully paid up, to and amongst Members in the proportion aforesaid, or</li> <li>3) partly in the way specified in sub clause (a) and partly in that specified in sub-clause(b)</li> </ol> <p>iii. A security premium account and capital redemption reserve account may, for the purpose of this Article, only be applied in the paying up of un issued Shares to be issued to Members of the Company as fully paid bonus shares.</p>

Board to give effect	227	The Board shall give effect to the resolution passed by the Company in pursuance of above Article.
Fractional certificates	228	<p>1) Whenever such a resolution as aforesaid shall have been passed, the Board shall;</p> <p>(1) make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid Shares and</p> <p>(2) Generally do all acts and things required to give effect thereto.</p> <p>2) The Board shall have full power:</p> <p>(1) to make such provision by the issue of fractional cash certificate or by payment in cash or otherwise as it thinks fit, in the case of Shares becoming distributable in fractions, also</p> <p>(2) to authorize any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further Shares to which they may be entitled upon such capitalization or (as the case may require) for the payment by the Company on their behalf by the application thereof of the respective proportions of the profits resolved to be capitalized of the amounts remaining unpaid on their existing Shares.</p> <p>3) Any agreement made under such authority shall be effective and binding on all such Members.</p> <p>4) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any question or difficulties that may arise in regard to any issue including distribution of new Shares and fractional certificates as they think fit.</p>
<b>ACCOUNTS</b>		
Books to be kept	229	<p>(a) The Company shall keep at its Registered Office proper books of account as would give a true and fair view of the state of affairs of the Company or its transactions with respect to:</p> <p>a. all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure takes place</p> <p>b. all sales and purchases of goods by the company</p> <p>c. the assets and liabilities of the Company and</p> <p>d. if so required by the Central Government, such particulars relating to utilisation of material or labour or to other items of cost as may be prescribed by the Government</p> <p>Provided that all or any of the books of account aforesaid may be kept at such other place in India as the Board of Directors may decide and when the Board of Directors so decides the Company shall within seven days of the decision file with the Registrar a notice in writing giving the full address of that other place.</p> <p>(b) Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with the provisions of clause if proper books of account relating to the transaction effected at the branch are kept at that office and proper summarised returns, made upto date at intervals</p>

		of not more than three months, are sent by the branch office to the Company at its Registered Office or the other place referred to in sub-clause(1). The books of accounts and other books and papers shall be open to inspection by any Director during business hours.
Inspection by Members	230	No Members (not being a Director) shall have any right of inspecting any account books or documents of the Company except as allowed by law or authorized by the Board.
Statements of accounts to be furnished to General Meeting	231	The Board of Directors shall from time to time in accordance with Sections 129, 133, and 134 of the Companies Act, 2013, cause to be prepared and laid before each Annual General Meeting a profit and loss account for the financial year of the Company and a balance sheet made up as at the end of the financial year which shall be a date which shall not precede the day of the Meeting by more than six months or such extended period as shall have been granted by the Registrar under the provisions of the Act.
Right of Members or others to copies of balance sheet and Auditors' report and statement under Section 136	232	<p>(a) The Company shall comply with the requirements of Section 136 of the Companies Act, 2013.</p> <p>(b) The copies of every balance sheet including the Profit &amp; Loss Account, the Auditors' Report and every other document required to be laid before the Company in General Meeting shall be made available for inspection at the Registered Office of the Company during working hours for a period of 21 days before the Annual General Meeting.</p> <p>(c) A statement containing the salient features of such documents in the prescribed form or copies of the documents aforesaid, as the Company may deem fit will be sent to every Member of the Company and to every trustee of the holders of any Debentures issued by the Company not less than 21 days before the date of the Meeting.</p>
Accounts to be audited	233	Once at least in every year the accounts of the Company shall be examined, balanced and audited and the correctness of the profit and loss Account and the balance sheet ascertained by one or more Auditor or Auditors.
Appointment of Auditors	234	<p>(a) Auditors shall be appointed and their qualifications, rights and duties regulated in accordance with Section 139 to 146 of the Companies Act, 2013.</p> <p>(b) The Company shall at each Annual General Meeting appoint an individual or a firm as an auditor who shall hold office from the conclusion of that meeting till the conclusion of its sixth annual general meeting and thereafter till the conclusion of every sixth meeting. The company shall place the matter relating to such appointment for ratification by members at every annual general meeting. The company shall also inform the auditor concerned of his or its appointment, and also file a notice of such appointment with the Registrar within fifteen days of the meeting in which the auditor is appointed.</p> <p>(c) The company or shall not appoint or re-appoint-</p> <p>(a) an individual as auditor for more than one term of five consecutive years; and</p> <p>(b) an audit firm as auditor for more than two terms of five consecutive years: Provided that—</p> <p>i. an individual auditor who has completed his term under clause (a) shall not be eligible for re-appointment as auditor in the same company for five years from the completion of his term;</p> <p>ii. an audit firm which has completed its term under clause (b), shall not be eligible for re-appointment as auditor in the same company for five years</p>

		<p>from the completion of such term:</p> <p>(d) Subject to the provisions of Clause (1) and the rules made thereunder, a retiring auditor may be re-appointed at an annual general meeting, if—</p> <p>(a) he is not disqualified for re-appointment;</p> <p>(b) he has not given the company a notice in writing of his unwillingness to be re-appointed; and</p> <p>(c) a special resolution has not been passed at that meeting appointing some other auditor or providing expressly that he shall not be re-appointed.</p> <p>(e) Where at any annual general meeting, no auditor is appointed or re-appointed, the existing auditor shall continue to be the auditor of the company.</p> <p>(f) Any casual vacancy in the office of an auditor shall be filled by the Board of Directors within thirty days, but if such casual vacancy is as a result of the resignation of an auditor, such appointment shall also be approved by the company at a general meeting convened within three months of the recommendation of the Board and he shall hold the office till the conclusion of the next annual general meeting.</p> <p>(g) Special notice shall be required for a resolution at an annual general meeting appointing as auditor a person other than a retiring auditor, or providing expressly that a retiring auditor shall not be re-appointed, except where the retiring auditor has completed a consecutive tenure of five years or, as the case may be, ten years, as provided under Clause(3).</p>
Accounts when audited and approved to be conclusive except as to errors discovered within 3 months	235	Every account when audited and approved by a General Meeting shall be conclusive except as regards any errors discovered therein within the next three months after the approval thereof. Whenever any such error is discovered within that period, the account shall be corrected, and amendments effected by the Directors in pursuance of this Article shall be placed before the Members in General Meeting for their consideration and approval and, on such approval, shall be conclusive.
<b>DOCUMENTS AND NOTICES</b>		
To whom documents must be served or given	236	Document or notice of every Meeting shall be served or given on or to (a) every Member (b) every person entitled to a Share in consequence of the death or insolvency of a Member and (c) the Auditor or Auditors for the time being of the Company
Members bound by documents or notices served on or given to previous holders	237	Every person, who by operation of law, transfer or other means whatsoever, shall become entitled to any Share, shall be bound by every document or notice in respect of such Share, which prior to his name and address being entered in the Register of Members shall have been duly served on or given to the person from whom he derived, his title to such Share.
Service of documents on the Company	238	A document may be served on the Company or an officer thereof by sending it to the Company or officer at the Registered Office of the Company by post under a certificate of posting or by registered post or by leaving it at its Registered Office.
Authentication of documents and	239	Save as otherwise expressly provided in the Act, a document or proceedings requiring authentication by the Company may be signed by a Director, the

proceedings		Managing Director, or the Secretary or other authorized officer of the Company and need not be under the Seal of the Company.
<b>REGISTERS AND DOCUMENTS</b>		
Registers and documents to be maintained by the Company	240	<p>The Company shall keep and maintain registers, books and documents required by the Act or these Articles, including the following:</p> <ol style="list-style-type: none"> <li>1) Register of investments made by the Company but not held in its own name, as required by Section 187 of the Companies Act,2013</li> <li>2) Register of mortgages and charges as required by Section 85 of the Companies Act, 2013 and copies of instruments creating any charge requiring registration according to Section 85 of the Companies Act, 2013.</li> <li>3) Register and index of Members and debenture holders as required by Section 88 of the Companies Act, 2013.</li> <li>4) Foreign register, if so thought fit, as required by Section 88 of the Companies Act, 2013.</li> <li>5) Register of contracts, with companies and firms in which Directors are interested as required by Section 189 of the Companies Act, 2013.</li> <li>6) Register of Directors and Secretaries etc. as required by Section 170 of the Companies Act, 2013.</li> <li>7) Register as to holdings by Directors of Shares and/or Debentures in the Company as required by Section 170 of the Companies Act,2013.</li> <li>8) Register of investments made by the Company in Shares and Debentures of the bodies corporate in the same group as required by Section 186 of the Companies Act, 2013.</li> <li>9) Copies of annual returns prepared under Section 92 of the Companies Act, 2013 together with the copies of certificates and documents required to be annexed thereto under Section 92 of the Companies Act,2013.</li> </ol>
Inspection of Registers	241	The registers mentioned in clauses (f) and (i) of the foregoing Article and the minutes of all proceedings of General Meetings shall be open to inspection and extracts may be taken therefrom and copies thereof may be required by any Member of the Company in the same manner to the same extent and on payment of the same fees as in the case of the Register of Members of the Company provided for in clause (c) thereof. Copies of entries in the registers mentioned in the foregoing article shall be furnished to the persons entitled to the same on such days and during such business hours as may be consistent with the provisions of the Act in that behalf as determined by the Company in General Meeting.
<b>WINDING UP</b>		
Distribution of assets	242	242.If the Company shall be wound up, and the assets available for distribution among the Members as such shall be insufficient to repay the whole of the paid up capital, such assets shall be distributed so that as nearly as may be the losses shall be borne by the Members in the proportion to the capital paid up or which ought to have been paid up at the commencement of the winding up, on the Shares held by them respectively, and if in the winding up the assets available for distribution among the Members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed amongst the Members in proportion to the capital at the commencement of the winding up, paid up or which ought to have been paid up on the Shares held by them respectively. But this Article is to be without prejudice

		to the rights of the holders of Shares issued upon special terms and conditions.
Distribution in specie or kind	243	<p>1) If the Company shall be wound up, whether voluntarily or otherwise, the Liquidator may, with the sanction of a Special Resolution, divide amongst the contributories in specie or kind, any part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories or any of them, as the liquidator, with the like sanction, shall think fit.</p> <p>2) If thought expedient any such division may subject to the provisions of the Act be otherwise than in accordance with the legal rights of the contributions (except where unalterably fixed by the Memorandum of Association and in particular any class may be given preferential or special rights or may be excluded altogether or in part but in case any division otherwise than in accordance with the legal rights of the contributories, shall be determined on any contributory who would be prejudicial thereby shall have a right to dissent and ancillary rights as if such determination were a Special Resolution passed pursuant to Section 494 of the Act.</p> <p>3) In case any Shares to be divided as aforesaid involve a liability to calls or otherwise any person entitled under such division to any of the said Shares may within ten days after the passing of the Special Resolution by notice in writing direct the Liquidator to sell his proportion and pay him the net proceeds and the Liquidator shall, if practicable act accordingly.</p>
Right of shareholders in case of sale	244	A Special Resolution sanctioning a sale to any other Company duly passed pursuant to Section 319 of the Companies Act, 2013 may subject to the provisions of the Act in like manner as aforesaid determine that any Shares or other consideration receivable by the liquidator be distributed against the Members otherwise than in accordance with their existing rights and any such determination shall be binding upon all the Members subject to the rights of dissent and consequential rights conferred by the said sanction.
Directors and others right to indemnity	245	Every Director or officer, or servant of the Company or any person (whether an officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors, out of the funds of the Company to pay all costs, charges, losses and damages which any such person may incur or become liable to pay by reason of any contract entered into or any act, deed, matter or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act, neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions against all liabilities incurred by him as such Director, officer or Auditor or other office of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favour, or in which he is acquitted or in connection with any application under Section 463 of the Companies Act, 2013 in which relief is granted to him by the Court.
Director, officer not responsible for acts of others	246	Subject to the provisions of Section 201 of the Act, no Director, Auditor or other officer of the Company shall be liable for the acts, receipts, neglects, or defaults of any other Director or officer or for joining in any receipt or other act for conformity or for any loss or expenses happening to the Company through the insufficiency or deficiency of the title to any property acquired by order of the

		Directors for and on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested for any loss or damages arising from the insolvency or tortuous act of any person, firm or Company to or with whom any moneys, securities or effects shall be entrusted or deposited or any loss occasioned by any error of judgment, omission, default or oversight on his part of for any other loss, damage, or misfortune whatever shall happen in relation to execution of the duties of his office or in relation thereto unless the same shall happen through his own dishonesty.
<b>SECRECY CLAUSE</b>		
Secrecy Clause	247	Every Director/Manager, Auditor, treasurer, trustee, member of a committee, officer, servant, agent, accountant or any other person-employed in the business of the Company shall, if so required by the Director, before entering upon his duties, sign a declaration pledging himself, to observe a strict secrecy respecting all transactions and affairs of the Company with the Company customers and the state of the accounts with individuals and in matter thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in discharge of his duties except when required to do so by the Directors or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained.
No Member to enter the premises of the Company without permission	248	No Member or other person (not being a Director) shall be entitled to visit or inspect any property or premises of the Company without the permission of the Board of Directors or Managing Director, or to inquire discovery of or any information respecting any details of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process or any other matter which relate to the conduct of the business of the Company and which in the opinion of the Directors, it would be in expedient in the interest of the Company to disclose.
<b>GENERAL</b>		
General Power	249	Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry out such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.

## SECTION X- OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

*The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Draft Red Herring Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Draft Red Herring Prospectus to be delivered to the RoC for filing and the documents for inspection referred to hereunder, may be inspected at the Registered office: 330, Mezanine Floor Functional Industrial Estate, Patparganj, Delhi- 110092, India, from the date of filing this Draft Red Herring Prospectus with RoC to Issue Closing Date on working days from 10.00 a.m. to 5.00 p.m.*

#### MATERIAL CONTRACTS

1. Issue Agreement/ Memorandum of Understanding dated July 08, 2024, between our company and the Book Running Lead Managers namely Narnolia Financial Services Limited and Unistone Capital Private Limited.
2. Agreement dated July 08, 2024, between our company and the Registrar to the Issue.
3. Public Issue Agreement dated [●], among our Company, the Book Running Lead Managers, The Banker to the Issue/Public Issue Bank/Sponsor Bank, and the Registrar to the Issue.
4. Underwriting Agreement dated [●], between our company and the Underwriters.
5. Market making Agreement dated [●], between our company, the Book Running Lead Managers and the Market Maker.
6. Agreement among NSDL, our company and the registrar to the issue dated May 10, 2022.
7. Agreement among CDSL, our company and the registrar to the issue dated May 27, 2022.

#### MATERIAL DOCUMENTS FOR THE ISSUE

1. Certified true copy of Certificate of Incorporation, the Memorandum of Association and Articles of Association of our Company, as amended.
2. Resolutions of the Board of Directors dated July 02, 2024, in relation to the Issue and other related matters.
3. Shareholders' resolution dated July 04, 2024, in relation to the Issue and other related matters.
4. Consents of Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditors, the Book Running Lead Managers, Registrar to the Issue, Peer review Auditor, Legal Advisor and Market Maker to act in their respective capacities.
5. Peer Review Auditors Report dated July 05, 2024, on Restated Financial Statements of our Company for the period ended March 31, 2024, 2023 and 2022.
6. The Report dated June 29, 2024, from the Peer Reviewed Auditors of our Company, confirming the Statement of Possible Tax Benefits available to our Company and its Shareholders as disclosed in this Draft Red Herring Prospectus.
7. The Report dated July 10, 2024, by Legal Advisor to the Company confirming status of Outstanding Litigation and Material Development.
8. Copy of approval from NSE Emerge vide letter dated [●] to use the name of NSE in this offer document for listing of Equity Shares on Emerge Platform of NSE.
9. The Report dated June 29, 2024, by Infomerics Analytics and Research Private Limited ("Infomerics Report") on "NBFC Industry Report".
10. Due diligence certificate submitted to SEBI dated July 10, 2024, from Book Running Lead Managers to the Issue.

11. Certificate issued by M/s K R A & Co., Chartered Accountants, (FRN: 020266N) for Key Performance Indicators dated July 05, 20204

*Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.*

***This space has been left blank intentionally.***

## SECTION XI - DECLARATION

We, hereby declare that, all the relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities Exchange Board of India Act, 1992, as the case may be, have been complied with no statement made in the Draft Red Herring Prospectus is contrary to the provisions of Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations/guidelines issued, as the case may be. We further certify that all the statements made in this Draft Red Herring Prospectus are true and correct.

Signed by the Directors of our Company				
S. N.	Name	Category	Designation	Signature
1.	Rajesh Gupta	Executive	Managing Director	Sd/-
2.	Anoop Garg	Executive	Director	Sd/-
3.	Geeta Goswami	Executive	Director and Chief Executive Officer	Sd/-
4.	Nupur Gupta	Non-Executive	Director	Sd/-
5.	Nimisha Jain	Non- Executive	Independent Director	Sd/-
6.	Pankaj Jain	Non- Executive	Independent Director	Sd/-
Signed by the Chief Financial Officer and Company Secretary of our Company				
7.	Prashant Raghuwanshi	Full-time	Chief Financial Officer	Sd/-
8.	Kritika Goswami	Full-time	Company Secretary and Compliance Officer	Sd/-

**Place: Delhi**

**Date: July 11, 2024**