



**CREDENT GLOBAL FINANCE LIMITED**  
(formerly known as Oracle Credit Limited)

Credent Global Finance Limited (“Company” or “Issuer”) was originally incorporated as ‘Overnite Finance Private Limited’ at New Delhi on February 27, 1991 with Registrar of Companies, Delhi & Haryana. Subsequently, it was converted to a Public Limited under section 43A (I-A) of the Companies Act, 1956 on July 18, 1994 and changed its name to “Overnite Finance Limited”. On November 30, 1994 Company had again changed its name to ‘OFL Finanz Limited’. Further, the name of our Company was changed from “OFL Finanz Limited” to “Oracle Credit Limited” on August 11, 1995 vide Fresh Certificate of Incorporation. The Company got listed on January 16, 2016. The name of our Company has been changed again to its current name, i.e., “Credent Global Finance Limited” vide Fresh Certificate of Incorporation dated April 06, 2023. We are registered with RBI as a NBFC bearing Registration Number CoR No. 14.00242. For details, including reasons for changes in the name and registered office of our Company, see “General Information” on page 37 of this Draft Letter of Offer.

**Registered Office:** Unit No. 609-A, 6<sup>th</sup> Floor, One BKC, C-Wing, G Block, Opposite Bank of Baroda, Bandra Kurla Complex, Bandra (East), Mumbai -400051;

**Tel. No.:** +91 22 6845 2001; **E-mail:** [compliance@credentglobal.com](mailto:compliance@credentglobal.com); **Website:** [www.credentglobal.com](http://www.credentglobal.com);

**Contact Person:** Ms. Preeti Sethi, Company Secretary and Compliance Officer

**Corporate Identification Number:** L65910MH1991PLC404531

**OUR PROMOTERS ARE ADITYA VIKRAM KANORIA AND MANDEEP SINGH**

**FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF CREDENT GLOBAL FINANCE LIMITED ONLY**

ISSUE OF UP TO [●] FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH OF OUR COMPANY (THE “RIGHTS EQUITY SHARES”) FOR CASH AT A PRICE OF ₹ [●] PER RIGHTS EQUITY SHARE AGGREGATING TO ₹ 4,200.00 LAKHS ON A RIGHTS BASIS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF [●] RIGHTS EQUITY SHARES FOR EVERY [●] FULLY PAID-UP EQUITY SHARES HELD BY THE ELIGIBLE EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON [●] (“RECORD DATE”) (THE “ISSUE”). FOR FURTHER DETAILS, SEE “TERMS OF THE ISSUE” ON PAGE 162 OF THIS DRAFT LETTER OF OFFER.

*\*Assuming full subscription with respect to Rights Equity Shares*

**WILFUL DEFAULTERS OR FRAUDULENT BORROWER**

Neither our Company, nor our Promoters or Directors are categorised as wilful defaulters or fraudulent borrowers by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by the Reserve Bank of India.

AMOUNT PAYABLE PER RIGHTS EQUITY SHARE	FACE VALUE (₹)	PREMIUM (₹)	TOTAL (₹)
On Application	[●]	[●]	[●]
Total	10.00	[●]	[●]

\* For further details on Payment Schedule, see “Terms of the Issue” on page 174 of this Draft Letter of Offer.

**GENERAL RISK**

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Rights Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Letter of Offer. Specific attention of the investors is invited to the section titled “Risk Factors” on page 21 of this Draft Letter of Offer.

**OUR COMPANY’S ABSOLUTE RESPONSIBILITY**

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

**LISTING**

The existing Equity Shares are listed on BSE Limited (“BSE”/ “Stock Exchange”). Our Company has received ‘in-principle’ approvals from the BSE for listing the Rights Equity Shares to be allotted pursuant to this Issue vide their letter dated [●]. Our Company will also make applications to the BSE to obtain trading approvals for the Rights Entitlements as required under the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020. For the purpose of this Issue, the Designated Stock Exchange is BSE.

**REGISTRAR TO THE ISSUE**



**Beetal Financial and Computer Services (P) Limited**

Beetal House, 3<sup>rd</sup> Floor, 99, Madangir, Behind LSC,

Near Dada Harsukhdas Mandir, New Delhi -110062,

Tel: +91 11 2996 1281-83, +91 11 2605 1061, 2605 1064

Email: [beetal@beetalfinancial.com](mailto:beetal@beetalfinancial.com)

Website: [www.beetalfinancial.com](http://www.beetalfinancial.com)

Contact Person: Mr. Bhavander Jha

SEBI Registration Number: INR000000262

CIN: U67120DL1993PTC052486

**ISSUE PROGRAMME**

ISSUE OPENS ON	LAST DATE FOR ON MARKET RENUNCIATION*	ISSUE CLOSES ON**
[●]	[●]	[●]

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

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

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## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

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

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

The Terms used in “Summary of Draft Letter of Offer”, “Restated Financial Statements”, “Statement of Special Tax Benefits”, “Outstanding Litigations and Material Development” and “Terms of the Issue” on pages 18, 76, 48, 150 and 162 respectively of this Draft Letter of Offer, shall, unless indicated otherwise, have the meanings ascribed to such terms in the respective sections.

#### General Terms

Term	Description
“Company”, “Our Company”, “the Company”, or “CGFL”	Credent Global Finance Limited, a public limited company incorporated under the Companies Act, 1956 whose registered office is situated at Unit No. 609-A, 6th Floor, One BKC, C-Wing, G Block, Opposite Bank of Baroda, Bandra Kurla Complex, Bandra (East), Mumbai - 400051
“We”, “Our”, “Us”, or “our Group”	Unless the context otherwise requires, indicates or implies or unless otherwise specified, Our Company, as applicable, as at and during the relevant Financial Year.

#### Company Related Terms

Term	Description
Articles of Association” or “Articles	Articles of Association of our Company, as amended from time to time
Audit Committee	The audit committee of our Board
Auditors or Statutory Auditors	The statutory auditors of our Company, namely, M/s Kapish Jain & Associates, Chartered Accountants
Board of Directors, or Board or our Board	The Board of Directors of our Company or any duly constituted committee thereof.
Chairman	Mr. Mohit K Chheda, Chairman of our Company
Consolidated Restated Financial Statements	Our consolidated restated Ind AS summary statement of assets and liabilities as at March 31, 2023 and March 31, 2022, and consolidated restated Ind AS summary statement of profit and loss, consolidated restated Ind AS summary statement of changes in equity and consolidated restated Ind AS summary statement of cash flows for the years ended March 31, 2023 and March 31, 2022, together with the annexures, notes and other explanatory information thereon, prepared in accordance with Ind AS and restated in accordance with Section 26 of Part 1 of Chapter III of the Companies Act, 2013, the SEBI ICDR Regulations and the Guidance Note on “Reports in Company Prospectuses (Revised 2019)” issued by the ICAI.
Director(s)	The director(s) on our Board, as disclosed in “Our Management” on page 64 of this Draft Letter of Offer
Equity Shares	Equity shares of face value of ₹ 10 each of our Company
Managing Director and Chief Financial Officer	Mr. Aditya Vikram Kanoria, Managing Director cum Chief Financial Officer of our Company.
Group Companies	Group companies of our Company as determined in terms of Regulation 2(1)(t) of SEBI ICDR Regulations
Independent Directors	An Independent Director appointed as per the Companies Act, 2013 and the SEBI Listing Regulations. For details of the Independent Directors, see “Our Management” beginning on page 64 of this Draft Letter of Offer
Key Managerial Personnel or KMP	Key Managerial Personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations, as disclosed in “Our Management” on page 64 of this Draft Letter of Offer.
Material Subsidiaries	Credent Asset Management Services Private Limited and Credent Investment Private Limited
Memorandum of Association	Memorandum of Association of our Company, as amended from time to time
“Non-Executive Director(s)”	A Director, not being an Executive Director of our Company.

Term	Description
Promoter(s)	The promoters of our Company, being Mr. Aditya Vikram Kanoria and Mr. Mandeep Singh
Promoter Directors	Mr. Aditya Vikram Kanoria and Mr. Mandeep Singh
Promoter Group	Unless the context requires otherwise, the promoter group of our Company as determined in accordance with Regulation 2(1)(pp) of the SEBI ICDR Regulations
Registered Office	Registered office of our Company situated at Unit No. 609-A, 6 <sup>th</sup> Floor, One BKC, C-Wing, G Block, Opposite Bank of Baroda, Bandra Kurla Complex, Bandra (East), Mumbai - 400051
Rights Issue Committee	The Rights issue committee of our Board constituted through the resolution of the Board dated March 27, 2023.
Restated Financial Statements	Consolidated Restated Financial Statements and Standalone Restated Financial Statements, together
Standalone Restated Financial Statements	Our standalone restated Ind AS summary statement of assets and liabilities as at March 31, 2023, March 31, 2022 and March 31, 2021, and standalone restated Ind AS summary statement of profit and loss, standalone restated Ind AS summary statement of changes in equity and standalone restated Ind AS summary statement of cash flows for the years ended March 31, 2023, March 31, 2022 and March 31, 2021, together with the annexures, notes and other explanatory information thereon, prepared in accordance with Ind AS and restated in accordance with Section 26 of Part 1 of Chapter III of the Companies Act, 2013, the SEBI ICDR Regulations and the Guidance Note on “Reports in Company Prospectuses (Revised 2019)” issued by the ICAI.
Subsidiaries	Credent Asset Management Services Private Limited (“CAMS”), Credent Investment Private Limited and Credent Property Advisory Private Limited.
Shareholders or “Equity Shareholders	The holders of the Equity Shares from time to time

#### Issue Related Terms

Term	Description
Abridged Letter of Offer or ALOF	The Abridged Letter of Offer to be sent to the Eligible Equity Shareholders of our Company with respect to the Issue in accordance with the provisions of the SEBI ICDR Regulations and the Companies Act
Additional Rights Equity Shares	The Rights Equity Shares applied or allotted under this Issue in addition to the Rights Entitlement
Allotment or Allot or Allotted	Allotment of Rights Equity Shares pursuant to the Issue
Allotment Account	The account opened with the Banker(s) to the Issue, into which the Application Money lying credit to the escrow account and amounts blocked by Application Supported by Blocked Amount in the ASBA Account, with respect to successful Applicants will be transferred on the Transfer Date in accordance with Section 40(3) of the Companies Act
Allotment Account Bank(s)	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom the Allotment Accounts will be opened, in this case being, [●]
Allotment Advice	The note or advice or intimation of Allotment sent to each successful Applicant who has been or is to be Allotted the Rights Equity Shares pursuant to the Issue
Allotment Date	Date on which the Allotment is made pursuant to the Issue
Allottee(s)	Person(s) to whom the Rights Equity Shares are Allotted pursuant to the Issue
Applicant(s) or Investor(s)	Eligible Equity Shareholder(s) and/or Renouncee(s) who are entitled to make an application for the Rights Equity Shares pursuant to the Issue in terms of the Letter of Offer, including an ASBA Investor
Application	Application made through submission of the Application Form or plain paper Application to the Designated Branch(es) of the SCSBs or online/ electronic application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process, to subscribe to the Rights Equity Shares at the Issue Price
Application Form	Unless the context otherwise requires, an application form used by an Applicant to make an application for the Allotment of Rights Equity Shares in this Issue
Application Money	Aggregate amount payable at the time of Application, i.e., ₹ [●] per Rights Equity Share in respect of the Rights Equity Shares applied for in this Issue
Application Supported by Blocked Amount or ASBA	Application (whether physical or electronic) used by Applicant(s) to make an application authorising the SCSB to block the Application Money in a specified bank account maintained with the SCSB
ASBA Account	An account maintained with SCSBs and as specified in the Application Form or plain paper Application, as the case may be, by the Applicant for blocking the amount mentioned in the Application Form or in the plain paper Application
ASBA Applicant/ ASBA Investors	Eligible Equity Shareholders who make an application to subscribe to the Issue through ASBA process

Term	Description
ASBA Circulars	Collectively, SEBI circular bearing reference number SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009, SEBI circular bearing reference number CIR/CFD/DIL/1/2011 dated April 29, 2011 and the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020
Banker(s) to the Issue	Collectively, Escrow Collection Bank, Allotment Account Bank and the Refund Bank, in this case being [●]
Banker(s) to the Issue Agreement	Agreement to be entered into by and among our Company, the Registrar to the Issue and the Banker(s) to the Issue for collection of the Application Money from Applicants/Investors, transfer of funds to the Allotment Account and where applicable, refunds of the amounts collected from Applicants/Investors, on the terms and conditions thereof
Basis of Allotment	The basis on which the Rights Equity Shares will be Allotted to successful Applicants in consultation with the Designated Stock Exchange in this Issue, as described in “Terms of the Issue” on page 162 of this Draft Letter of Offer.
Controlling Branches / Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the Registrar to the Issue and the Stock Exchanges, a list of which is available on SEBI updated from time to time, or at such other website(s) as may be prescribed by the SEBI from time to time.
Demographic Details	Details of Investors including the Investor’s address, PAN, DP ID, Client ID, bank account details and occupation, where applicable.
Designated Branch(es)	Such branches of the SCSBs which shall collect the Applications, as the case may be, used by the ASBA Investors and a list of which is available on the website of SEBI and/or such other website(s) as may be prescribed by the SEBI from time to time
Designated Stock Exchange	BSE Limited
Eligible Equity Shareholder(s)	Existing Equity Shareholders as at the Record Date. Please note that the investors eligible to participate in the Issue exclude certain overseas shareholders. For further details, please see “Notice to Investors” on page 12
Equity Shareholder(s) or Shareholders	Holder(s) of the Equity Shares of our Company
Escrow Collection Bank	Bank(s) which are clearing members and registered with SEBI as banker to an issue and with whom the escrow account will be opened, in this case being, [●]
FPIs	Foreign portfolio investors as defined under the SEBI FPI Regulations
Fraudulent Borrower	Fraudulent Borrower(s) as defined under Regulations 2(1)(III) of the SEBI ICDR Regulations
Issue or Rights Issue	This issue of up to [●] fully paid-up Equity Shares of face value of ₹10/- each of our Company for cash at a price of ₹[●] (including a premium of ₹[●] per Rights Equity Share) aggregating to Rs. 4,200 Lakhs on a rights basis to the Eligible Equity Shareholders of our Company in the ratio of [●] Rights Equity Share for every [●] fully paid-up Equity Shares held by the Eligible Equity Shareholders on the Record Date. <i>*Assuming full subscription respect to Rights Equity Shares</i>
Issue Closing Date	[●], 2023
Issue Materials	Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and any other material relating to the Issue
Issue Opening Date	[●], 2023
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which Applicants/Investors can submit their Application, in accordance with the SEBI ICDR Regulations.
Issue Price	₹[●] per Equity Share On Application, investors will have to pay ₹[●] per Rights Equity Share which constitutes 100% of the Issue Price
Issue Proceeds	The gross proceeds raised through the Issue
Issue Size	The issue of up to [●] Rights Equity Shares aggregating to Rs. 4,200 Lakhs* <i>*Assuming full subscription with respect to Rights Equity Shares</i>
Letter of Offer	The letter of offer dated [●] to be filed with the Stock Exchange and SEBI
Listing Agreement	The listing agreements entered into between our Company and the Stock Exchange in terms of the SEBI Listing Regulations
Multiple Application Forms	Multiple application forms submitted by an Eligible Equity Shareholder/Renouncee in respect of the Rights Entitlement available in their demat account. However supplementary applications in relation to further Equity Shares with/without using additional Rights Entitlements will not be treated as multiple application.
Net Proceeds	Issue Proceeds less the Issue related expenses. For further details, please see “Objects of the Issue” on page 44
Non-ASBA Investor	Investors other than ASBA Investors who apply in the Issue otherwise than through the ASBA process

Term	Description
Non-Institutional Investors	An Investor other than a Retail Individual Investor or Qualified Institutional Buyer as defined under Regulation 2(1)(jj) of the SEBI ICDR Regulations
Off Market Renunciation	The renouncement of Rights Entitlements undertaken by the Investor by transferring them through off market transfer through a depository participant in accordance with the SEBI Rights Issue Circulars, circulars issued by the Depositories from time to time and other applicable laws
On Market Renunciation	The renouncement of Rights Entitlements undertaken by the Investor by trading them over the secondary market platform of the Stock Exchange through a registered stock broker in accordance with the SEBI Rights Issue Circulars, circulars issued by the Stock Exchange from time to time and other applicable laws, on or before [●]
Payment Schedule	Payment schedule under which 100% of the Issue Price is payable on Application, i.e. ₹[●] per Rights Equity Share
Qualified Institutional Buyers or QIBs	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
Record Date	Designated date for the purpose of determining the Equity Shareholders eligible to apply for Rights Equity Shares in the Issue, being [●], [●]
Refund Bank	The Bankers to the Issue with whom the refund account will be opened, in this case being [●]
Registrar Agreement	Agreement dated May 29, 2023 between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to this Issue
Registrar to the Company and Registrar to the Issue	Beetal Financial and Computer Services (P) Limited
Renouncee(s)	Person(s) who has/have acquired Rights Entitlements from the Eligible Equity Shareholders on renunciation
Renunciation Period	The period during which the Investors can renounce or transfer their Rights Entitlements which shall commence from the Issue Opening Date. Such period shall close on [●] in case of On Market Renunciation. Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee on or prior to the Issue Closing Date
Rights Entitlement(s)	Number of Rights Equity Shares that an Eligible Equity Shareholder is entitled to in proportion to the number of Equity Shares held by the Eligible Equity Shareholder on the Record Date, in this case being [●] Rights Equity Shares for every [●] Equity Shares held by an Eligible Equity Shareholder
Rights Equity Shares	Equity Shares to be Allotted pursuant to this Issue
Rights Entitlement Letter	Letter including details of Rights Entitlements of the Eligible Equity Shareholders. The Rights Entitlements are also accessible on the website of our Company.
SCSB(s)	Self-certified syndicate banks registered with SEBI, which acts as a banker to the Issue and which offers the facility of ASBA. A list of all SCSBs is available at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a>
Stock Exchange	Stock exchange where the Equity Shares are presently listed, being BSE Limited
Transfer Date	The date on which the Application Money blocked in the ASBA Account will be transferred to the Allotment Account(s) in respect of successful Applications, upon finalisation of the Basis of Allotment, in consultation with the Designated Stock Exchange
Wilful Defaulter	Company or person, as the case may be, categorised as a wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by RBI
Working Days	In terms of Regulation 2(1)(mmm) of SEBI ICDR Regulations, working day means all days on which commercial banks in Mumbai are open for business. Further, in respect of Issue Period, working day means all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business. Furthermore, the time period between the Issue Closing Date and the listing of Equity Shares on the Stock Exchanges, working day means all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per circulars issued by SEBI

#### Industry Related Terms

Term/Abbreviation	Description/ Full Form
AFC	Asset Finance Company
CIC-ND-SI	Systemically Important Core Investment Company
CRAR / Capital to risk weighted assets	The ratio measures a bank's financial stability by measuring its available capital as a percentage of its risk-weighted credit exposure
Commercial Banks	A bank that offers services to the general public and to companies
DFIs	Development Finance Institutions

<b>Term/Abbreviation</b>	<b>Description/ Full Form</b>
Gross non-performing assets / GNPA	Gross non-performing loans are the sum of all the loans that have been defaulted by the individuals who have acquired loans from the financial institution.
IBC	Insolvency and Bankruptcy Code
IC	Investment Company
IFC	Infrastructure Finance Company
Insurance Companies	A financial intermediary which offer direct insurance or reinsurance services, providing financial protection from possible hazards in the future
LC	Loan Company
MGC	Mortgage Guarantee Companies
MSMEs	Micro, Small and Medium Enterprises
MUDRA or Micro Units Development and Refinance Agency	MUDRA is a public sector financial institution in India. It provides loans at low rates to micro-finance institutions and non-banking financial institutions which then provide credit to MSMEs
Mutual Funds	A mutual fund is a Company that brings together money from many people and invests it in stocks, bonds or other assets
NBFCs or Non-Banking Finance Companies	The entities that provide certain bank-like financial services but do not hold a banking license. NBFCs are not subject to the banking regulations and oversight by federal and state authorities adhered to by traditional banks
NOFHC	NBFC- Non-Operative Financial Holding Company
NBFC-ND-SI	Systemically important non-deposit taking non-banking financial Company
Net Owned Fund	Net Owned Funds means the aggregate of paid-up equity share capital and free reserves as reduced by accumulated losses and intangible assets
Pension Funds	A fund from which pensions are paid, accumulated from contributions from employers, employees, or both.
Private Sector Banks or PVBs	Private sector banks are those in which private individuals or private corporations own a significant portion of the bank's equity
Public Sector Banks or PSBs	A public bank is a bank, a financial institution, in which a state, municipality, or public actors are the owners. It is an enterprise under government control
RBI	Reserve Bank of India
Return on Assets or ROA	The term return on assets (ROA) refers to a financial ratio that indicates how profitable a Company is in relation to its total assets
Return on Equity or ROE	It is a measure of financial performance calculated by dividing net income by shareholders' equity
SCBs	Scheduled Commercial Banks

#### **Conventional and General Terms or Abbreviations**

<b>Term/Abbreviation</b>	<b>Description/ Full Form</b>
₹ or Rs. or Rupees or INR	Indian Rupee
Adjusted Loans and Advances	Adjustment in the nature of addition to the loans and advances made in relation to certain loans which are treated as investments under Ind AS, but considered as loans by our Company
Adjusted EBITDA	Adjusted earnings before interest, taxes, depreciation, and amortisation
AIF(s)	Alternative Investment Fund, as defined and registered with SEBI under the SEBI AIF Regulations
AS or Accounting Standards	Accounting standards issued by the ICAI
BSE	BSE Limited
CAGR	Compounded annual growth rate
Category I AIF	AIFs who are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations
Category I FPIs	FPIs who are registered as “Category I foreign portfolio investors” under the SEBI FPI Regulations
Category II AIF	AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations
Category II FPIs	FPIs who are registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations
Category III AIF	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations
CBDT	Central Board of Direct Taxes, Government of India
CDSL	Central Depository Services (India) Limited
Central Government	Central Government of India
CERSAI	Central Registry of Securitisation Asset Reconstruction and Security Interest
CIBIL	Credit Information Bureau (India) Limited
CIN	Corporate Identity Number



Term/Abbreviation	Description/ Full Form
Civil Code	Code of Civil Procedure, 1908
Client ID	The client identification number maintained with one of the Depositories in relation to the demat account
Companies Act or Companies Act, 2013	The Companies Act, 2013, read with the rules, regulations, clarifications and modifications notified thereunder
Companies Act 1956	The Companies Act, 1956, read with the rules, regulations, clarifications and modifications notified thereunder
Depositories Act	Depositories Act, 1996
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
DIN	Director Identification Number
DP / Depository Participant	Depository participant as defined under the Depositories Act
DP ID	Depository Participant Identity
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry (formerly Department of Industrial Policy and Promotion), Government of India
EBIT	Earnings before interest and taxes
EBITDA	Earnings before interest, taxes, depreciation, and amortisation
EGM	Extraordinary general meeting
EPF	Employees' Provident Fund
EPFO	Employees' Provident Fund Organisation
EPS	Earnings Per Share
EUR	Euro
FCNR Account	Foreign Currency Non-Resident Account
FDI	Foreign direct investment
FEMA	Foreign Exchange Management Act, 1999
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Financial Year / Fiscal Year / FY	Period of 12 months ending March 31 of that particular year
FDI Policy	Consolidated Foreign Direct Investment Policy notified by DPIIT through notification dated October 28, 2020 issued by DPIIT, effective from October 15, 2020
FIR	First Information Report
FPI	Foreign portfolio investors as defined under the SEBI FPI Regulations
FVCI	Foreign Venture Capital Investors registered under the SEBI FVCI Regulations
GAAR	General Anti-Avoidance Rules
GAAP	Generally Accepted Accounting Principles in India
Gazette	Official Gazette of India
GDP	Gross domestic product
GIR	General Index Register
GOI	Government of India
Government	Central Government and/ or the State Government, as applicable
GST	Goods and Services Tax
IBC	The Insolvency and Bankruptcy Code, 2016
ICAI	Institute of Chartered Accountants of India
IEPF	Investor Education and Protection Fund
IFRS	International Financial Reporting Standards
Income-tax Act	Income Tax Act, 1961
Ind AS	Indian Accounting Standards as specified under section 133 of the Companies Act 2013 read with Companies (Indian Accounting Standards) Rules 2015
India	Republic of India
ISIN	International Securities Identification Number
IST	Indian Standard Time
IT	Information Technology
KYC	Know Your Customer
MCA	Ministry of Corporate Affairs, Government of India
Mutual Fund	Mutual fund registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
NACH	National Automated Clearing House
NAV	Net Asset Value per Equity Share at a particular date computed based on total equity divided by number of Equity Shares
Net Worth	The aggregate value of the equity share capital, other equity and non-controlling interests
NEFT	National Electronic Fund Transfer
NPCI	National Payments Corporation of India

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

Term/Abbreviation	Description/ Full Form
Year/Calendar Year	Unless context otherwise requires, shall refer to the twelve-month period ending December 31

## NOTICE TO INVESTORS

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

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

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

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

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

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

### NO OFFER IN THE UNITED STATES

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

In addition, until the expiry of 40 days after the commencement of the Issue, an offer or sale of Rights Entitlements or Rights Equity Shares within the United States by a dealer (whether or not it is participating in the Issue) may violate the registration requirements of the Securities Act.

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

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

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

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

## PRESENTATION OF FINANCIAL AND USE OF MARKET DATA

### Certain Conventions

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

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

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

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

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

### Financial Data

Unless stated otherwise or the context otherwise requires, the financial information and financial ratios in this Draft Letter of Offer have been derived from our Consolidated Restated Financial Statements. Also, financial information provided as at and for the financial year ended March 31, 2021 has been derived from our Standalone Restated Financial Statements. For details, please see “*Restated Financial Statements*” on page 76 of this Draft Letter of Offer. Our Company’s financial year commences on April 1 and ends on March 31 of the following calendar year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the twelve (12) month period ending on March 31 of the following calendar year.

The GoI has adopted the Ind AS, which are converged with the IFRS and notified under Section 133 of the Companies Act, 2013 read with the Ind AS Rules. The Restated Financial Statements of our Company for the Financial Years ended March 2021, March 2022 and March 2023 have been prepared in accordance with Ind AS read with the Ind AS Rules and other the relevant provisions of the Companies Act, 2013 and restated in accordance with the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (revised), 2019, issued by the ICAI. Our Company publishes its financial statements in Indian Rupees.

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

There are significant differences between Ind AS, US GAAP and IFRS. We have not provided a reconciliation of the financial information to IFRS or US GAAP. Our Company has not attempted to also explain those differences or quantify their impact on the financial data included in this Draft Letter of Offer, and you are urged to consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Draft Letter of Offer will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, Ind AS, the Companies Act, 2013 and the SEBI ICDR Regulations. Any reliance by persons not familiar with these accounting principles and regulations on our financial disclosures presented in this Draft Letter of Offer should accordingly be limited. For further information, see “*Restated Financial Statements*” on page 76 of this Draft Letter of Offer.

Certain figures contained in this Draft Letter of Offer, including financial information, have been subject to rounding off adjustments. All figures in decimals (including percentages) have been rounded off to one or two decimals. However, where any figures that may have been sourced from third-party industry sources are rounded off to other than two decimal points in their respective sources, such figures appear in this Draft Letter of Offer rounded-off to such number of decimal points as provided in such respective sources. In this Draft Letter of Offer, (i) the sum or percentage change of certain numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Any such discrepancies are due to rounding off.

### Currency and Units of Presentation

All references to:

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

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

### Exchange Rates

This Draft Letter of Offer contains conversions of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Indian Rupee and other foreign currencies:

Currency	March 31, 2023	March 31, 2022	March 31, 2021
1 USD	75.81	73.50	75.39
1 Euro	84.66	86.10	83.05

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

### Industry and Market Data

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

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable, but their accuracy and completeness are not guaranteed, and their reliability cannot be assured. Although we believe the industry and market data used in this Draft Letter of Offer is reliable, it has not been independently verified by us. The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in “*Risk Factors*” on page 21 of this Draft Letter of Offer. Accordingly, investment decisions should not be based solely on such information.

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

## FORWARD - LOOKING STATEMENTS

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

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

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

1. adverse effect of competition on our market share and profits;
2. changes in technology and our ability to manage any disruption or failure of our technology systems;
3. our ability to:
  - I. manage our growth effectively;
  - II. manage our credit risk;
  - III. manage our quality of services;
  - IV. hire and retain senior management personnel and other skilled manpower;
  - V. manage cost of compliance with labor laws or other regulatory developments;
  - VI. manage our operating costs;
  - VII. successfully implement our business strategies and expansion plans;
  - VIII. maintain effective internal controls;
4. changes in general, political, social and economic conditions in India and elsewhere;
5. general levels of GDP growth, and growth in employment and personal disposable income; and
6. economic uncertainties, fiscal crises or instability in India.

For further discussion of factors that could cause the actual results to differ from our estimates and expectations, see “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” beginning on pages 21, 57 and 139 respectively, of this Draft Letter of Offer. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

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

Forward-looking statements reflect the current views of our Company as of the date of this Draft Letter of Offer and are not a guarantee of future performance. These statements are based on the management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, nor our Directors, our Promoters, or any of their respective affiliates or



advisors have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with the SEBI ICDR Regulations, our Company will ensure that investors are informed of material developments from the date of this Draft Letter of Offer until the time of receipt of the listing and trading permissions from the Stock Exchange.

## SECTION II - SUMMARY OF DRAFT LETTER OF OFFER

The following is a general summary of certain disclosures included in this Draft Letter of Offer and is neither exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Letter of Offer or all details relevant to the prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Letter of Offer, including the sections, “Objects of the Issue”, “Outstanding Litigation and Material Developments”, “Our Business” and “Risk Factors” on pages 44, 150, 57 and 21 respectively of this Draft Letter of Offer.

### SUMMARY OF INDUSTRY

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

For further details, please refer to the chapter titled “*Industry Overview*” at page 51 of this Draft Letter of Offer

### SUMMARY OF OUR BUSINESS

Our Company is a BSE listed, SEBI registered RBI regulated NBFC, providing range of financing solutions including credit lending, investment banking services, real estate advisory and asset management. We offer a robust platform to a diversified client base across local and global geographies. We provide a broad range of financial products and services and what sets us apart is our decade long expertise in handling NRI clients.

For further details, please refer to the chapter titled “Our Business” at page 57 of this Draft Letter of Offer.

### OUR PROMOTERS

The Promoters of our Company is Mr. Aditya Vikram Kanoria and Mr. Mandeep Singh. For further details, see “*Our Promoters*” on page 73 of this Draft Letter of Offer.

### INTENTION AND EXTENT OF PARTICIPATION BY OUR PROMOTERS

Pursuant to their respective letters each dated June 15, 2023, our Promoters have confirmed that they do not intend to subscribe to their Rights Entitlements and may renounce those in favour of third parties.

### OBJECTS OF THE ISSUE

Our Company intends to utilize the Net Proceeds raised through the Issue towards the following objects:

		(Rs. In Lakhs)
Particulars	Amount	
To augment our Capital base and provide for our fund requirements for increasing our operational scale with respect to our NBFC activities	3,150.00	
General Corporate Purpose		[•]
Issue related expenses		[•]
<b>Total Issue Proceeds</b>	<b>4,200.00</b>	

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

### SUMMARY OF FINANCIAL INFORMATION

Following are the details as per the Restated Financial Statements as at and for the Financial Years ended on March 31, 2021, March 31 2022 and March 31, 2023

(₹ in lakhs unless indicated)				
S. No.	Particulars	As at / For the year ended on March 31, 2023	As at / For the year ended on March 31, 2022	As at / For the year ended on March 31, 2021
1.	Equity share capital	693.75	555.00	555.00
2.	Net Worth (Total Equity)	2,446.23	723.48	593.62

3.	Total income	1,957.20	190.19	34.85
4.	Profit after tax	673.59	107.27	15.98
5.	Earnings per Share Basic (in ₹)	15.40	1.93	0.29
6.	Earnings Per Share diluted (in ₹)	15.40	1.93	0.29
7.	Net Asset Value per Equity Share (in ₹)	35.26	13.04	10.70
8.	Total Borrowings	3,837.07	14.18	-

For further detail, please refer the section titled “*Financial Information*” on page 76 of this Draft Letter of Offer.

## SUMMARY OF OUTSTANDING LITIGATION

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

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges	Material Civil Litigation	Aggregate amount involved (₹ in lakhs)*
<b>Company</b>						
By our Company	Nil	Nil	NA	NA	Nil	NA
Against our Company	Nil	1	Nil	1	Nil	2.86
<b>Subsidiaries</b>						
By our Subsidiaries	Nil	Nil	NA	NA	Nil	NA
Against our Subsidiaries	Nil	Nil	Nil	Nil	Nil	NA
<b>Promoters</b>						
By our Promoters	Nil	Nil	NA	NA	Nil	NA
Against our Promoters	Nil	Nil	Nil	1	Nil	NA
<b>Directors</b>						
By our Directors	Nil	Nil	NA	NA	Nil	NA
Against our Directors	Nil	1	Nil	1	Nil	2.21

*\*To the extent quantifiable*

For further details, please see the chapter titled “*Outstanding Litigation and Material Developments*” beginning on page 150 of this Draft Letter of Offer.

## RISK FACTORS

For details of the risks applicable to us, including to our Business, the industry in which we operate and our Equity Shares, please see the chapter titled “*Risk Factors*” beginning on page 21 of this Draft Letter of Offer.

## SUMMARY OF CONTINGENT LIABILITIES

For details of the contingent liabilities for the period ended March 31, 2023, March 31, 2022 and March 31, 2021, see “*Financial Information*” on page 76 of this Draft Letter of Offer.

## RELATED PARTY TRANSACTIONS

For details of the Related Party Transactions entered into by our Company for the period ended March 31, 2023, March 31, 2022 and March 31, 2023 see “*Restated Financial Statements*” on page 76 of this Draft Letter of Offer.

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

Our Company has not issued any Equity Shares during the period of one year preceding the date of this Draft Letter of Offer.

## SPLIT OR CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR

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

#### **FINANCING ARRANGEMENTS**

There have been no financing arrangements whereby our Promoters, members of our Promoter Group, our Directors or their relatives have financed the purchase by any other person of securities of the Company, other than in the normal course of financing entity during the period of six months immediately preceding the date of this Draft Letter of Offer.

### SECTION III - RISK FACTORS

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

*To obtain a complete understanding, you should read this section in conjunction with the sections “Industry Overview”, “Our Business” and “Management’s Discussion and Analysis of Financial Position and Results of Operations” on pages 51, 57 and 139 of this Draft Letter of Offer, respectively. The industry-related information disclosed in this section has been derived from publicly available documents from various sources believed to be reliable, but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Neither our Company, nor any other person connected with the Issue has independently verified the information in the industry report or other publicly available information cited in this section.*

*This Draft Letter of Offer also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and, in the section titled “Forward-Looking Statements” on page 16 of this Draft Letter of Offer.*

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

**Materiality:**

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

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

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

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

*In this section, unless the context requires otherwise, any reference to “we”, “us” “our” or “ CGFL” refers to Credent Global Finance Limited.*

*The risk factors are classified as under for the sake of better clarity and increased understanding.*

#### **Internal Risk Factors**

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

We operate in a highly competitive industry. Given the diversity of our businesses, and the products and services offered by us, we face competition from the full spectrum of public sector banks, private sector banks (including foreign banks), financial institutions, captive finance affiliates of players in various industries, small finance banks and other NBFCs. Many of our competitors may have greater resources than we do, may be larger in terms of business volume and may have significantly lower cost of funds compared to us. They may also have greater geographical reach, long-standing partnerships and may offer their customers other forms of financing that we may not be able to provide. Competition in Industry Overview depends on, amongst others, the ongoing evolution of government and regulatory policies, the entry of new participants and the extent to which there is consolidation among banks and

financial institutions in India. In relation to the advisory and investment banking services we offer, we also face competition from banks, boutique investment bankers and consulting organizations. Potentially, these service providers could compete with us for business as well as procurement of funds at competitive rates. We cannot assure you that we will be able to react effectively to these or other market developments or compete effectively with new and existing players in our increasingly competitive industry and our inability to compete effectively may adversely affect our business.

**2. *Our business will require substantial funds, and any disruption in funding sources would have a material adverse effect on our liquidity and financial condition.***

Our liquidity and profitability are, in large part, dependent upon our timely access to, and costs associated with raising capital including both debt and equity. Our business depends and will continue to depend on our ability to access diversified low-cost funding sources. As a financial services company, we face certain additional regulatory restrictions on our ability to obtain financing from banks. Further, under Indian Law, foreign investors are subject to investment restrictions that may limit our ability to attract foreign investors or capital from overseas investors. Pursuing our growth strategy and introducing new product offerings to our customers will have an impact on our long-term capital requirements. With the growth of our business, we may be increasingly reliant on funding from debt capital markets. The market for such funds is competitive and our ability to obtain funds at competitive rates will depend on various factors. If we are unable to access funds at an effective cost that is comparable to or lower than our competitors, we may not be able to offer competitive interest rates for our loans. Our ability to raise funds on acceptable terms and at competitive rates continues to depend on various factors, including the regulatory environment and policy initiatives in India, lack of liquidity in the market, developments in the international markets affecting the Indian economy, investors' and/or lenders' perception of demand for debt and equity securities of NBFCs, and our current and future results of operations and financial condition. If we are unable to obtain adequate financing or financing on terms satisfactory to us and in a timely manner, our ability to grow or support our business and to respond to business challenges could be limited and our business prospects, financial condition and results of operations would be materially and adversely affected.

**3. *Underperformance of investment products in respect of which we provide asset management services could lead to a loss of investors, reduction in AUM and adversely affect our results of operations and reputation.***

The investment products in respect of which we provide asset management services may not outperform either their relevant benchmarks, or similar investment products provided by our competitors. Many other investments, including in particular investments in equity, are subject to potential capital losses. Other than our investment strategies, the performance of such investment products will depend on a number of factors, the majority of which are outside our control and include market, economic and other conditions. Further, certain of our investment management contracts contain restrictions relating to our investment policies, for example limiting exposure concentrations in respect of certain asset classes, issuers, or industries. Such restrictions may prevent us from implementing what may be the best investment strategies, which could restrict the performance of our investments.

Such underperformance may have an adverse effect on our business, including:

- existing investors may withdraw funds in favor of better performing products offered by our competitors, which would reduce the AUM of the schemes managed by us, resulting in reduced revenue from management fees;
- our ability to attract funds from new investors or incremental funds from existing investors may diminish; and
- negative absolute investment performance will directly reduce the value of AUM of the schemes managed by us, resulting in reduced revenue from management fees.

In addition, we may periodically review our investment management fees, or limit total expenses, on certain products or services for particular time periods to improve portfolio performance, manage portfolio expenses, and to help retain or increase managed assets, or for other reasons. If our revenue declines without a commensurate reduction in our expenses, our profit after tax will decline.

**4. *An increase in the level of our NPAs or our provisions may adversely affect our business, financial condition, results of operations and cash flows.***

Our management of credit risk involves having appropriate credit policies, underwriting standards, approval processes, loan portfolio monitoring, collection and remedial management, provisioning policies and an overall architecture for managing credit risk. However, even if our credit monitoring and risk management policies and procedures are adequate and appropriately implemented, we may not be able to anticipate future economic or financial developments or downturns, which could lead to an increase in our NPAs. If our NPAs increase or the credit quality of our borrowers deteriorates, it could have an adverse effect on our business, financial condition, results of operations and cash flows.

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

The liquidity and profitability of our business majorly depend on our timely access to, and the costs associated with, raising funds. Our business thus depends and will continue to depend on our ability to access a variety of funding sources. Further, our ability to

compete effectively will depend, in part, on our ability to maintain or increase our margins. Our margins are affected in part by our ability to continue to secure low-cost funding at rates lower than the interest rates at which we lend to our customers. Our ability to raise funds on acceptable terms and at competitive rates depends on various factors including our current and future results of operations and financial condition, global and local macroeconomic conditions and the effect of events such as a pandemic, our risk management policies, the shareholding of Promoters in our Company, our credit ratings, our brand equity, the regulatory environment and policy initiatives in India and developments in the international markets affecting the Indian economy. If we are unable to access funds at an effective cost that is comparable to or lower than that of our competitors, our net interest margins, income, and market share may be adversely affected.






Certain regulatory developments including the restrictions imposed on NBFCs by the RBI through a Master Circular – Bank Finance to Non- Banking Financial Companies dated July 1, 2015 (the “Master Circular”) may restrict our ability to obtain bank financing for specific activities. Pursuant to the Master Circular, the RBI has imposed certain restrictions on banks providing financing to NBFCs. Under this Master Circular, certain activities by NBFCs are ineligible for financing by banks, including certain types of discounting and rediscounting of bills, current and long term investments in shares, debentures, loans and advances by NBFCs to their subsidiaries and group companies, lending by NBFCs to individuals for subscribing to public offerings and purchasing shares from the secondary market, unsecured loans, inter-corporate deposits provided by NBFCs, and subscription to shares or debentures by NBFCs. In addition, the Master Circular prohibits:

- banks from granting bridge loans of any nature, provide interim finance against capital or debenture issues or in the form of loans of a temporary nature pending the raising of long-term funds from the market by way of capital, deposits, or other means to any category of NBFCs;
- banks from accepting shares and debentures as collateral for secured loans granted to NBFCs; and
- banks from executing guarantees covering inter-Company deposits or loans that guarantee refund of deposits or loans accepted by NBFCs. The Master Circular also requires that guarantees not be issued by banks for the purpose of indirectly enabling the placement of deposits with NBFCs.

Changes in economic, regulatory and financial conditions or any lack of liquidity in the market could adversely affect our ability to access funds at competitive rates, or at all, which could adversely affect our liquidity and financial condition.

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

As on the date of this Draft Letter of Offer, our Material Subsidiary, CAMS has made certain trademark applications to Registrar of Trademarks for registration of its logo for which application is presently pending. Hence, we do not enjoy the statutory protection accorded to a registered trademark. Details of such applications are as below:

Application Number	Trademark	Class	Date of Application	Status
3610882		36	August 11, 2017	Opposed
5605418		16	September 12, 2022	Objected
5605420		36	September 12, 2022	Objected
5605422		16	September 12, 2022	Objected
5605424		16	September 12, 2022	Objected

Since we have not obtained registration, we may remain vulnerable to infringement and passing-off by third parties and will not be able to enforce any rights against them. We may also need to change our logo which may adversely affect our reputation and business and could require us to incur additional costs. Any failure to register our logo or renew registration of our registered trademarks may affect our right to use them in future. Our efforts to protect our intellectual property may not be adequate and any third party claims on any of our unprotected brands or misuse may lead to erosion of our business value and our reputation, which could adversely affect our operations. Third parties may also infringe or copy our registered trademarks. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our trademarks. Further, if we do not maintain our brand identity, which is an important factor that differentiates us from our competitors, we may not be able to maintain our competitive edge. If we are unable to compete successfully, we could lose our customers, which would negatively affect our financial performance and profitability. Moreover, our ability to protect, enforce or utilize our brand is subject to risks, including general litigation risks. Furthermore, we cannot assure you that our brand will not be adversely affected in the future by actions that are beyond our control, including customer complaints or adverse publicity from any other source. Any damage to our brand identity, if not immediately and sufficiently remedied, could have an adverse effect on our business and competitive position.

**7. *We do not own certain premises used by us. Disruption of our rights as licensee/ lessee or termination of the agreements with our licensors/ lessors would adversely impact our business operations and, consequently, our business.***

As on the date of this Draft Letter of Offer, our Registered Office, Registered Offices of our Subsidiaries have been taken on lease by our Company and/or Our Subsidiaries from third parties. For details, please refer to the chapter titled “Our Business - Leasehold Properties” on page 63 of this Draft Letter of Offer.

Also, we do not have any formal arrangement for use of our Marketing Office with Credent Property Advisory Limited, which is our Promoter group entity and is the original lessee for our Marketing Office.

There is no assurance that our Company and/or Our Subsidiaries will be able to renew the lease agreements or deeds entered into with third parties in a timely manner or at all. Further, there is no assurance that we will not face any disruption of our rights as a lessee/ licensee and that such leave and license and lease agreements will not be terminated prematurely by the licensor/lessor. Any such non-renewal or early termination or any disruption of our rights as lessee / licensee might adversely affect our business operations.

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

As a Listed Company, we have to comply with numerous regulatory filings, maintenance of record etc. under the Companies Act, 2013, Securities Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015 (“Listing Regulation”), Securities Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulation, 2011 and any other laws and regulation as applicable.

While we have been generally compliant, however there has been one instance of non-filing to Stock Exchange i.e., BSE Limited due to some misinterpretation of law by our Statutory Auditor resulting in a penalty of Rs. 1.25 Lakhs. For further details, please see the chapter titled “*Outstanding Litigation and Material Developments*” beginning on page 150 of this Draft Letter of Offer. Any non -compliance of the applicable laws they may impose the penalty on the Company. Such penalty may impact the results of operations and financial condition of the Company.

Also, SEBI through its letter dated June 8, 2021 (“**Warning Letter**”) had issued a warning to our Promoter Directors, Mr. Aditya Vikram Kanoria and Mr. Mandeep Singh in the matter of acquisition of our Company through an open offer.

Our Promoter Directors, Mr. Aditya Vikram Kanoria and Mr. Mandeep Singh, while acquisition of our Company through an open offer were required to deposit 25% of the consideration payable under open offer in an escrow account, not later than two working days prior to the date of the detailed public statement of the open offer for acquiring shares. However, an amount of Rs. 10,00,000/- was deposited with delay of two days. Therefore, SEBI decided to issue a warning to Promoter Directors, Mr. Aditya Vikram Kanoria and Mr. Mandeep Singh with an advice to be careful in future and to also place the Warning Letter before the board of directors of our Company.

Also, a summary of the pending tax proceedings and other material litigations involving our Company, our Subsidiaries, our Promoters and our Directors is provided below:

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges	Material Civil Litigation	Aggregate amount involved (₹ in lakhs)*
<b>Company</b>						
By our Company	Nil	Nil	NA	NA	Nil	NA
Against our Company	Nil	1	Nil	1	Nil	2.86
<b>Subsidiaries</b>						
By our Subsidiaries	Nil	Nil	NA	NA	Nil	NA
Against our Subsidiaries	Nil	Nil	Nil	Nil	Nil	NA
<b>Promoters</b>						
By our Promoters	Nil	Nil	NA	NA	Nil	NA
Against our Promoters	Nil	Nil	Nil	1	Nil	NA
<b>Directors</b>						



By our Directors	Nil	Nil	NA	NA	Nil	NA
Against our Directors	Nil	1	Nil	1	Nil	2.21

*\*To the extent quantifiable*

**9. *Our Company has taken certain unsecured loans, which may be recalled at any time.***

As on March 31, 2023, our Company has outstanding unsecured loans aggregating to ₹ 3,745.08 Lakhs, may be recalled by them at any time. In the event, any of such lenders (which includes our Promoters, Director or other related parties) seek a repayment of any these loans, our Company would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. If we are unable to arrange for any such financing arrangements, it may adversely affect our ability to grow or support our business and to respond to business challenges could be limited and our business prospects, financial condition and results of operations would be materially and adversely affected.

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

The funds raised under this Issue will be to augment our capital. The objects of the Issue are based on management estimates and have not been up appraised by any bank or financial institution. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financial results. Utilization of Issue proceeds would be disclosed to our Company's shareholders in the manner required under the SEBI LODR Regulations. For further details, please see to the section titled "Objects of the Issue" on page no. 44 of this Draft Letter of Offer.

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

As a consequence of being regulated as an NBFC we will have to adhere to certain individual and borrower group exposure limits and periodic reporting and Compliances as specified under the RBI regulations and are subject to periodic RBI inspection and supervision. We have in the past, made RBI Submissions and reporting with delays. In the event that we are unable to comply with the regulatory requirements within the specified time limit, or at all, we may be subject to regulatory actions by the RBI including the levy of fines or penalties and/or the cancellation of registration as an NBFC as the case may be. Any such action may adversely affect our business, prospects, result of operations, financial condition and the trading price of our Equity Shares.

Our Company is regulated by the RBI as a Non-Deposit Taking (ND) and Non-Systematically Important (NSI) Non-Banking Financial Company – Investment and Credit Company "NBFC-ICC" and comes under Base Layer (BL) of the RBI's Scale Based Regulatory Framework. Hence, majority of the regulatory filings and exposure norms are not yet applicable to our company. However, the same may become applicable once we cross a certain benchmark limit as specified by RBI from time to time after which, we would be a Systematically Important (SI) and/or Middle Layer (ML) or Upper Layer (UL) NBFC-ICC and hence would have to adhere to individual and group borrower exposure limits and periodic reporting and other such compliances and procedures.

Being a Non-Deposit Taking, Non-Systematically Important NBFC Company, means that RBI norms for us are relatively lesser stringent, however, there can be no assurance that we would have complied with all requirements as and when applicable.

In the event that we are unable to comply with the regulatory requirements within the specified time limit, or at all, we may be subject to regulatory actions by the RBI including the levy of fines or penalties and/or the cancellation of registration as an NBFC. We cannot assure you that we may not breach the exposure norms or other regulatory norms in the future. Any levy of fines or penalties or the cancellation of our registration as an NBFC by the RBI by the Government of India, due to the breach of exposure or other applicable norms, may adversely affect our business, prospects, and result of operations, financial condition and the trading price of our Equity Shares.

Further, the RBI's regulation pertaining to NBFC may change or become more rigorous in the future which may require our Company to restructure its activities, incur additional costs or could otherwise adversely affect its business, financial performance and cash flows. There can be no assurance that the RBI and/or the Government will not implement further regulations or policies, including legal interpretations of existing regulations, relating to or affecting interest rates, taxation, inflation or exchange controls, or otherwise take action, that may have an adverse impact on NBFCs.

Compliance with many of the regulations applicable to our operations in India, including any restrictions on investments and other activities currently being carried out by us, involves a number of risks, particularly in markets where applicable regulations may be subject to varying interpretations. If the interpretation of the regulators and authorities varies from our interpretation, we may be subject to penalties and our business could be adversely affected. We are also subject to changes in laws, regulations and accounting principles and practices. There can be no assurance that the laws governing the financial services sector will not change in the future

or that such changes or the interpretation or enforcement of existing and future laws and rules by governmental and regulatory authorities will not adversely affect our business and future financial performance.

**12. As an NBFC, we face the risk of default and non-payment by borrowers and other counterparties. Any such defaults and non-payments would result in write-offs and/or provisions in our financial statements which may materially and adversely affect our profitability and asset quality.**

Any lending or investment activity is exposed to credit risk arising from the risk of default and non-payment by borrowers and other counterparties. Our loan book stood at Rs. 3,176.36 Lakhs, Rs. 683.42 Lakhs and Rs. 427.37 Lakhs for the FY 2023, 2022 and 2021 respectively consisting entirely of Unsecured Loans. Many of our loans in the portfolio are loans granted to Small Business Firms (Proprietors / Partnerships) and Individuals (Personal Loans). Further, in relation to the unsecured loans, our ability to realise the amounts due to us for such loans would be restricted to initiating legal proceedings for recovery, as we will not have the benefit of enforcing any security interest related to such loans. There can be no guarantee as to the time that would be taken for the final disposal of such legal proceedings and/or our ability to obtain favourable decisions in connection therewith. Our inability to recover the amounts due from customers in connection with such loans in a timely manner or at all and/or to comply with applicable statutory/regulatory requirements in connection with such loans could adversely affect our operations and profitability.

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

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

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

Our Company has experienced negative net cash flow in operating and investing activities in the recent past, the details of which are provided below:

Particulars	Audited		
	March 31, 2023	March 31, 2022	March 31, 2021
Net Cash Flow from / (used in) Operating Activities	(2,362.83)	(585.69)	(42.77)
Net Cash Flow from / (used in) Investment Activities	(1,740.76)	18.66	42.70
Net Cash Flow from / (used in) Financing Activities	4,419.05	569.19	-

(₹ in Lakhs)

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

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

Our Company is subject to periodic inspections by the RBI of our Company's books of accounts and other records for the purpose of verifying the correctness or completeness of any statement, information or particulars furnished to the RBI or for obtaining any information, which our Company have failed to furnish when called upon to do so. The RBI conducts an annual inspection of our Company's books of accounts and other records relating to our financial position every year under Section 45N of the RBI Act. RBI inspections are a regular exercise and are carried out periodically by RBI for banks, financial institutions and NBFCs. While our Company has responded to the RBI observations, and has taken steps or is in the process of taking steps to rectify the identified deficiencies, if our Company fails to comply with the RBI's observations or all of the terms and conditions stipulated in the observations, or fails to seek waivers or extensions of time for complying with these terms and conditions, the RBI may take adverse actions against our Company, such as revoking its registration/ licence or placing stringent restrictions on our Company's operations in case of any major non-compliance with RBI guidelines, circulars or notifications, as the case may be. Any major failure to meet the RBI's directions could materially and adversely affect our Company's pending applications or requests with the RBI and our Company's ability to obtain the regulatory permits and approvals required to expand our business, or result in the interruption of all or some of our Company's operations, which could have a material adverse effect on our Company's business, financial condition and results of operations.

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

As the Issue size is not more than ₹4,900 Lakhs, under Regulation 82 of the SEBI (ICDR) Regulations it is not required that a monitoring agency be appointed by our Company, for overseeing the deployment and utilisation of funds raised through this Issue. Therefore, the deployment of the funds towards the Objects of this Issue is entirely at the discretion of our Board of Directors and is not subject to monitoring by external independent agency. Our Board of Directors along with the Audit Committee will monitor the utilisation of Issue proceeds and shall have the flexibility in applying the proceeds of this Issue.

**17. *We may have challenges extending our business into new regions and markets both inside and outside of India.***

We continue to investigate potential to expand our business into new markets in India as part of our growth strategy. In these new areas, factors such as competition, consumer requirements, regulatory regimes, business practices, and customs may differ from those in our present markets, and our prior market experience may not be applicable to these new markets.

**18. *Internal or external fraud, dishonesty, or misconduct by our personnel could have a negative impact on our reputation and financial results.***

Misconduct by our employees could bind us to transactions that exceed authorised limits or present unacceptable risks, and our employees could conceal unauthorised or unlawful activities from us. Employee misconduct could also involve front running in securities markets or the improper use or disclosure of confidential information or non-compliance with insider trading rules, which could result in regulatory sanctions and serious reputational or financial harm. It is not always possible to deter fraud or misconduct by employees, and the precautions we have taken and the systems we have put in place to prevent and deter such activities may not be effective in all cases. Any instances of fraud or misconduct could adversely affect our reputation, business, results of operations and financial condition.

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

Company has declared an interim dividend of 5%, i.e., Rs. 0.5/- per Equity Share with Face Value of Rs. 10/- each to Non-Promoter Equity Shareholders of the Company for the Financial Year 2022-23 amounting to Rs. 18.89 Lakhs

Further, the Promoters of the Company, i.e., Mr. Aditya Vikram Kanoria and Mr. Mandeep Singh have volunteered to waive off dividend on their holdings, i.e., on 31,99,549 Equity Shares for the Financial Year 2022-2023.

our ability to pay dividends in the future will depend on number of factors, including our profit after tax for the fiscal year, utilization of the profit after tax towards reserves, our future expansion plans and capital requirements, our financial condition, our cash flows and applicable taxes, including dividend distribution tax payable by our Company. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and subsequent approval of shareholders and will depend on factors that our Board and shareholders deem relevant. We may decide to retain all our earnings to finance the development and expansion of our business and, therefore, may not declare dividends on our Equity Shares. Further, dividends distributed by us will attract 31 dividend distribution tax at rates applicable from time to time. There can be no assurance that we will generate sufficient income to cover the operating expenses and pay dividends to the shareholders. We cannot assure you that we will be able to pay dividends in the near or medium term or future, and the future dividend policy will depend on the capital requirements and financing arrangements for the business plans, financial condition and results of operations.

**20. *We require number of approvals, NOCs, licenses in ordinary course of our Business.***

We need to apply for renewal of approvals which expire, from time to time, as and when required in the ordinary course of our business. Any failure to renew the approvals that will expire, or to failure/delay to apply for and obtain the required approvals, licences, registrations or permits, or any suspension or revocation of any of the approvals, licences, registrations and permits that have been or may be issued to us, could result in delaying the operations of our business, which may adversely affect our business, financial condition, results of operations and prospects. We cannot assure you that the approvals, licences, registrations and permits issued to us would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action.

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

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

**22. *We are subject to cyber security risks and security breaches and may incur increasing costs in an effort to minimize those risks and to respond to cyber incidents.***

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

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

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

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

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

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

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

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

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

immediately may subject us to regulatory action, including fines and penalties, and have a negative impact on our business and reputation.

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

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

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

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

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

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

We have neither commissioned an industry report, nor sought consent from the quoted website source for the disclosures which need to be made in the section titled 'Industry Overview' beginning on page 51 of this Draft Letter of Offer. We have made disclosures in the said section based on the relevant industry related data available online for which relevant consents have not been obtained. We have not independently verified such third-party data. We cannot assure you that any assumptions made are correct or will not change and, accordingly, our position in the market may differ from that presented in this Draft Letter of Offer. Further, the industry data mentioned in this Draft Letter of Offer or sources from which the data has been collected are not recommendations to invest in our Company. Accordingly, investors should read the industry related disclosure in this Draft Letter of Offer in this context .

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

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

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

normal economic and operating conditions can resume. The above risks can threaten the safe operation of our facilities and cause disruption of operational activities, loss of life, injuries and impact the wellbeing of our people.

**30. Certain data mentioned in this Draft Letter of Offer has not been independently verified.**

We have not independently verified data from industry publications contained herein and although we believe these sources to be reliable, we cannot assure that they are complete or reliable. Such data may also be produced on a different basis from comparable information compiled with regard to other countries. Therefore, discussions of matters relating to India and its economy are subject to the limitation that the statistical and other data upon which such discussions are based have not been verified by us and may be incomplete or unreliable.

**EXTERNAL RISK FACTORS**

**31. *Other financial institutions or the Indian financial sector as a whole may have difficulties, which could hurt our operations.***

We are exposed to risks as a result of our involvement in the Indian financial system. Financial troubles and other issues confronting Indian financial institutions may have an impact on this sector. Several Indian financial institutions have had problems in recent years, and certain banks have also had major financial and liquidity problems. Any significant problem or volatility in the Indian financial system could lead to a negative market perception.

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

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

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

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

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

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

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

Consequently, any future slowdown in the Indian economy could harm our business, results of operations and financial condition. Also, a change in the government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular and high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins.

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

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

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

1. any increase in Indian interest rates or inflation;
2. any scarcity of credit or other financing in India;
3. prevailing income conditions among Indian consumers and Indian corporations;
4. changes in India's tax, trade, fiscal or monetary policies;
5. political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries;
6. prevailing regional or global economic conditions; and
7. other significant regulatory or economic developments in or affecting India

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

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

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

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

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

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

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

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

High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to pass on to our customers, whether entirely or in part, and the same may adversely affect our business and financial condition. In particular, we might not be able to reduce our costs or increase our rates to pass the increase in costs on to our customers. In such case, our business, results of operations, cash flows and financial condition may be adversely affected.

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

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

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

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

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

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

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

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

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

## **ISSUE SPECIFIC RISKS**

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

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

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

The concept of crediting Rights Entitlements into the demat accounts of the Eligible Equity Shareholders has recently been introduced by the SEBI. Accordingly, the process for such Rights Entitlements has been recently devised by capital market intermediaries. Eligible Equity Shareholders are encouraged to exercise caution, carefully follow the requirements as stated in the SEBI circulars dated January 22, 2020, May 6, 2020, January 19, 2021, April 22, 2021 and October 01, 2021 and ensure completion of all necessary steps in relation to providing/updating their demat account details in a timely manner. For details, see "Terms of the Issue" on page 162 of this Draft Letter of Offer.

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account opened by our Company, for the Eligible Equity



Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI Listing Regulations; or (b) Equity Shares held in the account of IEPF authority; or (c) the demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or (d) credit of the Rights Entitlements returned/reversed/failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings.

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

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

**43. *Any future issuance of the Equity Shares, or convertible securities by our Company may dilute your future shareholding and sales of the Equity Shares by our Promoters or other major shareholders of our Company may adversely affect the trading price of the Equity Shares.***

Any future issuance of the Equity Shares, or convertible securities by our Company, including through exercise of employee stock options or restricted stock units may lead to dilution of your shareholding in our Company, adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. Further, any future sales of the Equity Shares by the Promoters and members of our Promoter Group, or other major shareholders of our Company may adversely affect the trading price of the Equity Shares.

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

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. However, any gain realized on the sale of listed equity shares on or before March 31, 2018 on a stock exchange held for more than 12 months was not subject to long term capital gains tax in India if STT was paid on the sale transaction and, additionally, as stipulated by the Finance Act, 2017, STT had been paid at the time of acquisition of such equity shares on or after October 1, 2004, except in the case of such acquisitions of equity shares which are not subject to STT, as notified by the Central Government under notification no. 43/2017/F. No. 370142/09/2017-TPL on June 5, 2017. However, the Finance Act, 2018, has now levied taxes on long-term capital gains arising from sale of equity shares. However, where specified conditions are met, such long-term capital gains are only taxed to the extent they exceed Rs. 100,000.00 and unrealized capital gains earned up to January 31, 2018, continue to be exempt. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short-term capital gains tax in India. Capital gains arising from the sale of the equity shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the equity Shares.

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

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

**46. *Investors will not have the option of getting the Allotment of Rights Equity Shares in physical form and the Rights Entitlement of Eligible Equity Shareholders holding Equity Shares in physical form ("Physical Shareholders") may lapse in case they fail to furnish the details of their demat account to the Registrar.***

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialised form only. Accordingly, the Rights Entitlements of the Physical Shareholders shall be credited in a suspense escrow demat account opened by our Company during the Issue Period.

The Physical Shareholders are requested to furnish the details of their demat account to the Registrar not later than two Working Days prior to the Issue Closing Date to enable the credit of their Rights Entitlements in their demat accounts at least one day before the Issue Closing Date. The Rights Entitlements of the Physical Shareholders who do not furnish the details of their demat account to the Registrar not later than two Working Days prior to the Issue Closing Date, shall lapse. Further, pursuant to a press release dated December 3, 2018 issued by the SEBI, with effect from April 1, 2019, a transfer of listed Equity Shares cannot be processed unless the Equity Shares are held in dematerialized form (except in case of transmission or transposition of the Equity Shares and except the pending transfers). For details, refer chapter titled “Terms of the Issue – Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form” on page 167 of this Draft of Letter of Offer.

**47. Applicants to this Issue are not allowed to withdraw their Applications after the Issue Closing Date.**

In terms of the SEBI ICDR Regulations, the Applicants in this Issue are not allowed to withdraw their Applications after the Issue Closing Date. The Allotment in this Issue and the credit of such Equity Shares to the Applicant’s demat account with its depository participant shall be completed within such period as prescribed under the applicable laws. There is no assurance, however, that material adverse changes in the international or national monetary, financial, political or economic conditions or other events in the nature of force majeure, material adverse changes in our business, results of operation or financial condition, or other events affecting the Applicant’s decision to invest in the Issue Shares, would not arise between the Issue Closing Date and the date of Allotment in this Issue. Occurrence of any such events after the Issue Closing Date could also impact the market price of our Equity Shares. The Applicants shall not have the right to withdraw their Applications in the event of any such occurrence. We cannot assure you that the market price of the Equity Shares will not decline below the Issue Price. To the extent the market price for the Equity Shares declines below the Issue Price after the Issue Closing Date, the shareholder will be required to purchase Issue Shares at a price that will be higher than the actual market price of the Equity Shares at that time. Should that occur, the shareholder will suffer an immediate unrealized loss as a result. We may complete the Allotment even if such events may limit the Applicants’ ability to sell our Equity Shares after this Issue or cause the trading price of our Equity Shares to decline.

**48. Investors will be subject to market risks until the Issue Shares credited to their demat accounts are listed and permitted to trade.**

Investors can start trading the Issue Shares allotted to them only after they are listed and permitted to trade. Since the Equity Shares are currently traded on the Stock Exchange, investors will be subject to market risk from the date they pay for the Issue Shares to the date when trading approval is granted for them. Further, we cannot assure you that the Issue Shares allocated to an Investor will be credited to the Investor’s demat account or that trading in the Equity Shares will commence in a timely manner.

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

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

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

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

**51. *Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may adversely affect the value of our Equity Shares, independent of our operating results.***

On listing, our Equity Shares will be quoted in Indian Rupees on the Stock Exchange. Any dividends in respect of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating outside India the

proceeds from a sale of Equity Shares, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by equity shareholders. For example, the exchange rate between the Rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to fluctuate substantially in the future, which may adversely affect the trading price of our Equity Shares and returns on our Equity Shares, independent of our operating results.

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

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

**53. *Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions.***

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

## SECTION IV: INTRODUCTION

### THE ISSUE

The Issue has been authorised by way of resolution passed by our Board at its meeting held on pursuant to section 62(1)(a) of the Companies Act, 2013 and other applicable provisions.

The following is a summary of this Issue. This summary should be read in conjunction with, and is qualified in its entirety by, more detailed information in “*Terms of the Issue*” on page 162 of this Draft Letter of Offer.

<b>Rights Equity Shares being offered by our Company</b>	Up to [●] Rights Equity Shares
<b>Rights Entitlement for the Rights Equity Shares</b>	[●] Rights Equity Share for every [●] Equity Shares held on the Record Date
<b>Record Date</b>	[●]
<b>Face Value per Equity Share</b>	₹10 each
<b>Issue Price per Equity Share</b>	₹[●] per Rights Equity Share (including a premium of ₹[●] per Rights Equity Share).  On Application, Investors will have to pay ₹[●] per Rights Equity Share, which constitutes 100% of the Issue price.
<b>Issue Size</b>	Upto [●] Equity Shares of face value of ₹ 10 each for cash at a price of ₹ [●] (Including a Premium of Rs. [●] ) per Rights Equity Share up to an amount of Rs. [●] Lakhs.
<b>Voting Rights and Dividend</b>	The Equity Shares issued pursuant to this Issue shall rank <i>pari-passu</i> in all respects with the Equity Shares of our Company.
<b>Fractional Entitlement</b>	For Equity Shares being offered on a rights basis under the Issue, if the shareholding of any of the Eligible Equity Shareholders is less than [●] Equity Shares or is not in multiples of [●], the fractional entitlement of such Eligible Equity Shareholders shall be ignored for computation of the Rights Entitlement. However, Eligible Equity shareholders whose fractional entitlements are being ignored earlier will be given preference in the Allotment of one additional Equity Share each, if such Eligible Equity Shareholders have applied for additional Equity Shares over and above their Rights Entitlement, if any.
<b>Equity Shares issued, subscribed and paid up and outstanding prior to the Issue</b>	69,37,500 Equity Shares issued subscribed and paid-up. For details, please see “Capital Structure” on page 42 of this Draft Letter of Offer
<b>Equity Shares outstanding after the Issue (assuming full subscription for and Allotment of the Rights Equity Shares)</b>	[●] Equity Shares
<b>Security Codes for the Equity Shares</b>	ISIN: INE727C01016 BSE Script Code: 539598 & CGFL
<b>ISIN for Rights Entitlements</b>	[●]
<b>Terms of the Issue</b>	For details, please see “ <i>Terms of the Issue</i> ” on page 162 of this Draft Letter of Offer.
<b>Use of Issue Proceeds</b>	For details, please see “ <i>Objects of the Issue</i> ” on page 44 of this Draft Letter of Offer.

#### Payment Schedule of Rights Equity Share is as follows:

The Issue Price of [●] per Rights Equity Share (including premium of [●] per Rights Equity Share) shall be payable on application.

<b>Due Date</b>	<b>Amount payable per Equity Shares</b>
Money payable at the time of Application	[●]

## GENERAL INFORMATION

Credent Global Finance Limited (“**Company**” or “**Issuer**”) was originally incorporated as ‘Overnite Finance Private Limited’ at New Delhi on February 27, 1991 with Registrar of Companies, Delhi & Haryana. Subsequently, it was converted to a Public Limited under section 43A (I-A) of the Companies Act, 1956 on July 18, 1994 and changed its name to “Overnite Finance Limited”. On November 30, 1994, Company had again changed its name to ‘OFL Finanz Limited’. Further, the name of our Company was changed from “OFL Finanz Limited” to “Oracle Credit Limited” on August 11, 1995 vide Fresh Certificate of Incorporation. The Company got listed on January 16, 2016. The name of our Company has been changed again to its current name, i.e., “Credent Global Finance Limited” vide Fresh Certificate of Incorporation dated April 06, 2023.

Our Company is a Non-Banking Financial Company (NBFC) registered with RBI as a NBFC- Non Deposit taking – Non-Systematically Important under section 45 IA of the Reserve Bank of India Act, 1934 bearing Registration no. 14.00242. Consequent to change in name of the Company, RBI issued fresh CoR No. 14.00242 dated May 30, 2023, in the name of Credent Global Finance Limited and consequently, CoR No. 14.00242 dated March 04, 1998 in the name of M/s Oracle Credit Limited was cancelled.

### Changes in the registered office of our Company

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

Effective Date	From Address	To Address	Reasons for Change
November 2, 2021	P-7, Green Park Extension, New Delhi-110016	Flat No. B-502, 5 <sup>th</sup> Floor, B-wing, Statesman House 148, Barakhamba Road, Connaught Place, New Delhi-110001	Due to Change in Management and Control of the Company
June 8, 2023*	Flat No. B-502, 5 <sup>th</sup> Floor, B-wing, Statesman House 148, Barakhamba Road, Connaught Place, New Delhi-110001	Unit No. 609-A, 6 <sup>th</sup> Floor, One BKC, C-Wing, G Block, Opposite Bank of Baroda, Bandra Kurla Complex, Bandra (East), Mumbai - 400051	For Better Administrative and economic control

*\*The original application for change in registered office of our Company was filed with the RBI Delhi on July 27, 2022. In response of the application we received an email from RBI dated September 28, 2022 requesting for Copy of order from Regional Director, Northern Region of MCA and Fresh Certificate of Incorporation regarding shifting. We submitted copy of such order and Fresh Certificate of Incorporation with RBI Delhi on April 21, 2023, and June 13, 2023 respectively.*

### Registered Office of our Company

#### **Credent Global Finance Limited (Formerly known as Oracle Credit Limited)**

Unit No. 609-A, 6<sup>th</sup> Floor, One BKC, C-Wing,  
G Block, Opposite Bank of Baroda, Bandra Kurla Complex,  
Bandra (East), Mumbai - 400051  
Tel: +91 22 6845 2001  
Email: [compliance@credentglobal.com](mailto:compliance@credentglobal.com)  
Website: [www.credentglobal.com](http://www.credentglobal.com)  
CIN: L65910MH1991PLC404531

### Marketing Office

Level 18, 40 Bank St,  
Canary Warf, London  
E14 5NR

### Address of the Registrar of Companies

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

Registrar of Companies, Mumbai  
100, Everest, Marine Drive,  
Mumbai - 400002, Maharashtra  
Tel: +91 22 22812627 / 22020295 / 22846954  
E-mail id: [roc.mumbai@mca.gov.in](mailto:roc.mumbai@mca.gov.in)

## Designated Stock Exchange

BSE Limited located at P.J. Towers, Dalal Street, Fort, Mumbai-400001, Maharashtra, India is the Designated Stock Exchange for the proposed Rights Issues of the Company.

## Board of Directors of our Company

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

Name	Age	Designation	Address	DIN
Aditya Vikram Kanoria	41	Managing Director and Chief Financial Officer	Flat No. 301 Shivam Building Mistry Complex, J B Nagar, Andheri East, Mumbai-400059, MH	07002410
Mandeep Singh	40	Executive Director	House No. 27, Sector-12, Nanak Nagar, Gandhinagar H.O. Jammu & Kashmir-180004	06395827
Mohit K Chheda	34	Non-Executive Director	13/94, Krashna Mahal, Bhaudaji Cross Road, no. 10, Opp, BMC ward Office, Matunga East, Mumbai-400019, MH	06594845
Shubhangi Agarwal	32	Independent Director	B-3/22, Third Floor, Rana Pratap Bagh, New Delhi-110007	08135535
Sulabh Jain	28	Independent Director	F-225, U/G/F, Main Mangal Bazar, Laxmi Nagar, Delhi-110092	07739598

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

## Chief Financial Officer

### Aditya Vikram Kanoria

Unit No. 609-A, 6<sup>th</sup> Floor, One BKC, C-Wing,  
G Block, Opposite Bank of Baroda, Bandra Kurla Complex,  
Bandra (East), Mumbai - 400051  
Tel: +91 22 6845 2001  
Email: [aditya@credentglobal.com](mailto:aditya@credentglobal.com)

## Company Secretary and Compliance Officer

### Ms. Preeti Sethi

Unit No. 609-A, 6<sup>th</sup> Floor, One BKC, C-Wing,  
G Block, Opposite Bank of Baroda, Bandra Kurla Complex,  
Bandra (East), Mumbai - 400051  
Tel: +91 22 6845 2001  
Email: [compliance@credentglobal.com](mailto:compliance@credentglobal.com)

## Registrar to the Issue and Company

### Beetal Financial and Computer Services (P) Limited

Beetal House, 3<sup>rd</sup> Floor, 99, Madangir, Behind LSC,  
Near Dada Harsukhdas Mandir, New Delhi -110062,  
Tel: +91 11 2996 1281-83, +91 11 2605 1061, 2605 1064  
Email: [beetal@beetalfinancial.com](mailto:beetal@beetalfinancial.com)  
Website: [www.beetalfinancial.com](http://www.beetalfinancial.com)  
Contact Person: Mr. Bhavander Jha  
SEBI Registration Number: INR000000262  
CIN: U67120DL1993PTC052486

## Statutory Auditors

### M/s. Kapish Jain & Associates, Chartered Accountants

Address: 504, B-wing, Statesman House, 148,  
Barakhamba Road, New Delhi - 110001  
Email: [ca.kapish@gmail.com](mailto:ca.kapish@gmail.com)  
Contact Details: +91 11 4370 8987  
Contact Person: Mr. Kapish Jain and Mr. Vikas Katyal  
Firm Registration Number: 022743N

## **Bankers to the Issue/ Refund Bank**

[•]

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

## **Designated Intermediaries**

### *Self-Certified Syndicate Banks*

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

## **Inter-se Allocation of Responsibilities**

The Company has not appointed any merchant banker to the Issue and hence there is no inter-se allocation of responsibilities.

## **Expert Opinion**

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

Our Company has received written consent dated June 15, 2023 from our Statutory Auditor, namely M/s Kapish Jain & Associates, Chartered Accountants for inclusion of their examination reports each dated June 15, 2023 on our Consolidated Restated Financial Statements and Standalone Restated Financial Statements and to include their name in this Draft Letter of Offer and as an 'Expert' as defined under Section 2(38) of the Companies Act, 2013 in relation to the Statement of Tax Benefits dated June 15, 2023 in this Draft Letter of Offer and such consent has not been withdrawn as on the date of this Draft Letter of Offer.

However, the term "Expert" shall not be construed to mean an "Expert" as defined under the Securities Act, 1933.

## **Investor grievances**

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

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

## **Credit Rating**

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

## **Debenture Trustees**

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

## **Monitoring Agency**

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

## **Filing**

SEBI vide the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020 has amended Regulation 3(b) of the SEBI ICDR Regulations as per which the threshold of filing of Draft Letter

of Offer with SEBI for rights issues has been increased to Rs. 5,000.00 lakhs. Since the size of this Issue falls below this threshold, the Draft Letter of Offer has been filed with the Stock Exchange and not with SEBI.

However, the Letter of Offer will be submitted with SEBI for information and dissemination and will be filed with the Stock Exchange. The Draft Letter of Offer has not been filed with the SEBI for its observations as the size of the issue is below than Rs. 5,000.00 lakhs which does not require issuer to file Draft Letter of Offer with SEBI.

The Company has filed draft letter of offer with BSE for obtaining in-principle approval.

### Changes in Auditors during the last three years

The appointment of M/s Kapish Jain and Associates, Chartered Accountants as Statutory Auditors of our Company in place of M/s Jain Arun & Company, Chartered Accountants for the purpose of filled the causal vacancy caused by the resignation of M/s Jain Arun & Co., Chartered Accountants up to the period of Annual General Meeting which was held on September 29, 2022.

Further, appointment of M/s Kapish Jain and Associates, Chartered Accountants as Statutory Auditors of our Company for a period of 5 years in Annual General Meeting which was held on September 29, 2022 and recommended & approved by the Board of Directors by passing resolution at the Board of Directors meeting held on August 10, 2022. Except as mentioned above, there has been no change in the Statutory Auditor of our Company in last three years immediately preceding the date of this Draft Letter of Offer.

### Underwriting Agreement

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

### Issue Schedule

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

Event	Schedule
Last Date for Credit of Rights Entitlement	[●]
Issue Opening Date	[●]
Last Date for On Market Renunciation of Rights Entitlement <sup>#</sup>	[●]
Issue Closing Date*	[●]
Finalization of Basis of Allotment (on or about)	[●]
Date of Allotment (on or about)	[●]
Date of Credit (on or about)	[●]
Date of Listing (on or about)	[●]

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

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

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

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

Investors are advised to ensure that the Applications are submitted on or before the Issue Closing Date. Neither our Company nor the Registrar to the Issue will be liable for any loss on account of non-submission of Applications on or before the Issue Closing Date. For details on submitting Application Forms, see “Terms of the Issue” on page 162 of this Draft Letter of Offer.

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

### Minimum Subscription



Pursuant to their respective letters each dated June 15, 2023, our Promoters have confirmed that they do not intend to subscribe to their Rights Entitlements and may renounce those in favour of third parties.

Accordingly, in terms of the SEBI ICDR Regulations, the requirement of minimum subscription in the Issue shall be applicable. Pursuant to regulation 86(2) of the SEBI ICDR Regulations in case of non-receipt of minimum subscription, all application monies received shall be refunded to the applicants forthwith, but not later than fifteen days from the closure of the Rights Issue.

## CAPITAL STRUCTURE

The Equity Share capital of our Company, as on the date of this Draft Letter of Offer and after giving effect to the Issue is set forth below:

S. No.	Particulars	Amount (in ₹ Lakhs, except share data)	
		Aggregate value at nominal value	Aggregate value at Issue Price
<b>A.</b>	<b>Authorised Share Capital</b>		
	2,50,00,000 Equity Shares of face value of ₹ 10 each	2,500.00	NA
<b>B.</b>	<b>Issued, Subscribed and Paid-Up Share Capital before the Issue</b>		
	69,37,500 Equity Shares of face value of ₹ 10 each	693.75	NA
<b>C.</b>	<b>Present Issue in terms of this Draft Letter of Offer<sup>(1)</sup></b>		
	Up to [●] Equity Shares of face value of ₹ 10 each <sup>(2)</sup>	[●]	
<b>D.</b>	<b>Issued, Subscribed and Paid-Up Share Capital after the Issue<sup>(3)*</sup></b>		
	[●] Fully Paid Equity Shares of face value of ₹ 10 each	[●]	NA
<b>E.</b>	<b>Securities Premium Account</b>		
	Before the Issue	527.25	
	After the Issue <sup>(4)</sup>	[●]	

<sup>(1) & (2)</sup> The present Issue has been authorised vide a resolution passed at the meeting of the Board of Directors dated March 27, 2023

<sup>(3)</sup> On Application, Investors will have to pay [●] per Rights Equity Share which constitutes 100% of the Issue Price.

<sup>(4)</sup> Assuming full subscription for and Allotment of the Rights Equity Shares.

\*Subject to finalisation of Basis of Allotment, Allotment, Receipt of all call monies and deduction of estimated Issue related expenses.

### NOTES TO CAPITAL STRUCTURE

- There are no outstanding options or convertible securities, including any outstanding warrants or rights to convert debentures, loans or other instruments convertible into our Equity Shares as on the date of this Draft Letter of Offer.
- No Equity Shares have been acquired by the Promoters or members of Promoter Group in the last (1) one year immediately preceding the date of filing of this Draft Letter of Offer.
- None of the Equity Shares held by our Promoter or Promoter Group have been pledged or encumbered as of the date of this Draft Letter of Offer.
- None of the Equity Shares held by our Promoter or Promoter Group have been locked-in as of the date of this Draft Letter of Offer.
- Intention and extent of participation by Our Promoters in the Issue:**  
  
Pursuant to their respective letters each dated June 15, 2023, our Promoters have confirmed that they do not intend to subscribe to their Rights Entitlements and may renounce those in favour of third parties.
- The ex-rights price of the Rights Equity Shares as per Regulation 10(4)(b) of the Takeover Regulations is ₹ / [●]- per equity share.
- At any given time, there shall be only one denomination of the Equity Shares of our Company.
- All Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Draft Letter of Offer. For details on the terms of this Issue, see "Terms of the Issue" on page 162 of this Draft Letter of Offer.

**9. Shareholding pattern of our Company as per the last quarterly filing with the Stock Exchanges in compliance with the SEBI Listing Regulations**

- i. The shareholding pattern of our Company as on March 31, 2023, can be accessed on the website of the BSE at: <https://www.bseindia.com/stock-share-price/credent-global-finance-ltd/cgfl/539598/shareholding-pattern/>
- ii. Statement showing shareholding pattern of the Promoters including details of lock-in, pledge of and encumbrance thereon, as on March 31, 2023 can be accessed on the website of the BSE at: <https://www.bseindia.com/corporates/shpPromoterNGroup.aspx?scripcd=539598&qtrid=117.00&QtrName=March%202023>
- iii. Statement showing holding of Equity Shares of persons belonging to the category “Public” including shareholders holding more than 1% of the total number of Equity Shares as on March 31, 2023 can be accessed on the website of the BSE at <https://www.bseindia.com/corporates/shpPublicShareholder.aspx?scripcd=539598&qtrid=117.00&QtrName=March%202023>

**10. Details of the shareholders holding more than 1% of the issued and paid-up Equity Share capital**

The details of shareholders of our Company holding more than 1% of the issued and paid -up Equity Share capital of our Company, as on March 31, 2023 are available on the website of BSE at: <https://www.bseindia.com/stock-share-price/credent-global-finance-ltd/cgfl/539598/shareholding-pattern/>

11. At any given time, there shall be only one denomination of the Equity Shares of our Company
12. All Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Draft Letter of Offer. Further, the Equity Shares allotted pursuant to the Issue, shall be fully paid up.

## OBJECTS OF THE ISSUE

### The objects of the Issue are:

Our Company intends to utilize the proceeds of the Issue, after deducting Issue related expenses (“Net Proceeds”) towards the following objects:

1. To augment our capital base and provide for our fund requirements for increasing our operational scale with respect to our NBFC activities; and
2. General corporate purposes

(Collectively, referred to herein as the “Objects”)

The main objects clause of our Memorandum of Association and the objects incidental and ancillary to the main objects enables us 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 of Association.

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

The objects set out in the Memorandum of Association enable us to undertake our existing activities and the activities for which funds are being raised by us through the Issue and the activities for which the borrowings proposed to be prepaid in full or part from the Net Proceeds.

### Details of objects of the Issue

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

(₹ in lakhs)	
Particulars	Amount
Gross Proceeds from the Issue	4,200.00
Less: Issue related expenses	[●]
<b>*Net Proceeds from the Issue</b>	<b>[●]</b>

*\*Assuming Full Subscription*

### Requirement of Funds

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

(₹ in lakhs)	
Particulars	Amount
To augment our capital base and provide for our fund requirements for increasing our operational scale with respect to our NBFC activities	3,150.00
General Corporate Purposes*	[●]
Issue related expenses	[●]
<b>Gross proceeds from the Issue</b>	<b>4,200.00</b>

*\*Assuming full subscription. The amount utilized towards general corporate purposes shall not exceed 25% of the Gross Proceeds.*

### Means of Finance

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

### Schedule of Implementation and Deployment of Funds

Our Company proposes to deploy the entire Net Proceeds towards the Objects as described herein during Fiscal 2023-24.

The funds deployment described herein is based on management estimates and current circumstances of our business and operations. Given the dynamic nature of our business, we may have to revise our funding requirements and deployment on account of variety of factors such as our financial condition, business strategy, including external factors which may

not be within the control of our management. This may entail rescheduling and revising the planned funding requirements and deployment and increasing or decreasing the funding requirements from the planned funding requirements at the discretion of our management. Accordingly, the Net Proceeds of the Issue would be used to meet all or any of the purposes of the fund requirements described herein. Subject to applicable law, if the actual utilisation towards issue expense is lower than the stated above, the balance will be used towards general corporate purposes to the extent that the total amount to be utilized towards general corporate purposes will not exceed 25% of the gross proceeds. In case of a shortfall in raising requisite capital from the Net Proceeds towards meeting the Objects, business considerations may require us to explore a range of options including utilising our internal accruals. We believe that such alternate arrangements would be available to fund any such shortfalls. To the extent our Company is unable to utilise any portion of the Net Proceeds towards the aforementioned objects, per the estimated scheduled of deployment specified above, our Company shall deploy the Net Proceeds in subsequent financial years towards the aforementioned objects.

The above fund requirements are based on our current business plan, internal management estimates and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to revisions in light of changes in external circumstances or costs, or our financial condition, business or strategy. For further details of factors that may affect these estimates, see “Risk Factor No: 10 – *“Any inability on our part to effectively utilize the Issue Proceeds could adversely affect our financial results. The objects of the Issue are based on the internal estimates of our management and have not been appraised by any bank or financial institution.”* on page 25 of this Draft Letter of Offer.

### **Details of the Objects of the Issue**

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

We are a RBI Registered NBFC involved in the business of equity and debt investments, trading in securities and providing unsecured financing to individuals and small businesses. The capital adequacy norms issued by the RBI, is not applicable to our company as we are NBFC Non-systematically important non-Deposit Taking Company. We propose to augment our capital base by Rs. 3,150.00 lakhs through this Issue and utilize the funds raised to further increase the operational scale of its business of NBFC activities. Primarily the amount will be used to expand our business operations. With the Issue Proceeds our Company envisages increasing its lending/ financing portfolio qualitatively and quantitatively to target eligible clients for secured and unsecured loans. The Company also seeks to utilize the amounts raised to increase its present investment & trading portfolio by making short term and long term investments & trades in form of Equity of listed and unlisted companies, Strategic investments, Debt, Derivatives, and other instruments/ Securities. Our investment scope and strategy depends on the opportunities and market conditions; both long term and short term and we invest in variety of sectors. There are no prefixed criteria or predefined limitations to the Company's investments. Besides we aim to leverage the combined experience of our network of professionals and Board members to make strategic investments in areas of growth and transformation with a long term perspective.

#### **2. General corporate purpose**

Our Company intends to deploy the balance Net Proceeds aggregating to Rs. [●] Lakhs towards general corporate purposes, subject to such utilization not exceeding 25% of the Issue Proceeds, in compliance with applicable laws, to drive our business growth, including, amongst other things, (a) funding growth opportunities, including strategic initiatives; (b) acquiring assets, such as plant and machinery, furniture and fixtures, and intangibles; (c) meeting any expenses incurred in the ordinary course of business by our Company including salaries and wages, rent, administration expenses, insurance related expenses, and the payment of taxes and duties; (d) meeting of exigencies which our Company may face in course of any business, (e) brand building and other marketing expenses and (f) any other purpose as permitted by applicable laws and as approved by our Board or a duly appointed committee thereof.

Our management, in response to the competitive and dynamic nature of the industry, will have the discretion to revise its business plan from time to time and consequently our funding requirement and deployment of funds may change. This may also include rescheduling the proposed utilization of Net Proceeds and increasing or decreasing expenditure for a particular object i.e., the utilization of Net Proceeds. In case of a shortfall in the Net Proceeds, our management may explore a range of options including utilizing our internal accruals or seeking debt from future lenders. Our management expects that such alternate arrangements would be available to fund any such shortfall. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. In the event that we are unable to utilize the entire amount that we have currently estimated for use out of Net Proceeds in a Fiscal, we will utilize such unutilized amount in the next Fiscal.

#### **3. Issue Related Expenses**

The expenses for this Issue include issue management fees, registrar fees, legal advisor fees, monitoring agency 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. [●] Lakhs.

Particulars	Estimates Expenses (Rs. In Lakhs)	As a % of total estimated Issue Related Expenses	As a % of Issue Size*#
Fees of Consultancy, Monitoring agency, Banker to the Issue, Registrar to the Issue, Auditor's Fees, etc. including out of pocket expenses	[●]	[●]	[●]
Advertising, printing, distribution, marketing and stationery expenses	[●]	[●]	[●]
Regulatory fees, filing fees, listing fees and other miscellaneous expenses	[●]	[●]	[●]
Total Estimated Issue Expenses*^			

\*Amount will be finalised at the time of filing of the Letter of Offer and determination of Issue Price and other details.

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

^Excluding taxes

#Assuming full subscription

### Undertaking by our Promoters

Pursuant to their respective letters each dated June 15, 2023, our Promoters have confirmed that they do not intend to subscribe to their Rights Entitlements and may renounce those in favour of third parties.

The ex-rights price of the Rights Equity Shares as per Regulation 10(4)(b) of the SEBI Takeover Regulations is ₹[●].

### Bridge Financing Facilities

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

### Interim use of Net Proceeds

Our Company, in accordance with the policies formulated by our Board from time to time, will have flexibility to deploy the Net Proceeds. Pending utilization of the Net Proceeds for the purposes described above, our Company may buy, trade or otherwise dealing in shares of any unlisted company or any other listed company or for any investment in the equity markets or we may invest the funds in high quality interest bearing liquid instruments including money market mutual funds, deposits with banks or temporarily deploy the funds in working capital loan accounts and other investment grade interest bearing securities as may be approved by the Board and in accordance with the MOA and AOA of the company. Such investments would be in accordance with the investment policies approved by our Board and Shareholders, if applicable/ required from time to time and at the prevailing commercial rates at the time of investment.

### Monitoring of utilization of funds

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

As per the requirements of Regulations 18(3) read with Part C of Schedule II of the SEBI Listing Regulations, we will disclose to the Audit Committee the uses / application of funds on a quarterly basis as part of our quarterly declaration of results. Further, on an annual basis, we shall prepare a statement of funds utilized for purposes other than those stated in the Letter of Offer and place it before the Audit Committee. The said disclosure shall be made till such time that the Gross Proceeds raised through the Issue have been fully spent. The statement shall be certified by our Statutory Auditor.

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

#### **Appraising entity**

None of the objects of this Issue, for which the Net Proceeds will be utilized, require appraisal from any agency, in accordance with applicable law.

#### **Strategic or financial partners**

There are no strategic or financial partners to the Objects of the Issue.

#### **Key Industry Regulations for the Objects of the Issue**

No additional provisions of any act, regulations, rules and other laws are or will be applicable to the company for the proposed Rights Issue.

#### **Other Confirmations**

No part of the proceeds of the Issue will be paid by us to the Promoters and Promoter Group, the Directors, associates or Key Management Personnel, except as stated above and in the normal course of business and in compliance with applicable.

## STATEMENT OF SPECIAL TAX BENEFITS

To,  
The Board of Directors,  
Credent Global Finance Limited  
(Formerly known as Oracle Credit Limited)  
Unit No. 609-A, 6<sup>th</sup> Floor, One BKC, C-Wing,  
G Block, Opposite Bank of Baroda, Bandra Kurla Complex,  
Bandra (East), Mumbai – 400051

Dear Sirs,

**Sub: Statement of possible Special tax benefit ('the Statement') available to Credent Global Finance Limited, its shareholders and its material subsidiaries prepared in accordance with the requirements under Schedule VI 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 "Credent Global Finance Limited" (Formerly known as Oracle Credit Limited') ('**the Company**') states the possible special tax benefits available to the Company, its shareholders and its material subsidiaries (Credent Asset Management Services Private Limited and Credent Investment Private Limited) 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, 2023, i.e., applicable for the Financial Year 2023-24 relevant to the assessment year 2024-25, presently in force in India (together "**Tax Laws**") for inclusion in the Draft Letter of Offer and/or Letter of Offer which the Company intends to issue in respect of the proposed Issue 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 or its material subsidiaries fulfilling the conditions prescribed under the relevant provisions of the Tax Laws Hence, the ability of the Company or its shareholders or its material subsidiaries 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, its Shareholders and its material subsidiaries 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 Tax Laws 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 or its material subsidiaries 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 or its material subsidiaries in the Draft Letter of Offer and/or Letter of Offer which the Company intends to issue in respect of the proposed Issue of equity shares and 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 is 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 Letter of Offer and/or Letter of Offer 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 Kapish Jain & Associates,  
Chartered Accountants,  
Firm Registration No: 022743N**

**Sd/-  
Kapish Jain  
Partner  
Membership No: 514162  
UDIN 23514162BGWHCY6281**

Place: New Delhi  
Date: 15 June 2023

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

Outlined below are the possible Special tax benefits available to the Company, its shareholders and its material subsidiaries under the Income Tax Act, 1961 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, 2023 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:**

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

#### **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 Tax Laws.

#### **3. Special Tax Benefits available to the material subsidiaries of the Company**

The material subsidiaries of the Company are not entitled to any Special tax benefits under the Tax Laws

#### **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.

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

**For Kapish Jain & Associates,**  
Chartered Accountants,  
Firm Registration No: 022743N

**Sd/-**  
**CA Kapish Jain**  
Partner  
Membership No: 514162  
UDIN 23514162BGWHCY6281

Place: New Delhi  
Date: 15 June 2023

## SECTION V – ABOUT OUR COMPANY

### INDUSTRY OVERVIEW

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

*Before deciding to invest in the Equity Shares, prospective investors should read this entire Letter of Offer, including the information in the sections "Risk Factors" and "Financial Information" on pages 21 and 76 of this Draft Letter of Offer respectively. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with an investment in the Equity Shares, please see the section 'Risk Factors' on page 21 of this Draft Letter of Offer. Accordingly, investment decisions should not be based on such information.*

#### **Indian Economy**

The Indian economy showed a strong sign of recovery after numerous headwinds in recent past. During the fiscal Indian economy on account of successful mass vaccination was able to withstand the new omicron variant of covid-19. The Union Budget 2022-23, boosted the sentiments of the economy with its focus on growth and creating jobs by implementing sector focused PLI schemes. The supply chain disruptions are expected to pick-up going forward. The Indian GDP is expected to witness a growth of 9.1% (Moody's Investors Service) in 2022 and 5.4% in 2023. The Russia-Ukraine invasion, has impacted the inflation in the economy. The CPI inflation touched 6.1% in February 2022; largely on account of higher crude prices and power costs. The capital expenditure-led Budget, Reserve Bank of India's accommodative policy and diminutive damage on the Indian economy from the omicron wave have set the stage for GDP pickup.

#### **Introduction to the Financial Services Industry**

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

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

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

#### **Historical Context**

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

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

business of receiving deposits under any scheme or arrangement in one lump sum or in instalments by way of contributions or in any other manner, is also a non-banking financial company (Residuary non-banking company).

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

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

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

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

### Categories of NBFCs

NBFCs are categorized

- a) in terms of the type of liabilities into Deposit and Non-Deposit accepting NBFCs,
- b) non deposit taking NBFCs by their size into systemically important and other non-deposit holding companies (NBFC-NDSI and NBFC-ND) and c) by the kind of activity they conduct. Within this broad categorization the different types of NBFCs are as follows:

**1. Asset Finance Company (AFC):** An AFC is a company which is a financial institution carrying on as its principal business the financing of physical assets supporting productive/economic activity, such as automobiles, tractors, lathe machines, generator sets, earth moving and material handling equipment, moving on own power and general purpose industrial machines. Principal business for this purpose is defined as aggregate of financing real/physical assets supporting economic activity and income arising therefrom is not less than 60% of its total assets company total income respectively.

**2. Investment Company (IC):** IC means any Company which is a financial institution carrying on as its principal business the acquisition of securities,

**3. Loan Company (LC):** LC means any company which is a financial institution carrying on as its principal business the providing of finance whether by making loans or advances or otherwise for any activity other than its own but does not include an Asset Finance Company.

**4. Infrastructure Finance Company (IFC):** IFC is a non-banking finance company a) which deploys at least 75 per cent of its total assets in infrastructure loans, b) has a minimum Net Owned Funds of ₹ 300 crore, c) has a minimum credit rating of 'A' or equivalent d) and a CRAR of 15%.

**5. Systemically Important Core Investment Company (CIC-ND-SI):** CIC-ND-SI is an NBFC carrying on the business of acquisition of shares and securities which satisfies the following conditions: -

a) it holds not less than 90% of its Total Assets in the form of investment in equity shares, preference shares, debt or loans in group companies;

b) its investments in the equity shares (including instruments compulsorily convertible into equity shares within a period not exceeding 10 years from the date of issue) in group companies constitutes not less than 60% of its Total Assets;

c) it does not trade in its investments in shares, debt or loans in group companies except through block sale for the purpose of dilution or disinvestment;

d) it does not carry on any other financial activity referred to in Section 45I(c) and 45I(f) of the RBI Act, 1934 except investment in bank deposits, money market instruments, government securities, loans to and investments in debt issuances of group companies or guarantees issued on behalf of group companies.

e) Its asset size is ₹ 100 crore or above; and

f) It accepts public funds

**6. Infrastructure Debt Fund:** Non-Banking Financial Company (IDF-NBFC): IDF-NBFC is a company registered as NBFC to facilitate the flow of long term debt into infrastructure projects. IDF-NBFC raise resources through issue of Rupee or Dollar denominated bonds of minimum 5 year maturity. Only Infrastructure Finance Companies (IFC) can sponsor IDF-NBFCs.

**7. Non-Banking Financial Company - Micro Finance Institution (NBFC-MFI):** NBFC-MFI is a non-deposit taking NBFC having not less than 85% of its assets in the nature of qualifying assets which satisfy the following criteria:

a) loan disbursed by an NBFC-MFI to a borrower with a rural household annual income not exceeding ₹ 1,00,000 or urban and semi-urban household income not exceeding ₹ 1,60,000;

b) loan amount does not exceed ₹ 50,000 in the first cycle and ₹ 1,00,000 in subsequent cycles;

c) total indebtedness of the borrower does not exceed ₹ 1,00,000;

d) tenure of the loan not to be less than 24 months for loan amount in excess of ₹ 15,000 with prepayment without penalty;

e) loan to be extended without collateral;

f) aggregate amount of loans, given for income generation, is not less than 50 per cent of the total loans given by the MFIs;

g) loan is repayable on weekly, fortnightly or monthly instalments at the choice of the borrower

h) Non-Banking Financial Company – Factors (NBFC-Factors): NBFC-Factor is a non-deposit taking NBFC engaged in the principal business of factoring. The financial assets in the factoring business should constitute at least 50 percent of its total assets and its income derived from factoring business should not be less than 50 percent of its gross income.

**8. Mortgage Guarantee Companies (MGC) -** MGC are financial institutions for which at least 90% of the business turnover is mortgage guarantee business or at least 90% of the gross income is from mortgage guarantee business and net owned fund is ₹ 100 crore.

**9. NBFC- Non-Operative Financial Holding Company (NOFHC)** is financial institution through which promoter / promoter groups will be permitted to set up a new bank. It's a wholly-owned Non-operative Financial Holding Company (NOFHC) which will hold the bank as well as all other financial services companies regulated by RBI or other financial sector regulators, to the extent permissible under the applicable regulatory prescriptions.

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

## Evolution

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

## Financial Access and Supportive Government Schemes

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

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

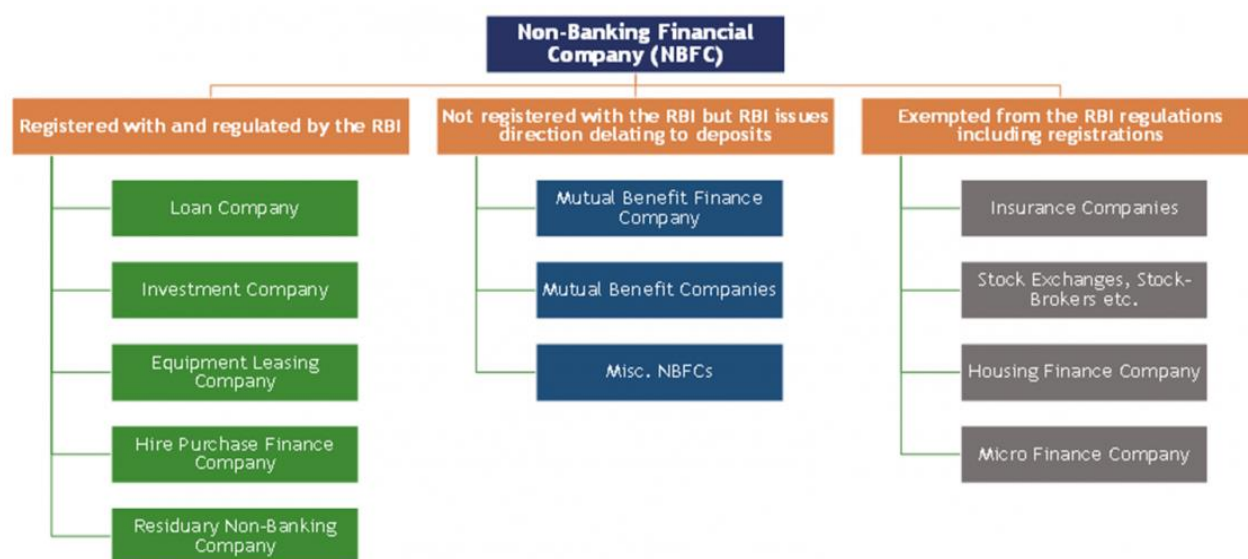
NBFCs have become integral for all business services, including loans and credit facilities, retirement planning, money markets, underwriting and merger activities. As such these companies play an important role in providing credit to the unorganized sector and for small borrowers at local level. Additionally,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

banking sector, and the growth of NBFCs widens range of products available for individuals/institutions with resources to invest.

### Opportunities for NBFCs

Ongoing stress in public sector banks (PSUs) because of increasing bad debt, lending in rural areas deterioration has provided NBFCs with the opportunity to increase presence. The success of these NBFCs vs. PSUs can be attributed to product lines, lower cost, wider and effective reach, strong risk management capabilities to check and control bad debts, and a better understanding of customer segments versus banks. NBFCs have witnessed success in the passenger and commercial vehicle finance segments as well as growing AUM in personal loan and housing finance sector. Additionally, improving macro-economic conditions, higher credit penetrations, consumption themes and disruptive digital trends have influenced NBFC credit growth. Stress in public sector units (PSUs), underlying credit demand, digital disruption for MSMEs and SMEs as well as increased consumption and distribution access and sectors where traditional banks do not lend are major reasons for the switch from traditional banks to NBFCs.

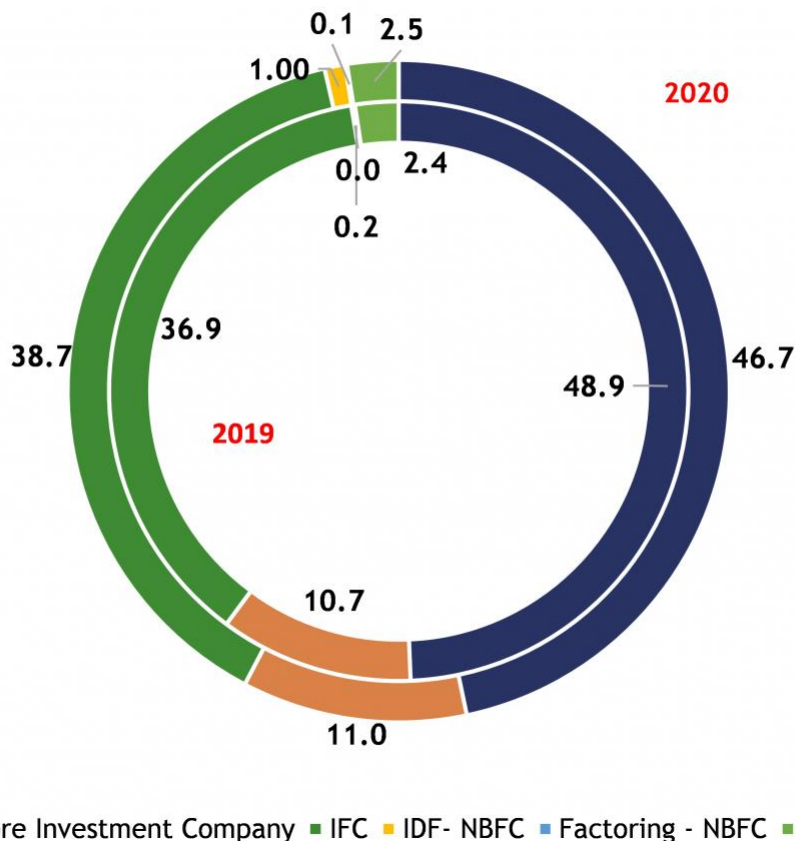
### Present NBFC Classifications and Industry Structure



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

Most recently, as of October 01, 2022, there were 9,506 NBFCs registered with the RBI categorized as Asset Finance Companies, Loan Companies, Infrastructure Finance Companies (IFCs), Systematically Important Core Investment Company (NBFC – CIC – ND – SI), Infrastructure Debt Fund (NBFC – IDF) and Micro Finance Institutions (NBFC – MFIs). As a share of total assets in NBFC market, the Investment Credit Companies (ICC) have maintained the dominant share of total assets as have IFCs per the below over a 2019-2020 timeframe:

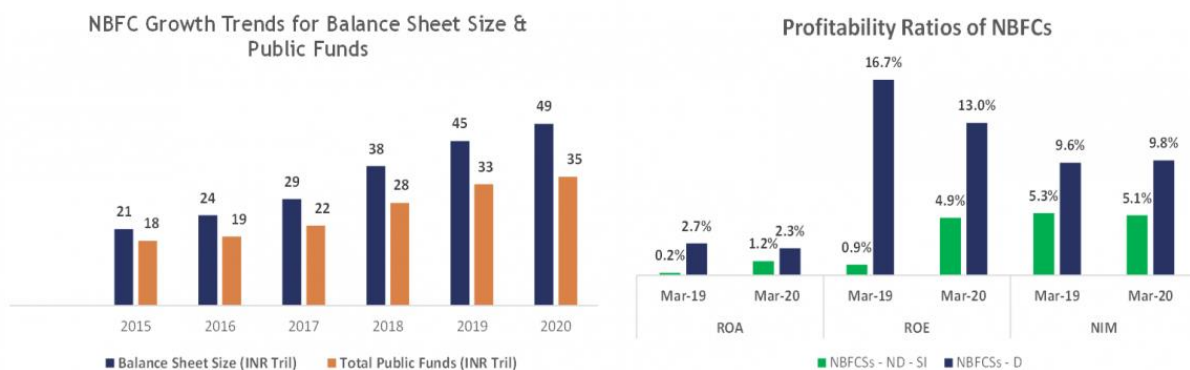
## Share in Total Assets (%)



### NBFC Engines of Growth as Growth Drivers

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

Source : <https://www.investindia.gov.in/team-india-blogs/importance-nbfc-india>



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

Source : <https://www.investindia.gov.in/team-india-blogs/importance-nbfc-india> ;

**Challenges in NBFC sector:**

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

***The Road Ahead***

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



## OUR BUSINESS

*Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. Before deciding to invest in the Equity Shares, Shareholders should read this entire Draft Letter of Offer. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with investment in the Equity Shares, you should read “Risk Factors” on page 21 of this Draft Letter of Offer, for a discussion of the risks and uncertainties related to those statements, as well as “Restated Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 76 and 139, 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.*

## OVERVIEW

Credent Global Finance Limited was originally incorporated as ‘Overnite Finance Private Limited’ at New Delhi on February 27, 1991 with Registrar of Companies, Delhi & Haryana. Subsequently, it was converted to a Public Limited under section 43A (I-A) of the Companies Act, 1956 on July 18, 1994 and changed its name to “Overnite Finance Limited”. On November 30, 1994 Company had again changed its name to ‘OFL Finanz Limited’. Further, the name of our Company was changed from “OFL Finanz Limited” to “Oracle Credit Limited” on August 11, 1995 vide Fresh Certificate of Incorporation. The Company got listed on January 16, 2016. The name of our Company has been changed again to its current name, i.e., “Credent Global Finance Limited” vide Fresh Certificate of Incorporation dated April 06, 2023.

Our Company is a Non-Banking Financial Company (NBFC) registered with RBI as a NBFC- Non Deposit taking – Non-Systematically Important under section 45 IA of the Reserve Bank of India Act, 1934 bearing Registration no. 14.00242.

On February 17, 2021, Mr. Aditya Vikram Kanoria (Acquirer 1) and Mr. Mandeep Singh (Acquirer 2) entered into Share Purchase Agreement with Mr. Ashok Kumar Jain (Seller 1), Mr. Sugan Chand Jain (Seller 2) to acquire 17,29,650 Equity Shares, constituting 31.16% (“Promoters Shares”) of the Voting Share of the Company (“SPA”).

Currently, Mr. Aditya Vikram Kanoria and Mr. Mandeep Singh are Promoters of the Company.

## OUR BUSINESS

Our Company is a BSE listed, SEBI registered RBI regulated NBFC, providing range of financing solutions including credit lending, investment banking services, real estate advisory and asset management. We offer a robust platform to a diversified client base across local and global geographies. We provide a broad range of financial products and services and what sets us apart is our decade long expertise in handling NRI clients.

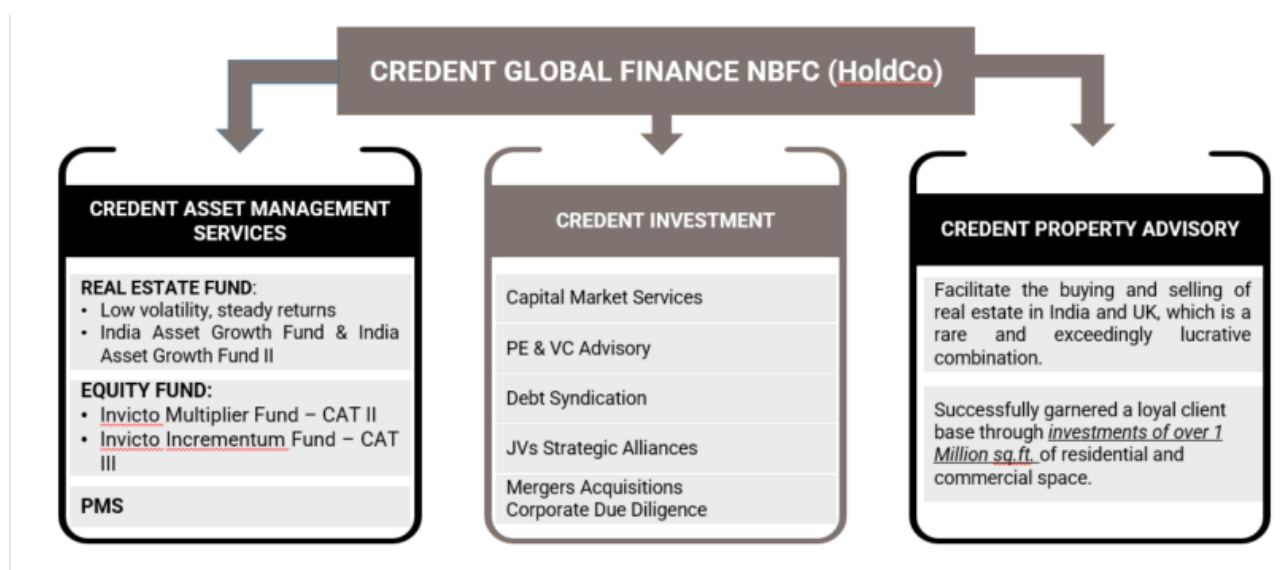
Our Company on September 30, 2022, with objective of profitability and business expansion, started using the brand “CREDENT GLOBAL FINANCE”, a brand involved in Finance Business.

Our Company Offers financial products and services to corporates, institutions, and individuals across India and UK and also support investors with a deep domain understanding of 150+ years of knowledge and solid financial strategy and we intend to continue to empower innovative and sustainable businesses to create long-term strong returns over verticals.

Through our time, we have strived and succeeded in building a diverse clientele of individuals, corporates, and financial institutions. The way ahead is one where we grow stronger together as we continue to expand our presence Pan-India and in the UK market, further bridging the borders. Credent sees itself becoming a name synonymous with trust and real outcomes in all matters financial.

We are and have always been, since our inception, on the mission to empower innovative and sustainable businesses to create long-term strong returns over verticals. The roadmap ahead is to deliver more value to investors, clientele, and stakeholders with our cross-border presence that our clients can count on, commanding a strong portfolio in the UK and India.

## OUR CORPORATE STRUCTURE



All of our Subsidiaries, Credent Investment Private Limited, Credent Property Advisory Private Limited and Credent Asset Management Services Private Limited (“CAMS”) are wholly owned subsidiaries.

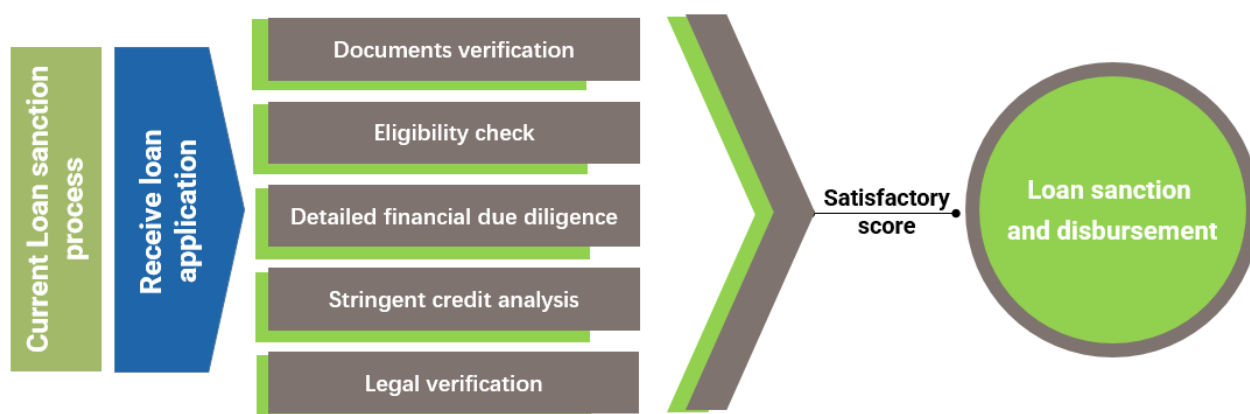
## ABOUT OUR BUSINESSES

### Credent Global Finance - NBFC (Holdco)

Currently we cater to credit needs across type and size of MSMEs and are planning to expand the net to include loan against property and loans for EVs. In our vision to become the preferred partner in financial inclusion we are not only providing finances directly to unorganized customer segment but also providing assistance to new generation technology focused institutions.

We have designed a few niche products for selected industries after in depth research and understanding of the segment. Currently, we have selected Residential Construction, Education, NBFC as our focus areas and weaved our product specifically catering to these segments.

We follow a stringent verification and due diligence process to minimize NPAs and delinquency. Our current loan sanction process is depicted below:



### Credent Asset Management Services Private Limited (CAMS)

Credent Asset Management Services Private Limited is presently offering investment management, portfolio management, and advisory services to High Net-worth Individuals (HNIs), Institutional clients, Corporates and other permissible class of investors.

Directors of Credent Asset Management Services Private Limited have had a long standing successful investing career, investing in listed and unlisted Small and Mid-sized companies in India across a diverse range of sectors. Credent Asset Management Services Private Limited will look to leverage this wide spread experience to offer superior portfolio management / investment advice to its investors.

The Company has received SEBI approval for CATII and CATIII AIFs and will launch Funds under them soon.

CAMS (“**The Portfolio Manager**”) carries on discretionary portfolio management services & and advisory services and if opportunity arises thereafter, then it also proposes to render non-discretionary portfolio management services. The above-mentioned services shall be offered to High Net-worth Individuals (including non-resident Indians), Corporates, Hindu Undivided Families, Trusts, Partnerships, Limited Liability Partnerships for investment into the listed and unlisted equity market as per the rules and regulations laid down by SEBI and RBI.

**a) Discretionary Services:**

Under the Discretionary PMS, the choice as well as the timings of the investment decisions rest solely with the Portfolio Manager and the Portfolio Manager can exercise any degree of discretion in the investments or management of assets of the Client. The Securities invested / disinvested by the Portfolio Manager for Clients may differ from Client to Client. The Portfolio Manager’s decision (taken in good faith) in deployment of the Client’s account is absolute and final and cannot be called in question except on the ground of fraud, *malafide*, conflict of interest or gross negligence. This right of the Portfolio Manager shall be exercised strictly in accordance with the Applicable Laws in force from time to time, including the Regulations. Periodical statements in respect of the Client’s assets under management shall be sent to the respective Clients.

Credent Asset Management Services Private Limited is currently offering PMS under its discretionary investment management service platform, the details of which are set out at Paragraph 5 below.

**b) Non - Discretionary Services:**

Under the Non-Discretionary PMS, the assets of the client are managed in consultation with the Client. Under this service, the assets are managed as per the requirements of the Client after due consultation with the client. The Client has complete discretion to decide on the investment (quantity and price or amount). The Portfolio Manager inter alia manages transaction execution, accounting, recording or corporate benefits, valuation and reporting aspects on behalf of the Client.

**c) Advisory Services**

The Portfolio Manager provides investment advisory services, in terms of the regulations, which shall include the responsibility of advising on the portfolio strategy and investment and divestment of individual securities on the Clients portfolio, for an agreed fee structure and for a defined period, entirely at the Client's risk; to all eligible category of Investors who can invest in Indian market including NRIs, FIIs, etc. The Portfolio Manager shall be solely acting as an advisor to the portfolio of the Client and shall not be responsible for the investment / divestment of Securities and / or any administrative activities on the Client's portfolio. The Portfolio Manager shall provide advisory services in accordance with such guidelines and / or directives issued by the regulatory authorities and / or the Client, from time to time, in this regard.

Currently CAMS operates Equity Funds (PMS) and CAT II Real Estate Funds (which are partially owned by CAMS):

**Equity Funds**

**Invicto Multiplier Fund CAT II**

The Fund is a Special Opportunities close ended scheme The Fund intends to generate long term capital appreciation through investment in equity and equity related instruments of to be listed or Market ready companies Special situations are unique opportunities that a business may face in its growth journey. It leads to temporary disruption in its value These Special Situations may be opportunities for those who dare to foresee value proposition.

**Invicto Incrementum Fund CAT III**

The Fund is a only Long open ended scheme. The fund would invest in companies with strong management, good scalable business, clean accounting, strong cash flow generation capabilities with low leverage and a margin of safety in

valuations. The fund would look for investing in mid/small cap companies (under researched) which can give early mover advantage to generate alpha.

### **Portfolio Management Services (PMS)**

Currently we run 2 PMS strategies.

#### **Scheme 1: Credent Asset Management Services Pvt Ltd.**

The investment objective of the Scheme 1 is to curate a perfectly diversified & balanced portfolio in order to generate maximum returns and capital appreciation for our investors. Our portfolio consists of securities like Equity and Debt Instruments. We select our securities purely based on fundamentals of the companies, our strategy terms like diversification and perfect balance in the portfolio such that the risk is minimized.

#### **Scheme 2: Credent AIM Multi cap.**

In Scheme 2, the investment team looks for stocks with the following characteristics:

- Superior return generation over the capital employed over a period of time
- Good Management Pedigree & Corporate Governance Standards
- Increasing addressable business
- Undervalued Opportunities
- Business turnaround stories

Equity shares of Listed Companies, liquid/overnight mutual funds, warrants, rights, convertible bonds and other securities as specified by SEBI from time to time. Combination of Top to Bottom & Bottom up stock picking approach looking at various parameters as outlined above.

### **Real Estate Funds**

#### ***India Asset Growth Fund and India Asset Growth Fund II***

These funds has been established to invest in opportunities in the Real Estate Sector in India with developers having fundamentally strong projects, which would need capital to either restructure or grow.

#### **Credent Investment Private Limited (CIPL)**

Our investment banking division is a holistic partner to businesses of all scales and sectors, powering them on their journey to expansion, growth, and market monopoly. Right from raising funds to getting clients the right CSR strategy, from debt syndication to finding the next exciting opportunity to tap into, CIPL serves our clients well.

Services offered by CIPL are as below:

- Capital Market Services
- PE & VC Advisory
- Debt Syndication
- JVs Strategic Alliances
- Mergers & Acquisitions
- Corporate Due Diligence

#### **Credent Property Advisory Private Limited (CPAPL)**

CPAPL provides advisory for NRIs based in The UK looking forward for investment in real-estate across UK and Indian real estate markets. CPAPL provides for a hassle-free and seamless transaction starting with documentation, hygiene check, ensuring the projects meet compliance regulations, and prospecting for specific needs.

This has also allowed CPAPL to form sturdy alliances with industry veterans, independent builders, contractors. Our assortment of real estate offerings is diverse too ranging from residential to commercial, private to public, budget to big-ticket REITs, and more.

### **OUR STRENGTHS**

**Experienced and professional management team with good corporate governance backed by professional advisors**

We have an experienced and dedicated management team, including KMPs and Senior Management with significant industry experience and who have demonstrated their ability to deliver growth and profitability, across business cycles. Our investment performance is supported by our experienced and professional investment team. Our Key Managerial Personnel and Senior Management includes a combination of management executives and independent members who bring in significant business experience, which positions us well to capitalize on future growth opportunities. Each of them have extensive experience in the banking or related industry such as finance, commercial operations, strategy, audit, business development, human resources, compliance and public relations. Our management is committed to implementing high standards of corporate governance with a focus on the investors' best interests and the maximisation of shareholder value and we have established policies and procedures to support transparency, sound business ethics and a well-established compliance framework.

### **Strong Focus on Processes**

We regularly monitor our current processes and endeavour to benchmark them against our competitors and incorporate industry best practices in our operations. We believe that this focus on processes has contributed significantly to our growth. We have instituted well-documented operational processes and technology platforms to aid and enhance investment experience for our investors. We believe that our strong focus on processes allows us to effectively target profitable growth opportunities, as well as provide us with a robust operational framework. Our investment team adopts an in-house research based approach to identify optimal investment opportunities, in addition to constantly leveraging third party research. Debt strategies are formed with range constraints based on analysis of domestic and global macro-economic factors, economic data forecasting and compilations of market views on various topics. We also have a dedicated credit research team, which conducts extensive research involving business and financial analysis, peer firm reviews, market feedback, debt structuring and examination of parameters including promoter quality and group reputation and debt-servicing record. The team also undertakes liquidity analysis involving views on the portfolio maturity profile, historical trading volumes, liquidity forecasts and investor profile analysis

### **Robust underwriting process and risk management policies**

Currently our risk management division is divided into separate teams that are respectively dedicated to managing and mitigating credit risk, market risk and operational risk, and which are subject to oversight by our Risk Management Committee and our Board of Directors. Our customer due diligence procedures encompass multiple levels of checks and controls designed to assess the quality of customers and to confirm that they meet our stringent selection criteria and include comprehensive evaluation of repayment capacity and detailed cash flows analysis of the customer as well as thorough group training sessions and knowledge testing. We utilize credit bureau data to verify customer details and obtain information on past credit behaviour. We are further supported by our robust internal controls and processes as well as advanced technology solutions, which we believe ensure proper loan appraisals and sound portfolio management. We also periodically review our standards of procedures and continuously strengthen our audit coverage to ensure that all material transactions and business initiatives are thoroughly reviewed, with the goal of ensuring that asset quality is not compromised because of growth

## **OUR STRATEGIES**

### **Drive superior investment performance across our categories of funds.**

We believe the most effective strategy for growing our businesses is to enable our clients to achieve their financial goals. Our economic interests are aligned with our clients when we deliver strong investment performance. We follow a disciplined and rigorous investment process. This is supported by in-house fundamental research, a data-based framework for portfolio construction and internal risk management processes. We intend to invest in the human and organisational resources needed to increase the number of companies covered by our in-house research team and our fund strategies. This will enable us to launch new products and enable AUM growth. We continuously refine the performance review processes for our fund managers and research analysts to optimize the performance of the team and incorporate best practices.

### **Maintain and Expand Long-term Relationships with Clients**

Our Company believes in fostering relationships built on trust, expertise, and growth. We also believe in a conservative investment pattern and has committed client base for its services. The business model is based on client relationships that are established over period of time. Our Company believes that long-term client relationship fetches better dividends. Long-term relations are built on trust and continuous satisfaction of the customers. It helps understanding the basic approach of our Company and its market. It also forms basis of further expansion for our Company, as we are able to monitor a potential product/ market closely.

### **Utilize technology to drive operational efficiency**

We have invested in our information technology systems and implemented various tools, to strengthen our offerings and derive greater operational, cost and management efficiencies. We plan to ensure that our information technology systems continue to help us with several functions, including research, origination, collections and customer service. We intend to strategically invest our resources for leveraging technology for efficient operations as we scale up to ensure increased effectiveness of our operations. We intend to reduce our operating costs and increase efficiency in our business operations to improve the overall customer experience through increasing use of technology. We intend to continue strengthening and increasing the user-friendliness of our existing technology infrastructure.

### **Continue to attract, retain and develop human capital**

Our success depends on our team of employees and we are implementing a number of measures to further strengthen our workforce and improve employee motivation and development. We will continue to provide employee compensation that is merit-based and benchmarked to Industry Overview. We also plan to continue to focus on training and development for our employees. We identify short- and long-term organisational capability requirements and establish training and development strategies and plans aligned to our business objectives.

### **Utilities & Infrastructure Facilities**

We require computers and laptops for our data preparation work. Our registered office is equipped with latest computer systems, relevant software's, uninterrupted power supply, internet connectivity, security and other facilities, which are required for our business operations to function smoothly.

### **Collaborations**

We have not entered into any technical or financial or any other collaboration agreement as on the date of filing this Draft Letter of Offer.

### **Manpower**

Our Company is committed towards creating an organization that nurtures talent. We provide our employees an open atmosphere with a continuous learning platform that recognizes meritorious performance.

### **Competitors**

We face competition from organized as well as unorganized players in the domestic market. This industry is highly competitive. Even with a diversified product portfolio, quality approach and modern technology we may have to face competitive pressures. The principal elements of competition in Industry Overview are quality, timely delivery and reliability. We compete against our competitors by establishing ourselves as a knowledge-based company with industry expertise in providing variety of quality services.

### **Customers**

We cater to retail as well as institutional clients.

### **Corporate Social Responsibility**






We as a responsible corporate citizen are committed to take up different developmental projects, towards improving the quality of lives of the underprivileged sections of the society and other stakeholders. As on March 31, 2023, we are not required to constitute a Corporate Social Responsibility Committee as our Company does not fall within purview of Section 135(1) of the Companies Act, 2013. We are also not required to formulate a policy on corporate social responsibility.

### **Insurance**

We maintain insurance policies that we believe are required for our Company.

### **Intellectual Property**

We do not own any trademarks and none of them are registered as on the date of this Draft Letter of Offer, however our Material Subsidiary, CAMS has made certain trademark applications to Registrar of Trademarks for registration of its logo for which application is presently pending. Details of such applications are as below:

Application Number	Trademark	Class	Date of Application	Status
3610882		36	August 11, 2017	Opposed
5605418		16	September 12, 2022	Objected
5605420		36	September 12, 2022	Objected
5605422		16	September 12, 2022	Objected
5605424		16	September 12, 2022	Objected

#### Leasehold Properties

Sr. No.	Details of the Agreement	Particulars of the property	Consideration/ License Fee/Rent	Tenure/ Term	Usage
1.	Leave and License Agreement between from Mr. Suchindra Bali and our Company dated November 17, 2022	Unit No. 609-A, 6th Floor, One BKC, C-Wing, G Block, Opposite Bank of Baroda, Bandra Kurla Complex, Bandra (East), Mumbai	Rs. 3.25 Lakhs plus yearly escalation of 5%.	36 months commencing from November 2, 2022	Registered Office
2.	Leave and License Agreement between from Terence Dcunha and Dierdre Dcunha and CAMS dated April 1, 2021	Unit No. 609, 6th Floor, One BKC, C-Wing, G Block, Opposite Bank of Baroda, Bandra Kurla Complex, Bandra (East), Mumbai	Rs. 2.50 Lakhs plus yearly escalation in the range of 5-7%.	From April 1, 2021 to March 31, 2026	Registered Office of our Subsidiaries

## OUR MANAGEMENT

### Our Board of Directors

As per the Articles of Association and subject to the provisions of the Companies Act, our Company is required to have not less than (3) three Directors and not more than (15) fifteen Directors, unless otherwise determined by our Company through a special resolution. As on the date of this Draft Letter of Offer, our Board comprises of 5 (Five) Directors, of which 1 (One) Director is Executive Director, 1 (One) is Non-Executive Director and 2 (Two) Non-Executive Independent Director out of which 1 (One) is a woman Director. The present composition of our Board and its committees is in accordance with the corporate governance requirements provided under the Companies Act and the SEBI Listing Regulations.

### Our Board of Directors

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

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Age (years)	Other Directorships / Designated Partnership
<b>Mr Aditya Vikram Kanoria</b> DIN: 07002410 Date of Birth: 20/07/1982 Designation : Managing Director cum Chief Financial Officer Address: Flat No. 301, Shivam Building Mistry Complex, J B Nagar, Andheri East, Mumbai -400059, Original date of Appointment: 03 November, 2021 Occupation : Business Term: for a period of 5 years from 03 <sup>rd</sup> November, 2021 Nationality: Indian	40	1. Credent Asset Management Services Private Limited 2. Credent Investment Private Limited 3. Credent Property Advisory Private Limited 4. Modulex Construction Technologies Limited 5. Modulex Modular Buildings Private Limited 6. AZH Consultants LLP 7. Credent Alpha LLP
<b>Mr Mandeep Singh</b> DIN: 06395827 Date of Birth: 28/02/1983 Designation: Executive Director Address: House No. 27, Sector-12, Nanak Nagar, Gandhinagar H.O Jammu & Kashmir-180004 Original Date of Appointment: 28 <sup>th</sup> October, 2021 Occupation: Business Term: Liable to retire by rotation Nationality: Indian	40	1. Credent Asset Management Services Private Limited 2. Credent Investment Private Limited 3. Credent Property Advisory Private Limited 4. AZH Consultants LLP
<b>Mr Mohit K Chheda</b> DIN: 06594845 Date of Birth: 04/11/1988 Designation: Non-Executive Director Address: 13/94, Krashna Mahal, Bhaudaji cross road, no. 10, Opp, BMC ward office, Matunga East, Mumbai-400019, MH Original Date of Appointment: 03.11.2021 Occupation: Business Term: Liable to retire by rotation Nationality: Indian	34	1. Kairos Urban Private Limited 2. MS Trailer Parts LLP 3. Laxmi Trading & Investments 4. Kairos Global (Proprietorship)
<b>Mr. Sulabh Jain</b> DIN: 07739598 Date of Birth: 10/05/1994 Designation: Independent Director Address: F-225, U/G/F, Main Mangal Bazar, Laxmi Nagar, East Delhi, Delhi-110092 Original Date of Appointment: 03/11/2021 Occupation: Business Term: for a period of 5 years from November 03, 2021 Nationality: Indian	29	1. Share India Securities Limited. 2. Juris Advisors LLP 3. RERA 360
<b>Ms. Shubhangi Agarwal</b> DIN: 08135535	32	1. Shigan Quantum Technologies Limited 2. Synokem Pharmaceuticals Limited



Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Age (years)	Other Directorships / Designated Partnership
Date of Birth: 23/06/1990 Designation: Independent Director Address: Original Date of Appointment: 28.10.2021 Term: for a period of 5 years from October 28, 2021 Nationality: Indian		3. Algoquant Fintech Limited 4. AS Krishna Associates Limited 5. Shehad Veda LLP

### **Brief Profile for our Directors**

#### **Mr. Aditya Vikram Kanoria, our Managing Director cum Chief Financial Officer;**

With over 15 years in financial services, he commands the NBFC division of Credent Global primarily, while also advising on various other fronts including real estate deals, and investment banking, among others. From the onset of his finance career, Aditya has spearheaded major campaigns and clientele for names like Motilal Oswal Financial Services and Capital First. Throughout his career, Aditya has been trusted and known to successfully deliver on all fronts be it strategizing or creating full-fledged distribution networks, handling complex big-ticket transactions to launching successful IPOs.

#### **Mr. Mandeep Singh, our Executive Director;**

He has experience in asset management, real estate, stock broking, and more. Mandeep has played a pivotal role setting up networking and distribution models for some of India's largest names today. Not just limited to the domestic terrain, Mandeep has years of exposure and experience with international clientele, particularly specializing in the European markets. As a result of his stint in the UK, he now commands Credent's real estate advisory and asset management for our esteemed offshore clientele. Licensed by the Financial Conduct Authority (FCA UK) and registered as a pension fund advisor, Mandeep assist Credent's faithful customer base in the UK with prudent real estate decisions, while also helping with insurance, investment, and more.

**Mr. Mohit K Chheda**, our Non-Executive Director; he comes with a strong experience in Indian Capital. He holds a bachelor's degree in management studies with majors in finance as well as a master's degree in finance from the University of Exeter. He has studied derivatives from the London School of Economics and has been instrumental in managing large family office money for over last one decade.

**Ms. Shubhangi Agarwal**, Independent Director is an Associate member of Institute of Company Secretaries of India. She is a Consultant and advisor in corporate law with more than 6 years of working experience inclusive 2 year of corporate exposure as a company secretary in employment as well. She is involved in Legal Compliances viz. Drafting, Pleading and Appearances before various Statutory Authorities including NCLT and Quasi-Judicial Authorities.

**Mr. Sulabh Jain**, Independent Director aged 27 years. He is an Associate member of Institute of Company Secretaries of India. He is a Consultant and advisor in corporate law with more than 4 years of working experience. He is also an independent director of Share India Securities Limited. He is also have experience in RERA.

### **Confirmations**

1. None of the Directors of our Company have held or currently hold directorship in any listed company whose shares have been or were suspended from being traded on any of the stock exchanges in the five years preceding the date of filing of this Draft Letter of Offer, during the term of his/ her directorship in such company.
2. Further, none of the Directors of our Company are or were associated in the capacity of a director with any listed company which has been delisted from any stock exchange(s) at any time in the past.
3. None of the Promoters, Persons forming part of our Promoter Group, Directors or persons in control of our Company, has been or is 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.
4. None of the Directors is categorized or are on the RBI List of willful defaulters.
5. None of the Directors is categorized or are on the RBI List of fraudulent borrowers.
6. None of our Directors are declared Fugitive Economic Offenders under Section 12 of the Fugitive Economic

Offenders Act, 2018.

7. There is no service contracts entered into by the Directors with our Company providing for benefits upon termination of employment.
8. There are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the Directors were selected as a Director.

For details on legal cases, please refer to the chapter titles “Outstanding Litigations and Material Developments” beginning on page 150 of this Draft Letter of Offer.

### Our Key Management Personnel

Name	Designation	Date of Appointment/Re-appointment (as the case may be)
Aditya Vikram Kanoria	Managing Director cum Chief Financial Officer	03/11/2021
Mandeep Singh	Executive Director	28/10/2021
Preeti Sethi	Company Secretary & Compliance Officer	03/11/2021

### Management Organization Structure

The following is the organization structure of our Company:

## Board of Directors

- Mr Aditya Vikram Kanoria  
Managing Director cum Financial Officer
- Mr. Sulabh Jain and Ms. Shubhangi Agarwal  
Independent Directors
- Ms. Preeti Sethi  
Company Secretary
- Mr Mandeep Singh  
Executive Director
- Mr. Mohit Chedda  
Non-Executive Director

### Corporate Governance

The provisions of the Companies Act, 2013 with respect to corporate governance are applicable to us.

We are compliant with the requirements of the applicable provisions of the Act and the regulations, including the SEBI Listing Regulations, Companies Act, 2013 and the SEBI (ICDR) Regulations, in respect of corporate governance including constitution of our Board and Committees thereof. Our corporate governance framework is based on an effective independent Board, separation of the Board’s supervisory role from the executive management team and constitution of the Committees, as required under the law.

Our Board undertakes to take all necessary steps to continue to comply with all the requirements of the SEBI Listing Regulations and the Companies Act, 2013. Our Board functions either directly, or through various committees constituted to oversee specific operational areas.

## Committees of our Board

Our Board has constituted following committees in accordance with the requirements of the Companies Act, 2013 and SEBI Listing Regulations:

1. Audit Committee;
2. Stakeholders' Relationship Committee;
3. Nomination and Remuneration Committee;
4. Rights Issue Committee

Details of each of these committees are as follows:

### *Audit Committee*

Our Audit Committee has the following members of the said committee:

S. No.	Name of Member	Designation
1.	Sulabh Jain	Chairman
2.	Aditya Vikram Kanoria	Member
3.	Shubhangi Agarwal	Member

The Company Secretary acts as the secretary of the Audit Committee.

The scope, functions and the terms of reference of our Audit Committee, is in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations which are as follows:

1. Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a) Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013.
  - b) Changes, if any, in accounting policies and practices and reasons for the same.
  - c) Major accounting entries involving estimates based on the exercise of judgment by management.
  - d) Significant adjustments made in the financial statements arising out of audit findings.
  - e) Compliance with listing and other legal requirements relating to financial statements.
  - f) Disclosure of any related party transactions.
  - g) Modified opinion(s) in the draft audit report.
  - h) Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
  - i) 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 utilisation of proceeds of a public or rights issue and making appropriate recommendations to the board to take up steps in this matter.
  - j) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process.
  - k) Approval or any subsequent modification of transactions of the listed entity with related parties.

- l) Scrutiny of inter-corporate loans and investments.
- m) Valuation of undertakings or assets of the listed entity, wherever it is necessary.
- n) Evaluation of internal financial controls and risk management systems.
- o) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- p) 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.
- q) Discussion with internal auditors of any significant findings and follow up there on.
- r) 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.
- s) 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.
- t) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- u) To review the functioning of the whistle blower mechanism.
- v) Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate.
- w) Carrying out any other function as is mentioned in the terms of reference of the audit committee.
- x) Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- y) Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
- z) To review Statement of deviations in terms of Regulation 32(1) & 32(7); including report of monitoring agency, if applicable.
- aa) To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modifications as may be applicable.

The periodic review ensures that all areas within the scope of the Committee are reviewed. All members of the Audit Committee possess strong knowledge of accounting and financial management. The Chairman of the Company, the Managing Director, Chief Financial Officer, the Internal Auditors and Statutory Auditors are regularly invited to attend the Audit Committee Meetings. The Internal Auditor reports to the Chairman of the Audit Committee. The significant audit observations and corrective actions as may be required and taken by the management are presented to the Audit Committee.

As required under the SEBI Listing Regulations, the Audit Committee meets at least four times a year with maximum interval of 120 days between two meetings and the quorum for each meeting of the Audit Committee is two members or one third of the number of members of the Committee, whichever is greater, provided that minimum of two independent directors are present at each of the meetings.

#### ***Stakeholders Relationship Committee***

The members of the Stakeholders Relationship Committee are as follows:

S. No.	Name of Member	Designation
1.	Mohit K Chheda	Chairperson
2.	Sulabh Jain	Member
3.	Shubhangi Agarwal	Member

The Company Secretary acts as the secretary of the Stakeholders Relationship Committee.

The scope and function of the Stakeholders Relationship Committee is in accordance with Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations and the terms of reference, powers and scope of the Stakeholders Relationship Committee of our Company include:

1. Resolving the grievances of the security holders of the listed entity 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 listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent; and
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

As required under the SEBI Listing Regulations, the Stakeholders Relationship Committee meets at least once a year, and the chairperson of the committee shall be present at the Annual General Meetings to answer queries of the security holders. The quorum for the meeting of this Committee shall be either two members or one third of the members of the Committee whichever is greater, including at least one independent director in attendance at the meeting.

#### ***Nomination and Remuneration Committee***

The members of the Nomination and Remuneration committee are as follows:

S. No.	Name of Member	Designation
1.	Sulabh Jain	Chairperson
2.	Mohit K Chheda	Member
3.	Shubhangi Agarwal	Member

The Company Secretary acts as the secretary of the Nomination and Remuneration Committee.

The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations and the terms of reference, powers and role of our Nomination and Remuneration Committee are as follows:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees.

For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

- a) use the services of an external agencies, if required.
  - b) consider candidates from a wide range of backgrounds, having due regard to diversity and
  - c) consider the time commitments of the candidates.
2. Formulation of criteria for evaluation of performance of independent directors and the board of directors.
  3. Devising a policy on diversity of board of directors.

4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal.
5. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
6. Recommend to the board, all remuneration, in whatever form, payable to senior management.
7. recommend to the board, all remuneration, in whatever form, payable to Directors, KMP, Senior Management, i.e. salary, benefits, bonus, stock options etc. and determining policy on service contracts, notice period, severance fees for Directors, KMP and Senior Management;
8. Reviewing and determining fixed component and performance linked incentives for Directors along with the performance criteria.
9. To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modifications as may be applicable.

As required under the SEBI Listing Regulations, the Nomination and Remuneration Committee shall meet at least once a year, and the chairperson of the committee shall be present at the Annual General Meetings to answer queries of the shareholders. The quorum for each meeting of the said committee shall be either two members or one-third of the members of the committee whichever is greater, including at least one independent director in attendance at the meeting.

#### ***Rights Issue Committee***

Our Company has constituted a Rights Issue Committee on March 27, 2023. The composition of the Rights Issue Committee is as under:

<b>S. No.</b>	<b>Name of Member</b>	<b>Designation</b>
1.	Mohit K Chheda	Chairperson
2.	Aditya Vikram Kanoria	Member
3.	Mandeep Singh	Member

The Company Secretary acts as the secretary of the Rights Issue Committee.

The terms of reference, powers and role of our Rights Issue Committee are as follows:

1. to appoint and enter into arrangements with registrar, ad-agency, monitoring agency, banker(s) to the Rights Issue and all other intermediaries and advisors necessary for the Rights Issue.
2. to negotiate, authorize, approve and pay commission, fees, remuneration, expenses and/ or any other charges to the applicable agencies/ persons and to give them such directions or instructions as it may deem fit from time to time.
3. to approve and adopt any financial statements prepared for purposes of inclusion in the issue documents, pursuant to the requirements outlined by the SEBI ICDR Regulations or any other applicable law for time being in force, including intimating the approval and adoption of such financial statements to the Stock Exchanges, if required.
4. to negotiate, finalise, settle and execute the issue agreement, registrar agreement, monitoring agency agreement, underwriting agreement, ad-agency agreement, banker, lead manager to the issue agreement and any other agreement with an intermediary and all other necessary documents, deeds, agreements and instruments in relation to the Rights Issue, including but not limited to any amendments/ modifications thereto.
5. to take necessary actions and steps for obtaining relevant approvals from the SEBI, the Stock Exchange, the RBI, or such other authorities, whether regulatory or otherwise, as may be necessary in relation to the Rights Issue.
6. to finalise the issue documents and any other documents as may be required and to file the same with the SEBI, the Stock Exchange and other concerned authorities and issue the same to the shareholders of the Company or any other person in terms of the issue documents or any other agreement entered into by the Company in the ordinary course of business.

7. to decide in accordance with applicable law, the terms of the Rights Issue, the total number, issue price and other terms and conditions for issuance of the equity shares to be offered in the Rights Issue, and suitably vary the size of the Rights Issue, if required.
8. to fix the record date for the purpose of the Rights Issue for ascertaining the names of the eligible shareholders who will be entitled to the equity shares, in consultation with the Stock Exchange.
9. to decide the rights entitlement ratio in terms of number of equity shares which each existing shareholder on the Record Date will be entitled to, in proportion to the equity shares held by the eligible shareholder on such date.
10. to open bank accounts with any nationalised bank/ private bank/ scheduled bank for the purpose of receiving applications along with application monies and handling refunds in respect of the Rights Issue.
11. to appoint bankers to the issue / refund bankers for the purpose of collection of application money for the Rights Issue at the mandatory collection centres at the various locations in India.
12. to decide in accordance with applicable law on the date and timing of opening and closing of the Rights Issue and to extend, vary or alter or withdraw the same as it may deem fit at its absolute discretion or as may be suggested or stipulated by the SEBI, the Stock Exchange or other authorities from time to time.
13. to issue and allot equity shares, the registrar, the Stock Exchange and to do all necessary acts, execution of documents, undertakings, etc. with National Securities Depository Limited and Central Depository Services (India) Limited, in connection with admitting the Equity Shares issued in the Rights Issue.
14. to take such actions as may be required in connection with the creation of separate ISIN for the credit of rights entitlements in the Rights Issue.
15. to apply to regulatory authorities, if required, seeking their approval for allotment of any unsubscribed portion of the Rights Issue (in favour of the parties willing to subscribe to the same).
16. to decide, at its discretion, the proportion in which the allotment of additional equity shares shall be made in the Rights Issue.
17. to dispose of the unsubscribed portion of the equity shares in such manner as it may think most beneficial to the Company, including offering or placing such equity shares with promoter and/ or promoter group/ banks/ financial institutions/ investment institutions/ foreign institutional investors/ bodies corporate or such other persons as the Rights Issue Committee may in its absolute discretion deem fit.
18. to decide the mode and manner of allotment of the equity shares, if any, not subscribed and left/ remaining unsubscribed after allotment of the equity shares and additional equity shares applied by the Shareholders and renounces.
19. to appoint underwriters and decide the underwriting obligations inter-se and such other terms and conditions thereof, as it may deem fit and to enter into underwriting agreement for this purpose.
20. to settle any question, difficulty or doubt that may arise in connection with the Rights Issue including the issue and allotment of the equity shares as aforesaid and to do all such acts, deeds and things as the Board may in its absolute discretion consider necessary, proper, desirable or appropriate for settling such question, difficulty or doubt and making the said Rights Issue and allotment of the equity shares; and
21. to take all such steps or actions and give all such directions as may be necessary or desirable in connection with the Rights Issue and also to settle any question, difficulty or doubt that may arise in connection with the Rights Issue including the issuance and allotment of the equity shares as aforesaid and to do all such acts and deeds in connection therewith and incidental thereto, as the Rights Issue Committee may in its absolute discretion deem fit.

### **Our Key Managerial Personnel**

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

**Ms. Preeti Sethi** aged 28 years, is the Company Secretary and Compliance Officer of our Company with effect from November 3, 2021. She is a member of the Institute of Company Secretaries of India. She is responsible for handling secretarial matters of our Company.

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

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

**Relationship between Key Managerial Personnel**

There is no relationship amongst the Key Managerial Personnel.



## OUR PROMOTERS

Our Promoters are Mr. Aditya Vikram Kanoria and Mr. Mandeep Singh. As on date of this Draft Letter of Offer, the Promoters holds in aggregate of 31,99,549 Equity Shares constituting 46.12 % of our issued, subscribed and paid-up equity share capital.

Our Company confirms that the PAN, bank account number and passport number of our individual promoters shall be submitted to the Stock Exchange at the time of filing this Draft Letter of Offer.

For details of the educational qualifications, experience, other directorships, positions / posts held by our individual promoters, please see the chapter titled “*Our Management*” on page 64 of this Draft Letter of Offer.

### Confirmations

- Our Promoters have not been declared as wilful defaulters or fraudulent borrower by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past or are currently pending against them.
- Our Promoters have not been declared as a Fugitive Economic Offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
- Our Promoters have not been debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority. Our Promoters is not and has never been promoters, director or person in control of any other company, which is debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.
- Except as stated in the chapter titled “Outstanding Litigation and Material Developments” on page 150, there is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority during the last 5 (five) years preceding the date of the Issue against our Promoters.
- As on date of this Draft letter of Offer, except our Promoters, none of the members of our Promoter Group, hold Equity Shares in our Company.

## **RELATED PARTY TRANSACTIONS**

For details of the related party transactions, during the last three Financials, as per the requirements under the relevant accounting standards and as reported in the Restated Financial Statements, see section titled “*Consolidated Restated Financial Statements – Annexure IX*” at page 106 and “*Standalone Restated Financial Statements – Annexure IX*” at page 135 of this Draft Letter of Offer.

## DIVIDEND POLICY

As Dividend Policy is not mandatorily required for our Company, we do not have Dividend Distribution Policy. Dividend declared if any, will depend on a number of factors, including but not limited to capital allocation plans including expected cash requirements of the Company towards working capital, capital expenditure in technology and Infrastructure etc.; funds required for any acquisitions that the Board of Directors may approve; any share buy-back plans; minimum cash required for contingencies or unforeseen events; funds required to service any outstanding loans; liquidity and return ratios; any other significant developments that require cash investments and Investments required towards execution of the Company's strategy. In addition, our ability to pay dividends may be impacted by a number of external factors, including the regulatory and financial environment. Our Company would endeavour to maintain a dividend pay-out keeping these factors in mind.

Dividends paid on Equity Shares:

The dividends declared by the Company on the Equity Shares in each of the Financial Years ending 2021, 2022 and 2023, and the period between April 1, 2023 and the filing of the DLOF, as per our Restated Financial Statements is given below:

Particulars	Financial Performance (For the Financial Year)			April 1, 2023 till the date of this certificate
	2021	2022	2023	
Number of equity shares outstanding at the end of financial year/period	55,50,000	55,50,000	69,37,500	69,37,500
Face value per equity share (in ₹)	10.00	10.00	10.00	10.00
Interim Dividend per equity share (in ₹)	Nil	Nil	0.50	Nil
Rate of Interim Dividend (%)	NA	NA	5.00	NA
Final Dividend per equity share (in ₹)	Nil	Nil	Nil	Nil
Rate of Final Dividend (%)	NA	NA	NA	NA
Amount of Total Dividend (in ₹ Lakhs)	NA	NA	18.69	NA
Mode of payment of Dividend	NA	NA	Electronic and Physical	NA

## SECTION VI - FINANCIAL INFORMATION

### RESTATED FINANCIAL STATEMENTS

S. No.	Details	Page Number
1.	Consolidated Restated Financial Statements	77
2	Standalone Restated Financial Statements	109

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

**Independent Auditor's Examination Report on the Restated Consolidated Statement of Assets and Liabilities as at 31 March 2023 and 31 March 2022, Restated Consolidated Statement of Profit and Loss (including other comprehensive income), Restated Consolidated Statement of Cash Flows and changes in equity for the years ended 31 March 2023 and 31 March 2022, of Credent Global Finance Limited (formerly known as Oracle Credit Limited) (collectively, the "Restated Consolidated Financial Statements")**

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To,  
The Board of Directors,  
**Credent Global Finance Limited**  
(Formerly known as Oracle Credit Limited)  
Unit No. 609-A, 6<sup>th</sup> Floor, One BKC, C-Wing,  
G Block, Opposite Bank of Baroda, Bandra Kurla Complex,  
Bandra (East), Mumbai - 400051

Dear Sir,

1. We have examined the attached Restated Consolidated Financial Statements of **Credent Global Finance Limited** (formerly known as Oracle Credit Limited) and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") annexed to this report and prepared by the Company for the purpose of inclusion in the Letter of Offer in connection with its Right Issue. The Restated Consolidated Financial Statements, which have been approved by the Board of Directors of the Holding Company, have been prepared in accordance with the requirements of:
  - a) Sub-Section (1) of section 62 of Part 1 of Chapter 3 of the Companies Act, 2013 (the "Act").
  - b) Relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "ICDR Regulations"); and
  - c) The Guidance Note on Reports in Company Prospectuses (as amended) issued by the Institute of Chartered Accountants of India ("ICAI"), (the "Guidance Note").

**Management Responsibility for the Restated Consolidated Financial Statements**

2. The preparation of the Restated Consolidated Financial Statements, which are to be included in the Offer documents is the responsibility of the Management of the Group. The Management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Statements. The Management is also responsible for identifying and ensuring that the Group complies with the ICDR Regulations.

**Auditor's Responsibilities**

3. We have examined such Restated Consolidated Financial Statements taking into consideration:
  - a. The terms of reference and terms of our engagement agreed with you vide our engagement letter dated 25 May 2023, requesting us to carry out the assignment, in connection with the proposed Right Issue of the Holding Company;
  - b. The Guidance Note; The Guidance Note also requires that we comply with the ethical requirement of the Code of Ethics issued by the ICAI;
  - c. Concepts of test checks and materiality to obtain reasonable assurance based on the verification of evidence supporting the Restated Consolidated Financial Statements; and
  - d. The requirement of Section 62 of the Act and the ICDR Regulations.

Our work was performed solely to assist you in meeting your responsibilities in relation to your Compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the proposed Right Issue.

## **Restated Consolidated Financial Statements as per Audited Consolidated Financial Statements**

4. These Restated Consolidated Financial Statements have been compiled by the management of the Company from:

Audited Consolidated Financial Statements of the Group as at and for the year ended 31 March 2023 and 31 March 2022, which were prepared in accordance with Ind AS as prescribed under section 133 of the Act, read with relevant rules thereunder and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on 29 May 2023 and 23 May 2022 respectively; and

5. The audit for the financial year ended on 31 March 2023 and 31 March 2022 were conducted by us. There are no audit qualifications in the audit reports issued by the Statutory Auditors and Tax Auditors for the financial year ended on 31 March 2023 and 31 March 2022 which would require adjustments in the Restated Consolidated Financial Statements of the Group. The financial report included for these years is based solely on the report submitted by the management.

Based on the above and according to the information and explanations given to us, we report that the Restated Consolidated Financial Statements of the Group, as attached to this report read with basis of preparation and respective significant accounting policies given in Annexure V as described in paragraph 2, have been prepared in accordance with the Act, ICDR Regulations, Guidance Note, and these Restated Consolidated Financial Statements:

- i. have been made after making adjustments for the changes in accounting policies. As the accounting policies were materially consistent with the policies adopted as at and for the year ended 31 March 2023 and 31 March 2022, no adjustments have been made to the audited financial statements of the respective years presented on account of changed in accounting policies;
  - ii. have been made after incorporating adjustments and regroupings for the material amounts in the respective financial year to which they relate;
  - iii. does not have any qualifications in the auditor's reports on the audited consolidated financial statements of the Group as at 31 March 2023 and 31 March 2022 which require any adjustments to the Restated Consolidated Financial Statements.
6. Restated Consolidated Financial Statements includes 3 (three) subsidiaries, whose share of total assets, revenue from operations, total net profits after tax and total comprehensive income as considered in the Restated Consolidated Financial Statements, which have been audited by us, is tabulated below:

<b>Particulars</b>	<b>As at 31 March 2023</b>	<b>As at 31 March 2022</b>
Total Assets	3642.96	142.92
Revenue from Operations	1652.78	112.02
Total net profit after tax	568.10	62.46
Total comprehensive Income	932.21	62.46

7. The Restated Consolidated Financial Statements also include the Group's share of profit / (loss) after tax of Rs. (4.14 lacs) of 1 (one) associate entity whose accounts have been audited by us.
8. The Restated Consolidated Financial Statements also include the Group's share of profit / (loss) after tax of Rs. (22.40 lacs) of 1 (one) associate entity, the financial information of which has not been audited by their auditor. The unaudited financial information of that entity has been furnished to us by the management. In our opinion and according to the information and explanation given to us by the Holding Company's management, this associate is not material to the Group. Our opinion on the Restated Consolidated Financial Statements is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

9. The Restated Consolidated Financial Statements do not reflect the effects of events that occurred subsequent to the audited financial mentioned in paragraph 4 above.
10. 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 Previous Auditors, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
11. We, M/s. Kapish Jain & Associates, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (“ICAI”) and hold a valid peer review certificate issued by the “Peer Review Board” of the ICAI.
12. We have no responsibility to update our report for events and circumstances occurring after date of the report.
13. Our report is intended solely for use of the Board of Directors for inclusion in the Offer documents to be filled with recognized Stock Exchange and any other regulatory authority in connection with the proposed Right Issue. Our report should not be used, referred to, or distributed for any other purpose.

**For Kapish Jain & Associates,**  
Chartered Accountants  
ICAI Firm Registration Number: 022743N

Sd/-

**CA Kapish Jain**

Partner

Membership No.: 514162

UDIN: 23514162BGWHCZ2797

Place: New Delhi

Date: 15 June 2023

**CRECENT GLOBAL FINANCE LIMITED**

(Formerly known as Oracle Credit Limited)

**ANNEXURE - I****CONSOLIDATED STATEMENT OF ASSETS & LIABILITIES, AS RESTATED***(All amounts in ₹ lacs, unless otherwise stated)*

Particulars	Note No.	As at 31 March 2023	As at 31 March 2022
<b>Assets</b>			
<b>1 Financial Assets</b>			
a. Cash & cash equivalents	I.1	317.62	2.16
b. Trade receivables	I.2	65.43	-
c. Loans	I.3	3,176.36	683.42
d. Investments	I.4	2,766.51	-
e. Other financial assets	I.5	31.10	81.49
<b>Total Financial Assets</b>		<b>6,357.02</b>	<b>767.07</b>
<b>2 Non-financial Assets</b>			
a. Inventories	I.6	-	0.44
b. Current tax assets(Net)		-	-
c. Deferred tax assets(Net)	I.16	0.01	0.02
d. Property, Plant & Equipments	I.7	144.26	1.34
e. Other Intangible assets	I.8	1.90	-
f. Goodwill on consolidation		867.27	2.69
g. Right of Use Asset	I.9	182.67	-
h. Other non-financial assets	I.10	27.31	20.00
<b>Total Non-financial Assets</b>		<b>1,223.42</b>	<b>24.49</b>
<b>Total assets</b>		<b>7,580.44</b>	<b>791.56</b>
<b>Liabilities and Equity</b>			
<b>1 Liabilities</b>			
<b>Financial liabilities</b>			
a. Trade payables	I.11		
i. total outstanding dues of micro enterprises and small enterprises		-	-
ii. total outstanding dues of Creditors other than micro enterprises and small enterprises		6.47	9.00
b. Borrowings	I.12	3,837.07	14.18
c. Lease Liability	I.9	197.47	-
d. Provisions & other payables	I.13	0.82	-
e. Other financial liability	I.14	602.00	6.24
<b>Total Financial liabilities</b>		<b>4,643.83</b>	<b>29.42</b>
<b>2 Non-financial liabilities</b>			
a. Current tax liabilities (Net)	I.15	59.85	29.89
b. Deferred tax liability (Net)	I.16	350.63	0.07
c. Other non-financial liabilities	I.17	79.90	8.70
<b>Total Non-financial liabilities</b>		<b>490.38</b>	<b>38.66</b>
<b>3 Equity</b>			
a. Equity share capital	I.18	693.75	555.00
b. Other equity	I.19	1,752.48	168.48
<b>Total Equity</b>		<b>2,446.23</b>	<b>723.48</b>
<b>Total liabilities and equity</b>		<b>7,580.44</b>	<b>791.56</b>

See accompanying notes to the consolidated financial statements, as restated.

In terms of our report attached  
**For Kapish Jain & Associates,**  
Chartered Accountants  
Firm's Registration No. 022743N

For and on behalf of the Board of Directors  
**Credent Global Finance Limited**  
(Formerly known as Oracle Credit Limited)

**CA Kapish Jain**  
Partner  
Membership No. 514162  
Place: New Delhi  
Date: 15 June 2023

**Aditya Vikram Kanoria**  
Managing Director & CFO  
DIN: 07002410  
Place: Mumbai  
Date: 15 June 2023

**Mohit K Chheda**  
Director  
DIN: 06594845  
Place : Mumbai  
Date: 15 June 2023

**Preeti Sethi**  
Company Secretary  
Membership No. A65331  
Place : Mumbai  
Date: 15 June 2023



**CREDENT GLOBAL FINANCE LIMITED**

(Formerly known as Oracle Credit Limited)

**ANNEXURE - II****CONSOLIDATED STATEMENT OF PROFIT & LOSS, AS RESTATED***(All amounts in ₹ lacs, unless otherwise stated)*

Particulars	Note No.	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>I</b> Revenue from operations	II.1	1,946.77	170.17
<b>II</b> Other income	II.2	10.43	20.02
<b>III</b> <b>Total income</b>		<b>1,957.20</b>	<b>190.19</b>
<b>IV</b> <b>Expenses</b>			
Changes in inventories of stock in trade	II.3	0.45	-
Impairment of financial instruments	II.4	9.72	1.44
Employee benefits expense	II.5	260.56	23.06
Other expenses	II.6	462.53	17.54
<b>Total expenses (IV)</b>		<b>733.26</b>	<b>42.04</b>
<b>V</b> <b>Profit Before Interest, Depreciation and Tax (III-IV)</b>		<b>1,223.94</b>	<b>148.15</b>
<b>VI</b> Depreciation and amortisation expense	II.7	60.50	0.01
<b>VII</b> <b>Profit Before Interest and Tax (V-VI)</b>		<b>1,163.44</b>	<b>148.14</b>
<b>VIII</b> Finance cost	II.8	128.18	0.19
<b>IX</b> <b>Profit Before Tax (VII-VIII)</b>		<b>1,035.26</b>	<b>147.95</b>
<b>X</b> <b>Exceptional Items</b>		-	-
<b>XI</b> <b>Share in Profit/(loss) of associates</b>		(26.54)	-
<b>XII</b> <b>Tax expense</b>			
Current tax		104.20	40.61
Current tax for earlier year		2.97	-
Deferred tax credit		227.96	0.07
		<b>335.13</b>	<b>40.68</b>
<b>XIII</b> <b>Profit/(Loss) (IX+X+XI-XII)</b>		<b>673.59</b>	<b>107.27</b>
<b>XIV</b> <b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit and loss</b>			
Fair value gain/(loss) on investment in debt instrument carried at fair value through other comprehensive income (FVTOCI)		486.57	-
Income tax relating to items that will not be reclassified to profit or loss		122.46	-
<b>Total Other Comprehensive Income</b>		<b>364.11</b>	<b>-</b>
<b>XV</b> <b>Total comprehensive income (XIII+XIV)</b>		<b>1,037.70</b>	<b>107.27</b>
<b>XVI</b> <b>Non-controlling interest</b>		-	(3.29)
<b>XVII</b> <b>Total comprehensive income attributable for shareholders (XV+XVI)</b>		<b>1,037.70</b>	<b>103.98</b>
<b>XVIII</b> <b>Earning per equity share</b>	II.9		
Equity shares of face value Rs. 10 each			
Basic		<b>15.40</b>	<b>1.93</b>
Diluted		<b>15.40</b>	<b>1.93</b>

See accompanying notes to the consolidated financial statements, as restated.

In terms of our report attached  
**For Kapish Jain & Associates,**  
Chartered Accountants  
Firm's Registration No. 022743N

For and on behalf of the Board of Directors  
**Credent Global Finance Limited**  
(Formerly known as Oracle Credit Limited)

**CA Kapish Jain**  
Partner  
Membership No. 514162  
Place: New Delhi  
Date: 15 June 2023

**Aditya Vikram Kanoria**  
Managing Director & CFO  
DIN: 07002410  
Place : Mumbai  
Date: 15 June 2023

**Mohit K Chheda**  
Director  
DIN: 06594845  
Place : Mumbai  
Date: 15 June 2023

**Preeti Sethi**  
Company Secretary  
Membership No. A65331  
Place : Mumbai  
Date: 15 June 2023

**CREDENT GLOBAL FINANCE LIMITED**  
(Formerly known as Oracle Credit Limited)

**ANNEXURE - III**

**CONSOLIDATED STATEMENT OF CASH FLOW, AS RESTATED**

(All amounts in ₹ lacs, unless otherwise stated)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>A. Cash flow from operating activities</b>		
Profit/(loss) before tax	1,008.72	147.95
Adjustments for :		
Depreciation of plant, property and equipment	60.50	0.01
Impairment of financial instruments	9.72	1.44
Unrealised profit through Profit and Loss	(890.16)	-
Fixed Assets Written off	0.06	-
Interest on Lease liability	13.98	-
Adjustment for consolidation	(864.58)	-
Non Controlling interest	-	3.29
(Profit) / loss on sale of investment	100.45	(17.60)
<b>Operating profit before working capital changes</b>	<b>(561.31)</b>	<b>135.09</b>
Adjustments for net (increase)/decrease in operating assets		
Loans	(2,502.67)	(683.42)
Inventories	0.44	(0.44)
Trade receivables	(65.43)	-
Other Financial Assets	50.39	(101.49)
Other non financial assets	(26.81)	-
Trade payables	(2.53)	9.00
Other financial liabilities	596.57	14.94
Other non financial liabilities	71.20	29.89
<b>Cash generated from operating activities before tax</b>	<b>(2,440.15)</b>	<b>(596.43)</b>
Income taxes paid (Net)	(77.32)	(10.74)
<b>Net cash generated from operating activities</b>	<b>(2,362.83)</b>	<b>(585.69)</b>
<b>B. Cash Flow from Investing Activities</b>		
Capital expenditure on Property, Plant & Equipment including capital advances	(154.34)	(1.34)
Capital advances (Refund/(expenditure))	19.50	-
Investment made	(2,020.18)	-
Proceed from sale of Investments	414.26	20.00
<b>Net cash generated from/(used in) investing activities</b>	<b>(1,740.76)</b>	<b>18.66</b>
<b>C. Cash flows from financing activities</b>		
Proceeds from issues of equity shares including security premium	666.00	555.00
Borrowing other than debt securities	3,822.89	14.19
Dividend Paid	(18.69)	-
Payment of Lease liability	(51.15)	-
<b>Net cash generated from/(used in) financing activities</b>	<b>4,419.05</b>	<b>569.19</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>315.46</b>	<b>2.16</b>
Cash and cash equivalents at the beginning of year	2.16	-
<b>Cash and cash equivalents at the end of year</b>	<b>317.62</b>	<b>2.16</b>
<b>Cash &amp; Cash Equivalents Includes:</b>		
Cash in Hand	1.09	0.29
Balance with Bank	316.53	1.87
	<b>317.62</b>	<b>2.16</b>

- 1) The statement of cash flow has been prepared under the indirect method as set out in Ind AS 7 on statements of cash flow.  
2) Figures in brackets indicate cash outflow.

See accompanying notes to the consolidated financial statements, as restated.

In terms of our report attached  
For **Kapish Jain & Associates**  
Chartered Accountants  
Firm Registration No.: 022743N

For and on behalf of the Board of Directors  
**Credent Global Finance Limited**  
(Formerly known as Oracle Credit Limited)

**CA Kapish Jain**  
Partner  
Membership No. 514162  
Place: New Delhi  
Date: 15 June 2023

**Aditya Vikram Kanoria**  
Managing Director & CFO  
DIN: 07002410  
Place: Mumbai  
Date: 15 June 2023

**Mohit K Chheda**  
Director  
DIN: 06594845  
Place : Mumbai  
Date: 15 June 2023

**Preeti Sethi**  
Company Secretary  
Membership No. A65331  
Place : Mumbai  
Date: 15 June 2023

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY, AS RESTATED**

(All amounts in ₹ lacs , unless otherwise stated)

**A. Equity Share Capital**

Particulars	No. of shares	Amount
<b>Balance as at 1 April 2021</b>	<b>55,50,000</b>	<b>555.00</b>
Issue of equity share capital	-	-
<b>Balance as at 31 March 2022</b>	<b>55,50,000</b>	<b>555.00</b>
<b>Balance as at 1 April 2022</b>	<b>55,50,000</b>	<b>555.00</b>
Issue of equity share capital	13,87,500	138.75
<b>Balance as at 31 March 2023</b>	<b>69,37,500</b>	<b>693.75</b>

**B. Other Equity**

Particulars	Statutory reserves as per section 45-IC of the RBI Act, 1934	Capital Reserve	Security Premium	Other Comprehensive Income	Retained Earning	Total
<b>Balance as at 1 April 2021</b>	<b>32.46</b>	-	-	-	<b>6.16</b>	<b>38.62</b>
Profit / (loss) for the year	-	-	-	-	103.98	<b>103.98</b>
Transfer to Statutory Reserve	8.30	-	-	-	(8.30)	-
Ind As transition Reserve	-	-	-	-	-	-
Capital reserve on consolidation	-	25.88	-	-	-	<b>25.88</b>
<b>Balance as at 31 March 2022</b>	<b>40.76</b>	<b>25.88</b>	-	-	<b>101.84</b>	<b>168.48</b>
<b>Balance as at 1 April 2022</b>	<b>40.76</b>	<b>25.88</b>	-	-	<b>101.84</b>	<b>168.48</b>
Ind As transition Reserve (Subsidiary)	-	-	-	-	(8.54)	<b>(8.54)</b>
Profit / (loss) for the year	-	-	-	364.11	673.59	<b>1,037.70</b>
Dividend Paid	-	-	-	-	(18.69)	<b>(18.69)</b>
Less: Pre-acquisition profit / (loss)	-	-	-	-	(46.28)	<b>(46.28)</b>
Security Premium	-	-	527.25	-	-	<b>527.25</b>
Transfer to Statutory Reserve	26.41	-	-	-	(26.41)	-
Capital reserve on consolidation	-	-	-	-	-	-
<b>Balance as at 31 March 2023</b>	<b>67.17</b>	<b>25.88</b>	<b>527.25</b>	<b>364.11</b>	<b>768.07</b>	<b>1,752.48</b>

See accompanying notes to the consolidated financial statements, as restated.

In terms of our report attached  
For **Kapish Jain & Associates**  
Chartered Accountants  
Firm Registration No.: 022743N

For and on behalf of the Board of Directors  
**Credent Global Finance Limited**  
(Formerly known as Oracle Credit Limited)

**Kapish Jain**  
Partner  
Membership No.: 514162  
Place: New Delhi  
Date: 15 June 2023

**Aditya Vikram Kanoria**  
Managing Director & CFO  
DIN: 07002410  
Place: Mumbai  
Date: 15 June 2023

**Mohit K Chheda**  
Director  
DIN: 06594845  
Place : Mumbai  
Date: 15 June 2023

**Preeti Sethi**  
Company Secretary  
Membership No. A65331  
Place : Mumbai  
Date: 15 June 2023

**CRECENT GLOBAL FINANCE LIMITED**

(Formerly known as Oracle Credit Limited)

ANNEXURE – V

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS, AS RESTATED***(All amounts in ₹ lacs , unless otherwise stated)***1 Corporate Information**

Oracle Credit Limited ("the Holding Company") having its registered office at 504, B-Wing, Statesman House, 148, Barakhamba Road, New Delhi 110001, was incorporated on 27 February 1991 under Indian Companies Act, 1956. The Holding Company is presently classified as Non-Deposit taking Non Banking consolidated financial Company ('NBFC'). The equity shares of the Company are listed on BSE Limited ("BSE") in India.

The corporate identification number of the company is L65910MH1991PLC404531. The Holding Company is in the business of finance and investement.

The consolidated financial statements as at 31 March 2023 present the consolidated financial position of the group as well as its subsidiaries and Associates entity. The list of Subsidiaries and Associate Entity, which are included in the consolidation and the Company's holding therein are as under:

<b>Name of the Company</b>	<b>Country of Incorporation</b>	<b>Percentage of voting power as at 31March 2023</b>
<b>Subsidiaries Companies</b>		
Credent Property Advisory Private Limited (formerly known as Credent Property Advisory LLP)	India	100%
Credent Investment Private Limited (formerly known as Credent Assets Advisors Private Limited)	India	100%
Credent Assets Management Service Private Limited (formerly known as BCB Capital Advisors Private Limited)	India	100%
<b>Associate Entity</b>		
Credent Alpha LLP	India	50%
Esssel Finance Advisors and Managers LLP	India	49%

**2 Significant Accounting Policies :****2.1 Statement of compliance**

The consolidated financial statements are prepared in accordance with Indian Accounting Standards (Ind AS), as per the Companies Act, (Indian Accounting Standards) Rule, 2015 as amended from time to time and notified under section 133 of the Companies Act, 2013 (the Act) along with the other provisions of the Act.

**2.2 Basis of Preparation of consolidated financial Statements**

The consolidated financial statements of the Company have been prepared in accordance with IND AS notified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time. The consolidated financial statements have been prepared under the historical cost convention, as modified by the application of fair value measurements required or allowed by relevant IND AS at the end of each reporting period.

The consolidated financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealized profits or losses as per Indian Accounting Standard notified by Companies (Accounting Standards) Rules, 2006.

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS, AS RESTATED**

Non-controlling Interest in the net assets of consolidated subsidiaries is identified and presented in the Consolidated Balance Sheet separately from liabilities and equity of the Company's shareholders. Minority interest in the net assets of consolidated subsidiaries consists of:

- a) The amount of equity attributable to minority at the date on which investment in a subsidiary is made; and
- b) The minority share of movements in equity since the date the parent subsidiary relationship came into existence.

Minority's share of net profit for the year of consolidated subsidiaries is identified and adjusted against the Profit after tax of the Group.

All assets and liabilities have been classified as current and non-current as per normal operating cycle of the Company and other criteria set out in the Schedule III of the Companies Act, 2013.

Investment in Associates and Joint Ventures has been accounted under the Equity Method as per Ind AS 28 – Investments in Associates and Joint Ventures from the date on which the investee becomes an associate or a joint venture and discontinues from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale.

The difference between the carrying amount of the associate or joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed off the related assets or liabilities. When a Group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interest in the associate or joint venture that are not related to the Group.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Accounting policies have been consistently applied to all periods presented, unless otherwise stated. The preparation of consolidated financial statements require the use of certain significant accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosed amount of contingent liabilities.

The management believes that the estimates used in preparation of consolidated financial statements are prudent and reasonable: Actual results could differ from those estimates and the differences between the actual results and the estimates would be recognised in the periods, in which the results are know/materialised.

The consolidated financial statements are presented in Lacs, Comparative information has been restated to accord with changes in presentations made in the current year, except where otherwise stated

The accounting police for some specific items are disclosed in the respective notes to the consolidated financial Statements. Other significant accounting policies and details of significant accounting assumptions and estimates are set out below in Notes.

The consolidated financial statements of the Company are presented as per Schedule III (Division III) to the Act applicable to Non-Banking consolidated financial Companies (NBFCs), as notified by the MCA.

**2.3 Revenue recognition**

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company, it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from Operations is recognised in the Consolidated Statement of Profit and Loss on an accrual basis as stated herein below;

Interest Income from consolidated financial assets is recognised by applying the Effective Interest Rate ('EIR') to the gross carrying amount of consolidated financial assets, other than credit- Impaired assets and those classified as measured at Fair Value Through Profit of Loss (FVTPL) OR Fair Value through Other Comprehensive Income ( FVTOCI),

Any subsequent changes in the estimation of the future cash flows having impact on EIR are recognised in interest income with the corresponding adjustment to the carrying amount of the assets.

Other interest income is recognised on a time proportionate basis.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS, AS RESTATED

**2.4 Taxation**

Income tax expense represents the sum of the tax currently payable and deferred tax.

**2.4.1 Current tax**

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from or paid to the taxation authorities

Current tax is the amount of tax payable on the taxable income for the period as determined in accordance with the applicable tax rates and the provisions of the Income tax Act, 1961.

**2.4.2 Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax base used in the computation of taxable profit,

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period,

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity),

Deferred tax items are recognised in correlation to the underlying transaction either in OCI or equity: Deferred tax assets and liabilities are offset if such items relate to taxes an income levied by the same governing tax laws and the Company has a legally enforceable right for such set off.

**2.5 Property plant and equipment****A. Initial recognition**

Property, plant and equipment are initially recognised at cost together with borrowing cost capitalized for qualifying assets. If any Cost comprises the purchase price and any directly attributable cost of bringing the asset to the location and its working condition for its intended use. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimate

Subsequent to initial recognition property, plant and equipment are measured at cost less accumulated depreciation and accumulated Impairment, if any,

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is portable that the future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably, The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Consolidated Statement of Profit and Loss during the reporting period in which they are incurred.

**Derecognition**

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the next disposal proceeds and the carrying amount of the asset and is recognised in the Consolidated Statement of Profit and Loss. The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in IND AS 115.

**Depreciation**

Depreciation commences when the assets are ready for their intended use. It is recognised to write down the cost of the property, plant and equipment to their residual value over their useful lives, using the written down value basis. The estimated use lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The Company has adopted the useful life as specified in Schedule III to the Act.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS, AS RESTATED

**2.6 Provisions,Contingent Liabilities and Contingent Assets**

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event. It is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used the increase in the provision due to the passage of time is recognised as a finance cost.

A provision for onerous contracts is recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract.

When some or all of the economic benefits required to settle provision are expected to be recovered from a third party, a receivable is recognised as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

In case of litigations, provision is recognised once it has been established that the company has a present obligation based on Information available up to the date on which the Company's consolidated financial statements are finalised and may in the some cases entail seeking expert advice the determination on whether there is a present obligation.

**Contingent Liabilities**

Contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation Company does not recognised contingent liability but disclose its existence in the consolidated financial statements.

**Contingent Assets**

Contingent assets are not recognised in the consolidated financial statements, but are disclosed where an inflow of economic benefits probable

**2.7 Cash and cash equivalents**

Cash and cash equivalents comprise of cash on hand, balances with banks, cheques on hand, remittances in transit and short-term Investments with an ordinal maturity or three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**2.8 Consolidated financial instruments**

Classification of consolidated financial Instruments

The Company Classifies it's consolidated financial into the following measurement categories:

- 1 Consolidated financial assets to be measured at amortised cost
2. Consolidated financial assets to be measured at fair value through other comprehensive income
3. Consolidated financial assets to be measured at fair value through profit or loss.

The classification depends on these contractual terms of the consolidated financial asset cash flows and the Company's business model for managing consolidated financial assets which are explained below

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS, AS RESTATED

**2.9 Business model assessment**

The Company determines its business model at the level that best reflects how it manages groups of consolidated financial assets to achieve its business objective.

The Company's business model is not assessed on an instrument-by instrument basis, but at a higher level of aggregated portfolios.

**2.10 The Solely Payments of Principal and Interest (SPPI) test**

As a second step of its classification process the Company assesses the contractual terms of consolidated financial assets to identify whether they meet the SPPI test.

"Principal" for the purpose of this test is defined as the fair value of the consolidated financial asset at initial recognition and may change over the life of the consolidated financial asset (for example, if there is repayment of principal or amortisation of the premium/ discount).

In assessing whether the contractual cash flows are SPPI, The Company considers the contractual terms of the instrument. This includes assessing whether the consolidated financial assets contain a contractual term that could change the timing or amount of contractual Cash flows such that it would not meet this condition.

The Company classifies its consolidated financial liabilities amortised costs unless it has designated liabilities at fair value through the profit and loss account or required to measure liabilities at fair value through profit or loss such as derivative liabilities.

**2.11 Recognition of consolidated financial instruments:**

Consolidated financial assets and consolidated financial liabilities are recognised when entity becomes party to the contractual provisions of the instruments.

**Initial Measurement of consolidated financial Instruments:**

Consolidated financial assets and consolidated financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of consolidated financial assets and consolidated financial liabilities (other than consolidated financial assets and consolidated financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the consolidated financial assets or consolidated financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of consolidated financial assets or consolidated financial liabilities at fair value through profit or loss are recognised immediately in the Consolidated Statement of Profit and Loss.

**Subsequent Measurement:****Consolidated financial Assets**

A consolidated financial asset is measured at amortised cost, if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the consolidated financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**2.12 Consolidated financial Assets at Fair Value through Other Comprehensive (FVTOCI)**

A consolidated financial asset is measured at FVTOCI, if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling consolidated financial assets and the contractual terms of the consolidated financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**2.13 Consolidated financial Assets at fair value through Profit & Loss (FVTPL)**

Consolidated financial assets FVTPL include consolidated financial assets held for trading and consolidated financial assets designated upon initial recognition as at FVTPL. A consolidated financial asset that meets the amortised cost criteria or debt Instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates significantly reduces a measurement or recognition inconsistency that would arise measuring assets or liabilities or recognise the Profits and losses on them on different bases.



## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS, AS RESTATED

**2.14 Effective interest Rate (EIR) Method:**

EIR is a method of calculating the amortised cost at allocating interest income or expenses over the relevant period.

The EIR for consolidated financial assets or consolidated financial liability is computed

- a) At the rate that exactly counts estimated future cash receipts or payment through the expected life of the consolidated financial asset or consolidated financial liability to the gross carrying amount of a consolidated financial asset or to the amortised cost of a consolidated financial liability on initial recognition.
- b) By considering contractual terms of the consolidated financial Instrument in estimating the cash flows.
- c) Including all fees received between parties to the contract that are integral part of the effective interest rate, transaction costs and all other premium or discount.

**2.15 Derecognise of consolidated financial Assets.**

The Company derecognises a consolidated financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the consolidated financial asset and substantially all the risks and rewards of ownership of the asset to another party,

On derecognition of a consolidated financial asset accounted under Ind AS 109 in its entirety

- a) for consolidated financial assets measured at amortised cost the gain or loss in the Consolidated Statement of Profit and Loss.
- b) for consolidated financial assets measured at a value through other comprehensive income the cumulative fair value adjustments previously taken to reserves reclassified to the consolidated statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves may be reclassified within Equity.

If the transferred asset is part of a larger consolidated financial asset and the part transferred qualifies for derecognition in its entirety, the previous carrying amount of the larger consolidated financial asset shall be allotted between the part that continues to be recognised and the part that is derecognised, on the basis of the relative fair values of those parts of the date of the transfer.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset it recognises its retained interest in the asset and an associated liability for amounts it may have to pay.

If the Company transfers substantially all the risks and rewards of ownership of a transferred consolidated financial asset, it continues to recognise the consolidated financial asset and also recognises a liability for the proceeds received.

**2.16 consolidated financial Liabilities & Equity Instruments**

Classification of debt or equity consolidated financial liabilities and equity Instruments, issued are classified according to the substance of the contractual arrangements entered into and the definition of financial liability and an equity instrument.

**Equity Instruments**

An equity instrument is a contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Repurchase of the Company's own equity instrument is recognised and deducted directly in equity. No gain or loss is recognised in the statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

**Consolidated financial Liabilities**

The Company classifies all consolidated financial liabilities as subsequently measured at amortised cost, except for consolidated financial liabilities at fair value through profit or loss.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS, AS RESTATED

**Derecognition of consolidated financial liabilities**

A consolidated financial liability is derecognised when the obligation under the ability discharged or cancelled or expires. When an existing consolidated financial liability is replaced by another from the same lender in substantially different terms; or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the consolidated financial liability derecognised and the consideration paid and payable is recognised in the Consolidated Statement Profit and Loss.

**2.17 Off-setting of consolidated financial instruments**

Consolidated financial assets and liabilities are offset and the net amount is reported in the Balance Sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle one at a time on a basis of realising the asset and settling the liability simultaneously.

**2.18 Earnings Per Share ("EPS")**

Basic EPS share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividend, if any, attributable taxes) by the weighted average number of equity shares outstanding during the year. 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 year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been lived at a later date. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduce the Earnings per share or increase the loss per share are included.

**2.19 Significant accounting judgements, estimates and assumptions**

The preparation of consolidated financial statements in conformity with the Ind AS requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures and the disclosure of contingent liabilities at the end of the reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amount of assets or liabilities in future periods.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements is included in the following notes:

**2.20 Impairment of consolidated financial instruments**

Equity instruments are not subject to impairment under Ind AS 109.

The Company recognises lifetime expected credit losses (ECL) when there has been a significant increase in credit risk since initial recognition and when the consolidated financial instrument is credit impaired. If the credit risk on the consolidated financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that consolidated financial instrument at an amount equal to 12-month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition. 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a consolidated financial instrument that are possible within 12 months after the reporting date.

When determining whether credit risk of a consolidated financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, including on historical experience and forward-looking information.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS, AS RESTATED

(All amounts in ₹ lacs , unless otherwise stated)

### 3 Other notes to restated financial statements

#### 3.1 Non-adjustment Items:

No Audit qualifications for the respective periods which require any corrective adjustment in these Restated Financial Statements of the Company have been pointed out during the restated period.

#### 3.2 Material Regroupings:

Appropriate adjustments have been made in the restated summary statements of Assets and Liabilities, Profit & Loss and Cash flows wherever required by reclassification of the corresponding items of income, expenses, assets and liabilities in order to bring them in line with the requirements of the SEBI Regulations.

#### 3.3 Statement of Restatement Adjustments to Audited financial statements:

##### Reconciliation between audited total comprehensive income and restated total comprehensive income

Particulars	For the year ended	
	31 March 2023	31 March 2022
Audited total comprehensive Income	1,037.70	103.98
Restated adjustments	-	-
<b>Restated total comprehensive Income</b>	<b>1,037.70</b>	<b>103.98</b>

##### Reconciliation between audited shareholder's funds and restated shareholder's funds

Particulars	For the year ended	
	31 March 2023	31 March 2022
Audited shareholder's Funds	2,446.23	723.48
Restated adjustments	-	-
<b>Restated Equity</b>	<b>2,446.23</b>	<b>723.48</b>

#### 3.4 Details of dues to Micro and Small Enterprises as defined under the MSMED Act, 2006

Under the Micro, Small and Medium Enterprises Development Act, 2006 which came into force from 2nd October 2006, certain disclosures are required to be made relating to Micro and Small Enterprises.

The Company has not received any memorandum (as required to be filed by the suppliers with the notified authority under the Micro, Small and Medium Enterprises Development Act, 2006) claiming their status as on 31 March 2023, 31 March 2022 and 31 March 2021 as Micro, Small or Medium enterprises. Consequently, the amount paid/payable to these parties could not be ascertainable.

There are no micro and small enterprises, as defined in the micro and small enterprises development act, 2006, to whom the Company owes dues on account of principal amount together with the interest and accordingly no additional disclosures have been made. The above information regarding micro and small enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

#### 3.5 Other figures of the previous years have been regrouped/reclassified and rearranged wherever necessary.

#### 3.6 As required under SEBI (ICDR) Regulations, the Statement of Assets and Liabilities has been prepared after deducting the balance outstanding on revaluation reserve account from both fixed assets and reserves and the net worth arrived at after such deductions.

### 3.7 Expenditure/Earnings in Foreign currency (on accrual basis).

Particulars	For the year ended	
	31 March 2023	31 March 2022
Expenditure in Foreign Currency	9.10	-
Earning in Foreign Currency	65.83	-

### 3.8 Trade Receivables, Trade Payables, Borrowings, Loans & Advances and Deposits

Balances of Trade Receivables, Trade Payables, Borrowings, Loans & Advances and Deposits are subject to confirmation and reconciliation.

### 3.9 Re-grouping/re-classification of amounts

The figures have been grouped and classified wherever they were necessary and have been rounded off to the nearest rupee.

### 3.10 Examination of Books of Accounts & Contingent Liability

The list of books of accounts maintained is based on information provided by the assessee and is not exhaustive. The information in audit report is based on our examination of books of accounts presented to us at the time of audit and as per the information and explanation provided by the assessed at the time of audit.

### 3.11 Director Personal Expenses

There are no director personal expenses debited to the profit and loss account. However, personal expenditure if included in expenses like telephone, vehicle expenses etc. are not identifiable or separable.

### 3.12 Deferred Tax Asset/Liability: [IND AS-12]

The Group has created Deferred Tax Asset/Liability as required by Indian Accounting Standard (Ind AS)-12.

### 3.13 Details of loan and financial assets assigned by the Company as per deed of assignment:

Particulars	For the year ended	
	31 March 2023	31 March 2022
No. of Accounts	10.00	-
Aggregate value (net of provisions) of accounts sold	179.34	-
Aggregate consideration	175.21	-
Additional consideration realized in respect of accounts transferred in earlier years	-	-
Aggregate gain / (loss) over net book value	(4.13)	-

- 3.14 During the year, the Group bought 49% shares of Essel Finance Advisors and Managers LLP (EFAM), a limited liability partnership firm registered under the Limited Liability Partnership Act, 2008. Further, EFAM has pledged all units held in Annuities in senior secured Estate Transaction 1 - Assets I and Annuities in senior secured Estate Transaction 2 - Assets 2 in favor of the Group against a loan of Rs. 14.50 lacs given by the Group. Subsequently, the Group has received the linked payouts of Rs. 46.76 lacs against pledged units by EFAM, and the same has been considered as 'financial liability' as at Balance Sheet date in the books of the Group.

- 3.15 The name of the Holding Company has been changed from 'Oracle Credit Limited' to 'Credent Global Finance Limited' vide fresh Certificate of Incorporation received from Ministry of Corporate Affairs dated 06 April 2023. Further, BSE Limited has been approved the same on 18 April 2023 and reflected on stock exchange on 24 April 2023.

- 3.16 As the consolidated financial statements are prepared for the first time in financial year 2021-22, hence comparative figures for financial year 2020-21 are not available.

# NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS, AS RESTATED

(All amounts in ₹ lacs, unless otherwise stated)

## I.1 Cash and cash equivalents

	As at 31 March 2023	As at 31 March 2022
Cash on Hand	1.09	0.29
Balances with banks in current accounts	316.53	1.87
	<u>317.62</u>	<u>2.16</u>

## I.2 Trade Receivables

	As at 31 March 2023	As at 31 March 2022
Secured & Considered Goods	-	-
Unsecured & Considered Goods	65.43	-
Doubtful	-	-
Less: Allowances for doubtful debts	-	-
	<u>65.43</u>	<u>-</u>

### Ageing analysis of Trade Receivables as on 31st March 2023

Particulars	Outstanding for following periods from due date of payment				
	Less than 6 months	6months to 1 year	1-2years	2-3 years	More than 3years
Undisputed, Secured trade receivables					
considered good	-	-	-	-	-
considered doubtful	-	-	-	-	-
Undisputed, unsecured trade receivables					
considered good	65.43	-	-	-	-
considered doubtful	-	-	-	-	-
<b>Total</b>	<u>65.43</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

### Ageing analysis of Trade Receivables as on 31st March 2022

Particulars	Outstanding for following periods from due date of payment				
	Less than 6 months	6months to 1 year	1-2years	2-3 years	More than 3years
Undisputed, Secured trade receivables					
considered good	-	-	-	-	-
considered doubtful	-	-	-	-	-
Undisputed, unsecured trade receivables					
considered good	-	-	-	-	-
considered doubtful	-	-	-	-	-
<b>Total</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

### Ageing analysis of Trade Receivables as on 31st March 2021

Particulars	Outstanding for following periods from due date of payment				
	Less than 6 months	6months to 1 year	1-2years	2-3 years	More than 3years
Undisputed, Secured trade receivables					
considered good	-	-	-	-	-
considered doubtful	-	-	-	-	-
Undisputed, unsecured trade receivables					
considered good	-	-	-	-	-
considered doubtful	-	-	-	-	-
<b>Total</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

# NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS, AS RESTATED

(All amounts in ₹ lacs, unless otherwise stated)

## I.3 Loans

	As at 31 March 2023	As at 31 March 2022
<b>(A) Loan (at amortised cost)</b>		
Term Loans	-	-
Other Loans	3,186.08	684.86
	<u>3,186.08</u>	<u>684.86</u>
Less: Provision as per IRACP norms	9.72	1.44
	<u><b>3,176.36</b></u>	<u><b>683.42</b></u>
<b>(B) (i) Secured</b>		
(ii) Covered by bank / government guarantee	-	-
(iii) Unsecured	3,186.08	684.86
	<u>3,186.08</u>	<u>684.86</u>
Less: Provision as per IRACP norms	9.72	1.44
	<u><b>3,176.36</b></u>	<u><b>683.42</b></u>
<b>(C) (i) Loans in India</b>		
(a) Public sector	-	-
(a) Others	3,186.08	684.86
(ii) Loans outside India	-	-
	<u>3,186.08</u>	<u>684.86</u>
Less: Provision as per IRACP norms	9.72	1.44
	<u><b>3,176.36</b></u>	<u><b>683.42</b></u>

## I.4 Investments

	As at 31 March 2023	As at 31 March 2022
<b>(A) Debt securities</b>	2,422.97	-
<b>(B) Equity Instruments</b>		
<b>Investment carried at fair value through profit and loss</b>		
(i) Save Eatfoods Pvt Ltd (485 Compulsorily convertible preference Shares of Face Value Rs 10 Each issued at a price of Rs. 6192/- per share)	30.00	-
(ii) Capital - Credent Alpha LLP	0.86	-
(iii) Essel Finance Advisors and Managers LLP	227.60	-
(iv) Krishna Defence and Allied Industries Limited (99000 fully convertible share warrant of Face Value Rs 10 Each convertible at a price of Rs. 140/- per warrant)	34.65	-
(v) Dev Information Technology Limited (32000 Equity Shares of Face Value Rs 10 Each issued at a price of Rs. 93.33/- per share)	29.87	-
(vi) Supreme Holdings & Hospitality (India) Limited (16955 Equity Shares of Face Value Rs 10 Each issued at a price of Rs. 121.30/- per share)	20.57	-
	<u>2,766.51</u>	<u>-</u>
Less: Allowances for impairment loss	-	-
	<u><b>2,766.51</b></u>	<u><b>-</b></u>
<b>(C) (i) Investments in India</b>	2,766.51	-
(ii) Investments outside India	-	-
	<u>2,766.51</u>	<u>-</u>
Less: Allowances for impairment loss	-	-
	<u><b>2,766.51</b></u>	<u><b>-</b></u>

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS, AS RESTATED**

(All amounts in ₹ lacs, unless otherwise stated)

**1.5 Other financial assets**

	As at 31 March 2023	As at 31 March 2022
<b>Non-current other financial assets</b>		
<b>Unsecured; considered doubtful</b>		
Loans and Advances	-	1.49
Less: Provision for bad & doubtful loan & advances	-	-
	<u>-</u>	<u>1.49</u>
<b>Unsecured; considered good</b>		
Security Deposits	31.10	-
	<u>31.10</u>	<u>-</u>
<b>Current financial assets</b>		
<b>Unsecured; considered good</b>		
Application money paid towards securities	-	80.00
Securities Deposits- Current	-	-
	<u>-</u>	<u>80.00</u>
<b>Total Other financial Assets</b>	<u>31.10</u>	<u>81.49</u>

**1.6 Inventories**

	As at 31 March 2023	As at 31 March 2022
Stock-in-trade (in respect of good acquire for trading)	-	0.44
	<u>-</u>	<u>0.44</u>

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS, AS RESTATED

(All amounts in ₹ lacs, unless otherwise stated)

**I.7 Property, Plant & Equipments**

<b>Current Year</b>					
<b>Cost</b>	<b>As at 1 April 2022</b>	<b>Additions</b>	<b>Consolidation Adjustments</b>	<b>Deletions</b>	<b>As at 31 March 2023</b>
Computers	1.89	1.63	1.53	0.60	4.45
Furniture and fixtures	0.38	0.97	4.86	0.38	5.83
Office equipment	0.43	2.13	1.48	0.43	3.61
Vehicle	-	147.71	-	-	147.71
<b>Total</b>	<b>2.70</b>	<b>152.44</b>	<b>7.87</b>	<b>1.41</b>	<b>161.60</b>

<b>Depreciation</b>	<b>As at 1 April 2022</b>	<b>Additions</b>	<b>Consolidation Adjustments</b>	<b>Deletions</b>	<b>As at 31 March 2023</b>
Computers	0.58	1.89	0.39	0.57	2.29
Furniture and fixtures	0.36	0.63	0.63	0.36	1.26
Office equipment	0.42	0.53	0.22	0.42	0.75
Vehicle	-	13.04	-	-	13.04
	-	-	-	-	-
<b>Total</b>	<b>1.36</b>	<b>16.09</b>	<b>1.24</b>	<b>1.35</b>	<b>17.34</b>

<b>Carrying amounts</b>	<b>As at 31 March 2022</b>	<b>As at 31 March 2023</b>
Computers	1.31	2.17
Furniture and fixtures	0.02	4.57
Office equipment	0.01	2.86
Vehicle	-	134.67
<b>Total</b>	<b>1.34</b>	<b>144.26</b>

**Property, Plant & Equipments**

<b>Previous Year</b>					
<b>Cost</b>	<b>As at 1 April 2021</b>	<b>Additions</b>	<b>Consolidation Adjustments</b>	<b>Deletions</b>	<b>As at 31 March 2022</b>
Computers	0.60	1.29	-	-	1.89
Furniture and fixtures	0.38	-	-	-	0.38
Office equipment	0.43	-	-	-	0.43
<b>Total</b>	<b>1.41</b>	<b>1.29</b>	<b>-</b>	<b>-</b>	<b>2.70</b>

<b>Depreciation</b>	<b>As at 1 April 2021</b>	<b>Additions</b>	<b>Consolidation Adjustments</b>	<b>Deletions</b>	<b>As at 31 March 2022</b>
Computers	0.57	0.01	-	-	0.58
Furniture and fixtures	0.36	-	-	-	0.36
Office equipment	0.42	-	-	-	0.42
<b>Total</b>	<b>1.35</b>	<b>0.01</b>	<b>-</b>	<b>-</b>	<b>1.36</b>

<b>Carrying amounts</b>	<b>As at 31 March 2021</b>	<b>As at 31 March 2022</b>
Computers	0.03	1.31
Furniture and fixtures	0.02	0.02
Office equipment	0.01	0.01
<b>Total</b>	<b>0.06</b>	<b>1.34</b>



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS, AS RESTATED

(All amounts in ₹ lacs, unless otherwise stated)

**I.8 Intangible Assets**

<b>Current Year</b>					
<b>Cost</b>	<b>As at 1 April 2022</b>	<b>Additions</b>	<b>Consolidation Adjustments</b>	<b>Deletions</b>	<b>As at 31 March 2023</b>
Software	-	-	3.90	-	3.90
<b>Total</b>	<b>-</b>	<b>-</b>	<b>3.90</b>	<b>-</b>	<b>3.91</b>
<b>Amortisation</b>	<b>As at 1 April 2022</b>	<b>Additions</b>	<b>Consolidation Adjustments</b>	<b>Deletions</b>	<b>As at 31 March 2023</b>
Software	-	1.00	1.00	-	2.00
	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>1.00</b>	<b>1.00</b>	<b>-</b>	<b>2.00</b>
<b>Carrying amounts</b>					
				<b>As at 31 March 2022</b>	<b>As at 31 March 2023</b>
Software				-	1.90
<b>Total</b>				<b>-</b>	<b>1.90</b>
<b>Intangible Assets</b>					
<b>Previous Year</b>					
<b>Cost</b>	<b>As at 1 April 2021</b>	<b>Additions</b>	<b>Consolidation Adjustments</b>	<b>Deletions</b>	<b>As at 31 March 2022</b>
Software	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Amortisation</b>	<b>As at 1 April 2021</b>	<b>Additions</b>	<b>Consolidation Adjustments</b>	<b>Deletions</b>	<b>As at 31 March 2022</b>
Software	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Carrying amounts</b>					
				<b>As at 31 March 2021</b>	<b>As at 31 March 2022</b>
Software				-	-
<b>Total</b>				<b>-</b>	<b>-</b>

# NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS, AS RESTATED

(All amounts in ₹ lacs, unless otherwise stated)

## 1.9 Right of Use Assets

Following are the changes in the carrying value of the Right to use Assets:

	As at 31 March 2023	As at 31 March 2022
Opening Balance	-	-
Consolidated adjustment	104.43	-
Addition during the year	121.67	-
Deletion during the year	-	-
Depreciation charge for the year	43.43	-
<b>Total</b>	<b>182.67</b>	<b>-</b>

## Movement of Lease liability

Following are the changes in the carrying value of the Lease liability:

	As at 31 March 2023	As at 31 March 2022
Opening balance	-	-
Consolidated adjustment	112.97	-
Reclassification on account of adoption of IND AS 116	121.67	-
Finance cost accrued during the period	13.98	-
Payment of lease liabilities	51.15	-
<b>Total</b>	<b>197.47</b>	<b>-</b>

## 1.10 Other non-financial assets

	As at 31 March 2023	As at 31 March 2022
Capital advances	0.50	20.00
Employee Advance	1.12	-
Claims, Incentives & Other Receivables from Govt. Authorities	8.20	-
Prepaid Expenses	7.64	-
Others Advances to Aditya Kanoria (towards office expenses)	9.85	-
<b>Total</b>	<b>27.31</b>	<b>20.00</b>

## 1.11 Trade payables

	As at 31 March 2023	As at 31 March 2022
(a) Total outstanding dues of micro enterprises and small enterprises and;	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	6.47	9.00
	<b>6.47</b>	<b>9.00</b>

### Trade payable ageing schedule for 31 March 2023

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(a) Total outstanding dues of micro enterprises and small enterprises and;	-	-	-	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	6.47	-	-	-	-
<b>Total</b>	<b>6.47</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### Trade payable ageing schedule for 31 March 2022

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(a) Total outstanding dues of micro enterprises and small enterprises and;	-	-	-	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	8.83	0.17	-	-	9.00
<b>Total</b>	<b>8.83</b>	<b>0.17</b>	<b>-</b>	<b>-</b>	<b>9.00</b>

1 NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS, AS RESTATED

(All amounts in ₹ lacs, unless otherwise stated)

1.12 Borrowings

(at amortised cost)

	As at 31 March 2023	As at 31 March 2022
(A) (i) Loans repayable on demand	3,837.07	14.18
<b>Total (A)</b>	<b>3,837.07</b>	<b>14.18</b>
(B) (i) Secured	91.99	-
(ii) Unsecured	3,745.08	14.18
<b>Total (B)</b>	<b>3,837.07</b>	<b>14.18</b>
(C) (I) Loans in India		
(i) Intercompany loan & borrowings	3,066.57	-
(ii) Other loans	770.50	14.18
<b>Total (C)</b>	<b>3,837.07</b>	<b>14.18</b>
(II) Loans outside India	-	-
<b>Total (C) (I) and (C) (II)</b>	<b>3,837.07</b>	<b>14.18</b>

1.13 Provisions & Other Payables

	As at 31 March 2023	As at 31 March 2022
Other Payable	0.82	-
	<b>0.82</b>	<b>-</b>

1.14 Other financial liabilities

	As at 31 March 2023	As at 31 March 2022
Other financial liability to director	416.18	-
Others	185.82	6.24
	<b>602.00</b>	<b>6.24</b>

1.15 Current tax liabilities (Net)

	As at 31 March 2023	As at 31 March 2022
Provision for taxes (Net of advance tax and dection at source)	59.85	29.89
	<b>59.85</b>	<b>29.89</b>

1.16 Deferred tax liability (Net)

	As at 31 March 2023	As at 31 March 2022
<b>Deferred tax assets for (for Holding Company)</b>		
Depreciation of fixed assets	0.01	0.02
Provision for employee benefits	-	-
Brought forward losses and unabsorbed depreciation	-	-
<b>Total deferred tax assets</b>	<b>0.01</b>	<b>0.02</b>
<b>Deferred tax liability for (for Subsidiary Company)</b>		
Depreciation of fixed assets	4.14	0.07
Financial assets and liabilities at fair value	346.49	-
<b>Total deferred tax assets /liability</b>	<b>350.63</b>	<b>0.07</b>

1.17 Other non-financial liabilities

	As at 31 March 2023	As at 31 March 2022
Statutory dues payable	79.90	8.70
Provisions & Other Payables	-	-
	<b>79.90</b>	<b>8.70</b>

1.18 Share capital

	31 March 2023		As at 31 March 2022	
	No. of shares	Amount	No. of shares	Amount
<b>Authorised share capital</b>				
<b>Equity shares</b>				
Equity shares of Rs. 10 each	1,00,00,000	1,000.00	70,00,000	700.00
	<b>1,00,00,000</b>	<b>1,000.00</b>	<b>70,00,000</b>	<b>700.00</b>
<b>Issued, subscribed and fully paid up</b>				
<b>Equity shares</b>				
Equity shares of Rs. 10 each	69,37,500	693.75	55,50,000	555.00
<b>Total</b>	<b>69,37,500</b>	<b>693.75</b>	<b>55,50,000</b>	<b>555.00</b>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS, AS RESTATED

(All amounts in ₹ lacs , unless otherwise stated)

### I.19 Other Equity

	As at 31 March 2023	As at 31 March 2022
<b>Capital Reserves</b>		
Balance at beginning of the year	25.88	-
Add: Capital Reserve created on consolidation	-	25.88
Balance at closing of the year	<b>25.88</b>	<b>25.88</b>
<b>Retained Earning</b>		
Balance at beginning of the year	101.84	6.16
Opening balance of reserve & surplus of subsidiary	(39.41)	-
Less: Opening balance of reserve & surplus of subsidiary	39.41	-
Add: Profit/(Loss) for the year	673.59	103.98
Less: Pre-acquisition profit / (loss)	(46.28)	-
Less: Transfer to statutory reserves	(26.41)	(8.30)
Add: Ind As transition Reserve (Subsidiary)	(8.54)	
Less: Dividend Paid	(18.69)	
Balance at closing of the year	<b>768.07</b>	<b>101.84</b>
<b>Security Premium</b>		
Balance at beginning of the year	-	-
Add: Addition during the year	527.25	-
Balance at closing of the year	<b>527.25</b>	-
<b>Statutory Reserves as per section 45-IC of the RBI Act, 1934</b>		
Balance at beginning of the year	40.76	32.46
Add: Transfer from retained earning	26.41	8.30
Balance at closing of the year	<b>67.17</b>	<b>40.76</b>
<b>Other Comprehensive Income, Net of Tax</b>		
Equity instruments measured at fair value through other comprehensive income		
Balance at beginning of the year	-	-
Add: Transfer from retained earning	364.11	-
Balance at closing of the year	<b>364.11</b>	-
<b>Balance at the end of 31 March 2023</b>	<b>1,752.48</b>	<b>168.48</b>

#### Nature and purpose of reserves:

##### **Retained Earning**

This reserve represents the cumulative profits of the Company less any transfer to statutory reserve. This can be utilised in accordance with the provision of Companies Act, 2013.

##### **Statutory Reserves as per section 45-IC of the RBI Act, 1934**

The Company has to transfer 20% of its profit after tax to the statutory reserves in accordance with the provision of Section 45-IC of Reserve Bank of India Act, 1934. The same will be utilised in accordance with the provisions of the Reserve Bank of India Act, 1934.

##### **Other comprehensive income (OCI)**

- The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.
- The Company has recognised remeasurement of defined benefits plans through other comprehensive income.

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS, AS RESTATED**

(All amounts in ₹ lacs, unless otherwise stated)

**II.1 Revenue from operations**

	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>Other operating revenue</b>		
Interest on loans	114.68	40.57
Sale of service	643.62	112.00
Other Operating Income		
a. Gain on sale of Investment carried at FVTPL	19.80	17.60
b. Realised profit on redemmed units	246.54	-
c. Unrealised profit on units through Profit and Loss	890.16	-
d. Others	31.97	-
	<u>1,946.77</u>	<u>170.17</u>

**II.2 Other income**

	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest Income		
a. Interest on income tax refund	0.02	0.02
b. Other income	10.41	20.00
	<u>10.43</u>	<u>20.02</u>

**II.3 Change in inventories of stock in trade**

	For the year ended 31 March 2023	For the year ended 31 March 2022
a. As at the beginning of the year	0.45	0.45
b. As at the end of the year	-	0.45
	<u>0.45</u>	<u>-</u>

**II.4 Impairment of financial instruments**

	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>On financial assets measured at Amortised Cost</b>		
Provision as per IND-AS 109 / IRACP norms	9.72	1.44
	<u>9.72</u>	<u>1.44</u>

**II.5 Employee benefits expense**

	For the year ended 31 March 2023	For the year ended 31 March 2022
a. Salary, wages and bonus	259.61	23.06
b. Staff welfare expense	0.95	-
	<u>260.56</u>	<u>23.06</u>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS, AS RESTATED

(All amounts in ₹ lacs, unless otherwise stated)

### II.6 Other expenses

	For the year ended 31 March 2023	For the year ended 31 March 2022
a. Legal and professional	119.21	5.98
b. Printing & Stationary	2.16	0.19
c. Travelling and conveyance	16.07	0.47
d. Advertisement & Publicity	16.09	0.31
e. Postage & Telephone	2.48	0.08
f. Payments to auditors (see Note 'A' below)	7.30	2.50
g. Director's Sitting Fees	1.00	1.00
h. Website & software maintenance charges	0.12	0.13
i. Bank Charges	0.35	0.05
j. Fee & Subscription	4.56	5.97
k. AGM / EGM Expenses	1.35	0.72
l. Insurance Expenses	4.26	-
m. Foreign Exchange Loss (net)	0.06	-
n. Fund Operating Expenses	38.48	-
o. Loss of Investment	120.25	-
p. Penal Interest	60.63	-
q. Miscellaneous expenses	68.16	0.14
	<b>462.53</b>	<b>17.54</b>
<b>Note:</b>		
A Payments to auditors		
(i) Audit Fees	5.55	2.00
(ii) Other Services	1.40	0.35
(iii) Out of pocket expenses	0.35	0.15
	<b>7.30</b>	<b>2.50</b>

### II.7 Depreciation and amortisation expense

	For the year ended 31 March 2023	For the year ended 31 March 2022
a. Depreciation on plant, property and equipment	17.07	0.01
b. Depreciation on Right of Use Assets	43.43	-
	<b>60.50</b>	<b>0.01</b>

### II.8 Finance Cost

	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>Interest on borrowings (other than debts securities)</b>		
a. Loan from banks	4.43	-
b. Loan from institutions and others	108.56	0.19
<b>Other interest expenses</b>		
a. Interest expenses on Income Tax	1.21	-
b. Interest on Lease liability	13.98	-
	<b>128.18</b>	<b>0.19</b>

### II.9 Earning per share

<b>Particulars</b>		
Net profit after tax available for equity shareholders (A)	1,037.70	107.27
Opening number of equity shares	55,50,000	55,50,000
Closing number of equity shares	69,37,500	55,50,000
Weighted average number of equity shares (B)	67,39,829	55,50,000
<b>Basic EPS (A/B) (in ₹)</b>	<b>15.40</b>	<b>1.93</b>
<b>Diluted EPS (A/B) (in ₹)</b>	<b>15.40</b>	<b>1.93</b>
Nominal value per equity share (in ₹)	10.00	10.00

**CREDENT GLOBAL FINANCE LIMITED**

(Formerly known as Oracle Credit Limited)

**ANNEXURE –VI**
**CONSOLIDATED STATEMENT OF ACCOUNTING & OTHER RATIOS, AS RESTATED**
*(All amounts in ₹ lacs, unless otherwise stated)*

Particulars	As at	As at
	31 March 2023	31 March 2022
Net Profit as Restated	673.59	107.27
Add: Depreciation	60.50	0.01
Add: Interest on Loan	128.18	0.19
Add: Tax Expenses	335.13	40.68
<b>EBITDA</b>	<b>1,197.40</b>	<b>148.15</b>
<b>EBITDA Margin (%)</b>	<b>61.18%</b>	<b>77.90%</b>
Net Worth as Restated	2,446.23	723.48
<b>Return on Net worth (%) as Restated</b>	<b>27.54%</b>	<b>14.83%</b>
Equity Share at the end of year (in Nos.)	69,37,500	55,50,000
Weighted No. of Equity Shares	67,39,829	55,50,000
<b>Basic &amp; Diluted Earnings per Equity Share as Restated</b>	<b>9.99</b>	<b>1.93</b>
<b>Net Asset Value per Equity share as Restated</b>	<b>35.26</b>	<b>13.04</b>
Nominal Value per Equity share (Rs.)	10	10
Current Assets (A)	470.39	2.60
Current Liabilities (B)	562.75	68.08
<b>Current Ratio (A/B)</b>	<b>0.84</b>	<b>0.04</b>
Debt	3,519.45	12.02
Equity	2,446.23	723.48
<b>Debt Equity Ratio (In Times)</b>	<b>1.44</b>	<b>0.02</b>
PAT	673.59	107.27
Average Equity of Shareholder	1,584.86	361.74
<b>Return On Equity (%)</b>	<b>42.50%</b>	<b>29.65%</b>
Opening Inventory	0.45	0.45
Closing Inventory	-	0.45
Average Inventory	0.23	0.45
Revenue From Operation	1,946.77	170.17
<b>Inventory Turnover Ratio (In Times)</b>	<b>8,652.30</b>	<b>378.16</b>
Cost of traded goods and other expenses	462.98	17.54
Opening Trade Payable	9.00	-
Closing Trade Payable	6.47	9.00
Average Trade Payable	7.74	4.50
<b>Trade Payable Ratio (In Times)</b>	<b>59.85</b>	<b>3.90</b>
Revenue From Operation	1,946.77	170.17
Capital Employed	2,446.23	723.48
<b>Net Capital Turnover Ratio (In Times)</b>	<b>0.80</b>	<b>0.24</b>
Revenue From Operation	1,946.77	170.17
PAT	673.59	107.27
<b>N P Ration (In %)</b>	<b>34.60%</b>	<b>63.04%</b>
EBIT	1,163.44	148.14
Opening Capital Employed	723.48	-
Closing Capital Employed	2,446.23	723.48
Average Capital Employed	1,584.86	361.74
<b>Restated PAT as per P&amp;L Account</b>	<b>673.59</b>	<b>107.27</b>
<b>Return on Capital Employed (In %)</b>	<b>42.50%</b>	<b>29.65%</b>
Net PAT	673.59	107.27
Opening Assets	792	-
Closing Assets	7,580	792
Average Assets	4,186	396
<b>Return on Investments (In %)</b>	<b>16.09%</b>	<b>27.10%</b>

Note:-

EBITDA Margin = EBITDA/Total Revenues

Earnings per share (₹) = Profit available to equity shareholders / Weighted No. of shares outstanding at the end of the year

Return on Net worth (%) = Restated Profit after taxation / Net worth x 100

Net asset value/Book value per share (₹) = Net worth / No. of equity shares

The Company does not have any revaluation reserves or extra-ordinary items.

**CONSOLIDATED STATEMENT OF CAPITALIZATION, AS RESTATED**

*(All amounts in ₹ lacs, unless otherwise stated)*

<b>Particulars</b>	<b>Pre-Issue 31 March 2023</b>	<b>Post Issue</b>
<b>Debt :</b>		
Short Term Debt	-	-
Long Term Debt	3,837.07	-
<b>Total Debt</b>	<b>3,837.07</b>	<b>-</b>
<b>Shareholders Funds</b>		
Equity Share Capital	694	-
Other Equity	1,752	-
<b>Total Shareholders' Funds (Equity)</b>	<b>2,446</b>	<b>-</b>
<b>Long Term Debt/Equity</b>	<b>1.57</b>	<b>-</b>
<b>Total Debt / Equity</b>	<b>1.57</b>	<b>-</b>



**CREDENT GLOBAL FINANCE LIMITED**

(Formerly known as Oracle Credit Limited)

**ANNEXURE –VIII****CONSOLIDATED STATEMENT OF TAX SHELTER, AS RESTATED***(All amounts in ₹ lacs, unless otherwise stated)*

Reconciliation of effective tax rate	For the year ended	
	31 March 2023	31 March 2022
Profit before tax / (Loss)	1,521.84	221.53
Less: Income considered seperately	120.70	-
Less: Unrealised Income	1,376.73	-
Add: Disallowances	46.64	0.01
Less: Allowances	16.15	0.29
Taxable Profit / (Loss)	<b>54.90</b>	<b>221.25</b>
Less: Business losses carry forward	<b>(210.47)</b>	-
Less: B/f losses	-	44.00
<b>Taxable Profit / (Loss) after adjustment of b/f losses</b>	<b>265.37</b>	<b>177.25</b>
Book Profit under MAT	-	-
Short term Capital Gain	120.70	-
At statutory income tax rate	<b>104.20</b>	<b>48.30</b>

**CREDENT GLOBAL FINANCE LIMITED**

(Formerly known as Oracle Credit Limited)

**ANNEXURE –IX****CONSOLIDATED STATEMENT OF RELATED PARTIES & TRANSACTIONS, AS RESTATED***(All amounts in ₹ lacs, unless otherwise stated)*

The Company has entered into following related party transactions for the periods covered under audit. Such parties and transactions are identified as per Ind AS 24 - 'Related Party Disclosures' issued by Institute of Chartered Accountants of India.

Name of Group Companies	Relationship	
Credent Alpha LLP	Associate Entity	
Essel Finance Advisors and Managers LLP	Associate Entity	
Name of the key managerial personnel/Entity	Relationship	
Mr. Aditya Vikram Kanoria - (w.e.f 03 November 2021)	Managing Director & CFO	
Mr. Mandeep Singh - (w.e.f. 28 October 2021)	Director	
Mr. Mohit K Chheda - (w.e.f. 03 November 2021)	Director	
Mr. Ashok Kumar Jain - (till 28 October 2021)	Managing Director	
Ms. Meena Jain - (till 28 October 2021)	Director	
Mr. Girish Kumar - (till 28 October 2021)	Chief Financial officer	
Ms. Vineeta Gautam - (till 30 October 2021)	Company Secetratory	
Mr. Sulabh Jain (w.e.f. 03 November 2021)	Independent Director	
Ms. Subhangi Agarwal (w.e.f. 28 October 2021)	Independent Director	
Ms. Preeti Sethi - (w.e.f. 03 November 2021)	Company Secetratory	
Individuals and Enterprise where Key Management Personnel along with their relative exercise significant influence	Relationship	
AZH Consultants LLP	KMP along with their relative exercise significant influence	
Modulex Construction Technologies Limited	KMP along with their relative exercise significant influence	
Redribbon Advisory Services Pvt Ltd	KMP along with their relative exercise significant influence	
Credent Management Consultancy Limited, UK	KMP along with their relative exercise significant influence	
Wealthmax Financial Advisers Limited, UK	KMP along with their relative exercise significant influence	
Credent Property Advisory Limited, UK	KMP along with their relative exercise significant influence	
Nayna Dilip Chheda	Relative of KMP	
Transactions with Related Parties:		
Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>Investment in</b>		
Credent Alpha LLP	-	-
Essel Finance Advisors and Managers LLP- Equity	227.60	-
Essel Finance Advisors and Managers LLP- Debt Security	1,922.97	500.00
<b>Loan Given to</b>		
Aditya Vikram Kanoria	780.66	-
Nayna Dilip Cheda	5.00	-
Credent Alpha LLP	-	13.37
AZH Consultants LLP	0.69	3.63
Essel Finance Advisors and Managers LLP	14.50	-
<b>Advance Given To</b>		
Aditya Vikram Kanoria	7.00	3.18

**CREDENT GLOBAL FINANCE LIMITED**

(Formerly known as Oracle Credit Limited)

**ANNEXURE –IX****CONSOLIDATED STATEMENT OF RELATED PARTIES & TRANSACTIONS, AS RESTATED***(All amounts in ₹ lacs, unless otherwise stated)*

<b>Loan Taken from</b>		
Nayna Dilip Cheda	150.00	-
Mohit Cheda	450.00	-
Credent Alpha LLP	13.44	-
Mandeep Singh	417.18	4.18
Essel Finance Advisors and Managers LLP	46.77	-
<b>Interest Income</b>		
Aditya Vikram Kanoria	29.08	-
<b>Management fees received</b>		
Wealthmax Financial Advisers Limited	52.83	-
<b>Professional fees paid</b>		
Credent Alpha LLP	28.98	-
<b>Reimbursement of expenses</b>		
Aditya Vikram Kanoria	0.13	0.88
<b>Director Sitting Fees Paid</b>		
Shubhangi Agrawal	0.45	-
Sulabh Jain	0.55	-
<b>Remuneration Paid</b>		
Ashok kumar Jain	-	2.10
Girish Kumar	-	1.50
Vineeta Gautam	-	1.40
Preeti Sethi	2.50	-
Aditya Vikram Kanoria	50.00	48.00

**Balance outstanding with related parties at year end**

<b>Particulars</b>	<b>As at 31 March 2023</b>	<b>As at 31 March 2022</b>
<b>Loan Given to</b>		
Aditya Vikram Kanoria	422.08	-
Credent Alpha LLP	4.00	-
AZH Consultants LLP	4.56	-
Essel Finance Advisors and Managers LLP	14.50	-
<b>Advance Given to</b>		
Aditya Vikram Kanoria	9.85	2.98
Mandeep Singh	14.29	-
<b>Loan Taken from</b>		
Nayna Dilip Cheda	150.00	-
Mohit Cheda	450.00	-
Mandeep Singh	420.36	4.18
Essel Finance Advisors and Managers LLP	46.77	-
<b>Investment in Debt Securities</b>		
Essel Finance Advisors and Managers LLP	2,422.97	-

**CREDENT GLOBAL FINANCE LIMITED**

(Formerly known as Oracle Credit Limited)

*(All amounts in ₹ lacs, unless otherwise stated)*

**ANNEXURE –X**

**CONSOLIDATED STATEMENT OF DIVIDENDS, AS RESTATED**

The Group has paid dividend of Rs. 18.70 lakhs during FY 2022-23

**ANNEXURE –XI**

**CONSOLIDATED CHANGES IN THE SIGNIFICANT ACCOUNTING POLICIES, AS RESTATED**

There have been no changes in the accounting policies of the company for the period covered under audit.

**ANNEXURE –XII**

**CONSOLIDATED CONTINGENT LIABILITIES, AS RESTATED:**

<b>Particulars</b>	<b>31 March 2023</b>	<b>31 March 2022</b>
a. Estimated amount of contracts remaining to be executed and not provided for	NA	NA
b. Claims against the Company not acknowledged as debt	NA	NA
c. Bank Guarantees	NA	NA
d. Outstanding Tax Demand with Respect to any Revenue Authorities	10.67	-

**Independent Auditor's Examination Report on the Restated Standalone Statement of Assets and Liabilities as at 31 March 2023, 31 March 2022 and 31 March 2021, Restated Standalone Statement of Profit and Loss (including other comprehensive income), Restated Standalone Statement of Cash Flows and changes in equity for the years ended 31 March 2023, 31 March 2022 and 31 March 2021, of Credent Global Finance Limited (formerly known as Oracle Credit Limited) (collectively, the "Restated Standalone Financial Statements")**

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To,  
The Board of Directors,  
**Credent Global Finance Limited**  
(Formerly known as Oracle Credit Limited)  
Unit No. 609, 6<sup>th</sup> Floor, One BKC, C-Wing,  
G Block, Opposite Bank of Baroda, Bandra Kurla Complex,  
Bandra (East), Mumbai - 400051

Dear Sir,

1. We have examined the attached Restated Standalone Financial Statements of **Credent Global Finance Limited** (*formerly known as Oracle Credit Limited*) (the "company") annexed to this report and prepared by the Company for the purpose of inclusion in the Letter of Offer in connection with its Right Issue. The Restated Standalone Financial Statements, which have been approved by the Board of Directors of the Company, have been prepared in accordance with the requirements of:
  - a) Sub-Section (1) of section 62 of Part 1 of Chapter 3 of the Companies Act, 2013 (the "Act").
  - b) Relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "ICDR Regulations"); and
  - c) The Guidance Note on Reports in Company Prospectuses (as amended) issued by the Institute of Chartered Accountants of India ("ICAI"), (the "Guidance Note").

**Management Responsibility for the Restated Standalone Financial Statements**

2. The preparation of the Restated Standalone Financial Statements, which are to be included in the Offer documents is the responsibility of the Management of the Company. The Management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Standalone Financial Statements. The Management is also responsible for identifying and ensuring that the Company complies with the ICDR Regulations.

**Auditor's Responsibilities**

3. We have examined such Restated Standalone Financial Statements taking into consideration:
  - a. The terms of reference and terms of our engagement agreed with you vide our engagement letter dated 25 May 2023, requesting us to carry out the assignment, in connection with the proposed Right Issue of the Company;
  - b. The Guidance Note; The Guidance Note also requires that we comply with the ethical requirement of the Code of Ethics issued by the ICAI;
  - c. Concepts of test checks and materiality to obtain reasonable assurance based on the verification of evidence supporting the Restated Standalone Financial Statements; and
  - d. The requirement of Section 62 of the Act and the ICDR Regulations.

Our work was performed solely to assist you in meeting your responsibilities in relation to your Compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the proposed Right Issue.

#### **Restated Standalone Financial Statements as per Audited Financial Statements**

4. These Restated Standalone Financial Statements have been compiled by the management of the Company from:

Audited financial statements of the Company as at and for the year ended 31 March 2023, 31 March 2022 and 31 March 2021, which were prepared in accordance with Ind AS as prescribed under section 133 of the Act, read with relevant rules thereunder and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on 29 May 2023, 23 May 2022 and 29 June 2021 respectively; and

5. The audit for the financial year ended on 31 March 2023 and 31 March 2022 were conducted by us and the audit for the financial year ended on 31 March 2021 was conducted by M/s Jain Arun & Co., Chartered Accountants. There are no audit qualifications in the audit reports issued by the Statutory Auditors and Tax Auditors for the financial year ended on 31 March 2023, 31 March 2022 and 31 March 2021 which would require adjustments in the Restated Standalone Financial Statements of the Company. The financial report included for these years is based solely on the report submitted by the Company.

Based on the above and according to the information and explanations given to us, we report that the Restated Standalone Financial Statements of the Company, as attached to this report read with basis of preparation and respective significant accounting policies given in Annexure V as described in paragraph 2, have been prepared in accordance with the Act, ICDR Regulations, Guidance Note, and these Restated Standalone Financial Statements:

- i. have been made after making adjustments for the changes in accounting policies. As the accounting policies were materially consistent with the policies adopted as at and for the year ended 31 March 2023, 31 March 2022 and 31 March 2021, no adjustments have been made to the audited financial statements of the respective years presented on account of changed in accounting policies;
  - ii. have been made after incorporating adjustments and regroupings for the material amounts in the respective financial year to which they relate;
  - iii. does not have any qualifications in the auditor's reports on the audited financial statements of the Company as at 31 March 2023, 31 March 2022 and 31 March 2021 which require any adjustments to the Restated Standalone Financial Statements.
6. The Restated Standalone Financial Statements do not reflect the effects of events that occurred subsequent to the audited financial mentioned in paragraph 4 above.
7. 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 Previous Auditors, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
8. We, M/s. Kapish Jain & Associates, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India ("ICAI") and hold a valid peer review certificate issued by the "Peer Review Board" of the ICAI.
9. We have no responsibility to update our report for events and circumstances occurring after date of the report.

10. Our report is intended solely for use of the Board of Directors for inclusion in the Offer documents to be filled with recognized Stock Exchange and any other regulatory authority in connection with the proposed Right Issue. Our report should not be used, referred to, or distributed for any other purpose.

**For Kapish Jain & Associates,**

Chartered Accountants

ICAI Firm Registration Number: 022743N

Sd/-

**CA Kapish Jain**

Partner

Membership No.: 514162

UDIN: 23514162BGWHCY6281

Place: New Delhi

Date: 15 June 2023

STANDALONE STATEMENT OF ASSETS & LIABILITIES, AS RESTATED

(All amounts in ₹ lacs, unless otherwise stated)

Particulars	Note No.	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
<b>Assets</b>				
<b>1 Financial Assets</b>				
a. Cash & cash equivalents	I.1	275.43	1.37	4.42
b. Trade receivables	I.2	21.60	-	-
c. Loans	I.3	2,407.37	546.63	427.37
d. Investments	I.4	1,102.52	2.00	2.40
e. Other financial assets	I.5	18.35	80.00	148.50
<b>Total Financial Assets</b>		<b>3,825.27</b>	<b>630.00</b>	<b>582.69</b>
<b>2 Non-financial Assets</b>				
a. Inventories	I.6	-	0.44	0.44
b. Current tax assets (Net)		-	-	-
b. Deferred tax assets (Net)	I.7	0.01	0.02	0.03
c. Property, Plant & Equipments	I.8	0.59	0.06	0.06
d. Right of Use Asset	I.9	104.35	-	-
e. Other non-financial assets	I.10	7.26	20.00	20.00
<b>Total Non-financial Assets</b>		<b>112.20</b>	<b>20.52</b>	<b>20.53</b>
<b>Total assets</b>		<b>3,937.48</b>	<b>650.52</b>	<b>603.22</b>
<b>Liabilities and Equity</b>				
<b>1 Liabilities</b>				
<b>Financial liabilities</b>				
a. Trade payables	I.11			
i. total outstanding dues of micro enterprises and small enterprises		-	-	-
ii. total outstanding dues of Creditors other than micro enterprises and small enterprises		2.42	4.67	8.76
b. Borrowings	I.12	1,947.40	-	-
c. Lease Liability	I.9	106.29	-	-
d. Provisions & other payables	I.13	0.81	-	-
e. Other financial liability	I.14	416.18	-	-
<b>Total Financial liabilities</b>		<b>2,473.10</b>	<b>4.67</b>	<b>8.76</b>
<b>2 Non-financial liabilities</b>				
a. Current tax liabilities (Net)	I.15	38.23	10.67	0.82
b. Other non-financial liabilities	I.16	6.05	0.05	0.02
c. Provisions & other payables	I.17	5.64	-	-
<b>Total Non-financial liabilities</b>		<b>49.92</b>	<b>10.72</b>	<b>0.84</b>
<b>3 Equity</b>				
a. Equity share capital	I.18	693.75	555.00	555.00
b. Other equity	I.19	720.71	80.13	38.62
<b>Total Equity</b>		<b>1,414.46</b>	<b>635.13</b>	<b>593.62</b>
<b>Total liabilities and equity</b>		<b>3,937.48</b>	<b>650.52</b>	<b>603.22</b>

See accompanying notes to the standalone financial statements, as restated.

In terms of our report attached

**For Kapish Jain & Associates,**

Chartered Accountants

Firm's Registration No. 022743N

For and on behalf of the Board of Directors

**Credent Global Finance Limited**

(Formerly known as Oracle Credit Limited)

**CA Kapish Jain**

Partner

Membership No. 514162

Place: New Delhi

Date: 15 June 2023

**Aditya Vikram Kanoria**

Managing Director & CFO

DIN: 07002410

Place : Mumbai

Date: 15 June 2023

**Mohit K Chheda**

Director

DIN: 06594845

Place : Mumbai

Date: 15 June 2023

**Preeti Sethi**

Company Secretary

Membership No. A65331

Place : Mumbai

Date: 15 June 2023



**STANDALONE STATEMENT OF PROFIT & LOSS, AS RESTATED**  
(All amounts in ₹ lacs, unless otherwise stated)

Particulars	Note No.	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>I</b> Revenue from operations	II.1	304.15	60.57	34.85
<b>II</b> Other income	II.2	0.27	17.60	-
<b>III</b> <b>Total income</b>		<b>304.42</b>	<b>78.17</b>	<b>34.85</b>
<b>IV</b> <b>Expenses</b>				
Changes in inventories of stock in trade	II.3	0.45	-	(0.01)
Impairment of financial instruments	II.4	9.72	1.44	-
Employee benefits expense	II.5	13.27	6.20	7.09
Other expenses	II.6	50.22	14.22	6.09
<b>Total expenses (IV)</b>		<b>73.66</b>	<b>21.86</b>	<b>13.17</b>
<b>V</b> <b>Profit Before Interest, Depreciation and Tax (III-IV)</b>		<b>230.76</b>	<b>56.31</b>	<b>21.69</b>
<b>VI</b> Depreciation and amortisation expense	II.7	17.34	-	0.02
<b>VII</b> <b>Profit Before Interest and Tax (V-VI)</b>		<b>213.42</b>	<b>56.31</b>	<b>21.67</b>
<b>VIII</b> Finance cost	II.8	26.78	0.20	0.32
<b>IX</b> <b>Profit Before Tax (VII-VIII)</b>		<b>186.64</b>	<b>56.11</b>	<b>21.35</b>
<b>X</b> <b>Tax expense</b>				
Current tax		54.60	14.59	5.37
Deferred tax credit		0.01	0.01	-
		<b>54.61</b>	<b>14.59</b>	<b>5.37</b>
<b>XI</b> <b>Profit/(Loss) (IX-X)</b>		<b>132.03</b>	<b>41.51</b>	<b>15.98</b>
<b>XII</b> <b>Other comprehensive income</b>				
Items that will not be reclassified to profit and loss		-	-	-
Income Tax relating to Items that will not be reclassified to profit and loss		-	-	-
<b>XIII</b> <b>Total comprehensive income (XI+XII)</b>		<b>132.03</b>	<b>41.51</b>	<b>15.98</b>
<b>XIV</b> <b>Earning per equity share</b>	II.9			
Equity shares of face value Rs. 10 each				
Basic		<b>1.96</b>	<b>0.75</b>	<b>0.29</b>
Diluted		<b>1.96</b>	<b>0.75</b>	<b>0.29</b>

See accompanying notes to the standalone financial statements, as restated.

In terms of our report attached  
**For Kapish Jain & Associates,**  
Chartered Accountants  
Firm's Registration No. 022743N

For and on behalf of the Board of Directors  
**Credent Global Finance Limited**  
(formerly known as Oracle Credit Limited)

**CA Kapish Jain**  
Partner  
Membership No. 514162  
Place: New Delhi  
Date: 15 June 2023

**Aditya Vikram Kanoria**  
Managing Director & CFO  
DIN: 07002410  
Place : Mumbai  
Date: 15 June 2023

**Mohit K Chheda**  
Director  
DIN: 06594845  
Place : Mumbai  
Date: 15 June 2023

**Preeti Sethi**  
Company Secretary  
Membership No. A65331  
Place : Mumbai  
Date: 15 June 2023

**STANDALONE STATEMENT OF CASH FLOW, AS RESTATED**

(All amounts in ₹ lacs, unless otherwise stated)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>A. Cash flow from operating activities</b>			
Profit/(loss) after tax	186.64	56.11	21.35
Adjustments for :			
Depreciation of plant, property and equipment	17.34	-	0.02
Interest on income tax	-	-	0.08
Interest on Lease liability	3.67	-	-
Provision on Standard Assets	9.72	1.44	-
Fixed Assets Written off	0.06	-	-
Gain on sale of Investment	-	(17.60)	-
<b>Operating profit before working capital changes</b>	<b>217.43</b>	<b>39.95</b>	<b>21.45</b>
Adjustments for net (increase)/decrease in operating assets			
Loans	(1,870.47)	(120.70)	(63.48)
Inventories	0.44	-	(0.01)
Other Financial Assets	(21.60)	-	-
Adjustments for net (increase)/decrease in operating Liabilities	54.89	68.50	-
Trade payables, Provisions & Other financial liabilities	420.38	(4.09)	4.24
Other non financial liabilities	6.00	0.03	0.02
<b>Cash generated from operating activities before tax</b>	<b>(1,192.93)</b>	<b>(16.31)</b>	<b>(37.79)</b>
Income taxes paid (Net)	(27.03)	(4.74)	(4.99)
<b>Net cash generated from operating activities</b>	<b>(1,219.96)</b>	<b>(21.05)</b>	<b>(42.77)</b>
<b>B. Cash Flow from Investing Activities</b>			
Capital expenditure on Property, Plant & Equipment including	18.89	20.00	-
Capital advances (Refund/(expenditure))	-	-	39.00
Proceed from sale of Investments	(1,100.52)	(2.00)	3.70
<b>Net cash generated from/(used in) investing activities</b>	<b>(1,081.63)</b>	<b>18.00</b>	<b>42.70</b>
<b>C. Cash flows from financing activities</b>			
Issue of share capital (including security premium)	666.00	-	-
Dividend Paid	(18.70)	-	-
Loan taken	1,947.40	-	-
Payment of Lease liability	(19.05)	-	-
<b>Net cash generated from/(used in) financing activities</b>	<b>2,575.65</b>	<b>-</b>	<b>-</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>274.06</b>	<b>(3.05)</b>	<b>(0.07)</b>
Cash and cash equivalents at the beginning of year	1.37	4.42	4.50
<b>Cash and cash equivalents at the end of year</b>	<b>275.43</b>	<b>1.37</b>	<b>4.42</b>
<b>Cash &amp; Cash Equivalents Includes:</b>			
Cash in Hand	-	0.29	0.06
Balance with Bank	275.43	1.08	4.37
	<b>275.43</b>	<b>1.37</b>	<b>4.42</b>

1) The statement of cash flow has been prepared under the indirect method as set out in Ind AS 7 on statements of cash flow.

2) Figures in brackets indicate cash outflow.

See accompanying notes to the standalone financial statements, as restated.

In terms of our report attached  
**For Kapish Jain & Associates,**  
Chartered Accountants  
Firm's Registration No. 022743N

For and on behalf of the Board of Directors  
**Credent Global Finance Limited**  
(formerly known as Oracle Credit limited)

**CA Kapish Jain**  
Partner  
Membership No. 514162  
Place: New Delhi  
Date: 15 June 2023

**Aditya Vikram Kanoria**  
Managing Director & CFO  
DIN: 07002410  
Place : Mumbai  
Date: 15 June 2023

**Mohit K Chheda**  
Director  
DIN: 06594845  
Place : Mumbai  
Date: 15 June 2023

**Preeti Sethi**  
Company Secretary  
Membership No. A65331  
Place : Mumbai  
Date: 15 June 2023

**STANDALONE STATEMENT OF CHANGES IN EQUITY, AS RESTATED**

(All amounts in ₹ lacs, unless otherwise stated)

**A. Equity Share Capital**

Particulars	No. of shares	Amount
Equity shares of Rs. 10 each issued and subscribed		
<b>Balance as at 1 April 2021</b>	<b>55,50,000</b>	<b>555.00</b>
Issue of equity share capital	-	-
<b>Balance as at 31 March 2022</b>	<b>55,50,000</b>	<b>555.00</b>
Issue of equity share capital	13,87,500	138.75
<b>Balance as at 31 March 2023</b>	<b>69,37,500</b>	<b>693.75</b>

**B. Other Equity**

Particulars	Statutory reserves as per section 45-IC of the RBI Act, 1934	Retained Earning	Security Premium	Total
<b>Balance as at 1 April 2021</b>	<b>32.46</b>	<b>6.16</b>	-	<b>38.62</b>
Profit for the year	-	41.51	-	41.51
Transfer to Statutory Reserve	8.30	(8.30)	-	-
<b>Balance as at 31 March 2022</b>	<b>40.76</b>	<b>39.37</b>	-	<b>80.13</b>
Profit / (loss) for the year	-	132.03	-	132.03
Dividend	-	(18.70)	-	(18.70)
Security Premium	-	-	527.25	527.25
Transfer to Statutory Reserve	26.41	(26.41)	-	-
<b>Balance as at 31 March 2023</b>	<b>67.17</b>	<b>126.30</b>	<b>527.25</b>	<b>720.71</b>

See accompanying notes to the standalone financial statements, as restated.

In terms of our report attached  
**For Kapish Jain & Associates,**  
Chartered Accountants  
Firm's Registration No. 022743N

For and on behalf of the Board of Directors  
**Credent Global Finance Limited**  
(formerly known as Oracle Credit limited)

**CA Kapish Jain**  
Partner  
Membership No. 514162  
Place: New Delhi  
Date: 15 June 2023

**Aditya Vikram Kanoria**  
Managing Director & CFO  
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Place : Mumbai  
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Director  
DIN: 06594845  
Place : Mumbai  
Date: 15 June 2023

**Preeti Sethi**  
Company Secretary  
Membership No. A65331  
Place : Mumbai  
Date: 15 June 2023

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS, AS RESTATED**

*(All amounts in ₹ lacs, unless otherwise stated)*

**1 Corporate Information**

Credent Global Finance Limited (formerly known as Oracle Credit Limited) ("the Company") having its registered office at 502, B-Wing, Statesman House, 148, Barakhamba Road, New Delhi 110001, was incorporated on 27 February 1991 under Indian Companies Act, 1956. The Company is presently classified as Non-Deposit taking Non Banking Financial Company ('NBFC'). The equity shares of the Company are listed on BSE Limited ("BSE") in India.

The corporate identification number of the company is L65910MH1991PLC404531. The Company is in the business of finance and investment.

**2 Significant Accounting Policies :**

**2.1 Statement of compliance**

The standalone financial statements are prepared in accordance with Indian Accounting Standards (Ind AS), as per the Companies Act, (Indian Accounting Standards) Rule, 2015 as amended from time to time and notified under section 133 of the Companies Act, 2013 (the Act) along with the other provisions of the Act.

**2.2 Basis of preparation and presentation**

The financial statements of the Company have been prepared in accordance with IND AS notified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time. The financial statements have been prepared under the historical cost convention, as modified by the application of fair value measurements required or allowed by relevant IND AS at the end of each reporting period.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Accounting policies have been consistently applied to all periods presented, unless otherwise stated. The preparation of financial statements require the use of certain significant accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosed amount of contingent liabilities.

The management believes that the estimates used in preparation of financial statements are prudent and reasonable: Actual results could differ from those estimates and the differences between the actual results and the estimates would be recognised in the periods, in which the results are known/materialised.

The financial statements are presented in Lacs, Comparative information has been restated to accord with changes in presentations made in the current year, except where otherwise stated

The accounting policies for some specific items are disclosed in the respective notes to the financial Statements. Other significant accounting policies and details of significant accounting assumptions and estimates are set out below in Notes.

The financial statements of the Company are presented as per Schedule III (Division III) to the Act applicable to Non-Banking Financial Companies (NBFCs), as notified by the MCA.

**2.3 Revenue recognition**

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company, it can be reliably measured and it is reasonable to expect ultimate collection.

Revenue from Operations is recognised in the Statement of Profit and Loss on an accrual basis as stated herein below;

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS, AS RESTATED**

Interest Income from financial assets is recognised by applying the Effective Interest Rate ('EIR') to the gross carrying amount of Financial assets, other than credit- Impaired assets and those classified as measured at Fair Value Through Profit or Loss (FVTPL) OR Fair Value through Other Comprehensive Income ( FVTOCI),

Any subsequent changes in the estimation of the future cash flows having impact on EIR are recognised in interest income with the corresponding adjustment to the carrying amount of the assets.

Other interest income is recognised on a time proportionate basis.

**2.4 Taxation**

Income tax expense represents the sum of the tax currently payable and deferred tax.

**2.4.1 Current tax**

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from or paid to the taxation authorities

Current tax is the amount of tax payable on the taxable income for the period as determined in accordance with the applicable tax rates and the provisions of the Income tax Act, 1961.

**2.4.2 Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the standalone financial statements and the corresponding tax base used in the computation of taxable profit,

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period,

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity),

Deferred tax items are recognised in correlation to the underlying transaction either in OCI or equity: Deferred tax assets and liabilities are offset if such items relate to taxes an income levied by the same governing tax laws and the Company has a legally enforceable right for such set off.

**2.5 Property plant and equipment****A. Initial recognition**

Property, plant and equipment are initially recognised at cost together with borrowing cost capitalized for qualifying assets. If any Cost comprises the purchase price and any directly attributable cost of bringing the asset to the location and its working condition for its intended use. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimate

Subsequent to initial recognition property, plant and equipment are measured at cost less accumulated depreciation and accumulated Impairment, if any,

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is portable that the future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably, The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS, AS RESTATED

**Derecognition**

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the next disposal proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss. The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in IND AS 115.

**Depreciation**

Depreciation commences when the assets are ready for their intended use. It is recognised to write down the cost of the property, plant and equipment to their residual value over their useful lives, using the written down value basis. The estimated use lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The Company has adopted the useful life as specified in Schedule III to the Act.

**2.6 Provisions,Contingent Liabilities and Contingent Assets**

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event. It is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used the increase in the provision due to the passage of time is recognised as a finance cost.

A provision for onerous contracts is recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract.

When some or all of the economic benefits required to settle provision are expected to be recovered from a third party, a receivable is recognised as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

In case of litigations, provision is recognised once it has been established that the company has a present obligation based on Information available up to the date on which the Company's financial statements are finalised and may in the some cases entail seeking expert advice the determination on whether there is a present obligation.

**Contingent Liabilities**

Contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation Company does not recognised contingent liability but disclose its existence in the financial statements.

**Contingent Assets**

Contingent assets are not recognised in the financial statements, but are disclosed where an inflow of economic benefits probable

**2.7 Cash and cash equivalents**

Cash and cash equivalents comprise of cash on hand, balances with banks, cheques on hand, remittances in transit and short-term Investments with an ordinal maturity or three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS, AS RESTATED

**2.8 Financial instruments**

Classification of financial Instruments

The Company Classifies it's financial into the following measurement categories:

- 1 Financial assets to be measured at amortised cost
2. Financial assets to be measured at fair value through other comprehensive income
3. Financial assets to be measured at fair value through profit or loss.

The classification depends on these contractual terms of the financial asset cash flows and the Company's business model for managing financial assets which are explained below

**2.9 Business model assessment**

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Company's business model is not assessed on an instrument-by instrument basis, but at a higher level of aggregated portfolios.

**2.10 The Solely Payments of Principal and Interest (SPPI) test**

As a second step of its classification process the Company assesses the contractual terms of financial assets to identify whether they meet the SPPI test.

"Principal" for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there is repayment of principal or amortisation of the (premium/ discount).

In assessing whether the contractual cash flows are SPPI, The Company considers the contractual terms of the instrument. This includes assessing whether the financial assets contain a contractual term that could change the timing or amount of contractual Cash flows such that it would not meet this condition.

The Company classifies is financial liabilities amortised costs unless it has designated liabilities at fair value through the profit and loss account or required to measure liabilities at fair value through profit or loss such as derivative liabilities.

**2.11 Recognition of Financial instruments:**

Financial assets and financial liabilities are recognised when entity becomes party to the contractual provisions of the instruments.

**Initial Measurement of Financial Instruments:**

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

**Subsequent Measurement:****Financial Assets**

A financial asset is measured at amortised cost, it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and Interest on the principal amount outstanding.

**2.12 Financial Assets at Fair Value through Other Comprehensive (FVTOCI)**

A financial assets is measured at FVTOCI, if it is held with a bounds model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flow, that are solely payments of principal and interest on the principal amount outstanding.

**2.13 Financial Assets at fair value through Profit & Loss (FVTPL)**

Financial assets FTVPL include financial held for trading and financial assets designated upon initial recognition as at FVTPL A financial asset that meets the amortised code criteria or debt Instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition it such designation eliminates significantly reduces a measurement or recognition inconsistency that would arise measuring assets or liabilities or recognise the Profits and losses on them on different bases.

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS, AS RESTATED

**2.14 Effective interest Rate (EIR) Method:**

EIR is a method of calculating the amortised cost at allocating interest income or expenses over the relevant period. The EIR for financial assets or financial liability is computed

- a) At the rate that exactly counts estimated future cash receipts or payment through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability on initial recognition.
- b) By considering contractual terms of the financial Instrument in estimating the cash flows. c) Including all fees received between parties to the contract that are integral part of the effective interest rate, transaction costs and all other premium or discount.

**2.15 Derecognise of Financial Assets.**

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party,

On derecognition of a financial asset accounted under Ind AS 109 in its entirety

- a) for financial assets measured at amortised cost the gain or loss in the Statement of Profit and loss.
- b) for financial assets measured at a value through other comprehensive income the cumulative fair value adjustments previously taken to reserves reclassified to the statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves may be reclassified within Equity.

If the transferred asset is part of a larger financial asset and the part transferred qualifies for derecognition in its entirety, the previous carrying amount of the larger financial asset shall be allotted between the part that continues to be recognised and the part that is derecognised, on the basis of the relative fair values of those parts of the date of the transfer.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset it recognises its retained interest in the asset and an associated liability for amounts it may have to pay.

If the Company transfers substantially all the risks and rewards of ownership of a transferred financial asset, it continues to recognise the financial asset and also recognises a liability for the proceeds received.

**2.16 Financial Liabilities & Equity Instruments**

Classification of debt or equity financial liabilities and equity Instruments, issued are classified according to the substance of the contractual arrangements entered into and the definition of financial liability and an equity instrument.

**Equity Instruments**

An equity instrument is a contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Repurchase of the Company's own equity instrument is recognised and deducted directly in equity. No gain or loss is recognised in the statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

**Financial Liabilities**

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss.

**Derecognition of financial liabilities**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender in substantially different terms; or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

**2.17 Off-setting of financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.



## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS, AS RESTATED

**2.18 Earnings Per Share ("EPS")**

Basic EPS share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividend, If any, attributable taxes) by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been lived eta later date. In computing the dilutive comings per shares, only potential equity shares that are dilutive and that either reduces the Earnings per share or increases lose the share are included .

**2.19 Significant accounting judgements estimates and assumptions**

The preparation of financial statements in conformity with the Ind AS requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities the accompanying disclosure and the disclosure of contingent liabilities at the end of the reporting period. Estimates and underlying assumptions are reviewed on an Ongoing basis. Revisions to accounting, estimates are recognized in the period in what the estimates are revised and future periods are affected. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amount of assets or liabilities in future periods.

In particular information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements included in the following notes

**2.20 Impairment of financial instruments**

Equity instruments are not subject to impairment under Ind AS 109.

The Company recognises lifetime expected credit losses (ECL) when there has been a significant increase in credit risk since initial recognition and when the financial instrument is credit impaired. If the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12 month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition. 12 month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

When determining whether credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, including on historical experience and forwardlooking information.

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS, AS RESTATED

(All amounts in ₹ lacs, unless otherwise stated)

### 3 Other notes to restated financial statements

#### 3.1 Non-adjustment Items:

No Audit qualifications for the respective periods which require any corrective adjustment in these Restated Financial Statements of the Company have been pointed out during the restated period.

#### 3.2 Material Regroupings:

Appropriate adjustments have been made in the restated summary statements of Assets and Liabilities, Profit & Loss and Cash flows wherever required by reclassification of the corresponding items of income, expenses, assets and liabilities in order to bring them in line with the requirements of the SEBI Regulations.

#### 3.3 Statement of Restatement Adjustments to Audited financial statements:

##### Reconciliation between audited total comprehensive income and restated total comprehensive income

Particulars	For the year ended		
	31 March 2023	31 March 2022	31 March 2021
Audited total comprehensive Income	132.03	41.51	15.98
Restated adjustments	-	-	-
<b>Restated total comprehensive Income</b>	<b>132.03</b>	<b>41.51</b>	<b>15.98</b>

##### Reconciliation between audited shareholder's funds and restated shareholder's funds

Particulars	For the year ended		
	31 March 2023	31 March 2022	31 March 2021
Audited shareholder's Funds	1,414.46	635.13	593.62
Restated adjustments	-	-	-
<b>Restated Equity</b>	<b>1,414.46</b>	<b>635.13</b>	<b>593.62</b>

#### 3.4 Details of dues to Micro and Small Enterprises as defined under the MSMED Act, 2006

Under the Micro, Small and Medium Enterprises Development Act, 2006 which came into force from 2nd October 2006, certain disclosures are required to be made relating to Micro and Small Enterprises.

The Company has not received any memorandum (as required to be filed by the suppliers with the notified authority under the Micro, Small and Medium Enterprises Development Act, 2006) claiming their status as on 31 March 2023, 31 March 2022 and 31 March 2021 as Micro, Small or Medium enterprises. Consequently, the amount paid/payable to these parties could not be ascertainable.

There are no micro and small enterprises, as defined in the micro and small enterprises development act, 2006, to whom the Company owes dues on account of principal amount together with the interest and accordingly no additional disclosures have been made. The above information regarding micro and small enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

#### 3.5 Other figures of the previous years have been regrouped/reclassified and rearranged wherever necessary.

#### 3.6 As required under SEBI (ICDR) Regulations, the Statement of Assets and Liabilities has been prepared after deducting the balance outstanding on revaluation reserve account from both fixed assets and reserves and the net worth arrived at after such deductions.

#### 3.7 Expenditure/Earnings in Foreign currency (on accrual basis).

Particulars	For the year ended		
	31 March 2023	31 March 2022	31 March 2021
Expenditure in Foreign Currency	-	-	-
Earning in Foreign Currency	1.00	-	-

#### 3.8 Trade Receivables, Trade Payables, Borrowings, Loans & Advances and Deposits

Balances of Trade Receivables, Trade Payables, Borrowings, Loans & Advances and Deposits are subject to confirmation and reconciliation.

#### 3.9 Re-grouping/re-classification of amounts

The figures have been grouped and classified wherever they were necessary and have been rounded off to the nearest rupee.

#### 3.10 Examination of Books of Accounts & Contingent Liability

The list of books of accounts maintained is based on information provided by the assessee and is not exhaustive. The information in audit report is based on our examination of books of accounts presented to us at the time of audit and as per the information and explanation provided by the assessed at the time of audit.

#### 3.11 Director Personal Expenses

There are no director personal expenses debited to the profit and loss account. However, personal expenditure if included in expenses like telephone, vehicle expenses etc. are not identifiable or separable.

#### 3.12 Deferred Tax Asset/Liability: [IND AS-12]

The Company has created Deferred Tax Asset/Liability as required by Indian Accounting Standard (Ind AS)-12.

#### 3.13 Details of loan and financial assets assigned by the Company as per deed of assignment:

Particulars	For the year ended		
	31 March 2023	31 March 2022	31 March 2021
No. of Accounts	10.00	-	-
Aggregate value (net of provisions) of accounts sold	179.34	-	-
Aggregate consideration	175.21	-	-
Additional consideration realized in respect of accounts transferred in earlier years	-	-	-
<b>Aggregate gain / (loss) over net book value</b>	<b>(4.13)</b>	<b>-</b>	<b>-</b>

#### 3.14 The name of the Company has been changed from 'Oracle Credit Limited' to 'Credent Global Finance Limited' vide fresh Certificate of Incorporation received from Ministry of Corporate Affairs dated 06 April 2023. Further, BSE Limited has been approved the same on 18 April 2023 and reflected on stock exchange on 24 April 2023

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS, AS RESTATED

(All amounts in ₹ lacs, unless otherwise stated)

**1.1 Cash and cash equivalents**

	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Cash on Hand	-	0.29	0.06
Balances with banks in current accounts	275.43	1.08	4.37
Fixed Deposits with Banks	-	-	-
	<u>275.43</u>	<u>1.37</u>	<u>4.42</u>

**1.2 Trade Receivables**

	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Secured & Considered Goods	-	-	-
Unsecured & Considered Goods	21.60	-	-
Doubtful	-	-	-
Less: Allowances for doubtful debts	-	-	-
	<u>21.60</u>	<u>-</u>	<u>-</u>

**Ageing analysis of Trade Receivables as on 31st March 2023**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6months to 1 year	1-2years	2-3 years	More than 3years	
Undisputed, Secured trade receivables						
considered good	-	-	-	-	-	-
considered doubtful	-	-	-	-	-	-
Undisputed, unsecured trade receivables						
considered good	21.60	-	-	-	-	21.60
considered doubtful	-	-	-	-	-	-
<b>Total</b>	<u>21.60</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>21.60</u>

**Ageing analysis of Trade Receivables as on 31st March 2022**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6months to 1 year	1-2years	2-3 years	More than 3years	
Undisputed, Secured trade receivables						
considered good	-	-	-	-	-	-
considered doubtful	-	-	-	-	-	-
Undisputed, unsecured trade receivables						
considered good	-	-	-	-	-	-
considered doubtful	-	-	-	-	-	-
<b>Total</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**Ageing analysis of Trade Receivables as on 31st March 2021**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6months to 1 year	1-2years	2-3 years	More than 3years	
Undisputed, Secured trade receivables						
considered good	-	-	-	-	-	-
considered doubtful	-	-	-	-	-	-
Undisputed, unsecured trade receivables						
considered good	-	-	-	-	-	-
considered doubtful	-	-	-	-	-	-
<b>Total</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**1.3 Loans**

	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
<b>(A) Loan (at amortised cost)</b>			
Term Loans	-	-	-
Other Loans	2,417.10	548.07	427.37
	<u>2,417.10</u>	<u>548.07</u>	<u>427.37</u>
Less: Provision as per IRACP norms	9.72	1.44	-
	<u>2,407.37</u>	<u>546.63</u>	<u>427.37</u>
<b>(B) (i) Secured</b>			
(ii) Covered by bank / government guarantee	-	-	-
(iii) Unsecured	2,417.10	548.07	427.37
	<u>2,417.10</u>	<u>548.07</u>	<u>427.37</u>
Less: Provision as per IRACP norms	9.72	1.44	-
	<u>2,407.37</u>	<u>546.63</u>	<u>427.37</u>
<b>(C) (i) Loans in India</b>			
(a) Public sector	-	-	-
(a) Others	2,417.10	548.07	427.37
(ii) Loans outside India	-	-	-
	<u>2,417.10</u>	<u>548.07</u>	<u>427.37</u>
Less: Provision as per IRACP norms	9.72	1.44	-
	<u>2,407.37</u>	<u>546.63</u>	<u>427.37</u>

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS, AS RESTATED

(All amounts in ₹ lacs, unless otherwise stated)

**1.4 Investments**

	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
<b>(A) Debt securities</b>	-	-	-
<b>(B) Equity Instruments</b>			
<b>Investment carried at cost</b>			
<b>Subsidiaries companies</b>			
(i) Credent Property Advisor Private limited (Converted from Credent Property Advisory LLP) (10,000 equity shares of face value of Rs. 10/- each; Previous years : 10,000 equity shares of face value of Rs. 10/- each;)	1.00	1.00	-
(ii) Credent Investment Private Limited (Formerly Known as Credent Asset Advisors Private Limited) (10,000 equity shares of face value of Rs. 10/- each; Previous years : 10,000 equity shares of face value of Rs. 10/- each;)	1.00	1.00	-
(iii) Credent Assets Management Services Private Limited (Formerly known as BCB Capital Advisors Private Limited) (22,92,757 equity shares of face value of Rs. 10/- each; Previous years : NIL)	1,100.52	-	-
<b>Investment carried at fair value through profit and loss</b>			
(i) Om Vijay Nivesh Private limited (NIL; Previous years : 24,000 equity shares of face value of Rs. 10/- each)	-	-	2.40
	<u>1,102.52</u>	<u>2.00</u>	<u>2.40</u>
Less: Allowances for impairment loss	-	-	-
	<u>1,102.52</u>	<u>2.00</u>	<u>2.40</u>
<b>(C) (i) Investments in India</b>	1,102.52	2.00	2.40
<b>(ii) Investments outside India</b>	-	-	-
	<u>1,102.52</u>	<u>2.00</u>	<u>2.40</u>
Less: Allowances for impairment loss	-	-	-
	<u>1,102.52</u>	<u>2.00</u>	<u>2.40</u>

**1.5 Other financial assets**

	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
<b>Non-current other financial assets</b>			
<b>Unsecured; considered doubtful</b>			
Loans and Advances	-	-	-
Less: Provision for bad & doubtful loan & advances	-	-	-
<b>Securities Deposits- Non Current</b>	<u>18.35</u>	-	-
<b>Current financial assets</b>			
Application money paid towards securities	-	80.00	148.50
	<u>-</u>	<u>80.00</u>	<u>148.50</u>
<b>Total Other financial Assets</b>	<u>18.35</u>	<u>80.00</u>	<u>148.50</u>

**1.6 Inventories**

	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Stock-in-trade (in respect of good acquire for trading)	-	0.44	0.44
	<u>-</u>	<u>0.44</u>	<u>0.44</u>

**1.7 Deferred tax assets (Net)**

	At at 31 March 2022	Recognised in profit & loss	At at 31 March 2023
Difference in written down value as per companies act and income tax act	0.02	0.01	0.01
<b>Total</b>	<u>0.02</u>	<u>0.01</u>	<u>0.01</u>
	At at 31 March 2021	Recognised in profit & loss	At at 31 March 2022
Difference in written down value as per companies act and income tax act	0.03	0.01	0.02
<b>Total</b>	<u>0.03</u>	<u>0.01</u>	<u>0.02</u>
	At at 31 March 2020	Recognised in profit & loss	At at 31 March 2021
Difference in written down value as per companies act and income tax act	0.03	-	0.03
<b>Total</b>	<u>0.03</u>	<u>-</u>	<u>0.03</u>

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS, AS RESTATED

(All amounts in ₹ lacs, unless otherwise stated)

**1.8 Property, Plant & Equipments**

<b>Current Year</b>					
<b>Cost</b>	<b>As at 1 April 2022</b>	<b>Additions</b>	<b>Adjustments</b>	<b>Deletions</b>	<b>As at 31 March 2023</b>
Computers	0.60	0.34	-	0.60	0.34
Furniture and fixtures	0.38	-	-	0.38	-
Office equipment	0.43	0.27	-	0.43	0.27
<b>Total</b>	<b>1.41</b>	<b>0.61</b>	<b>-</b>	<b>1.41</b>	<b>0.61</b>

<b>Depreciation</b>	<b>As at 1 April 2022</b>	<b>Additions</b>	<b>Adjustments</b>	<b>Deletions</b>	<b>As at 31 March 2023</b>
Computers	0.57	0.01	-	0.57	0.01
Furniture and fixtures	0.36	-	-	0.36	-
Office equipment	0.42	0.01	-	0.42	0.01
<b>Total</b>	<b>1.35</b>	<b>0.02</b>	<b>-</b>	<b>1.35</b>	<b>0.02</b>

<b>Carrying amounts</b>	<b>As at 31 March 2022</b>	<b>As at 31 March 2023</b>
Computers	0.03	0.33
Furniture and fixtures	0.02	-
Office equipment	0.01	0.26
<b>Total</b>	<b>0.06</b>	<b>0.59</b>

**Property, Plant & Equipments**

<b>Previous Year</b>					
<b>Cost</b>	<b>As at 1 April 2021</b>	<b>Additions</b>	<b>Adjustments</b>	<b>Deletions</b>	<b>As at 31 March 2022</b>
Computers	0.60	-	-	-	0.60
Furniture and fixtures	0.38	-	-	-	0.38
Office equipment	0.43	-	-	-	0.43
<b>Total</b>	<b>1.41</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.41</b>

<b>Depreciation</b>	<b>As at 1 April 2021</b>	<b>Additions</b>	<b>Adjustments</b>	<b>Deletions</b>	<b>As at 31 March 2022</b>
Computers	0.57	-	-	-	0.57
Furniture and fixtures	0.36	-	-	-	0.36
Office equipment	0.42	-	-	-	0.42
<b>Total</b>	<b>1.35</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.35</b>

<b>Carrying amounts</b>	<b>As at 31 March 2021</b>	<b>As at 31 March 2022</b>
Computers	0.03	0.03
Furniture and fixtures	0.02	0.02
Office equipment	0.01	0.01
<b>Total</b>	<b>0.06</b>	<b>0.06</b>

**Property, Plant & Equipments**

<b>Cost</b>	<b>As at 1 April 2020</b>	<b>Additions</b>	<b>Adjustments</b>	<b>Deletions</b>	<b>As at 31 March 2021</b>
Computers	0.60	-	-	-	0.60
Furniture and fixtures	0.38	-	-	-	0.38
Office equipment	0.43	-	-	-	0.43
<b>Total</b>	<b>0.60</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.60</b>

<b>Depreciation</b>	<b>As at 1 April 2020</b>	<b>Additions</b>	<b>Adjustments</b>	<b>Deletions</b>	<b>As at 31 March 2021</b>
Computers	0.57	-	-	-	0.57
Furniture and fixtures	0.34	0.02	-	-	0.36
Office equipment	0.42	-	-	-	0.42
<b>Total</b>	<b>1.34</b>	<b>0.02</b>	<b>-</b>	<b>-</b>	<b>1.35</b>

<b>Carrying amounts</b>	<b>As at 31 March 2020</b>	<b>As at 31 March 2021</b>
Computers	0.03	0.03
Furniture and fixtures	0.04	0.02
Office equipment	0.01	0.01
<b>Total</b>	<b>0.08</b>	<b>0.06</b>

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS, AS RESTATED

(All amounts in ₹ lacs, unless otherwise stated)

**1.9 Right of Use Assets**

Following are the changes in the carrying value of the Right to use Assets:

	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Opening Balance	-	-	-
Addition during the year	121.67	-	-
Deletion during the year	-	-	-
Depreciation charge for the year	17.32	-	-
<b>Total</b>	<b>104.35</b>	<b>-</b>	<b>-</b>

**Lease liability**

Following are the changes in the carrying value of the Lease liability:

	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Opening balance	-	-	-
Reclassification on account of adoption of IND AS 116	121.67	-	-
Finance cost accrued during the period	3.67	-	-
Payment of lease liabilities	19.05	-	-
<b>Total</b>	<b>106.29</b>	<b>-</b>	<b>-</b>

**1.10 Other non-financial assets**

	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Capital advances	0.50	20.00	20.00
Prepaid Expenses	2.94	-	-
Employee Advance	1.12	-	-
Claims, Incentives & Other Receivables from Govt. Authorities	2.70	-	-
<b>Total</b>	<b>7.26</b>	<b>20.00</b>	<b>20.00</b>

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS, AS RESTATED

(All amounts in ₹ lacs, unless otherwise stated)

**1.11 Trade payables**

	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
(a) Total outstanding dues of micro enterprises and small enterprises and;	-	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	2.42	4.67	8.76
	<b>2.42</b>	<b>4.67</b>	<b>8.76</b>

**Trade payable ageing schedule for 31 March 2023**

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(a) Total outstanding dues of micro enterprises and small enterprises and;	-	-	-	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	2.42	-	-	-	2.42
<b>Total</b>	<b>2.42</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2.42</b>

**Trade payable ageing schedule for 31 March 2022**

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(a) Total outstanding dues of micro enterprises and small enterprises and;	-	-	-	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	4.50	0.17	-	-	4.67
<b>Total</b>	<b>4.50</b>	<b>0.17</b>	<b>-</b>	<b>-</b>	<b>4.67</b>

**Trade payable ageing schedule for 31 March 2021**

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(a) Total outstanding dues of micro enterprises and small enterprises and;	-	-	-	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	0.61	8.15	-	-	8.76
<b>Total</b>	<b>0.61</b>	<b>8.15</b>	<b>-</b>	<b>-</b>	<b>8.76</b>

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS, AS RESTATED

(All amounts in ₹ lacs, unless otherwise stated)

**I.12 Borrowings**

(at amortised cost)

	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
(A) (i) Loans repayable on demand	1,947.40	-	-
<b>Total (A)</b>	<b>1,947.40</b>	<b>-</b>	<b>-</b>
(B) (i) Unsecured	1,947.40	-	-
<b>Total (B)</b>	<b>1,947.40</b>	<b>-</b>	<b>-</b>
(C) (I) Loans in India			
(i) Public Sector	-	-	-
(ii) Others	1,947.40	-	-
<b>Total (C)</b>	<b>1,947.40</b>	<b>-</b>	<b>-</b>
(II) Loans outside India	-	-	-
<b>Total (C) (I) and (C) (II)</b>	<b>1,947.40</b>	<b>-</b>	<b>-</b>

**I.13 Provisions & Other Payables**

	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Other Payable	0.81	-	-
	<b>0.81</b>	<b>-</b>	<b>-</b>

**I.14 Other financial liabilities**

	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Other financial liability	416.18	-	-
	<b>416.18</b>	<b>-</b>	<b>-</b>

**I.15 Current tax liabilities (Net)**

	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Provision for taxes (Net of advance tax and dection at source)	38.23	10.67	0.82
	<b>38.23</b>	<b>10.67</b>	<b>0.82</b>

**I.16 Other non-financial liabilities**

	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Statutory Dues Payable	6.05	0.05	0.02
	<b>6.05</b>	<b>0.05</b>	<b>0.02</b>

**I.17 Provisions & Other Payables**

	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Provision for Expense	3.19	-	-
Salary Payable	2.45	-	-
	<b>5.64</b>	<b>-</b>	<b>-</b>

**I.18 Share capital**

	31 March 2023		As at 31 March 2022		As at 31 March 2021	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
<b>Authorised share capital</b>						
<b>Equity shares</b>						
Equity shares of Rs. 10 each	1,00,00,000	1,000.00	70,00,000	700.00	70,00,000	700.00
	<b>1,00,00,000</b>	<b>1,000.00</b>	<b>70,00,000</b>	<b>700.00</b>	<b>70,00,000</b>	<b>700.00</b>
<b>Issued, subscribed and fully paid up</b>						
<b>Equity shares</b>						
Equity shares of Rs. 10 each	69,37,500	693.75	55,50,000	555.00	55,50,000	555.00
<b>Total</b>	<b>69,37,500</b>	<b>693.75</b>	<b>55,50,000</b>	<b>555.00</b>	<b>55,50,000</b>	<b>555.00</b>



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS, AS RESTATED

(All amounts in ₹ lacs , unless otherwise stated)

**I.19 Other Equity**

	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
<b>Retained Earning</b>			
Balance at beginning of the year	39.37	6.16	(6.62)
Add: Profit/(Loss) for the year	132.03	41.51	15.98
Less: Dividend Paid	(18.70)		
Less: Transfer to statutory reserves	(26.41)	(8.30)	(3.20)
Balance at closing of the year	<b>126.29</b>	<b>39.37</b>	<b>6.16</b>
<b>Security Premium</b>			
Balance at beginning of the year	-	-	-
Add: Addition during the year	527.25	-	-
Balance at closing of the year	<b>527.25</b>	-	-
<b>Other Comprehensive Income, Net of Tax</b>			
Equity instruments measured at fair value through other comprehensive income			
Balance at beginning of the year	40.76	32.46	29.26
Add: Transfer from retained earning	26.41	8.30	3.20
Balance at closing of the year	<b>67.17</b>	<b>40.76</b>	<b>32.46</b>
Re-measurements of defined employee benefit plans			
Balance at beginning of the year	-	-	-
Add: Changes during the year	-	-	-
Balance at closing of the year	-	-	-
<b>Balance at the end of year</b>	<b>720.71</b>	<b>80.13</b>	<b>38.62</b>

**Nature and purpose of reserves:**

**Retained Earning**

This reserve represents the cumulative profits of the Company less any transfer to statutory reserve. This can be utilised in accordance with the provision of Companies Act, 2013.

**Statutory Reserves as per section 45-IC of the RBI Act, 1934**

The Company has to transfer 20% of its profit after tax to the statutory reserves in accordance with the provision of Section 45-IC of Reserve Bank of India Act, 1934. The same will be utilised in accordance with the provisions of the Reserve Bank of India Act, 1934.

**Other comprehensive income (OCI)**

- (a) The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.
- (b) The Company has recognised remeasurement of defined benefits plans through other comprehensive income.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS, AS RESTATED

(All amounts in ₹ lacs, unless otherwise stated)

**II.1 Revenue from operations**

	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Other operating revenue</b>			
Interest on loans	130.15	40.57	34.85
Other operating revenue	174.00	20.00	-
	<u>304.15</u>	<u>60.57</u>	<u>34.85</u>

**II.2 Other income**

	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Interest Income</b>			
a. Interest on income tax refund	-	-	-
<b>Other Non-Operating Income</b>			
a. Gain on sale of Investment carried at FVTPL	-	17.60	-
b. Liability no longer required, written back	0.27	-	-
	<u>0.27</u>	<u>17.60</u>	<u>-</u>

**II.3 Change in inventories of stock in trade**

	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
a. As at the beginning of the year	0.45	0.45	0.44
b. As at the end of the year	-	0.45	0.45
	<u>0.45</u>	<u>-</u>	<u>(0.01)</u>

**II.4 Impairment of financial instruments**

	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>On financial assets measured at Amortised Cost</b>			
Provision as per IND-AS 109 / IRACP norms	9.72	1.44	-
	<u>9.72</u>	<u>1.44</u>	<u>-</u>

**II.5 Employee benefits expense**

	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
a. Salary, wages and bonus	11.64	6.20	7.09
b. Staff welfare expense	1.63	-	-
c. Contribution to provident and other funds	-	-	-
	<u>13.27</u>	<u>6.20</u>	<u>7.09</u>

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS, AS RESTATED**

(All amounts in ₹ lacs, unless otherwise stated)

**II.6 Other expenses**

	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
a. Legal and professional	24.99	3.34	0.95
b. Printing & Stationary	-	0.18	0.10
c. Travelling and conveyance	2.06	0.01	0.09
d. Advertisement & Publicity	0.31	0.31	0.37
e. Postage & Telephone	0.33	0.04	0.08
f. Payments to auditors (see Note 'A' below)	3.75	2.50	0.18
g. Office Expenses	1.91	-	-
h. Director's Sitting Fees	1.00	1.00	-
i. Website & software maintenance charges	0.55	0.13	0.14
j. Bank Charges	0.07	0.02	0.03
k. Fee & Subscription	4.03	5.89	4.07
l. AGM / EGM Expenses	1.35	0.72	-
m. Business Promotion Charges	5.58	-	-
n. Miscellaneous expenses	-	0.08	0.10
o. Computer Expenses	0.01	-	-
p. Electricity Expenses	0.08	-	-
q. Repairs & Maintenance	0.03	-	-
r. Professional Tax	0.03	-	-
s. Other Expenses	0.00	-	-
t. Insurance Expenses	0.01	-	-
u. Bad Debts	4.13	-	-
	<b>50.22</b>	<b>14.22</b>	<b>6.09</b>

**Note:**

<b>A</b> Payments to auditors			
(i) Audit Fees	2.00	2.00	0.18
(ii) Other Services	1.40	0.35	-
(iii) Out of pocket expenses	0.35	0.15	-
	<b>3.75</b>	<b>2.50</b>	<b>0.18</b>

**II.7 Depreciation and amortisation expense**

	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
a. Depreciation on plant, property and equipment	0.02	-	-
b. Amortisation of intangible assets	-	-	0.02
c. Depreciation on Right of Use Assets	17.32	-	-
	<b>17.34</b>	<b>-</b>	<b>0.02</b>

**II.8 Finance Cost**

	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Interest on borrowings (other than debts securities)</b>			
a. Loan from banks	-	-	-
b. Loan from institutions and others	21.90	0.20	0.24
<b>Other interest expenses</b>			
a. Interest expenses on Income Tax	1.21	-	0.08
b. Interest on Lease liability	3.67	-	-
	<b>26.78</b>	<b>0.20</b>	<b>0.32</b>

**II.9 Earning per share**

	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
Net profit after tax available for equity shareholders (A)	132.03	41.51	15.98
Opening number of equity shares	55,50,000	55,50,000	55,50,000
Closing number of equity shares	69,37,500	55,50,000	55,50,000
Weighted average number of equity shares (B)	67,39,829	55,50,000	55,50,000
<b>Basic EPS (A/B) (in ₹)</b>	<b>1.96</b>	<b>0.75</b>	<b>0.29</b>
<b>Diluted EPS (A/B) (in ₹)</b>	<b>1.96</b>	<b>0.75</b>	<b>0.29</b>
Nominal value per equity share (in ₹)	10.00	10.00	10.00

**STANDALONE STATEMENT OF ACCOUNTING & OTHER RATIOS, AS RESTATED**

(All amounts in ₹ lacs, unless otherwise stated)

Particulars	As at	As at	As at
	31 March 2023	31 March 2022	31 March 2021
Net Profit as Restated	132.03	41.51	15.98
Add: Depreciation	17.34	-	0.02
Add: Interest on Loan	26.78	0.20	0.32
Add: Tax Expenses	54.61	14.59	5.37
<b>EBITDA</b>	<b>230.77</b>	<b>56.31</b>	<b>21.69</b>
<b>EBITDA Margin (%)</b>	<b>75.81%</b>	<b>72.03%</b>	<b>62.22%</b>
Net Worth as Restated	1,414.46	635.13	593.62
<b>Return on Net worth (%) as Restated</b>	<b>9.33%</b>	<b>6.54%</b>	<b>2.69%</b>
Equity Share at the end of year (in Nos.)	69,37,500	55,50,000	55,50,000
Weighted No. of Equity Shares	67,39,829	55,50,000	55,50,000
<b>Basic &amp; Diluted Earnings per Equity Share as Restated</b>	<b>1.96</b>	<b>0.75</b>	<b>0.29</b>
<b>Net Asset Value per Equity share as Restated</b>	<b>20.39</b>	<b>11.44</b>	<b>10.70</b>
Nominal Value per Equity share (Rs.)	10	10	10
Current Assets (A)	365.53	1.81	432.24
Current Liabilities (B)	92.48	15.22	9.60
<b>Current Ratio (A/B)</b>	<b>3.95</b>	<b>0.12</b>	<b>45.04</b>
Debt	1,671.97	-	-
Equity	1,414.46	635.13	593.62
<b>Debt Equity Ratio (In Times)</b>	<b>1.18</b>	<b>-</b>	<b>-</b>
PAT	132.03	41.51	15.98
Average Equity of Shareholder	1,024.79	614.38	593.62
<b>Return On Equity (%)</b>	<b>12.88%</b>	<b>6.76%</b>	<b>2.69%</b>
Opening Inventory	0.45	0.45	0.44
Closing Inventory	-	0.45	0.45
Average Inventory	0.22	0.45	0.44
Revenue From Operation	304.15	60.57	34.85
<b>Inventory Turnover Ratio (In Times)</b>	<b>1,364.52</b>	<b>135.86</b>	<b>78.35</b>
Cost of traded goods and other expenses	50.66	14.22	6.07
Opening Trade Payable	4.67	8.76	4.53
Closing Trade Payable	2.42	4.67	8.76
Average Trade Payable	3.54	6.71	6.64
<b>Trade Payable Ratio (In Times)</b>	<b>14.30</b>	<b>2.12</b>	<b>0.91</b>
Revenue From Operation	304.15	60.57	34.85
Capital Employed	1,414.46	635.13	593.62
<b>Net Capital Turnover Ratio (In Times)</b>	<b>0.22</b>	<b>0.10</b>	<b>0.06</b>
Revenue From Operation	304.15	60.57	34.85
PAT	132.03	41.51	15.98
<b>N P Ration (In %)</b>	<b>43.41%</b>	<b>68.54%</b>	<b>45.85%</b>
EBIT	213.42	56.31	21.67
Opening Capital Employed	635.13	593.62	577.64
Closing Capital Employed	1,414.46	635.13	593.62
Average Capital Employed	1,024.79	614.38	585.63
<b>Restated PAT as per P&amp;L Account</b>	<b>132.03</b>	<b>41.51</b>	<b>15.98</b>
<b>Return on Capital Employed (In %)</b>	<b>12.88%</b>	<b>6.76%</b>	<b>2.73%</b>
Net PAT	132.03	41.51	15.98
Opening Assets	651	603	583
Closing Assets	3,937	651	603
Average Assets	2,294	627	593
<b>Return on Investments (In %)</b>	<b>5.76%</b>	<b>6.62%</b>	<b>2.70%</b>

Note:-

EBITDA Margin = EBITDA/Total Revenues

Earnings per share (₹) = Profit available to equity shareholders / Weighted No. of shares outstanding at the end of the year

Return on Net worth (%) = Restated Profit after taxation / Net worth x 100

Net asset value/Book value per share (₹) = Net worth / No. of equity shares

The Company does not have any revaluation reserves or extra-ordinary items.

**CREDENT GLOBAL FINANCE LIMITED**

(Formerly known as Oracle Credit Limited)

**ANNEXURE –VII****STANDALONE STATEMENT OF CAPITALIZATION, AS RESTATED***(All amounts in ₹ lacs, unless otherwise stated)*

Particulars	Pre-Issue 31 March 2023	Post Issue
<b>Debt :</b>		
Short Term Debt	-	-
Long Term Debt	1,947.40	-
<b>Total Debt</b>	<b>1,947.40</b>	-
<b>Shareholders Funds</b>		
Equity Share Capital	693.75	-
Other Equity	720.71	-
<b>Total Shareholders' Funds</b>	<b>1,414.46</b>	-
<i>Long Term Debt/ Shareholders' Funds</i>	<i>1.38</i>	-
<i>Total Debt / Shareholders Fund</i>	<i>1.38</i>	-

**CREDENT GLOBAL FINANCE LIMITED**

(Formerly known as Oracle Credit Limited)

**ANNEXURE VIII****STANDALONE STATEMENT OF TAX SHELTER, AS RESTATED***(All amounts in ₹ lacs, unless otherwise stated)***Income taxes relating to continuing operations**

<b>Reconciliation of effective tax rate</b>	<b>For the Year ended</b>		
	<b>31 March 2023</b>	<b>31 March 2022</b>	<b>31 March 2021</b>
Profit before tax / (Loss)	186.64	56.11	21.35
Less: Income considered seperately	-	-	-
Less: Unrealised Income	-	-	-
Add: Disallowances	9.74	-	0.02
Less: Allowances	0.11	0.03	0.03
Taxable Profit / (Loss)	<b>196.27</b>	<b>56.09</b>	<b>21.33</b>
Less: B/f losses	-	-	-
<b>Taxable Profit / (Loss) after adjustment of b/f losses</b>	<b>196.27</b>	56.09	21.33
Book Profit under MAT	-	-	-
Short term Capital Gain	-	-	-
At statutory income tax rate of 27.82% (31 March 2022 : 26%, 31 March 2021: 25.168%)	54.60	14.59	5.37

**CREDENT GLOBAL FINANCE LIMITED**

(Formerly known as Oracle Credit Limited)

**ANNEXURE –IX****STANDALONE STATEMENT OF RELATED PARTIES & TRANSACTIONS, AS RESTATED***(All amounts in ₹ lacs, unless otherwise stated)*

The Company has entered into following related party transactions for the periods covered under audit. Such parties and transactions are identified as per Ind AS 24 - 'Related Party Disclosures' issued by Institute of Chartered Accountants of India.

<b>Name of Group Companies</b>	<b>Relationship</b>
Credent Property Advisory Private limited (Converted from Credent Property Advisory LLP)	Wholly Owned Subsidiary company
Credent Investment Private Limited (Formerly Known as Credent Asset Advisors Private Limited)	Wholly Owned Subsidiary company
Credent Asset Management Services Private Limited (Formerly known as BCB Capital Advisors Private Limited)	Wholly Owned Subsidiary company
Credent Alpha LLP	Associate Entity
Essel Finance Advisors and Managers LLP	Associate Entity
<b>Name of the key managerial personnel</b>	<b>Relationship</b>
Mr. Aditya Vikram Kanoria (w.e.f 03 November 2021)	Managing Director & CFO
Mr. Mandeep Singh (w.e.f. 28 October 2021)	Director
Mr. Mohit K Chheda (w.e.f. 03 November 2021)	Director
Mr. Ashok Kumar Jain (till 28 October 2021)	Managing Director
Ms. Meena Jain (till 28 October 2021)	Director
Mr. Girish Kumar (till 28 October 2021)	Chief Financial officer
Ms. Vineeta Gautam (till 30 October 2021)	Company Secetratory
Mr. Sulabh Jain (w.e.f. 03 November 2021)	Independent Director
Ms. Subhangi Agarwal (w.e.f. 28 October 2021)	Independent Director
Ms. Preeti Sethi (w.e.f. 03 November 2021)	Company Secetratory

<b>Individuals and Enterprise where Key Management Personnel along with their relative exercise significant influence</b>	<b>Relationship</b>
AZH Consultants LLP	KMP along with their relative exercise significant influence
Modulex Construction Technologies Limited	KMP along with their relative exercise significant influence
Redribbon Advisory Services Pvt Ltd	KMP along with their relative exercise significant influence
Credent Management Consultancy Limited, UK	KMP along with their relative exercise significant influence
Wealthmax Financial Advisers Limited, UK	KMP along with their relative exercise significant influence
Credent Property Advisory Limited, UK	KMP along with their relative exercise significant influence
Nayna Dilip Chheda	Relative of KMP

**Transactions with Related Parties:**

<b>Particulars</b>	<b>For the year ended 31 March 2023</b>	<b>For the year ended 31 March 2022</b>	<b>For the year ended 31 March 2021</b>
<b>Investment made</b>			
Credent Property Advisor Private Limited	-	1.00	-
Credent Investment Private Limited	-	1.00	-

# STANDALONE STATEMENT OF RELATED PARTIES & TRANSACTIONS, AS RESTATED

(All amounts in ₹ lacs, unless otherwise stated)

<b>Loan Given to</b>			
Aditya Vikram Kanoria	392.99	-	-
Credent Property Advisor Private Limited	5.30	-	-
Credent Investment Private Limited	-	-	-
Credent Asset Management Services Private Limited	105.29	-	-
<b>Loan Taken from</b>			
Nayna Dilip Cheda	150.00	-	-
Mohit K Chheda	450.00	-	-
Mandeep Singh	416.18	-	-
Credent Investment Private Limited	6.95	-	-
Credent Asset Management Services Private Limited	-	0.61	-
<b>Interest Income</b>			
Aditya Vikram Kanoria	29.08	-	-
Credent Property Advisor Private Limited	0.07	-	-
Credent Asset Management Services Private Limited	15.40	-	-
<b>Management Consultancy Income</b>			
Wealthmax Financial Advisers Limited, UK	1.00	-	-
<b>Interest Expenses</b>			
Credent Investment Private Limited	1.68	-	-
<b>Director Sitting Fees Paid</b>			
Shubhangi Agrawal	0.45	-	-
Sulabh Jain	0.55	-	-
<b>Remuneration Paid</b>			
Ashok kumar Jain	-	2.10	3.60
Girish Kumar	-	1.50	2.19
Vineeta Gautam	-	1.40	1.31
Preeti Sethi	2.50	-	-

## Balance outstanding with related parties at year end

Particulars	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
<b>Loan Given to</b>			
Aditya Vikram Kanoria	422.08	-	-
Credent Property Advisor Private Limited	5.36	-	-
Credent Asset Management Services Private Limited	120.08	(0.61)	-
<b>Loan Taken from</b>			
Nayna Dilip Chheda	150.00	-	-
Mohit K Chheda	450.00	-	-
Mandeep Singh	416.18	-	-
Credent Investment Private Limited	8.64	-	-



**CREDENT GLOBAL FINANCE LIMITED**

(Formerly known as Oracle Credit Limited)

(All amounts in ₹ lacs, unless otherwise stated)

**ANNEXURE –X****STANDALONE STATEMENT OF DIVIDENDS, AS RESTATED**

The Company has paid dividend of Rs. 18.70 lakhs during FY 2022-23

**ANNEXURE –XI****STANDALONE CHANGES IN THE SIGNIFICANT ACCOUNTING POLICIES, AS RESTATED**

There have been no changes in the accounting policies of the company for the period covered under audit.

**ANNEXURE –XII****STANDALONE CONTINGENT LIABILITIES, AS RESTATED:**

<b>Particulars</b>	<b>As at 31 March 2023</b>	<b>As at 31 March 2022</b>	<b>As at 31 March 2021</b>
a. Estimated amount of contracts remaining to be executed and not provided for	NA	NA	NA
b. Claims against the Company not acknowledged as debt	NA	NA	NA
c. Bank Guarantees	NA	NA	NA
e. Outstanding Tax Demand with Respect to any Revenue Authorities	10.67	NA	NA

## OTHER FINANCIAL INFORMATION

The information required under Clause 14 of Part B-1 of Schedule VI of the SEBI ICDR Regulations are given below:

Particulars	As at and for the year ended March 31, 2023	As at and for the year ended March 31, 2022	As at and for the year ended March 31, 2021
Basic earnings per equity share (in Rs.)	15.40	1.93	0.29
Diluted earnings per equity share (in Rs.)	15.40	1.93	0.29
Return on net worth (%)	27.54%	14.83%	2.69%
Net asset value per share (in Rs.)	35.26	13.04	10.70
EBITDA (in Rs. Lakhs)	1,085.33	127.94	21.37

**Notes:**

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

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS

*The following discussion of our financial condition and results of operations should be read in conjunction with the "Restated Financial Statements" on page 76 of this Draft Letter of Offer. Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should also read "Risk Factors" and "Forward Looking Statements" on pages 21 and 16 respectively of this Draft Letter of Offer, which discuss a number of factors and contingencies that could affect our financial condition and results of operations.*

*Our restated financial statements included in this Draft Letter of Offer are prepared in accordance with Ind AS, which differs in certain material respects from other accounting standards such as IFRS. Our financial year ends on March 31 of each year. Accordingly, all references to a particular financial year are for the 12 months ended March 31 of that year. Unless otherwise indicated or the context requires, the financial information for Financial 2023, Financial 2022 and Financial 2021 included herein is based on the Restated Financial Statements, included in this Draft Letter of Offer. For further information, see "Restated Financial Statements" on page 76 of this Draft Letter of Offer.*

### OVERVIEW

Credent Global Finance Limited was originally incorporated as 'Overnite Finance Private Limited' at New Delhi on February 27, 1991 with Registrar of Companies, Delhi & Haryana. Subsequently, it was converted to a Public Limited under section 43A (I-A) of the Companies Act, 1956 on July 18, 1994 and changed its name to "Overnite Finance Limited". On November 30, 1994 Company had again changed its name to 'OFL Finanz Limited'. Further, the name of our Company was changed from "OFL Finanz Limited" to "Oracle Credit Limited" on August 11, 1995 vide Fresh Certificate of Incorporation. The Company got listed on January 16, 2016. The name of our Company has been changed again to its current name, i.e., "Credent Global Finance Limited" vide Fresh Certificate of Incorporation dated April 06, 2023.

Our Company is a Non-Banking Financial Company (NBFC) registered with RBI as a NBFC- Non Deposit taking – Non-Systematically Important under section 45 IA of the Reserve Bank of India Act, 1934 bearing Registration no. 14.00242 dated March 04, 1998.

On February 17, 2021, Mr. Aditya Vikram Kanoria (Acquirer 1) and Mr. Mandeep Singh (Acquirer 2) entered into Share Purchase Agreement with Mr. Ashok Kumar Jain (Seller 1), Mr. Suman Chand Jain (Seller 2) to acquire 17,29,650 Equity Shares, constituting 31.16% ("Promoters Shares") of the Voting Share of the Company ("SPA").

Currently, Mr. Aditya Vikram Kanoria and Mr. Mandeep Singh are Promoters of the Company.

### OUR BUSINESS

Our Company is a BSE listed, SEBI registered RBI regulated NBFC, providing range of financing solutions including credit lending, investment banking services, real estate advisory and asset management. We offer a robust platform to a diversified client base across local and global geographies. We provide a broad range of financial products and services and what sets us apart is our decade long expertise in handling NRI clients.

Our Company on September 30, 2022, with objective of profitability and business expansion, started using the brand "CREDENT GLOBAL FINANCE", a brand involved in Finance Business.

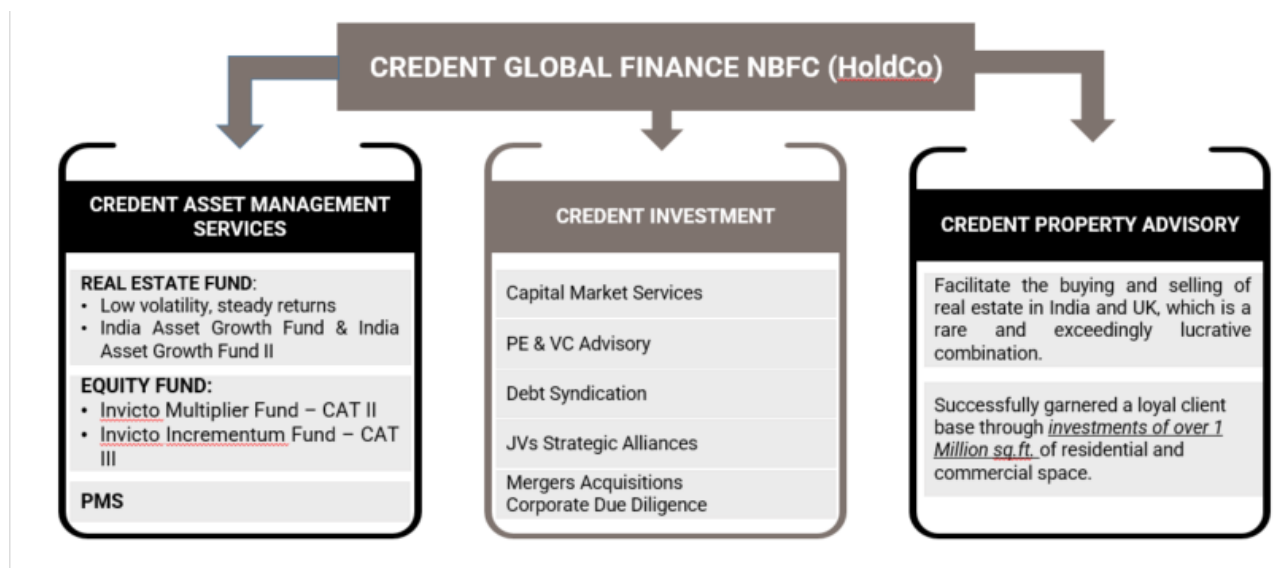
Our Company Offers financial products and services to corporates, institutions, and individuals across India and UK and also support investors with a deep domain understanding of 150+ years of knowledge and solid financial strategy and we intend to continue to empower innovative and sustainable businesses to create long-term strong returns over verticals.

Through our time, we have strived and succeeded in building a diverse clientele of individuals, corporates, and financial institutions. The way ahead is one where we grow stronger together as we continue to expand our presence Pan-India and in the UK market, further bridging the borders. Credent sees itself becoming a name synonymous with trust and real outcomes in all matters financial.

We are and have always been, since our inception, on the mission to empower innovative and sustainable businesses to create long-term strong returns over verticals. The roadmap ahead is to deliver more value to investors, clientele, and

stakeholders with our cross-border presence that our clients can count on, commanding a strong portfolio in the UK and India.

## OUR CORPORATE STRUCTURE



All of our Subsidiaries, Credent Investment Private Limited, Credent Property Advisory Private Limited and Credent Asset Management Services Private Limited (“CAMS”) are wholly owned subsidiaries.

## SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our financial condition and results of operations are affected by numerous factors and uncertainties, including those discussed in the section titled ‘Risk Factors’ on page 21 of this Draft Letter of Offer. The following is a discussion of certain factors that have had, and we expect will continue to have, a significant effect on our financial condition and results of operations:

- adverse changes in central or state government policies
- trends in the NBFC Sector;
- adverse development that may affect our operations
- performance of our key clients;
- adverse effect of competition on our market share and profits;
- any qualifications or other observations made by our future statutory auditors which may affect our results of operations;
- Any adverse development that may affect the operations of our manufacturing unit;
- changes in technology and our ability to manage any disruption or failure of our technology systems;
- our ability to:
  - manage our growth effectively;
  - manage our credit risk;
  - manage our quality of services;
  - hire and retain senior management personnel and other skilled manpower;
  - manage cost of compliance with labor laws or other regulatory developments;
  - manage our operating costs;
  - manage breakdown or failure of equipment, power supply or processes, natural disasters and accidents;
  - successfully implement our business strategies and expansion plans;
  - maintain effective internal controls;
- adequate and timely supply of equipment and raw materials necessary for our operations;
- Our ability to attract and retain qualified personnel;
- changes in general, political, social and economic conditions in India and elsewhere;
- general levels of GDP growth, and growth in employment and personal disposable income; and
- economic uncertainties, fiscal crises or instability in India

## SIGNIFICANT ACCOUNTING POLICIES

The accounting policies have been applied consistently to the periods presented in the Financial Statements. For details of our significant accounting policies, please refer section titled “Restated Financial Statements” on page 76 of this Draft Letter of Offer.

## CHANGE IN ACCOUNTING POLICIES IN PREVIOUS 3 YEARS

Except as mentioned in the Notes to the Accounts in the chapter “Restated Financial Statements” on page 76 of this Draft Letter of Offer has been no change in accounting policies in last 3 years.

## RESERVATIONS, QUALIFICATIONS AND ADVERSE REMARKS

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

## RESULTS OF OPERATIONS

The following table sets out selected data from the Restated Consolidated Financial Statements for Financial Year 2023 and Financial Year 2022, together with the percentage that each line item represents of our total revenue for the periods presented.

Particulars	FY 2023		FY 2022	
	₹ in Lakhs	% of total income	₹ in Lakhs	% of total income
<b>Income</b>				
Revenue from operations	1,946.77	99.47	170.17	89.47
Other Income	10.43	0.53	20.02	10.53
<b>Total Income</b>	<b>1,957.20</b>	<b>100.00</b>	<b>190.19</b>	<b>100.00</b>
<b>Expenses</b>				
Change in Inventories of stock in trade	0.45	0.02	0.00	0.00
Impairment of Financial Instrument	9.72	0.50	1.44	0.76
Employee Benefit Expenses	260.56	13.31	23.06	12.12
Finance Cost	128.18	6.55	0.19	0.10
Other Expenses	462.53	23.63	17.54	9.22
Depreciation and amortization expense	60.50	3.09	0.01	0.01
<b>Total Expenses</b>	<b>921.95</b>	<b>47.11</b>	<b>42.24</b>	<b>22.21</b>
Profit / (Loss) before exceptional items and Tax	<b>1,035.26</b>	<b>52.90</b>	<b>147.95</b>	<b>77.79</b>
Exceptional Items	0.00		0.00	
Restated Profit / (Loss) before tax	<b>1,035.26</b>	<b>52.90</b>	<b>147.95</b>	<b>77.79</b>
Share in Profit/ (Loss) of Associate	<b>(26.54)</b>	<b>-1.36</b>	<b>0.00</b>	
<b>Tax Expense</b>				
Current Tax	104.20	5.32	40.61	21.35
Deferred Tax	227.96	11.65	0.07	0.04
Prior Period Tax Adjustments	2.97	0.15	0.00	0.00
<b>Profit / (Loss) After Tax</b>	<b>673.59</b>	<b>34.42</b>	<b>107.27</b>	<b>56.40</b>
<b>Other Comprehensive Income/(Loss)</b>	<b>364.11</b>	<b>18.60</b>	<b>0.00</b>	
<b>Total Comprehensive Income / (Loss) for the Year</b>	<b>1,037.70</b>	<b>53.02</b>	<b>107.27</b>	<b>56.40</b>
<b>Non-Controlling Interest</b>	<b>0.00</b>		<b>(3.29)</b>	<b>(1.73)</b>
<b>Total Comprehensive Income attributable for shareholders</b>	<b>1,037.70</b>	<b>53.02</b>	<b>103.98</b>	<b>54.67</b>
Earnings per Share (Basic) (in Rs.)	15.40		1.93	
Earnings per Share (Diluted) (in Rs)	15.40		1.93	

### Total income

### Revenue from operations

Our revenue from operations comprises of interest income from loans, unrealised profit on units through Profit and Loss and sale of professional services.

### ***Other Income***

Other income comprises of interest from income tax refund and other miscellaneous income.

### ***Expenses***

Our expenses consist of employee benefit expense, finance cost, impairment cost, depreciation and amortisation expenses and other expenses.

#### ***Employee benefit expenses***

Employee benefit expense consists of salaries, wages, bonus, contribution to provident and other funds and other staff welfare expenses.

#### ***Finance Costs***

Finance Costs consists of financial liabilities on borrowings measured at amortised cost.

#### ***Impairment Costs***

*Impairment Costs is measured at financial assets on loans measured at amortised cost.*

#### ***Depreciation and amortisation expenses***

Depreciation and amortization expenses consist of depreciation on tangible and intangible assets owned by our company.

#### ***Other expenses***

Other expenses include advertisement expenses, business development expenses, bank charges, communication costs, Directors' sitting fees, donations, depository charges, electricity charges, legal and professional fees, loss on sale of investments, membership and subscription, miscellaneous expenses, payment to auditors, postage and courier, printing and stationery, rates and taxes, repairs and maintenance and travelling and conveyance expenses

#### ***Tax expenses***

Tax expense comprises of current tax and deferred tax. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with applicable tax rates and the provisions of applicable tax laws. Deferred tax liability or credit is recognized based on the difference between taxable profit and book profit due to the effect of timing differences and treatment of expenses. Our deferred tax is measured based on the applicable tax rates and tax laws that have been enacted or substantively enacted by the relevant balance sheet date.

### **Comparison of Historical Results of Operations**

#### **Financial Year 2023 compared to Financial Year 2022**

##### ***Total Revenue***

The total revenue for financial year ended March 31, 2023 increased from ₹ 190.19 Lakhs during the financial year ended March 31, 2022 to ₹1,957.20 Lakhs an increase of ₹ 1,767.01 Lakhs or 929.08%. This increase also down to acquisition of our Material Subsidiary, CAMS as our wholly owned subsidiary resulting in increased scale of our business. This increase also was due to an increase in interest earned, sale of services and a significant increase in net gain on fair value changes.

##### ***Revenue from operations***

Our revenue from operations increased from ₹ 170.17 Lakhs during the financial year ended March 31, 2022 to ₹ 1946.77 Lakhs in financial year ended March 31, 2023, an increase of ₹ 1776.60 Lakhs or 1044.01%. This was mainly due to an increase in interest income, sale of services and an increase of ₹ 1170.86 Lakhs in net gain of financial instruments measured at fair value through profit and loss during the financial year ended March 31, 2023 as compared to the previous year.

### ***Other income***

Other income decreased from ₹ 20.02 Lakhs to ₹ 10.43 Lakhs, an decrease of ₹ 9.59 Lakh, This decrease was due to reduction in other non-operating income.

### ***Expenses***

Out total expenses increased from ₹ 42.24 Lakhs for the financial year ended March 31, 2022 to ₹ 921.94 Lakhs for the financial year ended March 31, 2023 which was an increase of ₹ 879.71 Lakhs or 2082.64% This was due to an increase in employees benefit expenses, finance costs, increase in impairment costs and overall increase in other expenses.

### ***Employee benefit expenses***

Employee benefits expense for the year ended March 31 2023 was ₹ 260.56 Lakhs compared to ₹ 23.06 Lakhs for the year ended March 31, 2022. This was an increase of ₹ 237.50 Lakhs or 1029.92% over the previous year. This was due to an increase in salaries and other staff welfare expenses.

### ***Finance Costs***

Finance costs for the year ended March 31, 2023 was ₹ 128.18 Lakhs as compared to ₹ 0.19 Lakhs for the year ended March 31, 2022, an increase of ₹ 127.99 Lakhs. This was due to an increase in borrowings from Rs. 14.18 Lakhs as on March 31, 2022 to Rs. 3,837.07 Lakhs as on March 31, 2023.

### ***Impairment Costs***

Impairment costs on financial instruments was ₹ 9.72 Lakhs for the year ended March 31, 2023 as compared to ₹ 1.44 Lakhs during the year ended March 31, 2022. This was an increase of ₹ 8.28 Lakhs an increase of more than 575% on account of an impairment of financial assets (loans) during the year ended March 31, 2023.

### ***Depreciation and Amortisation Expense***

Depreciation and amortization expense for the year ended March 31, 2023 was ₹ 60.50 Lacs as compared to ₹ 0.01 Lakhs for the year ended March 31, 2022, an increase of ₹ 60.49 Lakhs. This was due to disposal of many of the tangible assets held by the Company during the financial year ended March 31, 2023.

### ***Other expenses***

Other expenses for the year ended March 31, 2023 was ₹ 462.53 Lakhs as compared to ₹ 17.54 Lakhs for the year ended March 31, 2022, an increase of ₹ 444.99 Lakhs or 2537.03% over the previous year. This was due to an increase in legal and professional fees, loss on sale of investment, penal interest, miscellaneous expenses etc during the year ended March 31, 2023.

### ***Profit/(Loss) before Tax***

The profit before tax for the year ended March 31, 2023 was ₹ 1035.26 Lakhs as compared to ₹ 147.95 Lakhs for the year ended March 31, 2022, an increase of ₹ 887.31 Lakhs or 599.74%. This was due to an increase in total revenue as compared to the total expenses of the previous year.

### ***Taxation***

Total tax expense for the year ended March 31, 2023 was ₹ 335.13 Lakhs as compared to ₹ 40.68 Lakhs for the year ended March 31, 2022.

### ***Profit/Loss after Tax***

As a result of the aforesaid, Our Company earned a profit for the year for the year ended March 31, 2023 of ₹ 673.59 Lacs as compared to ₹ 107.27 Lakhs for the financial year ended March 31, 2022.

The following table sets out selected data from the Restated Standalone Financial Statement for Financial Year 2022 and Financial Year 2021, together with the percentage that each line item represents of our total revenue for the periods presented.

Particulars	FY 2022		FY 2021	
	₹ in Lakhs	% of total income	₹ in Lakhs	% of total income
<b>Income</b>				
Revenue from operations	67.57	77.48	34.85	100.00
Other Income	17.60	22.52	0.00	0.00
<b>Total Income</b>	<b>78.17</b>	<b>100.00</b>	<b>34.85</b>	<b>100.00</b>
<b>Expenses</b>				
Employee Benefit Expenses	6.20	7.93	7.09	
Finance Cost	0.20	0.26	0.32	0.92
Impairment Costs	1.44	1.85	0.00	0.00
Depreciation and amortization expense	0.00	0.00	0.02	0.04
Other Expenses	14.22	18.19	6.09	17.46
<b>Total Expenses</b>	<b>22.06</b>	<b>28.24</b>	<b>13.50</b>	<b>38.75</b>
Profit / (Loss) before exceptional items and Tax	<b>56.11</b>	<b>71.78</b>	<b>21.35</b>	<b>61.25</b>
Exceptional Items	0.00		0.00	
Restated Profit /(Loss) before tax	<b>56.11</b>	<b>71.78</b>	<b>21.35</b>	<b>61.25</b>
<b>Tax Expense</b>				
Current Tax	14.59	18.66	5.64	16.20
Deferred Tax	0.01	0.01	0.01	0.02
Prior Period Tax Adjustments	0.00	0.00	0.00	
<b>Profit / (Loss) After Tax</b>	<b>41.51</b>	<b>53.11</b>	<b>15.70</b>	<b>45.06</b>
Other Comprehensive Income/(Loss)	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	
<b>Total Comprehensive Income /(Loss)for the Year</b>	<b>41.51</b>	<b>53.11</b>	<b>15.70</b>	<b>45.06</b>
Earnings per Share (Basic) (in Rs.)	0.75		0.28	
Earnings per Share (Diluted) (in Rs)	0.75		0.28	

## Comparison of Historical Results of Operations

### Financial Year 2022 compared to Financial Year 2021

#### *Total Revenue*

The total revenue for financial year ended March 31, 2022 increased to ₹ 78.17 Lakhs or 124.28% from ₹34.85 Lakhs during the financial year ended March 31, 2021. This increase was due to an increase in revenue from operations which comprised of interest income and other operating revenue.

#### *Revenue from Operations*

Our revenue from operations increased from ₹ 34.85 Lakhs during the financial year ended March 31, 2021 to ₹ 60.57 Lakhs in financial year ended March 31, 2022, an increase of ₹ 25.71 Lakhs or 73.78%. This was mainly due to an increase in interest income, and an increase of ₹ 20.00 Lakhs in other operating revenue during the financial year ended March 31, 2022 as compared to the previous year.

#### *Other income*

Other income increased from ₹0.00 Lakhs to ₹ 17.60 Lakhs, an increase of ₹ 17.60 Lakh. This increase was due to sale of investment carried on fair value.

#### *Expenses*

Out total expenses increased from ₹ 13.50 Lakhs for the financial year ended March 31, 2021 to ₹ 22.06 Lakhs for the financial year ended March 31, 2022 which was an increase of ₹ 8.56 Lakhs or 63.39%. This was due to an increase in other expenses.

#### *Employee benefit expenses*



Employee benefits expense for the year ended March 31 2022 was ₹ 6.20 Lakhs compared to ₹ 7.09 Lakhs for the year ended March 31, 2021. This was an decrease of ₹ 0.89 Lakhs or 12.57% over the previous year. This was due to an decrease in salaries and other staff welfare expenses.

#### ***Finance Costs***

Finance costs for the year ended March 31, 2022 was ₹ 0.20 Lakhs as compared to ₹ 0.32 Lakhs for the year ended March 31, 2021, an decrease of ₹ 0.12 Lakhs or 38.00% This was due to an decrease in borrowings, which was repaid during the same year.

#### ***Impairment Costs***

Impairment costs on financial instruments was ₹ 1.44 Lakhs for the year ended March 31, 2022 as compared to ₹ 0.00 Lakhs during the year ended March 31, 2021. This was an increase of ₹ 1.44 Lakhs on account of an impairment of financial assets (loans) during the year ended March 31, 2022.

#### ***Depreciation and Amortisation Expense***

Depreciation and amortization expense for the year ended March 31, 2022 was ₹ 0.00 Lacs as compared to ₹ 0.02 Lakhs for the year ended March 31, 2021, a decrease of ₹ 0.02 Lakhs. This was very nominal change.

#### ***Other expenses***

Other expenses for the year ended March 31, 2022 was ₹ 14.22 Lakhs as compared to ₹ 6.09 Lakhs for the year ended March 31, 2021, a increase of ₹ 8.13 Lakhs or 133.65% over the previous year. This was due to increase in legal and professional fees and audit fees in the year ended March 31, 2022.

#### ***Profit/(Loss) before Tax***

The profit before tax for the year ended March 31, 2022 was ₹ 56.11 Lakhs as compared to a profit of ₹ 21.35 Lakhs for the year ended March 31, 2021, an increase of ₹ 34.76 Lakhs or 162.82%. This was due to an increase in total revenue as compared to the previous year.

#### ***Taxation***

Total tax expense for the year ended March 31, 2022 was ₹ 14.59 Lakhs as compared to ₹ 5.64 Lakhs for the year ended March 31, 2022, which was mainly due to an increase in current tax.

#### ***Profit/Loss after Tax***

As a result of the aforesaid, Our Company earned a profit for the year for the year ended March 31, 2022 of ₹ 41.51 Lacs as compared to a profit of ₹ 15.70 Lakhs for the financial year ended March 31, 2021.

### **CASH FLOWS**

The following table sets forth certain information relating to our consolidated cash flows:

(₹ in Lakhs)

<b>Particulars</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>
Net Cash Flow from/ (used in) Operating Activities (A)	(2362.83)	(585.69)
Net Cash Flow used in Investing Activities (B)	(1740.76)	18.66
Net Cash Flow used in Financing Activities (C)	4419.05	569.19
<b>Net increase / (Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>317.46</b>	<b>2.16</b>
Cash and cash equivalents at the beginning of the year/period	2.16	0.00
<b>Cash and cash equivalents at year/ period end</b>	<b>317.62</b>	<b>2.16</b>

#### **Cash generated from Operating Activities**

Net cash used from operating activities for the year ended March 31, 2023 was ₹ (2362.83) Lakhs as compared to the profit/(loss) before tax of ₹ 1008.72 Lakhs for the same period. This difference is primarily on account of depreciation,

finance costs, interest income, loss on sale of assets, impairment, adjustment for fair value on financial instruments through profit or loss, cash inflow from interest and cash outflow towards finance cost.

Net cash used in operating activities for the year ended March 31, 2022 was ₹ (585.69) Lakhs as compared to the profit/(loss) before tax of ₹ 147.95 Lakhs the same period. This difference is primarily on account of depreciation, finance costs, interest income, impairment and adjustment for fair value on financial instruments through profit or loss, cash inflow from interest and cash outflow towards finance cost.

#### **Net Cash used in Investing Activities**

Net cash used in investing activities for the year ended March 31, 2023 was ₹ (1740.76) Lakhs. This was on account of purchase/sale of property, proceeds from sale of tangible and intangible assets, purchase of investments measured at Fair Value through Profit and Loss and proceeds from sale of investment s measured at Fair Value through Profit and Loss.

Net cash generated in investing activities for the year ended March 31, 2022 was ₹ 18.66 Lakhs. This was on account of proceeds from sale of investment s measured at Fair Value through Profit and Loss.

#### **Net Cash flow used in Financing Activities**

Net cash flows generated from financing activities for the year ended March 31, 2023 was 4419.05 Lakhs. This was on account availing of loans and issue of equity shares in the same year.

Net cash flows generated from financing activities for the year ended March 31, 2022 was 569.19. This was on account availing of loans and issue of equity shares in the same year.

The following table sets forth certain information relating to our standalone cash flows:

(₹ in Lakhs)

<b>Particulars</b>	<b>March 31, 2021</b>
Net Cash Flow from/ (used in) Operating Activities (A)	(42.77)
Net Cash Flow used in Investing Activities (B)	42.70
Net Cash Flow used in Financing Activities (C)	0.00
<b>Net increase / (Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>(0.07)</b>
Cash and cash equivalents at the beginning of the year/period	4.50
<b>Cash and cash equivalents at year/ period end</b>	<b>4.42</b>

#### **Cash generated from Operating Activities**

Net cash used from operating activities for the year ended March 31, 2021 was ₹ (42.77) Lakhs as compared to the profit/(loss) before tax of ₹ 21.35 Lakhs for the same period. This difference is primarily on account of depreciation, finance costs, interest income, loss on sale of assets, impairment, adjustment for fair value on financial instruments through profit or loss, cash inflow from interest and cash outflow towards finance cost.

#### **Net Cash used in Investing Activities**

Net cash generated from investing activities for the year ended March 31, 2021 was ₹ 42.70 Lakhs. This was on account of capital advance received.

#### **Net Cash flow used in Financing Activities**

Net cash flows generated from financing activities for the year ended March 31, 2021 was NIL.

#### **Contingent Liabilities**

We have no contingent liabilities as on March 31, 2023.

#### **Off-Balance Sheet Arrangements**

We do not have any other off-balance sheet arrangements or other relationships with unconsolidated entities, such as special purpose vehicles, that have been established for the purposes of facilitating off-balance sheet arrangements.

## QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

**Credit Risk:** Credit risk is defined as the possibility of losses associated with diminution in the credit quality of borrowers or other counterparties.

**Interest Rate Risk:** The Company is subject to interest rate risk, principally because it lends to customers at fixed interest rates and for periods that may differ from its funding sources, which bear fixed and floating rates. Interest rates are highly sensitive to many factors beyond our control, including the monetary policies of the RBI, deregulation of the financial sector in India, domestic and international economic and political conditions, inflation and other factors.

**Operational Risk:** Operational risks are risks arising from inadequate or failed internal processes, people and systems or external events. The internal control includes effective separation of functions, segregation of roles and responsibilities, reliance on the maker-checker concept, monitoring of exceptions, etc. We also attempt to mitigate operational risk by maintaining a comprehensive system of internal controls, establishing policies and procedures to monitor transactions, maintaining necessary back-up procedures and undertaking contingency planning.

**Liquidity Risk:** Liquidity risk arises due to the unavailability of an adequate amount of funds to meet the Company's financial obligations at an appropriate price and tenure. The Company attempts to minimise this risk through a mix of strategies, including diversification of sources of funds, securitisation and assignment of receivables, fixing caps on short term funds and maintaining liquidity buffer.

**Business Risk:** The Company, being an NBFC, is exposed to various external risks which have a direct bearing on the sustainability and profitability of the Company. Foremost amongst them are Industry Risk and Competition Risk. The volatile macroeconomic conditions and change in sector dynamic in various commercial segments cause ups and downs in the business and may result in impairment of loan assets.

**Regulatory Risk:** It is the risk of change in-laws and regulations materially impacting the business. All the periodic guidelines issued by regulators including the RBI, SEBI, NHB, IRDA are fully adhered to and complied with by the Company. The Company strictly adheres to the Capital Adequacy, Fair Practices Code, Asset Classification and Provisioning Norms, submission of all required returns to the regulators with zero tolerance for non-compliance.

**Reputation Risk:** Reputational risk is the risk of possible damage to the company's brand and reputation, and the associated risk to earnings, capital or liquidity, arising from any association, action or inaction which could be perceived by stakeholders to be inappropriate, unethical or inconsistent.

## RELATED PARTY TRANSACTIONS

For details of our related party transactions, see "Related Party Transactions" on page 74 of this Draft Letter of Offer.

## Qualitative Disclosure about Market Risk

### Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations

Other than as described in the section titled "Risk Factors" and chapter titled "Management's Discussion and Analysis of Financial Conditions and Results of Operations" on page 21 and page 139 respectively of this Draft Letter of Offer, to our knowledge there are no known trends or uncertainties that have or are expected to have a material adverse impact on our income from continuing operations.

### Unusual or Infrequent Events or Transactions

Except as described elsewhere in this Draft Letter of Offer, there have been no unusual or infrequent events or transactions including unusual trends on account of business activity, unusual items of income, change of accounting policies and discretionary reduction of expenses.

### Significant economic/regulatory changes

Government policies governing the sector in which we operate as well as the overall growth of the Indian economy has a significant bearing on our operations. Except as disclosed in this Draft Letter of Offer, to our knowledge, there are no significant regulatory changes that materially affected or are likely to affect our income from continuing operations.

### Major changes in these factors can significantly impact income from continuing operations.

There are no significant economic changes that materially affected our Company's operations or are likely to affect income except as mentioned in the section titled "Risk Factors" on page 21 of this Draft Letter of Offer.

**Expected future changes in relationship between costs and revenues, in case of events such as future increase in labour or material costs or prices that will cause a material change are known**

Other than as described in the section titled “Risk Factors” and chapter titled “Management’s Discussion and Analysis of Financial Conditions and Results of Operations” on page 21 and 139 respectively, and elsewhere in this Draft Letter of Offer, there are no known factors to our knowledge which would have a material adverse impact on the relationship between costs and income of our Company. Our Company’s future costs and revenues will be determined by demand/supply situation and government policies.

**The extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices**

The increase in revenue is by and large linked to increase in volume of all the activities carried out by the Company.

**Competitive Conditions**

We expect competition in the sector from existing and potential competitors to vary. However, on account of our core strengths we will be able to stay competitive. For further details, kindly refer the chapter titled “Our Business” on page 57 of this Draft Letter of Offer.

**Total Turnover of Each Major Business Segment**

We are operating only in one segment.

**New Product or Business Segment**

Except as disclosed in “Our Business” on page 57 of this Draft Letter of Offer, we have not announced and do not expect to announce in the near future any new products or business segments.

**Seasonality of Business**

Our Company’s business is not seasonal in nature.

**Significant dependence on a Single or Few Suppliers or Customers**

Other than as described in this Draft Letter of Offer, to our knowledge, there is no significant dependence on a single or few customers or suppliers.

**Significant Developments since last balance sheet date**

To our knowledge no circumstances have arisen since September 30, 2022, the date of the last financial information disclosed in this Draft Letter of Offer which materially and adversely affect or are likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 months.

## MARKET PRICE INFORMATION

Our Company's Equity Shares have been listed and being traded on the BSE Limited

- I. Year is a Financial Year;
- II. Average price is the average of the daily closing prices of the Equity Shares for the year, or the month, as the case may be;
- III. High price is the maximum of the daily high prices and low price is the minimum of the daily low prices of the Equity Shares, as the case may be, for the year, or the month, as the case may be; and
- IV. In case of two days with the same high / low / closing price, the date with higher volume has been considered.

### Stock Market Data of the Equity Shares

The high, low and average market closing prices recorded on the Stock Exchanges during the last three years and the number of Equity Shares traded on these days are stated below:

Financial Year	High (In ₹)	Date of High	Number of shares traded on date of High	Total volume traded on date of High (in ₹)	Low (In ₹)	Date of Low	Number of shares traded on date of low	Total Volume traded on date of Low (in ₹)	Average Price for the Year
2021	8.85	May 26, 2020	31,601	2,66,266	8.00	June 19, 2020	50	400	8.29
2022	69.40	March 11, 2022	9,18,482	59,64,994	8.66	April 21, 2021	100	866	38.21
2023	341	October 24, 2022	18,664	61,94,328	40.75	April 06, 2022	1,022	45,114	119.97

(Source: [www.bseindia.com](http://www.bseindia.com))

Notes: High, low and average prices are based on the daily closing prices.

In case of two days with the same high or low price, the date with the high volume has been considered.

### Market Prices for the last six calendar months

The total number of days that the Equity Shares were traded on the BSE during the last 6 calendar months i.e. December 2022 to May 2023 was 123 Days. The average volume of the Equity Shares traded on the BSE was 7325 Equity Shares per day.

The high and low prices and volume of Equity Shares traded on the respective date on BSE during the last 6 calendar months preceding the date of filing of this Draft Letter of Offer are as follows:

Month	High (In ₹)	Date of High	Number of shares traded on date of High	Total volume traded on date of High (in ₹)	Low (In ₹)	Date of Low	Number of shares traded on date of low	Total Volume traded on date of Low (in ₹)	Average Price for the month
December 2022	212	December 06, 2022	8,171	16,55,279	135.05	December 30, 2022	5,970	8,38,519	177.21
January 2023	157.50	January 05, 2023	5,694	8,42,455	117.35	January 31, 2023	3,968	4,97,025	140.17
February 2023	141.45	February 02, 2023	6,913	9,36,182	86.10	February 27, 2023	2,470	2,29,984	114.81
March 2023	114.30	March 03, 2023	13,556	14,99,951	51.40	March 24, 2023	44,569	23,84,334	76.05
April 2023	138.13	April 27, 2023	40,815	55,23,920	72.48	April 03, 2023	3,657	2,65,059	100.56
May 2023	147.45	May 31, 2023	14,905	21,39,611	104.50	May 16, 2023	7,247	7,82,312	120.65

(Source: [www.bseindia.com](http://www.bseindia.com))

In the event the high or low or closing price of the Equity Shares are the same on more than one day, the day on which there has been higher volume of trading has been considered for the purposes of this chapter.

The Board of our Company has approved the Issue at their meeting held on March 27, 2023. The high and low prices of our Company's shares as quoted on BSE on March 27, 2023, the day on which the trading happened immediately following the date of the Board meeting is as follows:

Date	Volume (in ₹)	Highest Price (in ₹)	Lowest Price (in ₹)
March 28, 2023	63,997	62.62	62.62

(Source: [www.bseindia.com](http://www.bseindia.com))

## SECTION VII – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as disclosed in this section, there is no outstanding (i) criminal proceeding; (ii) action taken by regulatory or statutory authorities; (iii) claims related to direct and indirect taxes; and (iv) other pending litigations as determined to be material pursuant to the Materiality Policy in each case involving our Company, Our Subsidiaries, our Directors and our Promoters.*

*Pursuant to the SEBI ICDR Regulations and the Materiality Policy adopted by our Rights Issue Committee on May 29, 2023 for the purposes of disclosure, any pending litigation involving Related Parties other than criminal proceedings, actions by regulatory authorities and statutory authorities, including outstanding action, and tax matters, would be considered 'material' where:*

- 1. the claim/dispute amount, to the extent quantifiable, not less than 10% of the total revenue of the Company, as per the last the last restated financial statements ("Materiality Threshold") would be considered 'material' for disclosure of this Draft Letter of Offer; and*
- 2. the monetary impact is not quantifiable or the amount involved may not exceed the materiality threshold set out under (i) above, but an outcome in any such litigation would materially and adversely affect the Company's business, operations, cash flows, financial position or reputation of the Company.*

*It is clarified that pre-litigation notices (other than those issued by governmental, statutory or regulatory authorities) received by our Company, our Directors, our Promoters or our Subsidiaries, shall not be considered as litigation until such time that any of our Company and, our Director, as the case may be, is made a party to proceedings initiated before any court, tribunal or governmental authority or any judicial authority or is notified by any governmental, statutory or regulatory authority of any such proceeding that may be commenced.*

*All terms defined in a particular litigation disclosure pertain to that litigation only.*

#### **Litigation involving our Company**

- 1. Litigation filed against our Company*

Criminal Proceedings:

Nil

Actions taken by Statutory/Regulatory Authorities:

Nil

Material Civil Proceedings:

Nil

Tax Proceedings:

Below are the details of pending tax cases involving our Company, specifying the number of cases pending and the total amount involved:

Particulars	Number of cases	Amount Involved (Rs. in Lakhs)*
Direct Taxes	1	1.61
Indirect Taxes	-	Nil
<b>Total</b>	<b>1</b>	<b>1.61</b>

*\*To the extent quantifiable*

Disciplinary action by SEBI or any stock exchange in the last five Fiscals:

There has been no action by SEBI or any stock exchange against our Company in the last five fiscal except as disclosed below:

- We have paid certain fines levied by BSE Limited for non-compliances committed by us under the SEBI Listing Regulations. We paid the fines levied by BSE Limited. The details of such fines and penalties have been provided below:

S. No.	Non-compliance alleged	Fines levied for	Fine/ penalty levied (in ₹ Lakhs)*	Date of payment of fine
1.	<b>Regulation 33</b> Non-submission of the financial results within the period prescribed under this regulation	1. (March 2022 quarter/year) Late Submission  2. <b>Consolidated - Cash Flow Statement Not Received</b>	1.25	July 29, 2023

\*exclusive of GST

## 2. *Litigation filed by the Company*

Criminal Proceedings:

Nil

Material Civil Proceedings:

Nil

Tax Proceedings:

Nil

## **Litigations involving our subsidiaries**

### 1. *Litigation filed against our subsidiaries*

Criminal Proceedings:

Nil

Actions taken by Statutory/Regulatory Authorities:

Nil

Material Civil Proceedings:

Nil

Tax Proceedings:

Nil

Disciplinary action by SEBI or any stock exchange in the last five Fiscals:

Nil

### 2. *Litigation filed by our subsidiaries*

Criminal Proceedings:

Nil

Material Civil Proceedings:

Nil

Tax Proceedings:

Nil

### **Litigations involving our Directors**

#### *1. Litigation filed against our Directors*

Criminal Proceedings:

Nil

Actions taken by Statutory/Regulatory Authorities:

Nil

Material Civil Proceedings:

Nil

Tax Proceedings:

Below are the details of pending tax cases involving our Directors, specifying the number of cases pending and the total amount involved:

Particulars	Number of cases	Amount Involved (Rs. in Lakhs)*
Direct Taxes	1	2.21
Indirect Taxes	-	Nil
<b>Total</b>	<b>1</b>	<b>2.21</b>

*\*To the extent quantifiable*

Disciplinary action by SEBI or any stock exchange in the last five Fiscals:

SEBI through its letter dated June 8, 2021 (“**Warning Letter**”) had issued a warning to our Promoter Directors, Mr. Aditya Vikram Kanoria and Mr. Mandeep Singh in the matter of acquisition of our Company through an open offer.

Our Promoter Directors, Mr. Aditya Vikram Kanoria and Mr. Mandeep Singh, while acquisition of our Company through an open offer were required to deposit 25% of the consideration payable under open offer in an escrow account, not later than two working days prior to the date of the detailed public statement of the open offer for acquiring shares. However, an amount of Rs. 10,00,000/- was deposited with delay of two days. Therefore, SEBI decided to issue a warning to Promoter Directors, Mr. Aditya Vikram Kanoria and Mr. Mandeep Singh with an advice to be careful in future and to also place the Warning Letter before the board of directors of our Company.

#### *2. Litigation filed by our Directors*

Criminal Proceedings:

Nil

Material Civil Proceedings:

Nil

Tax Proceedings:

Nil

### **Litigations involving our Promoters**

#### *1. Litigation filed against our Promoters*

Criminal Proceedings:



Nil

Actions taken by Statutory/Regulatory Authorities:

Nil

Material Civil Proceedings:

Nil

Tax Proceedings:

Nil

Disciplinary action by SEBI or any stock exchange in the last five Fiscals:

SEBI through its letter dated June 8, 2021 ("**Warning Letter**") had issued a warning to our Promoter Directors, Mr. Aditya Vikram Kanoria and Mr. Mandeep Singh in the matter of acquisition of our Company through an open offer.

Our Promoter Directors, Mr. Aditya Vikram Kanoria and Mr. Mandeep Singh, while acquisition of our Company through an open offer were required to deposit 25% of the consideration payable under open offer in an escrow account, not later than two working days prior to the date of the detailed public statement of the open offer for acquiring shares. However, an amount of Rs. 10,00,000/- was deposited with delay of two days. Therefore, SEBI decided to issue a warning to Promoter Directors, Mr. Aditya Vikram Kanoria and Mr. Mandeep Singh with an advice to be careful in future and to also place the Warning Letter before the board of directors of our Company.

## 2. *Litigation filed by our Promoters*

Criminal Proceedings:

Nil

Material Civil Proceedings:

Nil

Tax Proceedings:

Nil

### **Confirmations**

There have been no past cases in which penalties have been imposed on the Company, its Subsidiaries, its Directors and its Promoters.

Our Company, Promoter, and our Directors have not been categorised or identified as Wilful Defaulter(s) or Fraudulent Borrower(s).

Except mentioned below, there has been no disciplinary action including penalty imposed by SEBI or Stock Exchanges against the Company, its Subsidiaries, its Directors and its Promoters during the last 5 financial years.

### **DISCLOSURES PERTAINING TO WILFUL DEFAULTERS**

Neither our Company, nor our Promoters, and Directors have been categorized or identified as wilful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India. There are no violations of securities laws committed by them in the past or are currently pending against any of them.

## **STATEMENT OF MATERIAL DEVELOPMENTS**

There have not arisen, since the date of the last financial statements disclosed in this Draft Letter of Offer, any circumstances which materially and adversely affect or are likely to affect our profitability taken as a whole or the value of our consolidated assets or our ability to pay our liabilities within the next 12 months. For further details, please refer to the chapter titled “Management’s Discussion and Analysis of Financial Position and Results of Operations” on page 139 of this Draft Letter of Offer.

## **GOVERNMENT AND OTHER STATUTORY APPROVALS**

Our Company has obtained necessary consents, licenses, permissions and approvals from governmental and regulatory authorities that are material for carrying on our present business activities. Some of the approvals and licenses that our Company requires for our business operations may expire in the ordinary course of business, and our Company will apply for their renewal from time to time.

We are not required to obtain any licenses or approvals from any government or regulatory authority for the objects of this Issue. For further details, please refer to the chapter titled “Objects of the Issue” at page 44 of this Draft Letter of Offer.

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Issue

The Board of Directors at its meeting held on March 27, 2023, have authorised this Issue pursuant to Section 62(1)(a) of the Companies Act, 2013.

The Draft Letter of Offer was approved by the Rights Issue Committee (duly constituted by the Board in their meeting on) pursuant to its resolution dated June 16, 2023.

Our Board of Directors / Rights Issue Committee has, at its meeting held on [●], determined the Issue Price as ₹[●] per Rights Equity Share and the Rights Entitlement as [●] Rights Equity Share for every [●] Equity Share held on the Record Date.

Our Company has received 'in-principle' approvals from BSE for listing of the Rights Equity Shares to be Allotted pursuant to Regulation 28 of SEBI Listing Regulations, vide its letters dated [●]. Further, in relation to compliance with Regulation 62(1)(a) of the SEBI ICDR Regulations, our Company undertakes to make an application to the Stock Exchange- BSE to obtain its trading approvals for the Rights Entitlements as required under the SEBI Rights Issue Circulars.

Our Company has been allotted the ISIN [●] for the Rights Entitlements to be credited to the respective demat accounts of the Equity Shareholders of our Company. For details, see "Terms of the Issue" on page no. 162 of this Draft Letter of Offer.

### Prohibition by SEBI or other Governmental Authorities

Our Company, our Promoters, our Directors, the members of our Promoter Group and persons in control of the Promoters and the Company have not been prohibited from accessing the capital market or debarred from buying or selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any authority/court as on date of this Draft Letter of Offer.

Further, our Promoters and our Directors are not promoter or director of any other company which is debarred from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI. None of our Directors or Promoters is associated with the securities market in any manner.

Except mentioned below, there is no outstanding action initiated against them by SEBI in the five years preceding the date of filing of this Draft Letter of Offer.

*SEBI through its letter dated June 8, 2021 ("Warning Letter") had issued a warning to our Promoter Directors, Mr. Aditya Vikram Kanoria and Mr. Mandeep Singh in the matter of acquisition of our Company through an open offer.*

*Our Promoter Directors, Mr. Aditya Vikram Kanoria and Mr. Mandeep Singh, while acquisition of our Company through an open offer were required to deposit 25% of the consideration payable under open offer in an escrow account, not later than two working days prior to the date of the detailed public statement of the open offer for acquiring shares. However, an amount of Rs. 10,00,000/- was deposited with delay of two days. Therefore, SEBI decided to issue a warning to Promoter Directors, Mr. Aditya Vikram Kanoria and Mr. Mandeep Singh with an advice to be careful in future and to also place the Warning Letter before the board of directors of our Company.*

Neither our Promoters nor our Directors have been declared as fugitive economic offender under Section 12 of Fugitive Economic Offenders Act, 2018 (17 of 2018).

### Prohibition by RBI

Neither our Company, nor our Promoters and Directors have been categorized or identified as willful defaulters or a fraudulent borrower by any bank or financial institution or consortium thereof, in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India. There are no violations of securities laws committed by them in the past or are currently pending against any of them.

### Compliance with Companies (Significant Beneficial Ownership) Rules, 2018

Our Company, our Promoters and the members of our Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018, to the extent it may be applicable to them as on date of this Draft Letter of Offer.

## **Eligibility for the Issue**

Our Company is a listed company, incorporated under the Companies Act, 1956. The Equity Shares of our Company are presently listed on the BSE. We are eligible to undertake the Issue in terms of Chapter III of SEBI ICDR Regulations. Pursuant to Clauses (1) and (2) of Part B of Schedule VI to the SEBI ICDR Regulations, our Company is required to make disclosures in accordance with Part B-1 of Schedule VI to the SEBI ICDR Regulations.

## **Compliance with Regulations 61 and 62 of the SEBI ICDR Regulations**

Our Company is in compliance with the conditions specified in Regulations 61 and 62 of the SEBI ICDR Regulations, to the extent applicable. Further, in relation to compliance with Regulation 62(1)(a) of the SEBI ICDR Regulations, our Company undertakes to make an application to the Stock Exchange for listing of the Rights Equity Shares to be issued pursuant to the Issue. **BSE Limited is the Designated Stock Exchange for the Issue.**

## **DISCLAIMER CLAUSE OF SEBI**

The Draft Letter of Offer has not been filed with SEBI in terms of SEBI ICDR Regulations as the size of the issue is less than ₹5000 lakhs.

## **Disclaimer from our Company and our Directors**

Our Company and our Directors accept no responsibility for statements made otherwise than in this Draft Letter of Offer or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website [www.credentglobal.com](http://www.credentglobal.com) or the respective websites of an affiliate of our Company would be doing so at his or her own risk.

All information shall be made available by our Company to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at bidding centers or elsewhere.

Investors will be required to confirm and will be deemed to have represented to our Company, their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

No information which is extraneous to the information disclosed in this Draft Letter of Offer or otherwise shall be given by our Company or any member of the Issue management team or the syndicate to any particular section of investors or to any research analyst in any manner whatsoever, including at road shows, presentations, in research or sales reports or at bidding center.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Draft Letter of Offer. You must not rely on any unauthorized information or representations. This Draft Letter of Offer is an offer to sell only the Rights Equity Shares and the Rights Entitlement, but only under circumstances and in the applicable jurisdictions. Unless otherwise specified, the information contained in this Draft Letter of Offer is current only as at its date.

## **Disclaimer in respect of Jurisdiction**

This Draft Letter of Offer has been prepared under the provisions of Indian law and the applicable rules and regulations thereunder. Any disputes arising out of the Issue will be subject to the jurisdiction of the appropriate court(s) in Mumbai, Maharashtra only.

## **DISCLAIMER CLAUSE OF BSE**

As required, a copy of the Draft Letter of Offer has been submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of the Draft Letter of Offer, shall be included in the Letter of Offer prior to the filing with the Stock Exchange.

## **Designated Stock Exchange**

BSE being the only stock exchange where the Company's shares are listed, the Designated Stock Exchange for the purposes of the Issue is BSE.

### **Selling Restrictions**

This Draft Letter of Offer is solely for the use of the person who has received it from our Company or from the Registrar. This Draft Letter of Offer is not to be reproduced or distributed to any other person.

The distribution of this Draft Letter of Offer/ Letter of Offer, Abridged Letter of Offer, Application Form and the Rights Entitlement Letter and the issue of Rights Entitlements and Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Draft Letter of Offer/ Letter of Offer, Abridged Letter of Offer Application Form and the Rights Entitlement Letter may come are required to inform themselves about and observe such restrictions. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders of our Company and will dispatch the Draft Letter of Offer/ Letter of Offer, Abridged Letter of Offer Application Form and the Rights Entitlement Letter only to Eligible Equity Shareholders who have provided an Indian address to our Company.

No action has been or will be taken to permit the Issue in any jurisdiction, or the possession, circulation, or distribution of the Draft Letter of Offer, Abridged Letter of Offer or any other material relating to our Company, the Equity Shares or Rights Entitlement in any jurisdiction, where action would be required for that purpose, except that this Draft Letter of Offer has been filed with the Stock Exchange.

Accordingly, the Rights Entitlement or Equity Shares may not be offered or sold, directly or indirectly, and this Draft Letter of Offer or any offering materials or advertisements in connection with the Issue or Rights Entitlement may not be distributed or published in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Draft Letter of Offer / Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer.

This Draft Letter of Offer and its accompanying documents are being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose. If this Draft Letter of Offer is received by any person in any jurisdiction where to do so would or might contravene local securities laws or regulation, or by their agent or nominee, they must not seek to subscribe to the Equity Shares or the Rights Entitlement referred to in this Draft Letter of Offer. Investors are advised to consult their legal counsel prior to applying for the Rights Entitlement and Equity Shares or accepting any provisional allotment of Equity Shares, or making any offer, sale, resale, pledge or other transfer of the Equity Shares or Rights Entitlement.

Neither the delivery of this Draft Letter of Offer nor any sale hereunder, shall under any circumstances create any implication that there has been no change in our Company's affairs from the date hereof or the date of such information or that the information contained herein is correct as of any time subsequent to this date or the date of such information. Each person who exercises Rights Entitlements and subscribes for Equity Shares, or who purchases Rights Entitlements or Equity Shares shall do so in accordance with the restrictions set out below.

### **Listing**

Our Company will apply to BSE for final approval for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under the Issue will trade after the listing thereof.

### **NO OFFER IN THE UNITED STATES**

**THE RIGHTS ENTITLEMENTS AND THE EQUITY SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY U.S. STATE SECURITIES LAWS AND MAY NOT BE OFFERED, SOLD, RESOLD OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES, EXCEPT IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. THE RIGHTS ENTITLEMENTS AND EQUITY SHARES REFERRED TO IN THE DRAFT LETTER OF OFFER ARE BEING OFFERED IN INDIA, BUT NOT IN THE UNITED STATES. THE OFFERING TO WHICH THE DRAFT LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY EQUITY SHARES OR RIGHTS ENTITLEMENTS FOR SALE IN THE UNITED STATES OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, THE DRAFT LETTER OF OFFER SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO THE UNITED STATES AT ANY TIME.**

Neither our Company, nor any person acting on behalf of our Company, will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company, or any person acting on behalf of our Company, has reason to believe is, in the United States when the buy order is made. Envelopes containing an Application Form should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer under this Draft Letter of Offer. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and this Draft Letter of Offer / Letter of Offer/ Abridged Letter of Offer, Application Form and the Rights Entitlement Letter will be dispatched to the Eligible Equity Shareholders who have provided an Indian address to our Company. Any person who acquires the Rights Entitlements and the Equity Shares will be deemed to have declared, represented, warranted and agreed, by accepting the delivery of the Draft Letter of Offer, (i) that it is not and that, at the time of subscribing for the Equity Shares or the Rights Entitlements, it will not be, in the United States when the buy order is made; and (ii) is authorised to acquire the Rights Entitlements and the Equity Shares in compliance with all applicable laws, rules and regulations.

Our Company, reserves the right to treat as invalid any Application Form which: (i) appears to our Company or its agents to have been executed in or dispatched from the United States of America; (ii) does not include the relevant certification set out in the Application Form headed "Overseas Shareholders" to the effect that the person accepting and/or renouncing the Application Form does not have a registered address (and is not otherwise located) in the United States, and such person is complying with laws of the jurisdictions applicable to such person in connection with the Issue, among others; (iii) where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; or (iv) where a registered Indian address is not provided, and our Company shall not be bound to allot or issue any Equity Shares or Rights Entitlement in respect of any such Application Form.

None of the Rights Entitlements or the Equity Shares have been, or will be, registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), or any state securities laws in the United States. Accordingly, the Rights Entitlements and Equity Shares are being offered and sold only outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales are made.

## **NO OFFER IN ANY JURISDICTION OUTSIDE INDIA**

**NO OFFER OR INVITATION TO PURCHASE RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES IS BEING MADE IN ANY JURISDICTION OUTSIDE OF INDIA, INCLUDING, BUT NOT LIMITED TO AUSTRALIA, BAHRAIN, CANADA, THE EUROPEAN ECONOMIC AREA, GHANA, HONG KONG, INDONESIA, JAPAN, KENYA, KUWAIT, MALAYSIA, NEW ZEALAND, SULTANATE OF OMAN, PEOPLE'S REPUBLIC OF CHINA, QATAR, SINGAPORE, SOUTH AFRICA, SWITZERLAND, THAILAND, THE UNITED ARAB EMIRATES, THE UNITED KINGDOM AND THE UNITED STATES. THE OFFERING TO WHICH THIS DRAFT LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY RIGHTS EQUITY SHARES OR RIGHTS ENTITLEMENT FOR SALE IN ANY JURISDICTION OUTSIDE INDIA OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, THIS DRAFT LETTER OF OFFER SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO ANY OTHER JURISDICTION AT ANY TIME.**

## **Filing**

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

## **Mechanism for Redressal of Investor Grievances**

Our Company has adequate arrangements for redressal of investor grievances in compliance with the SEBI Listing Regulations. We have been registered with the SEBI Complaints Redress System (SCORES) as required by the SEBI Circular no. CIR/ OIAE/2/2011 dated June 3, 2011. Consequently, investor grievances are tracked online by our Company.

Our Company has a Stakeholders Relationship Committee which meets at least once a year and as and when required. Its terms of reference include considering and resolving grievances of Shareholders in relation to transfer of shares and effective exercise of voting rights. Beetal Financial and Computer Services Private Limited is our Registrar and Share Transfer Agent. All investor grievances received by us have been handled by the Registrar and Share Transfer Agent in consultation with the Company Secretary and Compliance Officer.

Investor complaints received by our Company are typically disposed of within 15 days from the receipt of the complaint.

### **Investor Grievances arising out of this Issue**

Investors may contact the Registrar to the Issue or our Company Secretary for any pre-Issue or post-Issue related matters. All grievances relating to the ASBA process may be addressed to the Registrar, with a copy to the SCSBs (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), e-mail address of the sole/first holder, folio number or demat account number, number of Rights Equity Shares applied for, amount blocked (in case of ASBA process), ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip (in case of ASBA process). For details on the ASBA process, see “*Terms of the Issue*” beginning at page 162 of this Draft Letter of Offer. The contact details of our Registrar to the Issue and our Company Secretary are as follows:

### **Registrar to the Issue**

#### **Beetal Financial and Computer Services (P) Limited**

Beetal House, 3<sup>rd</sup> Floor, 99, Madangir, Behind LSC,  
Near Dada Harsukhdas Mandir, New Delhi -110062,  
Tel: +91 11 2996 1281-83, +91 11 2605 1061, 2605 1064  
Email: [beetal@beetalfinancial.com](mailto:beetal@beetalfinancial.com)  
Website: [www.beetalfinancial.com](http://www.beetalfinancial.com)  
Contact Person: Mr. Bhavander Jha  
SEBI Registration Number: INR0000000262  
CIN: U67120DL1993PTC052486

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

Preeti Sethi is the Company Secretary and Compliance Officer of our Company. Her contact details are set forth hereunder:

#### **Ms. Preeti Sethi**

Unit No. 609-A, 6<sup>th</sup> Floor, One BKC, C-Wing,  
G Block, Opposite Bank of Baroda, Bandra Kurla Complex,  
Bandra (East), Mumbai - 400051  
Tel: +91 22 6845 2001  
Email: [compliance@credentglobal.com](mailto:compliance@credentglobal.com)

### **Consents and Expert Opinion**

Consents in writing of: our Directors, Company Secretary and Compliance Officer, Chief Financial Officer and the Registrar to the Issue to act in their respective capacities, have been obtained and such consents have not been withdrawn up to the date of this Draft Letter of Offer.

Our Company has received written consent dated June 15, 2023 from our Statutory Auditor, namely M/s Kapish Jain & Associates, Chartered Accountants for inclusion of their examination reports each dated June 15, 2023 on our Consolidated Restated Financial Statements and Standalone Restated Financial Statements and to include their name in this Draft Letter of Offer and as an ‘Expert’ as defined under Section 2(38) of the Companies Act, 2013 in relation to the Statement of Tax Benefits dated June 15, 2023 in the form and context in which it appears in this Draft Letter of Offer. Such consent has not been withdrawn up to the date of this Draft Letter of Offer.

### **Performance vis-à-vis objects – Public/Rights Issue of our Company**

Our Company has not made any rights issues or public issues during the five years immediately preceding the date of this Draft Letter of Offer. There have been no instances in the past, wherein our Company has failed to achieve the objects in its previous issues.

### **Performance vis-à-vis objects – Last issue of listed Subsidiaries or Associates**

None of our Subsidiaries or associate companies is listed as on date of this Draft Letter of Offer.



**Stock Market Data of the Equity Shares**

Our Equity Shares are listed and traded on BSE. For details in connection with the stock market data, please refer to the chapter titled “Market Price Information” on page 149 of this Draft Letter of Offer.

## SECTION VIII – ISSUE INFORMATION

### TERMS OF THE ISSUE

*This Section applies to all Investors. ASBA Investors should note that the ASBA process involves procedures that may be different from that applicable to other Investors and should carefully read the provisions applicable to such Applications, in this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Application Form, and the Rights Entitlement Letter, before submitting an Application Form. Our Company is not liable for any amendments, modifications, or changes in applicable law which may occur after the date of the Draft Letter of Offer. Investors who are eligible to apply under the ASBA process, are advised to make their independent investigations and to ensure that the Application Form and the Rights Entitlement Letter is correctly filled up.*

*Please note that in accordance with the provisions of the SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 (“SEBI – Rights Issue Circular”), all investors (including renouncee) shall make an application for a rights issue only through ASBA facility.*

*The Rights Equity Shares proposed to be issued on a rights basis, are subject to the terms and conditions contained in this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, including the Application Form and the Rights Entitlement Letter, the MOA and AOA of our Company, the provisions of the Companies Act, the terms and conditions as may be incorporated in the FEMA, applicable guidelines and regulations issued by SEBI or other statutory authorities and bodies from time to time, the SEBI Listing Regulations, terms and conditions as stipulated in the allotment advice or security certificate and rules as may be applicable and introduced from time to time.*

### OVERVIEW

The Issue and the Rights Equity Shares proposed to be issued on a rights basis, are subject to the terms and conditions contained in this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, the Application Form and the Rights Entitlement Letter, the Memorandum of Association and the Articles of Association of our Company, the provisions of Companies Act, the terms and conditions as may be incorporated in the FEMA, the SEBI ICDR Regulations, the SEBI Listing Regulations and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, approvals, if any, from the SEBI, the RBI or other regulatory authorities, the terms of Listing Agreements entered into by our Company with the Stock Exchange and terms and conditions as stipulated in the Allotment Advice.

#### Important:

#### I. DISPATCH AND AVAILABILITY OF ISSUE MATERIALS:

In accordance with the SEBI (ICDR) Regulations, and the ASBA Circular, our Company will send/dispatch at least three days before the Issue Opening Date, the Abridged Letter of Offer, the Rights Entitlement Letter, Application Form and other issue material (**‘Issue Materials’**) only to the Eligible Equity Shareholders who have provided an India address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Equity Shares is permitted under laws of such jurisdictions and does not result in and may not be construed as, a public offering in such jurisdictions. In case the Eligible Equity Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case the Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the India addresses provided by them.

Further, the Letter of Offer will be sent/dispatched, by the Registrar to the Issue on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses and have made a request in this regard.

Investors can also access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) on the websites of:

1. Our Company at [www.credentglobal.com](http://www.credentglobal.com) ;
2. the Registrar to the Issue at [www.beetalfinancial.com](http://www.beetalfinancial.com) ; and
3. the Stock Exchange at [www.bseindia.com](http://www.bseindia.com);

Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar at [www.beetalfinancial.com](http://www.beetalfinancial.com) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company (i.e. [www.credentglobal.com](http://www.credentglobal.com)).

Please note that neither our Company nor the Registrar shall be responsible for not sending the physical copies of Issue materials, including the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form or delay in the receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form attributable to non-availability of the e-mail addresses of Eligible Equity Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit. Resident Eligible Equity Shareholders, who are holding Equity Shares in physical form as on the Record Date, can obtain details of their respective Rights Entitlements from the website of the Registrar by entering their Folio Number.

The distribution of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the issue of Rights Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. No action has been, or will be, taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that the Letter of Offer is being filed with SEBI and the Stock Exchange. Accordingly, the Rights Entitlements and Rights Equity Shares may not be offered or sold, directly or indirectly, and the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form or any Issue related materials or advertisements in connection with this Issue may not be distributed, in any jurisdiction, except in accordance with and as permitted under the legal requirements applicable in such jurisdiction. Receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone in any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form must be treated as sent for information only and should not be acted upon for making an Application and should not be copied or re-distributed.

Accordingly, persons receiving a copy of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form should not, in connection with the issue of the Rights Equity Shares or the Rights Entitlements, distribute or send the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form in or into any jurisdiction where to do so, would, or might, contravene local securities laws or regulations or would subject our Company or its affiliates to any filing or registration requirement (other than in India). If the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to make an Application or acquire the Rights Entitlements referred to in the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form. Any person who makes an application to acquire Rights Entitlements and the Rights Equity Shares offered in the Issue will be deemed to have declared, represented and warranted that such person is authorised to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in such person's jurisdiction and India, without requirement for our Company or our affiliates to make any filing or registration (other than in India).

## **I. PROCESS OF MAKING AN APPLICATION IN THE ISSUE**

***In accordance with Regulation 76 of the SEBI ICDR Regulations, the SEBI Rights Issue Circulars and the ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.***

The Application Form can be used by the Eligible Equity Shareholders as well as the Renouncees, to make Applications in this Issue basis the Rights Entitlement credited in their respective demat accounts or demat suspense account, as applicable. For further details on the Rights Entitlements and demat suspense account, please see “*Terms of Issue—Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders*” on page 172 of this Draft Letter of Offer

Please note that one single Application Form shall be used by Investors to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of the Rights Entitlements in the demat suspense account in case of resident Eligible Equity Shareholders holding shares in physical form as at Record Date and applying in this Issue, as applicable. In case of Investors who have provided details of demat account in accordance with the SEBI ICDR Regulations, such Investors will have to apply for the Rights Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.

Investors may apply for the Rights Equity Shares by submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors are also advised to ensure that the Application Form is correctly filled up stating therein:

1. the ASBA Account (in case of Application through ASBA process) in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB; or
2. the requisite internet banking.

**Applicants should note that they should very carefully fill-in their depository account details and PAN in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Please note that incorrect depository account details or PAN or Application Forms without depository account details shall be treated as incomplete and shall be rejected. For details, please see “Terms of Issue—Grounds for Technical Rejection” on page 169 of this Draft Letter of Offer. Our Company, the Registrar and the SCSBs shall not be liable for any incomplete or incorrect demat details provided by the Applicants.**

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that SCSBs shall accept such applications only if all details required for making the application as per the SEBI ICDR Regulations are specified in the plain paper application and that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, - please see “Terms of Issue—Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process” on page 167 of this Draft Letter of Offer.

#### ***Options available to the Eligible Equity Shareholders***

The Rights Entitlement Letter will clearly indicate the number of Rights Equity Shares that the Eligible Equity Shareholder is entitled to.

If the Eligible Equity Shareholder applies in this Issue, then such Eligible Equity Shareholder can:

1. apply for its Rights Equity Shares to the full extent of its Rights Entitlements; or
2. apply for its Rights Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or
3. apply for Rights Equity Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or
4. apply for its Rights Equity Shares to the full extent of its Rights Entitlements and apply for Additional Rights Equity Shares; or
5. renounce its Rights Entitlements in full.

#### ***Making of an Application through the ASBA process***

An Investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with SCSBs, prior to making the Application. Investors desiring to make an Application in this Issue through ASBA process, may submit the Application Form in physical mode to the Designated Branches of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors should ensure that they have correctly submitted the Application Form and have provided an authorisation to the SCSB, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application.

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>.

Please note that subject to SCSBs complying with the requirements of the SEBI circular bearing reference number CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs. Further, in terms of the SEBI circular bearing reference number CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in this Issue and clear demarcated funds should be available in such account for such an Application.

Our Company, their directors, their employees, affiliates, associates and their respective directors and officers and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc., in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

Investors applying through the ASBA facility should carefully read the provisions applicable to such Applications before making their Application through the ASBA process.

*Do's for Investors applying through ASBA:*

1. Ensure that the necessary details are filled in the Application Form including the details of the ASBA Account.
2. Ensure that the details about your Depository Participant, PAN and beneficiary account are correct and the beneficiary account is activated as the Rights Equity Shares will be Allotted in the dematerialised form only.
3. Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application.
4. Ensure that there are sufficient funds (equal to {number of Rights Equity Shares (including Additional Rights Equity Shares) applied for} X {Application Money of Equity Shares}) available in ASBA Account mentioned in the Application Form before submitting the Application to the respective Designated Branch of the SCSB.
5. Ensure that you have authorised the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the Application Form, in the ASBA Account, of which details are provided in the Application Form and have signed the same.
6. Ensure that you have a bank account with SCSBs providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location.
7. Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Application Form in physical form or plain paper Application.
8. Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form and the Rights Entitlement Letter.
9. Ensure that your PAN is linked with Aadhaar and you are in compliance with CBDT notification dated Feb 13, 2020 read with press release dated June 25, 2021 and September 17, 2021.

*Don'ts for Investors applying through ASBA:*

1. Do not apply if you are not eligible to participate in the Issue under the securities laws applicable to your jurisdiction.
2. Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or vice versa.
3. Do not send your physical Application to the Registrar, a branch of the SCSB which is not a Designated Branch of the SCSB or our Company; instead submit the same to a Designated Branch of the SCSB only.
4. Do not instruct the SCSBs to unblock the funds blocked under the ASBA process upon making the Application.
5. Do not submit Application Form using third party ASBA account.

***Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process***

An Eligible Equity Shareholder in India who is eligible to apply under the ASBA process may make an Application to subscribe to this Issue on plain paper in case of non-receipt of Application Form as detailed above. In such cases of non-receipt of the Application Form through physical delivery (where applicable) and the Eligible Equity Shareholder not being in a position to obtain it from any other source may make an Application to subscribe to this Issue on plain paper with the same details as per the Application Form that is available on the website of the Registrar or the Stock Exchange. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for

authorising such SCSB to block Application Money in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any Eligible Equity Shareholder who has not provided an Indian address.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that SCSBs shall accept such applications only if all details required for making the application as per the SEBI ICDR Regulations are specified in the plain paper application. If an Eligible Equity Shareholder makes an Application both in an Application Form as well as on plain paper, both applications are liable to be rejected.

Please note that in terms of Regulation 78 of the SEBI ICDR Regulations, the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilise the Application Form for any purpose including renunciation even if it is received subsequently.

The Application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with his/her bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

Name of our Company, being Credent Global Finance Limited;

- I. Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
- II. Folio number (in case of Eligible Equity Shareholders who hold Equity Shares in physical form as at Record Date)/DP and Client ID;
- III. Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Rights Equity Shares applied for pursuant to this Issue;
- IV. Number of Equity Shares held as at Record Date;
- V. Allotment option – only dematerialised form;
- VI. Number of Rights Equity Shares entitled to;
- VII. Number of Rights Equity Shares applied for within the Rights Entitlements;
- VIII. Number of Additional Rights Equity Shares applied for, if any (applicable only if entire Rights Entitlements have been applied for);
- IX. Total number of Rights Equity Shares applied for;
- X. Total amount paid at the rate of ₹ [●] per Rights Equity Share;
- XI. Details of the ASBA Account such as the SCSB account number, name, address and branch of the relevant SCSB;
- XII. In case of non-resident Eligible Equity Shareholders making an application with an Indian address, details of the NRE / FCNR/ NRO account such as the account number, name, address and branch of the SCSB with which the account is maintained;
- XIII. Authorisation to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
- XIV. Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB);
- XV. An approval obtained from any regulatory authority, if required, shall be obtained by the Eligible Equity Shareholders and a copy of such approval from any regulatory authority, as may be required, shall be sent to the Registrar at [beetal@beetalfinancial.com](mailto:beetal@beetalfinancial.com); and
- XVI. All such Eligible Equity Shareholders shall be deemed to have made the representations, warranties and

agreements set forth in “*Restrictions on Purchases and Resales*” on page 186 of this Draft Letter of Offer, and shall include the following:

*“I/ We hereby make representations, warranties and agreements set forth in “Restrictions on Purchases and Resales” on page 186 of the Letter of Offer.*

*I/ We acknowledge that the Company, its affiliates and others will rely upon the truth and accuracy of the representations, warranties and agreements set forth therein.”*

In cases where Multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense account, as applicable, including cases where an Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected.

Investors are requested to strictly adhere to these instructions. Failure to do so could result in an Application being rejected, with our Company and the Registrar not having any liability to the Investor. The plain paper Application format will be available on the website of the Registrar at [www.beetalfinancial.com](http://www.beetalfinancial.com).

Our Company and the Registrar shall not be responsible if the Applications are not uploaded by the SCSB or funds are not blocked in the Investors’ ASBA Accounts on or before the Issue Closing Date.

#### ***Making of an Application by Eligible Equity Shareholders holding Equity Shares in physical form***

Please note that in accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as at Record Date and desirous of subscribing to Rights Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or our Company at least two clear Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

Prior to the Issue Opening Date, the Rights Entitlements of those Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and whose demat account details are not available with our Company or the Registrar, shall be credited in a demat suspense account opened by our Company.

Eligible Equity Shareholders, who hold Equity Shares in physical form as at Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in this Issue:

1. The Eligible Equity Shareholders shall send a letter to the Registrar containing the name(s), address, e-mail address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by e-mail, post, speed post, courier, or hand delivery so as to reach to the Registrar no later than two clear Working Days prior to the Issue Closing Date;
2. The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least one day before the Issue Closing Date;
3. The remaining procedure for Application shall be same as set out in “*Terms of Issue—Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process*” on page 167 of this Draft Letter of Offer.

Resident Eligible Equity Shareholders who hold Equity Shares in physical form as at the Record Date will not be allowed to renounce their Rights Entitlements in the Issue. However, such Eligible Equity Shareholders, where the dematerialised Rights Entitlements are transferred from the suspense demat account to the respective demat accounts within prescribed timelines, can apply for Additional Rights Equity Shares while submitting the Application through ASBA process.

#### ***Application for Additional Rights Equity Shares***

Investors are eligible to apply for Additional Rights Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Equity Shares under applicable law and they have applied for all the Rights Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of Additional Rights Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalised in consultation with the Designated Stock Exchange. Applications for Additional Rights Equity Shares shall be considered, and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner as set out in “*Terms of Issue—Basis of Allotment*” on page 180 of this Draft Letter of Offer.

**Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for Additional Rights Equity Shares. Non-resident Renouncees who are not Eligible Equity Shareholders cannot apply for Additional Rights Equity Shares.**

*Additional general instructions for Investors in relation to making of an Application*

1. Please read the Draft Letter of Offer carefully to understand the Application process and applicable settlement process.
2. Please read the instructions on the Application Form sent to you. Application should be complete in all respects. The Application Form found incomplete with regards to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected. The Application Form must be filled in English.
3. In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under “*Terms of Issue—Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process*” on page 167 of this Draft Letter of Offer.
4. Applications should be submitted to the Designated Branch of the SCSB or made online/electronic through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange.
5. Applications should not be submitted to the Bankers to the Issue, our Company or the Registrar.
6. All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income-tax Act, irrespective of the amount of the Application. Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, Applications without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be “suspended for credit” and no Allotment and credit of Rights Equity Shares pursuant to this Issue shall be made into the accounts of such Investors.
7. Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation (“**Demographic Details**”) are updated, true and correct, in all respects. Investors applying under this Issue should note that on the basis of name of the Investors, DP ID and Client ID provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Therefore, Investors applying under this Issue should carefully fill in their Depository Account details in the Application. These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor and/or refund. The Demographic Details given by the Investors in the Application Form would not be used for any other purposes by the Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants. The Allotment Advice and the intimation on unblocking of ASBA Account or refund (if any) would be mailed to the address of the Investor as per the Indian address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Rights Equity Shares are not Allotted to such Investor. Please note that any such delay shall be at the sole risk of the Investors and none of our Company, the SCSBs, or the Registrar shall be liable to compensate the Investor for any losses caused due to any such delay or be liable to pay any interest for such delay. In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Investors (including the order of names of joint holders), (b) DP ID, and (c) Client ID, then such Application Forms are liable to be rejected.
8. By signing the Application Forms, Investors would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.
9. For physical Applications through ASBA at Designated Branches of SCSB, signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in any such language or thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Investors must sign the Application as per the specimen signature recorded with the SCSB.
10. Investors should provide correct DP ID and Client ID/ Folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) while submitting the Application. Such DP ID and Client ID/



Folio number should match the demat account details in the records available with Company and/or Registrar, failing which such Application is liable to be rejected. The investor will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, SCSBs or the Registrar will not be liable for any such rejections.

11. In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant's name and all communication will be addressed to the first Applicant.
12. All communication in connection with Application for the Rights Equity Shares, including any change in contact details of the Eligible Equity Shareholders should be addressed to the Registrar prior to the date of Allotment in this Issue quoting the name of the first/sole Applicant, folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as at Record Date)/DP ID and Client ID and Application Form number, as applicable. In case of any change in contact details of the Eligible Equity Shareholders, the Eligible Equity Shareholders should also send the intimation for such change to the respective depository participant, or to our Company or the Registrar in case of Eligible Equity Shareholders holding Equity Shares in physical form.
13. Investors are required to ensure that the number of Rights Equity Shares applied by them do not exceed the prescribed limits under the applicable law.
14. Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.
15. Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
16. Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.
17. Do not pay the Application Money in cash, by money order, pay order or postal order.
18. Do not submit multiple Applications.
19. An Applicant being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and FEMA Rules.
20. Ensure that your PAN is linked with Aadhaar and you are in compliance with CBDT notification dated Feb 13, 2020 and press release dated June 25, 2021 and September 17, 2021.

#### ***Grounds for Technical Rejection***

Applications made in this Issue are liable to be rejected on the following grounds:

1. DP ID and Client ID mentioned in Application does not match with the DP ID and Client ID records available with the Registrar.
2. Details of PAN mentioned in the Application does not match with the PAN records available with the Registrar.
3. Sending an Application to our Company, Registrar, to a branch of a SCSB which is not a Designated Branch of the SCSB.
4. Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money.
5. Funds in the ASBA Account whose details are mentioned in the Application Form having been frozen pursuant to regulatory orders.
6. Account holder not signing the Application or declaration mentioned therein.
7. Submission of more than one Application Form for Rights Entitlements available in a particular demat account.
8. Multiple Application Forms, including cases where an Investor submits Application Forms along with a plain paper Application.
9. Submitting the GIR number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts).

10. Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the Demographic Details provided by the Depositories.
11. Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB.
12. Application Forms which are not submitted by the Investors within the time periods prescribed in the Application Form and this Draft Letter of Offer.
13. Physical Application Forms not duly signed by the sole or joint Investors, as applicable.
14. Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, money order, postal order or outstation demand drafts.
15. If an Investor is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Investor to subscribe to their Rights Entitlements.
16. Applications which: (i) appear to our Company or its agents to have been executed in, electronically transmitted from or dispatched from jurisdictions where the offer and sale of the Rights Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is outside the United States, and is eligible to subscribe for the Rights Equity Shares under applicable securities laws and is complying with laws of jurisdictions applicable to such person in connection with this Issue; and our Company shall not be bound to issue or allot any Rights Equity Shares in respect of any such Application Form.
17. Applications which have evidence of being executed or made in contravention of applicable securities laws.
18. Application from Investors that are residing in U.S. address as per the depository records.

### ***Multiple Applications***

In case where multiple Applications are made using same demat account, such Applications shall be liable to be rejected. A separate Application can be made in respect of Rights Entitlements in each demat account of the Investors and such Applications shall not be treated as multiple applications. Similarly, a separate Application can be made against Equity Shares held in dematerialised form and Equity Shares held in physical form, and such Applications shall not be treated as multiple applications. Further supplementary Applications in relation to further Rights Equity Shares with/without using Additional Rights Entitlement will not be treated as multiple application. A separate Application can be made in respect of each scheme of a mutual fund registered with SEBI and such Applications shall not be treated as multiple applications. For details, please see “*Terms of Issue—Procedure for Applications by Mutual Funds*” on page 172 of this Draft Letter of Offer.

In cases where Multiple Application Forms are submitted, including cases where (a) an Investor submits Application Forms along with a plain paper Application or (b) multiple plain paper Applications (c) or multiple applications on through ASBA, such Applications shall be treated as multiple applications and are liable to be rejected, other than multiple applications submitted by any of our Promoters or members of our Promoter Group to meet the minimum subscription requirements applicable to this Issue as described in “*Capital Structure*” on page 42 of this Draft Letter of Offer.

### ***Procedure for Applications by certain categories of Investors***

#### ***Procedure for Applications by FPIs***

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, i.e., the individual holding of an FPI (including its investor group (which means multiple entities registered as foreign portfolio investors and directly and indirectly having common ownership of more than 50% of common control)) shall be below 10% of our post-Issue Equity Share capital. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants that may be issued by our Company, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and RBI in this regard and our Company and the investor will also be required to comply with applicable reporting requirements. Further, the aggregate limit of all FPIs investments is up to the sectoral cap applicable to the sector in which our Company operates (i.e., 100% under automatic route).

FPIs are permitted to participate in this Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. FPIs who wish to participate in the Issue are advised to use the Application Form for non-residents. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons registered as Category I FPI under the SEBI FPI Regulations; (ii) such offshore derivative instruments are issued only to persons who are eligible for registration as Category I FPIs (where an entity has an investment manager who is from the Financial Action Task Force member country, the investment manager shall not be required to be registered as a Category I FPI); (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) compliance with other conditions as may be prescribed by SEBI.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to, inter alia, the following conditions:

1. such offshore derivative instruments are transferred only to persons in accordance with the SEBI FPI Regulations; and
2. prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre – approved by the FPI.

#### ***Procedure for Applications by AIFs, FVCIs, VCFs and FDI route***

The SEBI VCF Regulations and the SEBI FVCI Regulations prescribe, among other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in this Issue. Further, venture capital funds registered as Category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in this Issue. Other categories of AIFs are permitted to apply in this Issue subject to compliance with the SEBI AIF Regulations. Such AIFs having bank accounts with SCSBs that are providing ASBA in cities / centres where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection.

No investment under the FDI route (i.e., any investment which would result in the investor holding 10% or more of the fully diluted paid-up equity share capital of our Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the investors to ensure that the necessary approval or the pre-existing approval from the government is valid in order to make any investment in the Issue. Our Company will not be responsible for any Allotments made by relying on such approvals.

#### ***Procedure for Applications by NRIs***

Investments by NRIs are governed by the FEMA Rules. Applications will not be accepted from NRIs that are ineligible to participate in this Issue under applicable securities laws.

As per the FEMA Rules, an NRI or Overseas Citizen of India ("OCI") may purchase or sell capital instruments of a listed Indian company on repatriation basis, on a recognised stock exchange in India, subject to the conditions, inter alia, that the total holding by any individual NRI or OCI will not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together will not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants. The aggregate ceiling of 10% may be raised to 24%, if a special resolution to that effect is passed by the general body of the Indian company.

Further, in accordance with press note 3 of 2020, the FDI Circular 2020 has been amended to state that all investments by entities incorporated in a country which shares land border with India or where beneficial owner of an investment into India is situated in or is a citizen of any such country ("**Restricted Investors**"), will require prior approval of the Government of India. It is not clear from the press note whether or not an issue of the Rights Equity Shares to Restricted Investors will also require prior approval of the Government of India and each Investor should seek independent legal

advice about its ability to participate in the Issue. In the event such prior approval has been obtained, the Investor shall intimate our Company and the Registrar about such approval within the Issue Period.

#### ***Procedure for Applications by Mutual Funds***

A separate application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such applications shall not be treated as multiple applications. The applications made by asset management companies or custodians of a mutual fund should clearly indicate the name of the concerned scheme for which the application is being made.

#### ***Procedure for Applications by Systemically Important Non-Banking Financial Companies ("NBFC-SI")***

In case of an application made by NBFC-SI registered with RBI, (a) the certificate of registration issued by RBI under Section 45IA of RBI Act, 1934 and (b) net worth certificate from its statutory auditors or any independent chartered accountant based on the last audited financial statements is required to be attached to the application.

#### ***Last date for Application***

The last date for submission of the duly filled in the Application Form or a plain paper Application is [●], 2023, i.e., Issue Closing Date. Our Board or any committee thereof may extend the said date for such period as it may determine from time to time, subject to the Issue Period not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

If the Application Form is not submitted with an SCSB, uploaded with the Stock Exchange and the Application Money is not blocked with the SCSB, on or before the Issue Closing Date or such date as may be extended by our Board or any committee thereof, the invitation to offer contained in this Draft Letter of Offer shall be deemed to have been declined and our Board or any committee thereof shall be at liberty to dispose of the Equity Shares hereby offered, as set out in "Terms of Issue—Basis of Allotment" on page 180 of this Draft Letter of offer.

Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange.

Please ensure that the Application Form and necessary details are filled in. In place of Application number, Investors can mention the reference number of the e-mail received from Registrar informing about their Rights Entitlement or last eight digits of the demat account. Alternatively, SCSBs may mention their internal reference number in place of application number.

#### ***Withdrawal of Application***

An Investor who has applied in this Issue may withdraw their Application at any time during Issue Period by approaching the SCSB where application is submitted. However, no Investor, whether applying through ASBA facility, may withdraw their Application post the Issue Closing Date.

#### ***Disposal of Application and Application Money***

No acknowledgment will be issued for the Application Money received by our Company. However, the Designated Branches of the SCSBs receiving the Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Application Form.

Our Board reserves its full, unqualified and absolute right to accept or reject any Application, in whole or in part, and in either case without assigning any reason thereto.

In case an Application is rejected in full, the whole of the Application Money will be unblocked in the respective ASBA Accounts, in case of Applications through ASBA. Wherever an Application is rejected in part, the balance of Application Money, if any, after adjusting any money due on Rights Equity Shares Allotted, will be refunded / unblocked in the respective bank accounts from which Application Money was received / ASBA Accounts of the Investor within a period of 4 days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

For further instructions, please read the Application Form carefully.

### **CREDIT OF RIGHTS ENTITLEMENTS IN DEMAT ACCOUNTS OF ELIGIBLE EQUITY SHAREHOLDERS**

## ***Rights Entitlements***

As your name appears as a beneficial owner in respect of the issued and paid-up Equity Shares held in dematerialised form or appears in the register of members of our Company as an Eligible Equity Shareholder in respect of our Equity Shares held in physical form, as at the Record Date, you may be entitled to subscribe to the number of Rights Equity Shares as set out in the Rights Entitlement Letter.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar ([www.beetalfinancial.com](http://www.beetalfinancial.com)) by entering their DP ID and Client ID or folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as at Record Date) and PAN. The link for the same shall also be available on the website of our Company (i.e. [www.credentglobal.com](http://www.credentglobal.com)).

In this regard, our Company has made necessary arrangements with NSDL and CDSL for crediting of the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders in a dematerialised form. A separate ISIN for the Rights Entitlements has also been generated which is [●]. The said ISIN shall remain frozen (for debit) until the Issue Opening Date. The said ISIN shall be suspended for transfer by the Depositories post the Issue Closing Date.

Additionally, our Company will submit the details of the total Rights Entitlements credited to the demat accounts of the Eligible Equity Shareholders and the demat suspense account to the Stock Exchange after completing the corporate action. The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar after keying in their respective details along with other security control measures implemented thereat.

Rights Entitlements shall be credited to the respective demat accounts of Eligible Equity Shareholders before the Issue Opening Date only in dematerialised form. Further, if no Application is made by the Eligible Equity Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall lapse and shall be extinguished after the Issue Closing Date. No Rights Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the premium paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an Application to apply for Rights Equity Shares offered under Rights Issue for subscribing to the Rights Equity Shares offered under Issue.

If Eligible Equity Shareholders holding Equity Shares in physical form as at Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two clear Working Days prior to the Issue Closing Date, to enable the credit of the Rights Entitlements by way of transfer from the demat suspense account to their respective demat accounts, at least one day before the Issue Closing Date. Such Eligible Equity Shareholders holding shares in physical form can update the details of their respective demat accounts on the website of the Registrar [www.beetalfinancial.com](http://www.beetalfinancial.com). Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialised form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense account (namely, “[●] RE Suspense Account”) opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in the account of the IEPF authority; or (b) the demat accounts of the Eligible Equity Shareholder which are frozen or the Equity Shares which are lying in the unclaimed suspense account (including those pursuant to Regulation 39 of the SEBI Listing Regulations) or details of which are unavailable with our Company or with the Registrar on the Record Date; or (c) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as at Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (d) credit of the Rights Entitlements returned/reversed/failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings, if any; or (f) non-institutional equity shareholders in the United States.

Eligible Equity Shareholders are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to our Company or the Registrar not later than two clear Working Days prior to the Issue Closing Date, i.e., by [●], 2023 to enable the credit of their Rights Entitlements by way of transfer from the demat suspense account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to our Company or the Registrar account is active to facilitate the aforementioned transfer.

## RENUNCIATION AND TRADING OF RIGHTS ENTITLEMENT

### *Renouncees*

All rights and obligations of the Eligible Equity Shareholders in relation to Applications and refunds pertaining to this Issue shall apply to the Renouncee(s) as well.

### *Renunciation of Rights Entitlements*

This Issue includes a right exercisable by Eligible Equity Shareholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and vice versa shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

The renunciation of Rights Entitlements credited in your demat account can be made either by sale of such Rights Entitlements, using the secondary market platform of the Stock Exchange or through an off-market transfer. In accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020 read with SEBI circular SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020, the Eligible Equity Shareholders, who hold Equity Shares in physical form as at Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, will not be able to renounce their Rights Entitlements.

### *Procedure for Renunciation of Rights Entitlements*

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the Stock Exchange (the “**On Market Renunciation**”); or (b) through an off-market transfer (the “**Off Market Renunciation**”), during the Renunciation Period. The Investors should have the demat Rights Entitlements credited / lying in his/her own demat account prior to the renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of trading in the Rights Entitlements. Investors who intend to trade in the Rights Entitlements should consult their tax advisor or stock-broker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Rights Entitlements.

**Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.**

### **Payment Schedule of Rights Equity Shares**

₹ [●] per Rights Equity Share (including premium of ₹ [●] per Rights Equity Share) shall be payable on Application.

Our Company accept no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage), and such costs will be incurred solely by the Investors.

#### **1. On Market Renunciation**

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchange through a registered stock-broker in the same manner as the existing Equity Shares.

In this regard, in terms of provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circulars, the Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchange under ISIN: [●] subject to requisite approvals. Prior to the Issue Opening Date, our Company will obtain the approval from the Stock Exchange for trading of Rights Entitlements. No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade. The details for trading in Rights Entitlements will be as specified by the Stock Exchange from time to time.

The Rights Entitlements are tradable in dematerialised form only. The market lot for trading of Rights Entitlements is 1 (one) Rights Entitlements.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from [●] to [●] (both days inclusive).

The Investors holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock-brokers by quoting the ISIN: [●] and indicating the details of the Rights Entitlements they intend to trade. The Investors can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The On Market Renunciation shall take place electronically on secondary market platform of BSE under automatic order matching mechanism and on 'T+2 rolling settlement basis', where 'T' refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock-broker will issue a contract note in accordance with the requirements of the Stock Exchange and the SEBI.

## **2. Off Market Renunciation**

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialised form only.

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

The Investors holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN: [●], the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Investors can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants.

The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the NSDL and CDSL from time to time.

## **MODE OF PAYMENT**

All payments against the Application Forms shall be made only through ASBA facility. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility.

In case of Application through the ASBA facility, the Investor agrees to block the entire amount payable on Application with the submission of the Application Form, by authorising the SCSB to block an amount, equivalent to the amount payable on Application, in the Investor's ASBA Account. The SCSB may reject the application at the time of acceptance of Application Form if the ASBA Account, details of which have been provided by the Investor in the Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Application Form. Subsequent to the acceptance of the Application by the SCSB, our Company would have a right to reject the Application on technical grounds as set forth in this Draft Letter of Offer.

After verifying that sufficient funds are available in the ASBA Account details of which are provided in the Application Form, the SCSB shall block an amount equivalent to the Application Money mentioned in the Application Form until the Transfer Date. On the Transfer Date, upon receipt of intimation from the Registrar, of the receipt of minimum subscription and pursuant to the finalisation of the Basis of Allotment as approved by the Designated Stock Exchange, the SCSBs shall transfer such amount as per the Registrar's instruction from the ASBA Account into the Allotment Account(s) which shall be a separate bank account maintained by our Company, other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013. The balance amount remaining after the finalisation of the Basis of Allotment on the Transfer Date shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB.

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the stock invest scheme has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

### ***Mode of payment for Resident Investors***

All payments on the Application Forms shall be made only through ASBA facility. Applicants are requested to strictly adhere to these instructions.

### ***Mode of payment for Non-Resident Investors***

As regards the Application by non-resident Investors, payment must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by RBI and subject to the following:

1. In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Rights Equity Shares can be remitted outside India, subject to tax, as applicable according to the Income-Tax Act. However, please note that conditions applicable at the time of original investment in our Company by the Eligible Equity Shareholder including repatriation shall not change and remain the same for subscription in the Issue or subscription pursuant to renunciation in the Issue.
2. Subject to the above, in case Rights Equity Shares are Allotted on a non-repatriation basis, the dividend and sale proceeds of the Rights Equity Shares cannot be remitted outside India.
3. In case of an Application Form received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines and rules prescribed by RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals.
4. Application Forms received from non-residents/ NRIs, or persons of Indian origin residing abroad for Allotment of Rights Equity Shares shall, amongst other things, be subject to conditions, as may be imposed from time to time by RBI under FEMA, in respect of matters including Refund of Application Money and Allotment.
5. In the case of NRIs who remit their Application Money from funds held in FCNR/NRE Accounts, refunds and other disbursements, if any shall be credited to such account.
6. Non-resident Renouncees who are not Eligible Equity Shareholders must submit regulatory approval for applying for Additional Rights Equity Shares.

### **BASIS FOR THIS ISSUE AND TERMS OF THIS ISSUE**

The Rights Equity Shares are being offered for subscription to the Eligible Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of our Equity Shares held in dematerialised form and on the register of members of our Company in respect of our Equity Shares held in physical form at the close of business hours on the Record Date.

For principal terms of Issue such as face value, Issue Price, Rights Entitlement ratio, please see “*The Issue*” on page 36 of this Draft Letter of Offer.

### ***Fractional Entitlements***

The Rights Equity Shares are being offered on a rights basis to Eligible Equity Shareholders in the ratio of [●] Equity Share for every [●] Equity Shares held on the Record Date. For Equity Shares being offered on a rights basis under this Issue, if the shareholding of any of the Eligible Equity Shareholders is less than [●] Equity Shares or not in the multiple of [●] the fractional entitlement of such Eligible Equity Shareholders shall be ignored in the computation of the Rights Entitlement. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the allotment of one additional Equity Share each if they apply for additional Equity Shares over and above their Rights Entitlement, if any.

Further, the Eligible Equity Shareholders holding less than [●] Equity Shares shall have ‘zero’ entitlement in the Issue. Such Eligible Equity Shareholders are entitled to apply for additional Equity Shares and will be given preference in the allotment of one additional Equity Share if, such Eligible Equity Shareholders apply for the additional Equity Shares. However, they cannot renounce the same in favour of third parties and the application forms shall be non-negotiable.

### ***Ranking***

The Rights Equity Shares to be issued and Allotted pursuant to this Issue shall be subject to the provisions of this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum



of Association and the Articles of Association, the provisions of the Companies Act, 2013, FEMA, the SEBI ICDR Regulations, the SEBI Listing Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, the terms of the Listing Agreements entered into by our Company with the Stock Exchange and the terms and conditions as stipulated in the Allotment advice. The Rights Equity Shares to be issued and Allotted under this Issue shall, upon being fully paid-up rank *pari passu* with the existing Equity Shares, in all respects including dividends.

#### ***Listing and trading of the Rights Equity Shares to be issued pursuant to this Issue***

Subject to receipt of the listing and trading approvals, the Rights Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on the Stock Exchange. Unless otherwise permitted by the SEBI ICDR Regulations, the Rights Equity Shares Allotted pursuant to this Issue will be listed as soon as practicable and all steps for completion of necessary formalities for listing and commencement of trading in the Rights Equity Shares will be taken within such period prescribed under the SEBI ICDR Regulations. Our Company has received in-principle approval from the BSE through letter bearing reference number [●] dated [●]. Our Company will apply to the Stock Exchange for final approvals for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under this Issue will trade after the listing thereof.

The existing Equity Shares are listed and traded on BSE (Scrip Code: 539598) under the ISIN: INE727C0106. The Rights Equity Shares shall be credited to a temporary ISIN which will be frozen until the receipt of the final listing/ trading approvals from the Stock Exchange. Upon receipt of such listing and trading approvals, the Rights Equity Shares shall be debited from such temporary ISIN and credited to the new ISIN for the Rights Equity Shares and thereafter be available for trading and the temporary ISIN shall be permanently deactivated in the depository system of CDSL and NSDL.

The listing and trading of the Rights Equity Shares issued pursuant to this Issue shall be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading schedule.

In case our Company fails to obtain listing or trading permission from the Stock Exchange, our Company shall refund through verifiable means/unblock the respective ASBA Accounts, the entire monies received/blocked within four days of receipt of intimation from the Stock Exchange, rejecting the application for listing of the Rights Equity Shares, and if any such money is not refunded/ unblocked within four days after our Company becomes liable to repay it, our Company and every director of our Company who is an officer-in-default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at rates prescribed under applicable law.

#### ***Subscription to this Issue by our Promoters and members of our Promoter Group***

Pursuant to their respective letters each dated June 15, 2023,, our Promoters have confirmed that they do not intend to subscribe to their Rights Entitlements and may renounce those in favour of third parties.

#### ***Rights of Holders of Rights Equity Shares***

Subject to applicable laws, Equity Shareholders who have been Allotted Rights Equity Shares pursuant to the Issue shall have the following rights:

1. The right to receive dividend, if declared;
2. The right to receive surplus on liquidation;
3. The right to receive offers for rights shares and be allotted bonus shares, if announced;
4. The right to free transferability of Rights Equity Shares;
5. The right to attend general meetings of our Company and exercise voting powers in accordance with law, unless prohibited / restricted by law and as disclosed in this Draft Letter of Offer; and
6. Such other rights as may be available to a shareholder of a listed public company under the Companies Act, 2013, the Memorandum of Association and the Articles of Association.

### **GENERAL TERMS OF THE ISSUE**

#### ***Market Lot***

The Rights Equity Shares shall be tradable only in dematerialised form. The market lot for the Rights Equity Shares in dematerialised mode is one Equity Share.

### ***Joint Holders***

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as the joint holders with the benefit of survivorship subject to the provisions contained in our Articles of Association. In case of Equity Shares held by joint holders, the Application submitted in physical mode to the Designated Branch of the SCSBs would be required to be signed by all the joint holders (in the same order as appearing in the records of the Depository) to be considered as valid for allotment of the Rights Equity Shares offered in this Issue.

### ***Nomination***

Nomination facility is available in respect of the Rights Equity Shares in accordance with the provisions of the Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014.

Since the Allotment is in dematerialised form, there is no need to make a separate nomination for the Equity Shares to be Allotted in this Issue. Nominations registered with the respective DPs of the Investors would prevail. Any Investor holding Equity Shares in dematerialised form and desirous of changing the existing nomination is requested to inform its Depository Participant.

### ***Arrangements for Disposal of Odd Lots***

The Rights Equity Shares shall be traded in dematerialised form only and, therefore, the marketable lot shall be one Rights Equity Share and hence, no arrangements for disposal of odd lots are required.

### ***Notices***

In accordance with the SEBI ICDR Regulations and the SEBI Rights Issue Circulars, the Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other applicable Issue material will be sent/ dispatched only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be physically dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

All notices to the Eligible Equity Shareholders required to be given by our Company shall be published in one English language national daily newspaper with wide circulation, one Hindi language national daily newspaper with wide circulation and one Marathi language daily newspaper with wide circulation (Marathi being the regional language of Mumbai, where our Registered Office is located).

This Draft Letter of Offer, the Abridged Letter of Offer and the Application Form shall also be submitted with the Stock Exchange for making the same available on their websites.

### ***Offer to Non-Resident Eligible Equity Shareholders/Investors***

As per Rule 7 of the FEMA Rules, RBI has given general permission to a person resident outside India and having investment in an Indian company to make investment in rights equity shares issued by such company subject to certain conditions. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 issued by RBI, non-residents may, amongst other things, subject to the conditions set out therein (i) subscribe for additional shares over and above their rights entitlements; (ii) renounce the shares offered to them either in full or part thereof in favour of a person named by them; or (iii) apply for the shares renounced in their favour. Applications received from NRIs and non-residents for allotment of Rights Equity Shares shall be, amongst other things, subject to the conditions imposed from time to time by RBI under FEMA in the matter of Application, refund of Application Money, Allotment of Rights Equity Shares and issue of Rights Entitlement Letters/ letters of Allotment/Allotment advice. If a non-resident or NRI Investor has specific approval from RBI or any other governmental authority, in connection with his shareholding in our Company, such person should enclose a copy of such approval with the Application details and send it to the Registrar at ([www.beetalfinancial.com](http://www.beetalfinancial.com)). It will be the sole responsibility of the investors to ensure that the necessary approval from the RBI or the governmental authority is valid in order to make any investment in the Issue and our Company will not be responsible for any such allotments made by relying on such approvals.

The Abridged Letter of Offer, the Rights Entitlement Letter and Application Form shall be sent only to the Indian addresses of the non-resident Eligible Equity Shareholders on a reasonable efforts basis, who have provided an Indian address to our Company and located in jurisdictions where the offer and sale of the Rights Equity Shares may be permitted under laws of such jurisdictions. Eligible Equity Shareholders can access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) from the websites of the Registrar, our Company and the Stock Exchange. Further, Application Forms will be made available at Registered Office of our Company for the non-resident Indian Applicants. Our Board may at its absolute discretion, agree to such terms and conditions as may be stipulated by RBI while approving the Allotment. The Rights Equity Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original Equity Shares against which Rights Equity Shares are issued on rights basis.

In case of change of status of holders, i.e., from resident to non-resident, a new demat account must be opened. Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company.

Please also note that pursuant to Circular No. 14 dated September 16, 2003 issued by RBI, OCBs have been derecognised as an eligible class of investors and RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of RBI and to obtain prior approval from RBI for applying in this Issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and FEMA Rules.

The non-resident Eligible Equity Shareholders can update their Indian address in the records maintained by the Registrar and our Company by submitting their respective copies of self-attested proof of address, passport, etc. by email to beetal@beetalfinancial.com.

## **ALLOTMENT OF THE RIGHTS EQUITY SHARES IN DEMATERIALISED FORM**

**PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALISED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE. FOR DETAILS, PLEASE SEE “ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS” ON PAGE 180 OF THIS DRAFT LETTER OF OFFER.**

## **ISSUE SCHEDULE**

LAST DATE FOR CREDIT OF RIGHTS ENTITLEMENTS	[●]
ISSUE OPENING DATE	[●]
LAST DATE FOR ON MARKET RENUNCIATION OF RIGHTS ENTITLEMENTS <sup>#</sup>	[●]
ISSUE CLOSING DATE*	[●]
FINALISATION OF BASIS OF ALLOTMENT (ON OR ABOUT)	[●]
DATE OF ALLOTMENT (ON OR ABOUT)	[●]
DATE OF CREDIT (ON OR ABOUT)	[●]
DATE OF LISTING (ON OR ABOUT)	[●]

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

*\*Our Board or a duly authorised committee thereof will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.*

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as at Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two clear Working Days prior to the Issue Closing Date, i.e., [●], to enable the credit of the Rights Entitlements by way of transfer from the demat suspense account to their respective demat accounts, at least one day before the Issue Closing Date, i.e., [●]. If demat account details are not provided by the Eligible Equity Shareholders holding Equity Shares in physical form to the Registrar or our Company by the date mentioned above, such shareholders will not be allotted any Rights Equity Shares nor such Rights Equity Shares be kept in suspense account on behalf of such shareholder in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to our Company or the Registrar, is active to facilitate the aforementioned transfer. Eligible Equity Shareholders holding Equity Shares in physical form can update the details of their demat accounts on the website of the Registrar (i.e., [●]). Such Eligible Equity Shareholders

can make an Application only after the Rights Entitlements is credited to their respective demat accounts. Eligible Equity Shareholders can obtain the details of their Rights Entitlements from the website of the Registrar (i.e., [www.beetalfinancial.com](http://www.beetalfinancial.com)) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company.

## **BASIS OF ALLOTMENT**

Subject to the provisions contained in the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, the Articles of Association and the approval of the Designated Stock Exchange, our Board will proceed to Allot the Rights Equity Shares in the following order of priority:

1. Full Allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlements of Rights Equity Shares either in full or in part and also to the Renouncee(s) who has or have applied for Rights Equity Shares renounced in their favour, in full or in part.
2. Eligible Equity Shareholders whose fractional entitlements are being ignored and Eligible Equity Shareholders with zero entitlement, would be given preference in allotment of one Additional Rights Equity Share each if they apply for Additional Rights Equity Shares. Allotment under this head shall be considered if there are any unsubscribed Rights Equity Shares after allotment under (a) above. If number of Rights Equity Shares required for Allotment under this head are more than the number of Rights Equity Shares available after Allotment under (a) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange and will not be a preferential allotment.
3. Allotment to the Eligible Equity Shareholders who having applied for all the Rights Equity Shares offered to them as part of this Issue, have also applied for Additional Rights Equity Shares. The Allotment of such Additional Rights Equity Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there are any unsubscribed Rights Equity Shares after making full Allotment in (a) and (b) above. The Allotment of such Rights Equity Shares will be at the sole discretion of our Board or its Rights Issue Committee in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
4. Allotment to Renouncees who having applied for all the Rights Equity Shares renounced in their favour, have applied for Additional Rights Equity Shares provided there is surplus available after making full Allotment under (a), (b) and (c) above. The Allotment of such Rights Equity Shares will be made on a proportionate basis in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
5. Allotment to any other person, subject to applicable laws, that our Board may deem fit, provided there is surplus available after making Allotment under (a), (b), (c) and (d) above, and the decision of our Board in this regard shall be final and binding.

After taking into account Allotment to be made under (a) to (d) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed'.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Controlling Branches, a list of the Investors who have been allocated Rights Equity Shares in this Issue, along with:

1. The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for this Issue, for each successful Application;
2. The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
3. The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

Further, the list of Applicants eligible for refund with corresponding amount will also be shared with Banker to the Issue to refund such Applicants.

## **ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS**

Our Company will send/ dispatch Allotment advice, refund intimations or demat credit of securities and/or letters of regret, only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, Allotment advice, refund intimations or demat credit of securities and/or letters of regret will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have

not provided their e-mail address, then the Allotment advice, refund intimations or demat credit of securities and/or letters of regret will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them along with crediting the Allotted Rights Equity Shares to the respective beneficiary accounts (only in dematerialised mode) or in a demat suspense account (in respect of Eligible Equity Shareholders holding Equity Shares in physical form on the Allotment Date) or issue instructions for unblocking the funds in the respective ASBA Accounts, if any, within a period of four days from the Issue Closing Date. In case of failure to do so, our Company and our Directors who are “officers in default” shall pay interest at 15% p.a. and such other rate as specified under applicable law from the expiry of such 4 days’ period.

The Rights Entitlements will be credited in the dematerialised form using electronic credit under the depository system and the Allotment advice shall be sent, through a mail, to the Indian mail address provided to our Company or at the address recorded with the Depository.

In the case of non-resident Investors who remit their Application Money from funds held in the NRE or the FCNR Accounts, unblocking refunds and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts.

Where an Applicant has applied for Additional Rights Equity Shares in the Issue and is Allotted a lesser number of Rights Equity Shares than applied for, the excess Application Money paid/blocked shall be unblocked. The unblocking of ASBA funds / refund of monies shall be completed be within such period as prescribed under the SEBI ICDR Regulations. In the event that there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.

## **PAYMENT OF REFUND**

### ***Mode of making refunds***

The payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through any of the following modes.

1. Unblocking amounts blocked using ASBA facility.
2. **NACH** – National Automated Clearing House is a consolidated system of electronic clearing service. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by RBI, where such facility has been made available. This would be subject to availability of complete bank account details including a Magnetic Ink Character Recognition (“**MICR**”) code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where Applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.
3. **National Electronic Fund Transfer (“NEFT”)** – Payment of refund shall be undertaken through NEFT wherever the Investors’ bank has been assigned the Indian Financial System Code (“**IFSC Code**”), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as at a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Investors have registered their nine digit MICR number and their bank account number with the Registrar, to our Company or with the Depository Participant while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Investors through this method.
4. **Direct Credit** – Investors having bank accounts with the Bankers to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne by our Company.
5. **RTGS** – If the refund amount exceeds ₹2,00,000, the Investors have the option to receive refund through RTGS. Such eligible Investors who indicate their preference to receive refund through RTGS are required to provide the IFSC Code in the Application Form. In the event the same is not provided, refund shall be made through NACH or any other eligible mode. Charges, if any, levied by the Refund Bank(s) for the same would be borne by our Company. Charges, if any, levied by the Investor’s bank receiving the credit would be borne by the Investor.
6. For all other Investors, the refund orders will be dispatched through speed post or registered post subject to applicable laws. Such refunds will be made by cheques, pay orders or demand drafts drawn in favour of the sole/first Investor and payable at par.
7. Credit of refunds to Investors in any other electronic manner, permissible by SEBI from time to time.

### ***Refund payment to non-residents***

The Application Money will be unblocked in the ASBA Account of the non-resident Applicants, details of which were provided in the Application Form.

### **ALLOTMENT ADVICE OR DEMAT CREDIT OF SECURITIES**

The demat credit of securities to the respective beneficiary accounts will be credited within 15 days from the Issue Closing Date or such other timeline in accordance with applicable laws.

### ***Receipt of the Rights Equity Shares in Dematerialised Form***

**PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR UNDER THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALISED FORM AND TO (A) THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE, OR (B) THE DEPOSITORY ACCOUNT, DETAILS OF WHICH HAVE BEEN PROVIDED TO OUR COMPANY OR THE REGISTRAR AT LEAST TWO CLEAR WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE BY THE ELIGIBLE EQUITY SHAREHOLDER HOLDING EQUITY SHARES IN PHYSICAL FORM AS AT THE RECORD DATE.**

Investors shall be Allotted the Rights Equity Shares in dematerialised (electronic) form. Our Company has signed two agreements with the respective Depositories and the Registrar to the Issue, which enables the Investors to hold and trade in the securities issued by our Company in a dematerialised form, instead of holding the Equity Shares in the form of physical certificates:

1. Tripartite agreement dated January 2, 2001 amongst our Company, NSDL and the Registrar to the Issue; and
2. Tripartite agreement dated December 30, 2000 amongst our Company, CDSL and the Registrar to the Issue

### **INVESTORS MAY PLEASE NOTE THAT THE RIGHTS EQUITY SHARES CAN BE TRADED ON THE STOCK EXCHANGES ONLY IN DEMATERIALISED FORM**

The procedure for availing the facility for Allotment of Rights Equity Shares in this Issue in the dematerialised form is as under:

1. Open a beneficiary account with any depository participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of Investors having various folios in our Company with different joint holders, the Investors will have to open separate accounts for such holdings. Those Investors who have already opened such beneficiary account(s) need not adhere to this step.
2. It should be ensured that the depository account is in the name(s) of the Investors and the names are in the same order as in the records of our Company or the Depositories.
3. The responsibility for correctness of information filled in the Application Form vis-a-vis such information with the Investor's depository participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in Application Form should be the same as registered with the Investor's depository participant.
4. If incomplete or incorrect beneficiary account details are given in the Application Form, the Investor will not get any Rights Equity Shares and the Application Form will be rejected.
5. The Rights Equity Shares will be allotted to Applicants only in dematerialised form and would be directly credited to the beneficiary account as given in the Application Form after verification or demat suspense account (pending receipt of demat account details for resident Eligible Equity Shareholders holding Equity Shares in physical form/ with Investor Education and Protection Fund (IEPF) authority/ in suspense, etc.). Allotment advice, refund order (if any) would be sent through physical dispatch, by the Registrar but the Applicant's depository participant will provide to him the confirmation of the credit of such Rights Equity Shares to the Applicant's depository account.
6. Non-transferable Allotment advice/ refund intimation will be directly sent to the Investors by the Registrar, through physical dispatch.

7. Renouncees will also have to provide the necessary details about their beneficiary account for Allotment of Rights Equity Shares in this Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.

## **IMPERSONATION**

Attention of the Investors is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who –

1. makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
2. 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
3. otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”

The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least ₹0.1 crore or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹0.1 crore or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹0.5 crore or with both.

## **UTILISATION OF ISSUE PROCEEDS**

Our Board declares that:

1. All monies received out of this Issue shall be transferred to a separate bank account;
2. Details of all monies utilised out of this Issue referred to under (A) above shall be disclosed, and continue to be disclosed until the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and
3. Details of all unutilised monies out of this Issue referred to under (A) above, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilised monies have been invested.

## **UNDERTAKINGS BY OUR COMPANY**

Our Company undertakes the following:

1. The complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily.
2. All steps for completion of the necessary formalities for listing and commencement of trading at all Stock Exchange where the Equity Shares are to be listed will be taken by our Board within the period prescribed by SEBI.
3. The funds required for unblocking to unsuccessful Applicants as per the mode(s) disclosed shall be made available to the Registrar by our Company.
4. Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Applicant within 15 days of the Issue Closing Date, giving details of the banks where refunds shall be credited along with amount and expected date of electronic credit of refund.
5. In case of unblocking of the Application Money for unsuccessful Applicants or part of the Application Money in case of proportionate Allotment, a suitable communication shall be sent to the Applicants.
6. Adequate arrangements shall be made to collect all ASBA Applications.

7. As of the date of this Draft Letter of Offer, our Company had not issued any outstanding compulsorily convertible debt instruments. Further, except as disclosed in this Draft Letter of Offer, our Company has not issued any outstanding convertible debt instruments.
8. Our Company shall comply with such disclosure and accounting norms specified by SEBI from time to time.

#### **INVESTOR GRIEVANCES, COMMUNICATION AND IMPORTANT LINKS**

1. Please read this Draft Letter of Offer carefully before taking any action. The instructions contained in the Application Form, Abridged Letter of Offer and the Rights Entitlement Letter are an integral part of the conditions of this Draft Letter of Offer and must be carefully followed; otherwise the Application is liable to be rejected.
2. All enquiries in connection with this Draft Letter of Offer must be addressed (quoting the registered folio number in case of Eligible Equity Shareholders who hold Equity Shares in physical form as at Record Date or the DP ID and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and super scribed “**Credent Global Finance Limited– Rights Issue**” on the envelope and postmarked in India) to the Registrar at the following address:

**Beetal Financial and Computer Services (P) Limited**

Beetal House, 3<sup>rd</sup> Floor, 99, Madangir, Behind LSC,  
Near Dada Harsukhdas Mandir, New Delhi -110062,  
Tel: +91 11 2996 1281-83, +91 11 2605 1061, 2605 1064

Email: [beetal@beetalfinancial.com](mailto:beetal@beetalfinancial.com)

Website: [www.beetalfinancial.com](http://www.beetalfinancial.com)

Contact Person: Mr. Bhavander Jha

SEBI Registration Number: INR000000262

In accordance with SEBI Rights Issue Circulars, frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar ([www.beetalfinancial.com](http://www.beetalfinancial.com))). Further, helpline number provided by the Registrar for guidance on the Application process and resolution of difficulties are +91 11 2996 1281-83.

3. The Investors can visit following links for the below-mentioned purposes:
  - i. Frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors: +91 11 2996 1281-83
  - ii. Updation of Indian address/ e-mail address/ phone or mobile number in the records maintained by the Registrar or our Company: [www.beetalfinancial.com](http://www.beetalfinancial.com)
  - iii. Updation of demat account details by Eligible Equity Shareholders holding shares in physical form: [www.beetalfinancial.com](http://www.beetalfinancial.com)
  - iv. Submission of self-attested PAN, client master sheet and demat account details by non- resident Eligible Equity Shareholders: <https://www.beetalfinancial.com>

This Issue will remain open for a minimum 15 days. However, our Board will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Closing Date).



## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991, prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, 1991, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Accordingly, the process for foreign direct investment (“**FDI**”) and approval from the Government of India will not be handled by the concerned ministries or departments, in consultation with the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as the Department of Industrial Policy and Promotion) (“**DPIIT**”), Ministry of Finance, Department of Economic Affairs through the FDI Circular 2020 (defined below).

The DPIIT issued the Consolidated FDI Policy Circular of 2020 (“**FDI Circular 2020**”), which, with effect from October 15, 2020, consolidated and superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as at October 15, 2020. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Circular 2020 will be valid until the DPIIT issues an updated circular. The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases which are notified by RBI as amendments to FEMA. In case of any conflict, the relevant notification under the FEMA Rules will prevail. The payment of inward remittance and reporting requirements are stipulated under the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 issued by RBI.

On October 17, 2019, Ministry of Finance, Department of Economic Affairs, had notified the FEMA Rules, which had replaced the Foreign Exchange Management (Transfer and Issue of Security by a Person Resident Outside India) Regulations 2017. Foreign investment in this Offer shall be on the basis of the FEMA Rules. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020 issued on December 8, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank or fund in India.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of RBI, provided that (i) the activities of the investee company falls under the automatic route as provided in the FDI Policy and FEMA and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non- resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI.

Please also note that pursuant to Circular no. 14 dated September 16, 2003 issued by RBI, Overseas Corporate Bodies (“**OCBs**”) have been derecognised as an eligible class of investors and RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and FEMA Rules. Further, while investing in the Issue, the Investors are deemed to have obtained the necessary approvals, as required, under applicable laws and the obligation to obtain such approvals shall be upon the Investors. Our Company shall not be under an obligation to obtain any approval under any of the applicable laws on behalf of the Investors and shall not be liable in case of failure on part of the Investors to obtain such approvals.

The above information is given for the benefit of the Applicants / Investors. Our Company is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Rights Equity Shares applied for do not exceed the applicable limits under laws or regulations.

## RESTRICTIONS ON PURCHASES AND REALES

### Eligibility and Restrictions

#### *General*

No action has been taken or will be taken to permit an offering of the Rights Entitlements or the Rights Equity Shares to occur in any jurisdiction, or the possession, circulation, or distribution of the Letter of Offer or any other Issue Material in any jurisdiction where action for such purpose is required, except that the Letter of Offer will be filed with the Stock Exchange and submitted to the SEBI for information and dissemination.

The Rights Entitlement and the Rights Equity Shares may not be offered or sold, directly or indirectly, and the Letter of Offer and any other Issue Materials may not be distributed, in whole or in part, in or into: (i) the United States, or (ii) any jurisdiction other than India except in accordance with the legal requirements applicable in such jurisdiction.

Receipt of the Letter of Offer or any other Issue Materials (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone: (i) in the United States or (ii) any jurisdiction in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, the Letter of Offer and any other Issue Materials must be treated as sent for information only and should not be acted upon for subscription to Rights Equity Shares and should not be copied or re-distributed. Accordingly, persons receiving a copy of the Letter of Offer and any other Issue Materials should not distribute or send the Letter of Offer or any such documents in or into any jurisdiction where to do so would or might contravene local securities laws or regulations or would subject our Company or its affiliates to any filing or registration requirement (other than in India). If the Letter of Offer or any other Issue Material is received by any person in any such jurisdiction or the United States, they must not seek to subscribe to the Rights Equity Shares.

Investors are advised to consult their legal counsel prior to accepting any provisional allotment of Rights Equity Shares, applying for excess Rights Equity Shares or making any offer, sale, resale, pledge or other transfer of the Rights Entitlements or the Rights Equity Shares. Rights Entitlements may not be transferred or sold to any person outside India except in accordance with applicable law.

The Letter of Offer is, and the other Issue Materials will be, supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose.

Each person who exercises the Rights Entitlements and subscribes for the Rights Equity Shares, or who purchases the Rights Entitlements or the Rights Equity Shares shall do so in accordance with the restrictions set out above and below.

#### *Australia*

The Letter of Offer does not constitute a prospectus or other disclosure document under the Corporations Act 2001 (Cth) (“**Australian Corporations Act**”) and does not purport to include the information required of a disclosure document under the Australian Corporations Act. The Letter of Offer is not a disclosure document under Chapter 6D of the Corporations Act of Australia and it has not been lodged with the Australian Securities and Investments Commission (“**ASIC**”) and no steps have been taken to lodge it as such with ASIC. It is not required to, and does not, contain all the information which would be required in a disclosure document.

Any offer in Australia of the Rights Entitlements and Equity Shares under the Letter of Offer may only be made to persons who are “sophisticated investors” (within the meaning of section 708(8) of the Australian Corporations Act), to “professional investors” (within the meaning of section 708(11) of the Australian Corporations Act) or otherwise pursuant to one or more exemptions under section 708 of the Australian Corporations Act so that it is lawful to offer the Rights Entitlements and Equity Shares in Australia without disclosure to investors under Part 6D.2 of the Australian Corporations Act.

If you are acting on behalf of, or acting as agent or nominee for, an Australian resident and you are a recipient of the Letter of Offer, and any offers made under the Letter of Offer, you represent to the Issuer that you will not provide the Letter of Offer or communicate any offers made under the Letter of Offer to, or make any applications or receive any offers for Rights Entitlements or the Equity Shares for, any Australian residents unless they are a “sophisticated investor” or a “professional investor” as defined by section 708 of the Australian Corporations Act.

Any offer of the Rights Entitlements or the Equity Shares for on-sale that is received in Australia within 12 months after their issue by our Company, or within 12 months after their sale by a selling security holder under the Issue, as applicable, is likely to need prospectus disclosure to investors under Part 6D.2 of the Australian Corporations Act, unless such offer

for on-sale in Australia is conducted in reliance on a prospectus disclosure exemption under section 708 of the Australian Corporations Act or otherwise. Any persons acquiring the Rights Entitlements and the Equity Shares should observe such Australian on-sale restrictions.

### ***Bahrain***

The Letter of Offer and the Rights Entitlements and the Rights Equity Shares that are offered pursuant to the Letter of Offer have not been registered, filed, approved or licensed by the Central Bank of Bahrain (“CBB”), the Bahrain Bourse, the Ministry of Industry, Commerce and Tourism (“MOICT”) or any other relevant licensing authorities in the Kingdom of Bahrain.

The CBB, the Bahrain Bourse and the MOICT of the Kingdom of Bahrain takes no responsibility for the accuracy of the statements and information contained in the Letter of Offer, nor shall they have any liability to any person, investor or otherwise for any loss or damage resulting from reliance on any statements or information contained herein. The Letter of Offer is only intended for Accredited Investors as defined by the CBB. We have not made and will not make any invitation to the public in the Kingdom of Bahrain to subscribe to the Rights Equity Shares and the Letter of Offer will not be issued to, passed to, or made available to the public generally in the Kingdom of Bahrain. All marketing and offering of the Rights Equity Shares shall be made outside the Kingdom of Bahrain. The CBB has not reviewed, nor has it approved the Letter of Offer and any related offering documents or the marketing thereof in the Kingdom of Bahrain. The CBB is not and will not be responsible for the performance of Rights Equity Shares.

### ***British Virgin Islands***

No offer or invitation to subscribe for the Rights Entitlements and the Rights Equity Shares has been or will be made to the public in the British Virgin Islands.

### ***China***

No action has been taken by our Company which would permit an offering of Rights Entitlements or the Rights Equity Shares or the distribution of the Letter of Offer in the People's Republic of China (“**PRC**”). The Letter of Offer may not be circulated or distributed in the PRC and the Rights Entitlements and the Rights Equity Shares may not be offered or sold, and will not be offered or sold to any person for re-offering or resale directly or indirectly to, or for the benefit of, legal or natural persons of the PRC except pursuant to applicable laws and regulations of the PRC. Further, no legal or natural persons of the PRC may directly or indirectly purchase any of the Rights Entitlements and the Equity Shares or any beneficial interest therein without obtaining all prior PRC’s governmental approvals that are required, whether statutorily or otherwise. Persons who come into possession of the Letter of Offer are required to observe these restrictions. For the purpose of this paragraph, PRC does not include Taiwan and the special administrative regions of Hong Kong and Macau.

### ***Cayman Islands***

No offer or invitation to subscribe for the Rights Entitlements and the Rights Equity Shares may be made to the public in the Cayman Islands.

### ***European Economic Area***

In relation to each Member State of the European Economic Area (each a “**Relevant State**”), an offer to the public of any Rights Entitlement or Rights Equity Shares may not be made in that Relevant State, except if the Rights Entitlement or Rights Equity Shares are offered to the public in that Relevant State at any time under the following exemptions under the Prospectus Regulation (EU) 2017/1129 (and any amendment thereto) (the “**Prospectus Regulation**”):

1. to any legal entity that is a qualified investor, as defined in the Prospectus Regulation;
2. to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation);  
or
3. in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Rights Entitlement or Rights Equity Shares shall result in a requirement for the publication by our Company of a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement of a prospectus pursuant to Article 23 of the Prospectus Regulation. The Letter of Offer is not a prospectus for the purposes of the Prospectus Regulation.

For the purposes of this subsection, the expression an “offer to the public” in relation to any Rights Entitlement or Rights Equity Shares in any Relevant State means a communication to persons in any form and by any means presenting sufficient information on the terms of the Issue so as to enable an investor to decide to purchase or subscribe for the Rights Entitlement or Rights Equity Shares.

### ***Hong Kong***

The Rights Entitlements and the Equity Shares may not be offered or sold in Hong Kong by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32, Laws of Hong Kong), or (ii) to “professional investors” within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a “prospectus” within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32, Laws of Hong Kong) and no advertisement, invitation or document relating to the Rights Entitlements and the Equity Shares may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to the Rights Entitlements and the Equity Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder.

### ***Japan***

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Law. No. 25 of 1948 as amended) (the “**FIEA**”) and disclosure under the FIEA has not been and will not be made with respect to the Rights Entitlements and the Rights Equity Shares. No Rights Entitlements or Rights Equity Shares are, directly or indirectly, being offered or sold, and may not, directly or indirectly, be offered or sold in Japan or to, or for the benefit of, any resident of Japan as defined in the first sentence of Article 6, Paragraph 1, Item 5 of the Foreign Exchange and Foreign Trade Contract Act of Japan (Law No. 228 of 1949, as amended) (“**Japanese Resident**”) or to others for re-offering or re-sale, directly or indirectly in Japan or to, or for the benefit of, any Japanese Resident except (i) pursuant to an exemption from the registration requirements of the FIEA and (ii) in compliance with any other relevant laws, regulations and governmental guidelines of Japan.

If an offeree does not fall under a “qualified institutional investor” (tekikaku kikan toshika), as defined in Article 10, Paragraph 1 of the Cabinet Office Ordinance Concerning Definition Provided in Article 2 of the Financial Instruments and Exchange Act (Ordinance of the Ministry of Finance No. 14 of 1993, as amended) (the “Qualified Institutional Investor”), the Rights Entitlements and Equity Shares will be offered in Japan by a private placement to a small number of investors (shoninzu muke kanyu), as provided under Article 23- 13, Paragraph 4 of the FIEA, and accordingly, the filing of a securities registration statement for a public offering pursuant to Article 4, Paragraph 1 of the FIEA has not been made.

If an offeree is a Qualified Institutional Investor, the Rights Entitlements and the Equity Shares will be offered in Japan by a private placement to the Qualified Institutional Investor (tekikaku kikan toshikamuke kanyu), as provided under Article 23-13, Paragraph 1 of the FIEA, and accordingly, the filing of a securities registration statement for a public offering pursuant to Article 4, Paragraph 1 of the FIEA has not been made. Any Qualified Institutional Investor purchasing Rights Equity Share agree that it will not, directly or indirectly, resell, assign, transfer, or otherwise dispose of the Rights Equity Shares to any Japanese Resident other than to another Qualified Institutional Investor.

### ***Kuwait***

The Letter of Offer and does not constitute an offer to sell, or the solicitation of an offer to subscribe for or buy, the Rights Entitlements or the Equity Shares in the State of Kuwait. The Rights Entitlements and the Equity Shares have not been licensed for offering, promotion, marketing, advertisement or sale in the State of Kuwait by the Capital Markets Authority or any other relevant Kuwaiti government agency. The offering, promotion, marketing, advertisement or sale of the Rights Entitlements and the Equity Shares in State of Kuwait on the basis of a private placement or public offering is, therefore, prohibited in accordance with Law No. 7 of 2010 and the Executive Bylaws for Law No. 7 of 2010, as amended, which govern the issue, offer, marketing and sale of financial services/products in the State of Kuwait. No private or public offering of the Rights Entitlements or the Equity Shares is or will be made in the State of Kuwait, and no agreement relating to the sale of the Rights Entitlements or the Equity Shares will be concluded in the State of Kuwait and no marketing or solicitation or inducement activities are being used to offer or market the Rights Entitlements or the Equity Shares in the State of Kuwait.

### ***Mauritius***

The Rights Entitlements and the Rights Equity Shares may not be offered or sold, directly or indirectly, to the public in Mauritius. Neither the Letter of Offer nor any offering material or information contained herein relating to the offer of the Rights Entitlements and the Rights Equity Shares may be released or issued to the public in Mauritius or used in connection with any such offer. The Letter of Offer does not constitute an offer to sell the Rights Entitlements and the Rights Equity Shares to the public in Mauritius and is not a prospectus as defined under the Companies Act 2001.

### ***Singapore***

The Letter of Offer has not been and will not be registered as a prospectus with the Monetary Authority of Singapore under the Securities and Futures Act (Chapter 289) of Singapore (“SFA”). The offer of Rights Entitlements and Rights Equity Shares pursuant to the Rights Entitlements to Eligible Equity Shareholders in Singapore is made in reliance on the offering exemption under Section 273(1)(cd) of the SFA.

Eligible Equity Shareholders in Singapore may apply for additional Rights Equity Shares over and above their Rights Entitlements only (i) if they are an “institutional investor” within the meaning of Section 274 of the SFA and in accordance with the conditions of an exemption invoked under Section 274, (ii) if they are a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or (iii) pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where any additional Rights Equity Shares over and above their Rights Entitlements are purchased under Section 275 of the SFA by a relevant person which is: (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor, shares, debentures and units of shares and debentures of that corporation or the beneficiaries’ rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired such Rights Equity Shares pursuant to an offer made under Section 275 except: (1) to an institutional investor under Section 274 of the SFA or to a relevant person defined in Section 275(2) of the SFA, or to any person pursuant to an offer that is made on terms that such shares, debentures and units of shares and debentures of that corporation or such rights or interest in that trust are acquired at a consideration of not less than SGP\$ 200,000 (or its equivalent in a foreign currency) for each transaction, whether such amount is to be paid for in cash or by exchange of securities or other assets, and further for a corporation, in accordance with the conditions specified in Section 275 of the SFA; (2) where no consideration is or will be given for the transfer; or (3) where the transfer is by operation of law.

In connection with Section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “CMP Regulations 2018”), our Company has determined, and hereby notifies all relevant persons (as defined in Section 309(A)(1) of the SFA) that the Rights Entitlements and the Rights Equity Shares are ‘prescribed capital markets products’ (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

### ***United Kingdom***

No Rights Entitlement or Rights Equity Shares may be offered in the Issue to the public in the United Kingdom prior to the publication of a prospectus in relation to the Rights Entitlement and Rights Equity Shares which is to be treated as if it had been approved by the Financial Conduct Authority in accordance with the transitional provisions in Article 74 (transitional provisions) of the Prospectus (Amendment etc.) (EU Exit) Regulations 2019/1234, except that our Company may make an offer to the public in the United Kingdom of Rights Entitlement and Rights Equity Shares at any time:

1. to any legal entity which is a qualified investor as defined under Article 2 of the UK Prospectus Regulation;
2. to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation); or
3. in any other circumstances falling within Article 1(4) of the UK Prospectus Regulation,

provided that no such offer of Rights Entitlement or Rights Equity Shares shall result in a requirement for the publication by our Company of a prospectus pursuant to Article 3 of the UK Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation. For the purposes of this provision, the expression an “offer to the public” in relation to any Rights Entitlement or Rights Equity Shares in means a communication to persons in any form and by any means presenting sufficient information on the terms of the Issue so as to enable an investor to decide to purchase or subscribe for the Rights Entitlement or Rights Equity Shares and the expression “UK Prospectus

Regulation” means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

Except for each person who is not a qualified investor as defined in the UK Prospectus Regulation and who has notified our Company of such fact in writing and has received the consent of our Company in writing to subscribe for or purchase Rights Equity Shares, each person in the United Kingdom who acquires Rights Equity Shares shall be deemed to have represented and warranted that it is a qualified investor as defined in the UK Prospectus Regulation.

In addition, the Letter of Offer may not be distributed or circulated to any person in the United Kingdom other than to (i) persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “**Financial Promotion Order**”); and (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Financial Promotion Order (each such person being referred to as a “**Relevant Person**”). If you are not a Relevant Person, you should not take any action on the basis of the Letter of Offer and you should not act or rely on it or any of its contents. Except for each person who is not a Relevant Person and who has notified our Company of such fact in writing and has received the consent of our Company in writing to subscribe for or purchase Rights Equity Shares, each person in the United Kingdom who acquires Rights Equity Shares shall be deemed to have represented and warranted that it is a Relevant Person.

#### ***United Arab Emirates (excluding the Dubai International Financial Centre)***

The Letter of Offer has not been, and is not intended to be, approved by the UAE Central Bank, the UAE Ministry of Economy, the Emirates Securities and Commodities Authority or any other authority in the United Arab Emirates (the “UAE”) or any other authority in any of the free zones established and operating in the UAE. The Rights Entitlements and the Rights Equity Shares have not been and will not be offered, sold or publicly promoted or advertised in the UAE in a manner which constitutes a public offering in the UAE in compliance with any laws applicable in the UAE governing the issue, offering and sale of such securities. The Letter of Offer is strictly private and confidential and is being distributed to a limited number of investors and must not be provided to any other person other than the original recipient and may not be used or reproduced for any other purpose.

#### ***Dubai International Financial Centre***

The Rights Entitlement and the Rights Equity Shares offered in the Issue are not being offered to any persons in the Dubai International Financial Centre except on that basis that an offer is: (i) an “Exempt Offer” in accordance with the Markets Rules (MKT) (the “**Markets Rules**”) adopted by the Dubai Financial Services Authority (the “**DFSA**”); and (ii) made only to persons who meet the Professional Client criteria set out in Rule 2.3.3 of the DFSA Conduct of Business Module of the DFSA rulebook and are not natural Persons. The Letter of Offer must not be delivered to, or relied on by, any other person. The DFSA has not approved the Letter of Offer nor taken steps to verify the information set out in it and has no responsibility for it. Capitalised terms not otherwise defined in this subsection have the meaning given to those terms in the Markets Rules.

The Equity Shares may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the Rights Equity Shares offered in the Offer should conduct their own due diligence on the Equity Shares. If you do not understand the contents of the Letter of Offer, you should consult an authorised financial adviser.

#### ***United States***

The Rights Entitlements and the Rights Equity Shares have not been, and will not be, registered under the Securities Act or the securities laws of any state of the United States and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any applicable state securities laws. The Rights Entitlements and the Rights Equity Shares are only being offered and sold outside the United States in offshore transactions, as defined in and in compliance with Regulation S. Neither the receipt of the Letter of Offer nor any of its accompanying documents constitutes an offer of the Rights Entitlements or the Rights Equity Shares to any Eligible Equity Shareholder other than the Eligible Equity Shareholders who has received the Letter of Offer and its accompanying documents directly from our Company.

#### **Representations, Warranties and Agreements by Purchasers**

In addition to the applicable representations, warranties and agreements set forth above, each purchaser, by accepting the delivery of the Letter of Offer and its accompanying documents, submitting an Application Form for the exercise of any Rights Entitlements and subscription for any Rights Equity Shares and accepting delivery of any Rights Entitlements or any Rights Equity Shares, will be deemed to have represented, warranted, acknowledged and agreed as follows on behalf of itself and, if it is acquiring the Rights Entitlements or the Rights Equity Shares as a fiduciary or agent for one or more

investor accounts, on behalf of each owner of such account (such person being the “purchaser”, which term shall include the owners of the investor accounts on whose behalf the person acts as fiduciary or agent):

1. The purchaser has the full power and authority to make the representations, warranties, acknowledgements, undertakings and agreements contained herein and to exercise the Rights Entitlements and subscribe for the Rights Equity Shares, and, if the purchaser is exercising the Rights Entitlements and acquiring the Rights Equity Shares as a fiduciary or agent for one or more investor accounts, the purchaser has the full power and authority to make the representations, warranties, acknowledgements, undertakings and agreements contained herein and to exercise the Rights Entitlements and subscribe for the Rights Equity Shares on behalf of each owner of such account.
2. If any Rights Entitlements were bought by the purchaser or otherwise transferred to the purchaser by a third party (other than our Company), the purchaser was in India at the time of such purchase or transfer.
3. The purchaser is aware and understands (and each account for which it is acting has been advised and understands) that an investment in the Rights Entitlements and the Rights Equity Shares involves a considerable degree of risk and that the Rights Entitlements and the Rights Equity Shares are a speculative investment.
4. The purchaser acquiring the Rights Equity Shares for one or more managed accounts, represents and warrants that the purchaser has been authorized in writing, by each such managed account to acquire the Rights Equity Shares for each managed account and make the representations, warranties, acknowledgements, undertakings and agreements herein for and on behalf of each such account, reading the reference herein to ‘the purchaser’ to include such accounts.
5. The purchaser is eligible to invest in India under applicable law, including the FEMA Rules and any notifications, circulars or clarifications issued thereunder, and have not been prohibited by SEBI, RBI or any other regulatory authority, statutory authority or otherwise, from buying, selling or dealing in securities or otherwise accessing capital markets in India. Further, the purchaser is eligible to invest in and hold the Rights Equity Shares in accordance with the FDI Policy, read along with the press note 3 of 2020 dated April 17, 2020 issued by the Department for Promotion of Industry and Internal Trade, Government of India and the related amendments to the FEMA Rules wherein if the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, foreign direct investments can only be made through the Government approval route, as prescribed in the FEMA Rules.
6. The purchaser is investing in the Rights Equity Shares to be issued pursuant to the Issue in accordance with applicable laws and by participating in the Issue, the purchaser is not in violation of any applicable law, including but not limited to the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 and the Companies Act, 2013, each as amended and/or substituted from time to time.
7. The purchaser understands (and each account for which it is acting has been advised and understands) that no action has been or will be taken to permit an offering of the Rights Entitlements or the Rights Equity Shares in any jurisdiction (other than the filing of the Letter of Offer with the Stock Exchange and its submission with the SEBI for information and dissemination); and it will not offer, resell, pledge or otherwise transfer any of the Rights Entitlements (except in India) or the Rights Equity Shares which it may acquire, or any beneficial interests therein, in any jurisdiction or in any circumstances in which such offer or sale is not authorised or to any person to whom it is unlawful to make such offer, sale, solicitation or invitation except under circumstances that will result in compliance with any applicable laws and/or regulations.
8. The purchaser (or any account for which it is acting) is an Eligible Equity Shareholder and has received an invitation from our Company, addressed to it and inviting it to participate in the Issue.
9. None of the purchaser, any of its affiliates or any person acting on its or their behalf has taken or will take, directly or indirectly, any action designed to, or which might be expected to, cause or result in the stabilization or manipulation of the price of any security of our Company to facilitate the sale or resale of the Rights Entitlements or the Rights Equity Shares pursuant to the Issue.
10. Prior to making any investment decision to exercise the Rights Entitlements and subscribe for the Rights Equity Shares, the purchaser (i) will have consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisers in each jurisdiction in connection herewith to the extent it has deemed necessary; (ii) will have carefully read and reviewed a copy of the Letter of Offer and its accompanying documents; (iii) will have possessed and carefully read and reviewed all information relating to us and the Rights Entitlements and the Rights Equity Shares which it believes is necessary or appropriate for the purpose of making its investment decision, including, without limitation, the Exchange Information (as defined below); (iv) will have conducted its own due diligence on

our Company and the Issue, and will have made its own investment decisions based upon its own judgement, due diligence and advice from such advisers as it has deemed necessary and will not have relied upon any recommendation, promise, representation or warranty of or view expressed by or on behalf of our Company (including any research reports) (other than, with respect to our Company and any information contained in the Letter of Offer); and (v) will have made its own determination that any investment decision to exercise the Rights Entitlements and subscribe for the Rights Equity Shares is suitable and appropriate, both in the nature and number of Rights Equity Shares being subscribed.

11. Without limiting the generality of the foregoing, the purchaser acknowledges that the Equity Shares are listed on BSE Limited and our Company is therefore required to publish certain business, financial and other information in accordance with the rules and practices of BSE Limited (which includes, but is not limited to, a description of the nature of our Company's business and our Company's most recent financial results, and similar statements for preceding years together with the information on its website and its press releases, announcements, investor education presentations, annual reports, collectively constitutes the "Exchange Information"), and that it has had access to such information without undue difficulty and has reviewed such Exchange Information as it has deemed necessary; and (ii) none of our Company, any of its affiliates has made any representations or recommendations to it, express or implied, with respect to our Company, the Rights Entitlements, the Rights Equity Shares or the accuracy, completeness or adequacy of the Exchange Information.
12. The purchaser acknowledges that any information that it has received or will receive relating to or in connection with the Issue, and the Rights Entitlements or the Rights Equity Shares, including the Letter of Offer and the Exchange Information, has been prepared solely by our Company.
13. The purchaser acknowledges that no written or oral information relating to the Issue, and the Rights Entitlements or the Rights Equity Shares has been or will be provided by our Company.
14. The purchaser understands that its receipt of the Rights Entitlements and any subscription it may make for the Rights Equity Shares will be subject to and based upon all the terms, conditions, representations, warranties, acknowledgements, undertakings and agreements and other information contained in the Letter of Offer and the Application Form. The purchaser understands that none of our Company, the Registrar or any other person acting on behalf of us will accept subscriptions from any person, or the agent of any person, who appears to be, or who we, the Registrar or any other person acting on behalf of us have reason to believe is in the United States or is ineligible to participate in the Issue under applicable securities laws.
15. The purchaser is aware that the Rights Entitlements and the Equity Shares have not been and will not be registered under the Securities Act or the securities law of any state of the United States and that the offer of the Rights Entitlements and the offer and sale of the Rights Equity Shares to the purchaser was made in accordance with Regulation S.
16. The purchaser was outside the United States at the time the offer of the Rights Entitlements and Rights Equity Shares was made to it and the purchaser was outside the United States when the purchaser's buy order for the Rights Equity Shares was originated.
17. The purchaser did not accept the Rights Entitlements or subscribe to the Rights Equity Shares as a result of any "directed selling efforts" (as defined in Regulation S).
18. The purchaser subscribed to the Rights Equity Shares for investment purposes and not with a view to the distribution or resale thereof. If, in the future, the purchaser decides to offer, sell, pledge or otherwise transfer any of the Rights Equity Shares, the purchaser shall only offer, sell, pledge or otherwise transfer such Rights Equity Shares: (i) outside the United States in a transaction complying with Rule 903 or Rule 904 of Regulation S and in accordance with all applicable laws of any other jurisdiction, including India or (ii) in the United States pursuant to an exemption from the registration requirements of the Securities Act and applicable state securities laws.
19. The purchaser is, and the persons, if any, for whose account it is acquiring the Rights Entitlements and the Rights Equity Shares are, entitled to subscribe for, and authorized to consummate the purchase of, the Rights Equity Shares in compliance with all applicable laws and regulations. If the purchaser is outside India:
  - i. the purchaser, and each account for which it is acting, satisfies: (i) all suitability standards for investments in the Rights Entitlements and the Rights Equity Shares imposed by all jurisdictions applicable to it, and (ii) is eligible to subscribe, and is subscribing, for the Rights Equity Shares and Rights Entitlements in compliance with applicable securities and other laws of all jurisdictions of residence; and



- ii. the sale of the Rights Equity Shares to it will not require any filing or registration by, or qualification of, our Company with any court or administrative, governmental or regulatory agency or body, under the laws of any jurisdiction which apply to the purchaser or such persons.
20. Except for the sale of Rights Equity Shares on the Stock Exchange, the purchaser agrees, upon a proposed transfer of the Rights Equity Shares, to notify any purchaser of such Equity Shares or the executing broker, as applicable, of any transfer restrictions that are applicable to the Rights Equity Shares being sold.
  21. The purchaser is a highly sophisticated investor and has such knowledge and experience in financial, business and international investment matters and is capable of independently evaluating the merits and risks (including for tax, legal, regulatory, accounting and other financial purposes) of an investment in the Rights Entitlements and the Rights Equity Shares. It, or any account for which it is acting, has the financial ability to bear the economic risk of investment in the Rights Entitlements and the Rights Equity Shares, has adequate means of providing for its current and contingent needs, has no need for liquidity with respect to any investment it (or such account for which it is acting) may make in the Rights Entitlements and the Rights Equity Shares, and is able to sustain a complete loss in connection therewith and it will not look to our Company for all or part of any such loss or losses it may suffer.
  22. Each of the aforementioned representations, warranties, acknowledgements and agreements shall continue to be true and accurate at all times up to and including the Allotment, listing and trading of the Rights Equity Shares. The purchaser shall hold our Company harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of its representations, warranties, acknowledgements and agreements set forth above and elsewhere in the Letter of Offer. The indemnity set forth in this paragraph shall survive the resale of the Rights Equity Shares.
  23. The purchaser acknowledges that our Company and its affiliates and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements which are given to our Company, and are irrevocable.
  24. The purchaser agrees that any dispute arising in connection with the Issue will be governed by and construed in accordance with the laws of Republic of India, and the courts in Mumbai, Maharashtra India shall have sole and exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Letter of Offer and other Issue Materials.

## SECTION IX: OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

*The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Letter of Offer) which are or may be deemed material have been entered or are to be entered into by our Company. Copies of the documents for inspection referred to hereunder, would be available for inspection at the corporate office of the Company till the issue closing date on working days and working hours between 11:00 A.M. to 5:00 P.M. and also shall be available on the website of the Company at [www.credentglobal.com](http://www.credentglobal.com) from the date of Letter of Offer until the Issue Closing Date.*

Additionally, any person intending to inspect the abovementioned contracts and documents electronically, may do so, by writing an email to [compliance@credentglobal.com](mailto:compliance@credentglobal.com).

#### Material Contracts for the Issue

1. Registrar Agreement dated May 29, 2023 entered into amongst our Company and the Registrar to the Issue.
2. Escrow Agreement dated [●] amongst our Company, the Registrar to the Issue and the Bankers to the Issue/ Refund Bank.

#### Material Documents

1. Certified true copies of the Certificate of Incorporation, the Memorandum of Association and the Articles of Association of our Company as amended from time to time.
2. Resolution of the Board of Directors dated March 27, 2023 in relation to the approval of this Issue.
3. Resolution of the Rights Issue Committee dated June 16, 2023 approving and adopting the Draft Letter of Offer.
4. Consent of our Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor, the Registrar to the Issue for inclusion of their names in the Draft Letter of Offer in their respective capacities.
5. Copies of Annual Reports of our Company for Financial years 2022 and 2021
6. Audited Financial Results of the Company for Financial year 2023
7. Consolidated Restated Financial Statements and Standalone Restated Financial Statements and examination reports each dated June 15, 2023 on our Consolidated Restated Financial Statements and Standalone Restated Financial Statements from the Statutory Auditor.
8. Statement of Tax Benefits dated June 15, 2023 from the Statutory Auditor included in this Draft Letter of Offer.
9. Tripartite Agreement dated January 2, 2001 between our Company, NSDL and the Registrar to the Issue.
10. Tripartite Agreement dated December 30, 2000 between our Company, CDSL and the Registrar to the Issue.
11. In principle listing approval dated [●] issued by BSE Limited.

Any of the contracts or documents mentioned in this Draft Letter of Offer may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

## DECLARATION

We hereby declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Letter of Offer is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements and disclosures made in this Draft Letter of Offer are true and correct.

## SIGNED BY THE DIRECTORS OF OUR COMPANY

Sd/-

**ADITYA VIKRAM KANORIA**  
(Managing Director cum Chief Financial Officer)

Sd/-

**MANDEEP SINGH**  
(Executive Director)

Sd/-

**MOHIT K CHHEDA**  
(Non-Executive Director))

Sd/-

**SULABH JAIN**  
(Independent Director)

Sd/-

**SHUBHANGI AGARWAL**  
(Independent Director)

**Place: Mumbai**  
**Date : June 16, 2023**