



INVENTURE GROWTH AND SECURITIES LIMITED
Corporate Identification Number: L65990MH1995PLC089838

Inventure Growth and Securities Limited was originally incorporated on June 22, 1995, as a Public limited company, under the name and style 'Inventure Growth and Securities Limited' under the provisions of the Companies Act, 1956, with the Registrar of Companies, Mumbai. We received Certificate of Commencement of Business dated June 22, 1995 issued by the Registrar of Companies, Mumbai. The Company made a maiden public offer of its Equity Capital in July 2011. The Equity capital of the Company is listed on BSE and NSE in India.

Registered Office: 201, 2nd Floor, Viraj Tower, Near Landmark, Western Express Highway, Andheri – East, Mumbai - 400069, Maharashtra, India

Tel: +91 - 22-71148500/600; **Website:** www.inventuregrowth.com; **E-mail:** cs@inventuregrowth.com

Contact Person: Ms. Shikha Ashok Mishra, Company Secretary and Compliance Officer

PROMOTERS OF OUR COMPANY: MR. KANJI BACHUBHAI RITA
FOR PRIVATE CIRCULATION TO ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY ONLY
WILFUL DEFAULTER OR A FRAUDULENT BORROWER

Neither our Company nor our Promoter or any of our directors have been or are identified as Wilful Defaulters or Fraudulent Borrower.

ISSUE OF UP TO [●]/- EQUITY SHARES WITH A FACE VALUE OF ₹ 1/- EACH ("RIGHTS EQUITY SHARES") FOR CASH AT A PRICE OF ₹[●]/- PER RIGHTS EQUITY SHARE (INCLUDING A PREMIUM OF ₹[●] PER RIGHTS EQUITY SHARE) FOR AN AMOUNT AGGREGATING UPTO ₹4,900.00 LAKHS ON RIGHTS BASIS IN THE RATIO OF [●] RIGHTS EQUITY SHARES FOR EVERY [●] FULLY PAID UP EQUITY SHARES) HELD BY THE EQUITY SHAREHOLDERS ON THE RECORD DATE, I.E. [●]. THE ISSUE PRICE IS [●] TIMES OF THE FACE VALUE OF THE RIGHTS EQUITY SHARES.

GENERAL RISKS

Investment in equity and equity related securities involve a degree of risk and Investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For making an investment decision, Investors must rely on their own examination of our Company and the Issue including the risks involved. The Rights Equity Shares have neither been recommended nor approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of this Draft Letter of Offer. **Specific attention of the Investors is invited to the section "Risk Factors" on page no.19 Before making an investment in the Issue.**

ISSUER'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 the Issue, which is material in the context of the 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 such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The existing Equity Shares of our Company are listed on the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE", and together with BSE, the "Stock Exchanges"). Our Company has received "in-principle" approvals from BSE and NSE for listing the Rights Equity Shares through their letters dated [●] and [●] respectively. For the purposes of the Issue, the Designated Stock Exchange is BSE.

REGISTRAR TO THE ISSUE



Link Intime India Private Limited

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L.B.S. Marg, Vikhroli (West), Mumbai - 400083, Maharashtra, India.

Tel No: + 91 810 811 4949

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Website: www.linkintime.co.in

SEBI Registration Number: INR000004058

Contact Person: Shanti Gopalkrishnan

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 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.

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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, rules, guidelines or policies shall be to such legislation, act, regulation, rules, guidelines or policies as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

The words and expressions used in this Draft Letter of Offer, but not defined herein shall have, to the extent applicable, the meaning ascribed to such terms under the SEBI ICDR Regulations, the Companies Act, the SCRA, the Depositories Act, and the rules and regulations made thereunder.

Company Related Terms

Term	Description
“Inventure Growth and Securities Limited”, “IGSL” or “ourCompany” or “the Issuer”	Unless the context otherwise requires, refers to Inventure Growth and Securities Limited, a Company incorporated under the Companies Act, 1956 and having its registered office at 201, 2 nd Floor, Viraj Tower, Near Landmark, Western Express Highway, Andheri – East, Mumbai - 400069, India.
“we”, “us”, or “our”	Unless the context otherwise indicates or implies, our Company, Inventure Growth and Securities Limited.
Audited Financial Statements	The audited financial statements of our Company as at and for the financial year ended March 31, 2023 (along with comparative financial statements for the financial year ended March 31, 2022) prepared in accordance with applicable Indian Accounting Standards, which comprises the balance sheet as at March 31, 2023 (along with comparative balance sheet as at March 31, 2022) and the statement of profit and loss, including other comprehensive income, the statement of cash flows and the statement of changes in equity for the years ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information
AOA/Articles / Articles of Association	Unless the context otherwise requires, refers to the Articles of Association of our Company, as amended from time to time.
Audit Committee	The committee of the Board of Directors constituted as our Company's Audit Committee in accordance with Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“SEBI Listing Regulations”) and Section 177 of the Companies Act, 2013.
Board/ Board of Directors / Our Board	The Board of Directors of our Company, including all duly constituted Committees thereof.
Chief Financial Officer / CFO	Mr. Arvind Jethalal Gala, the Chief Financial Officer of our Company.
Companies Act	Companies Act, 1956 and/ or the Companies Act, 2013, as amended from time to time
Chairman	Mr. Kanji Bachubhai Rita the Chairman of our Company.
Company Secretary and Compliance Officer	Ms. Shikha Ashok Mishra, the Company Secretary and Compliance Officer of our Company
Director(s)	Director(s) on the Board of our Company, as appointed from time to time, unless otherwise specified.
Depositories Act	The Depositories Act, 1996 and amendments thereto
Depository Participant/ DP	Depository Participant as defined under the Depositories Act
Indian GAAP	Generally Accepted Accounting Principles in India
Equity Shareholders	The holders of the Equity Shares.
Equity Shares/Shares	The equity shares of our Company of a face value of ₹1.00 each unless

	otherwise specified in the context thereof.
Financial Statements	Our Consolidated Audited Financial Statements together with our Unaudited Interim Consolidated Financial Statements.
Limited Review	Limited Review Consolidated Financial Results for the six months period ended September 30, 2023.
Legal Advisor	Amruta Giradkar and Associates the legal advisor of the Company
Independent Directors	Independent Directors on our Board, and eligible to be appointed as independent directors under the provisions of the Companies Act, 2013 and the SEBI Listing Regulations. For details of the Independent Directors, see “Our Management” beginning on page no.67.
Key Managerial Personnel	The key managerial personnel of our Company in terms of Section 2(51) Companies Act and as per the definition provided in Regulation 2(1) (bb) of the SEBI ICDR Regulations and
Memorandum of Association/Memorandum/ MoA	Memorandum of Association/Memorandum/ MoA of our Company, as amended from time to time
Nomination and Remuneration Committee	The committee of the Board of directors constituted as our Company's nomination and remuneration committee in accordance with Regulation 19 of the SEBI Listing Regulations and Section 178 of the Companies Act, 2013
Promoter Group	Kanji Bachu Rita (HUF) (PAN: AACHK9090A) constituting the promoter group of our Company, pursuant to Regulation 2(1)(pp) of the SEBI (ICDR) Regulations.
Promoters	Kanji Bachubhai Rita (PAN: AABPR6131J), the promoter of our Company.
Registered Office	The registered office of our Company situated at 201, 2 nd Floor, Viraj Tower, Near Landmark, Western Express Highway, Andheri – East, Mumbai - 400069, India.
Registrar of Companies / RoC	Registrar of Companies, Maharashtra, Mumbai
Statutory Auditor	The Statutory Auditor of our Company, being M/s. PPV & Co., Chartered Accountants bearing Firm Registration Number ‘153929W’.
SEBI ICDR Regulation	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
Unaudited Interim Consolidated Financial Statements	Unaudited interim Consolidated Financial Statements of our Company as at and for the six months ended September 30, 2023 (which will include the comparative figures included therein for the six months ended September 30, 2022)

Issue Related Terms

Term	Description
Abridged Letter of Offer / ALOF	Abridged letter of offer to be sent to the Eligible Equity Shareholders 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.
Allot / Allotment / Allotted	Allotment of Rights Equity Shares pursuant to the Issue
Allotment Advice	Note, 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) who are Allotted Rights Equity Shares pursuant to the Allotment
Applicant(s) / 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 Draft Letter of Offer, including an ASBA Investor
Application	Application made through submission of the Application Form or plain paper Application to the Designated Branch 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 (including online application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process) used by an Applicant to make an application for

Term	Description
	the Allotment of Rights Equity Shares in this Issue.
Application Money	Aggregate amount payable in respect of the Rights Equity Shares applied for in the Issue at the Issue Price
Application Supported by Blocked Amount / ASBA	Application (whether physical or electronic) used by an ASBA Investor to make an application authorizing the SCSB to block the Application Money in an ASBA 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(s) / ASBA Investor	Eligible Equity Shareholders who make an application to subscribe to the Issue through ASBA process.
ASBA Circulars	Collectively, SEBI circular bearing reference number SEBI/CFD/DIL/ASBA/1/2009/ 30/12 dated December 30, 2009, SEBI circular bearing reference number CIR/CFD/DIL/1/2011 dated April 29, 2011 and the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR /P/2020/13 dated January 22, 2020.
Bankers to the Issue/ Public Issue Bank	Collectively, the Escrow Collection Bank and the Refund Bank to the Issue, in this case being IndusInd Bank Limited
Banker to the Issue Agreement	Agreement to be entered into by and among our Company, the Registrar to the Issue and the Banker(s), IndusInd Bank Limited 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 under this Issue, as described in "Terms of the Issue" beginning on page 155 of this Draft Letter of Offer
Consolidated certificate	The certificate that would be issued for Rights Equity Shares Allotted to each folio in case of Eligible Equity Shareholders who hold Equity Shares in physical form;
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 Branches	Such branches of the SCSBs which shall collect the Applications, as the case may be, used by the ASBA Investors and a list of which is available on the website of SEBI and/or such other website(s) as may be prescribed by the SEBI from time to time
Designated Stock Exchange	BSE Limited
Draft Letter of Offer	The draft letter of offer dated [●] filed with BSE Limited and National Stock Exchange of India Limited in accordance with the SEBI ICDR Regulations
Escrow Collection Bank	Bank(s) which are clearing members and registered with SEBI as bankers to an issue and with whom the Rights Issue Account and Refund Account will be opened, in this case being, [●].
Eligible Equity Shareholders	Holder(s) of the Equity Shares as on the Record Date
Equity Shareholder/ Shareholder	Means a holder of Equity Shares of our Company
Investor(s)	Equity Shareholders as on Record Date and/or Renouncee(s) applying in the Issue.
Issue	Issue of up to [●] Equity Shares of face value of ₹ 1 each of our Company for cash at a price of ₹ [●] per Rights Equity Share (including a premium of ₹ [●] per Rights Equity Share) aggregating up to ₹ 4,900.00 lakhs on a rights basis to the Eligible Equity Shareholders of our Company in the ratio of [●] Rights Equity Shares for every [●] Equity Shares held by the Eligible Equity Shareholders of our Company on the Record Date
Issue Closing Date	[●]
Issue Opening Date	[●]
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive

Term	Description
	of bothdays, during which Applicants/Investors can submit their Applications, in accordance withthe SEBI ICDR Regulations
Issue Price	₹ [●] per Rights Equity Share
Issue Proceeds	Gross proceeds of the Issue
Issue Size	Amount aggregating up to ₹4,900.00 lakhs
Lead Manager	Not Applicable
Letter of Offer	The final letter of offer to be filed with the Stock Exchanges after incorporating observationsreceived from Stock Exchange on the Draft Letter of Offer
Net Proceeds	Issue Proceeds less Issue related expenses. For details, see “ <i>Objects of the Issue</i> ”
Non-ASBA Investor/ Non-ASBA Applicant	Investors other than ASBA Investors who apply in the Issue otherwise thanthrough the ASBA process comprising Eligible Equity Shareholders holdingEquity Shares in physical form or who intend to renounce their Rights Entitlementin part or full and Renouncee(s).
On Market Renunciation	The renouncement of Rights Entitlements undertaken by the Investor by trading them over the secondary market platform of the Stock Exchanges through a registered stock broker in accordance with the SEBI Rights Issue Circulars, circulars issued by the Stock Exchanges from time to time and other applicable laws, on or before [●].
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.
Record Date	Designated date for the purpose of determining the Equity Shareholders eligible to apply forRights Equity Shares, to be decided prior to filing of the Draft Letter of Offer
Refund Bank	The Banker(s) to the Issue with whom the Refund Account(s) will be opened, in this casebeing IndusInd Bank Limited
Registrar to the Issue / Registrar	Link Intime India Private Limited, Registrar and Share transfer Agent
Renouncee(s)	Person(s) who has/have acquired the Rights Entitlement from the Eligible EquityShareholders on renunciation
Rights Entitlement	The number of Rights Equity Shares that an Eligible Equity Shareholder is entitled to inproportion to the number of Equity Shares held by such Eligible Equity Shareholder on theRecord Date, in this case being [●]Rights Equity Shares for every [●]Equity Shares held byan Eligible Equity Shareholder. The Rights Entitlements with a separate ISIN: [●] will be credited to your demat account before the date of opening of the Issue, against the equity shares held by the Equity Shareholders as on the record date.
Rights Entitlement Letter	Letter including details of Rights Entitlements of the Eligible Equity Shareholders.
Rights Equity Shares	Equity Shares of our Company to be Allotted pursuant to this Issue
Rights Issue Account	The account(s) opened with the Banker(s) to this Issue, into which the 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.
Rights Issue Account Bank	Bank(s) 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, [●].
SCSB(s)	Self-certified syndicate banks registered with SEBI, which offers the facility of ASBA. A listof all SCSBs is available at: http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes
Stock Exchanges	Stock exchanges where the Equity Shares are presently listed, being BSE and NSE
Transfer Date	The date on which the amount held in the escrow account(s) and the amount blocked in theASBA Account will be transferred to the Allotment Account, upon finalization of the Basisof Allotment, in consultation with the Designated Stock Exchange
Wilful defaulter or a Fraudulent Borrower	means a person or an issuer who or which is categorized as a wilful defaulter or a fraudulent borrower by any bank or financial institution (as defined under the

Term	Description
	Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by the Reserve Bank of India
Working Day(s)	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 the Rights 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

Technical / Industry Related Terms

Term	Description
(IND AS)	Indian Accounting Standards
AGM	Annual General Meeting
ASSOCHAM	The Associated Chambers of Commerce of India
BSE	Bombay Stock Exchange Limited
CAGR	Compound Annual Growth Rate
GDP	Gross Domestic Product
HFI	High-Frequency Indicators
IBEF	Indian Brand Equity Foundation
M&A	Mergers and Acquisitions
MUDRA	Micro Units Development and Refinance Agency
NASSCOM	The National Association of Software and Service Companies
OECD	Organisation for Economic Co-operation and Development
PE	Private Equity

Conventional and General Terms and Abbreviations

Term	Description
A/c	Account
AGM	Annual General Meeting
AIF(s)	Alternative Investment Fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
Air Act	Air (Prevention and Control of Pollution) Act, 1981
(IND AS)	Indian Accounting Standards
AO	Adjudication Officer
ASBA	Applications Supported by Blocked Amount
AY	Assessment Year
B. A.	Bachelor of Arts
B.Com	Bachelor of Commerce
Banking Regulation Act	Banking Regulation Act, 1949
BE	Bachelor Degree in Engineering
BIFR	Board of Industrial and Financial Reconstruction
Bn	Billion
BSc	Bachelor Degree in Science
BSE	BSE Limited (formerly known as Bombay Stock Exchange Limited)
CAGR	Compounded Annual Growth Rate
CAF	Composite Application Form
CC	Cash Credit
CDSL	Central Depository Services (India) Limited
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CIN	Company Identification Number
Companies Act 2013	Companies Act, 2013, to the extent in force pursuant to the notification of the

Term	Description
	Notified Sections, read with the rules, regulations, clarifications and modifications thereunder
Copyright Act	The Copyright Act, 1957
CS	Company Secretary
CSR	Corporate Social Responsibility
DB	Designated Branch
Depositories Act	Depositories Act, 1996
Depository	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
DIN	Director Identification Number
DP	Depository Participant
CBDT	Central Board of Direct Taxes, Government of India
CRAR	Capital adequacy ratio/Capital to risk assets ratio
CrPC	Code of Criminal Procedure, 1973
DP ID	Depository Participant's identity number
EBITDA	Earnings before interest, depreciation, tax, amortization and extraordinary items
ECB	External Commercial Borrowings
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EPF Act	Employees' Provident Funds and Miscellaneous Provisions Act, 1952
EPFO	Employees' Provident Fund Organisation
EPS	Earnings per share
ESI Act	Employees' State Insurance Act, 1948
ESIC	Employees' State Insurance Corporation
ESOP	Employee Stock Option Plan
ESPS	Employee Stock Purchase Scheme
Euro/ €	Euro is the official currency of 20 out of 27 European Union member countries
F&NG	Father and Natural Guardian
F&O	Futures and Options
FCNR Account	Foreign Currency NonResident (Bank) account established in accordance with the FEMA
FDI	Foreign Direct Investment
FEMA	The Foreign Exchange Management Act, 1999 read with rules and regulations thereunder
FDI Circular 2020/ FDI Circular	Consolidated FDI Policy dated October 15, 2020 issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
FII(s)	Foreign Institutional Investors as defined under section 2 of SEBI (FII) Regulations 1995
Financial Year / Fiscal / Fiscal Year/ FY	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year
FIPB	Foreign Investment Promotion Board
FIs	Financial Institutions
FMC	Forward Market Commission
FPIs	A foreign portfolio investor, as defined under the SEBI FPI Regulations and registered with SEBI under applicable laws in India.
FTA	The Foreign Trade (Development and Regulation) Act, 1992
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors), 2000, as amended from time to time
GDP	Gross Domestic Product
Gol/Government	Government of India
FIR	First information report

Term	Description
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
GST	Goods and Services Tax
HNI	High Net worth Individual
HUF(s)	Hindu Undivided Family(ies)
I.T. Act	Income Tax Act, 1961, as amended from time to time
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code/international financial services centre
IMF	International Monetary Fund
Income Tax Act	Income Tax Act, 1961
Ind AS	Indian accounting standards as specified under section 133 of the Companies Act 2013 readwith Companies (Indian Accounting Standards) Rules 2015
Indian GAAP	Generally Accepted Accounting Principles in India
INR or Rupee or ₹ or Rs.	Indian Rupee, the official currency of the Republic of India
Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended.
IPO	Initial Public Offering
IPR	Intellectual Property Rights
IRDA	Insurance Regulatory and Development Authority
ISIN	International Securities Identification Number
ISO	International Standards Organization
IT Act	Income Tax Act, 1961 as amended from time to time except as stated otherwise
JV	Joint Venture
KMP	Key Managerial Personnel
KW	Kilo Watt
L/C	Letter of Credit
LIBOR	London interbank offered rate
Ltd.	Limited
MAPIN	Market Participants and Investors' Integrated Database
MCA	The Ministry of Corporate Affairs, GoI
MCI	Ministry of Commerce and Industry, GoI
MD	Managing Director
MICR	Magnetic Ink Character Recognition
Mn	Million
MNC	Multi National Company
MoEF	Ministry of Environment and Forests
MoF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
MTF	Margin Trading Facility
NA	Not Applicable
NAV	Net asset value
NECS	National Electronic Clearing Services
NEFT	National Electronic Fund Transfer
Net Worth	The aggregate of the paid-up share capital, securities premium account and reserves and surplus (excluding revaluation reserve) as reduced by the aggregate of miscellaneous expenditure (to the extent not adjusted or written off) and debit balance of the profit and loss account
NIF	National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of Government of India published in the Gazette of India.
NIFTY	National Stock Exchange Sensitive Index
No.	Number
NOC	No Objection Certificate
Non Resident	A person resident outside India, as defined under FEMA Regulations
Non-Resident Indian/	A person resident outside India, who is a citizen of India or a Person of Indian Origin

Term	Description
NRI	as defined under FEMA Regulations, as amended
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the MCA and are currently in effect
NPV	Net Present Value
NR/ Non-resident	A person resident outside India, as defined under the FEMA and includes a Non-resident Indian
NRE Account	Non-Resident External Account established and operated in accordance with the FEMA
NRO Account	Non-Resident Ordinary Account established and operated in accordance with the FEMA
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
NTA	Net Tangible Assets
NWR	Negotiable Warehouse Receipt
OCB	Overseas Corporate Bodies
OD	Overdraft
Overseas Corporate Body / OCB	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000. OCBs are not allowed to invest in this Issue.
p.a.	per annum
P/E Ratio	Price/Earnings Ratio
PAC	Persons Acting in Concert
PAN	Permanent account number
PAT	Profit after tax
Patents Act	Patents Act, 1970
PBT	Profit Before Tax
QFI(s)	Qualified Foreign Investor(s) as defined under the SEBI FPI Regulations
RBI	The Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934 , as amended from time to time
RERD Act	Real Estate (Regulation and Development) Act, 2016
RoC or Registrar of Companies	Registrar of Companies, Maharashtra, Mumbai
ROE	Return on Equity
RONW	Return on Net Worth
RTGS	Real Time Gross Settlement
SCRA	Securities Contract (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time.
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act 1992
SEBI (FPI) Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI (ICDR) Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, including instructions and clarifications issued by SEBI from time to time
SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including instructions and clarifications issued by SEBI from time to time
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI Takeover Code	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Code, 2011, as amended from time to time.
Sec.	Section
Securities Act	The U.S Securities Act as amended from time to time
SENSEX	Bombay Stock Exchange Sensitive Index

Term	Description
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
SME	Small and Medium Enterprise
SSI	Small Scale Industry
STT	Securities Transaction Tax
TAN	Tax Deduction Account Number
TIN	Taxpayers Identification Number
TPH	Tonnes per hour
Trademarks Act	The Trademarks Act, 1999
TRS	Transaction Registration Slip
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
U.S. Securities Act	The United States Securities Act, 1933
u/s	Under Section
UIN	Unique Identification Number
UOI	Union of India
US\$ or USD or US Dollar	United States Dollar, the official currency of the United States of America
USA or U.S. or US	United States of America
VCF	Venture Capital Funds
VCFs	Venture capital funds as defined in and registered with the SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as the case may be
w.e.f	With effect from
Water Act	Water (Prevention and Control of Pollution) Act, 1974
WDV	Written Down Value
WTD	Whole-time Director
YoY	Year over year

NOTICE TO OVERSEAS SHAREHOLDERS

The distribution of this Draft Letter of Offer and the issue of the Rights Equity Shares to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer and the CAF 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 and CAF to Eligible Equity Shareholders who have an address in India. Those overseas Shareholders who do not update the records with their Indian address, prior to the date on which we propose to dispatch the Draft Letter of Offer/ Letter of Offer/ Abridged Letter of Offer and the CAF, shall not be sent the Draft Letter of Offer/ Letter of Offer/ Abridged Letter of Offer and the CAF.

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 Draft Letter of Offer was filed with BSE and NSE for their observations. Accordingly, the Rights Equity Shares may not be offered or sold, directly or indirectly, and the Draft Letter of Offer/ Letter of Offer/ Abridged Letter of Offer and the CAF may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Receipt of the Draft Letter of Offer/ Letter of Offer/ Abridged Letter of Offer and the CAF will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and in those circumstances the Draft Letter of Offer/ Letter of Offer/ Abridged Letter of Offer and the CAF must be treated as sent for information only and should not be copied or redistributed. Accordingly, persons receiving a copy of the Draft Letter of Offer/ Letter of Offer/ Abridged Letter of Offer and the CAF should not, in connection with the issue of the Rights Equity Shares or the Rights Entitlements, distribute in or send the same into the United States or any other jurisdiction where to do so would or might contravene local securities laws or regulations. If the Draft Letter of Offer/ Letter of Offer/ Abridged Letter of Offer and the CAF is received by any person in any such territory, 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 Draft Letter of Offer/ Letter of Offer/ Abridged Letter of Offer and the CAF. Envelopes containing a CAF should not be dispatched from any jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Rights Equity Shares in this Issue must provide an Indian address. Any person who makes an application to acquire Rights Entitlement and the Rights Equity Shares offered in this Issue will be deemed to have declared, represented, warranted and agreed that he is authorized to acquire the Rights Entitlement and the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in his jurisdiction. We, the Registrar, or any other person acting on behalf of us, reserve the right to treat any CAF as invalid where we believe that CAF is incomplete or acceptance of such CAF 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 CAF. A Shareholder may not renounce his entitlement to any person resident in the United States or any other jurisdiction where to do so would or might contravene local securities laws or regulations. Neither the delivery of the Draft Letter of Offer/ Letter of Offer/ Abridged Letter of Offer and the CAF 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 that the information contained herein is correct as at any time subsequent to this date.

The contents of the Draft Letter of Offer/ Letter of Offer/ Abridged 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 of Rights Equity Shares or Rights Entitlements. As a result, 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 Rights Equity Shares or Rights Entitlements. In addition, our Company is not making any representation to any offeree or purchaser of the Rights Equity Shares or Rights Entitlements regarding the legality of an investment in the Rights Equity Shares or Rights Entitlements by such offeree or purchaser under any applicable laws or regulations.

NO OFFER IN THE UNITED STATES

The Rights Equity Shares or Rights Entitlements have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of the Draft Letter of Offer/ Letter of Offer/ Abridged Letter of Offer and the CAF. Any representation to the contrary is a criminal offence in the United States.

The rights and securities of our Company, including the Rights Equity Shares have not been and will not be registered under the United States Securities Act, 1933, as amended (**Securities Act**), or any U.S. state securities laws and may not be offered, sold, resold or otherwise transferred within the United States of America or the territories or possessions thereof (**United States** or **U.S.**) or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act (**Regulation S**), except in a transaction exempt from the registration requirements of the Securities Act. The rights referred to in the Draft Letter of Offer/ Letter of Offer/ Abridged Letter of Offer and the CAF are being offered in India, but not in the United States. The offering to which the Draft Letter of Offer/ Letter of Offer/ Abridged Letter of Offer and the CAF relates is not, and under no circumstances is to be construed as, an offering of any securities or rights for sale in the United States or as a solicitation therein of an offer to buy any of the said securities or rights. Accordingly, the Draft Letter of Offer/ Letter of Offer/ Abridged Letter of Offer and the CAF should not be forwarded to or transmitted in or into the United States at any time. Neither our Company nor any person acting on our behalf will accept subscriptions from any person or his agent, if to whom an offer is made, would require registration of this Draft Letter of Offer with the United States Securities and Exchange Commission.

Neither our Company nor any person acting on behalf of our Company will accept subscriptions 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, either a U.S. person (as defined in Regulation S) or otherwise in the United States when the buy order is made. Envelopes containing CAF 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 the Draft Letter of Offer/ Letter of Offer/ Abridged Letter of Offer, and all persons subscribing for the Rights Equity Shares and wishing to hold such Rights Equity Shares in registered form must provide an address for registration of the Rights Equity Shares in India. Our Company is making this issue of Rights Equity Shares on a rights basis to the Equity Shareholders of our Company and the Draft Letter of Offer/ Letter of Offer/ Abridged Letter of Offer and CAF will be dispatched to Equity Shareholders who have an Indian address. Any person who acquires rights and the Rights Equity Shares will be deemed to have declared, represented, warranted and agreed, (i) that it is not and that at the time of subscribing for the Rights Equity Shares or the Rights Entitlements, it will not be, in the United States when the buy order is made, (ii) it is not a U.S. person (as defined in Regulation S), and does not have a registered address (and is not otherwise located) in the United States, and (iii) is authorized to acquire the rights and the Rights Equity Shares in compliance with all applicable laws and regulations.

Our Company reserves the right to treat as invalid any CAF which: (i) does not include the certification set out in the CAF to the effect that the subscriber is not a U.S. person (as defined in Regulation S), and does not have a registered address (and is not otherwise located) in the United States and is authorized to acquire the rights and the Rights Equity Shares in compliance with all applicable laws and regulations; (ii) appears to our Company or its 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 CAF is incomplete or acceptance of such CAF 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 CAF.

CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF PRESENTATION

Certain Conventions

In this Draft Letter of Offer, the terms “we”, “us”, “our”, the “Company”, “our Company”, unless the context otherwise indicates or implies, refers to Inventure Growth and Securities Limited.

Use of Financial Data

Unless stated otherwise, the financial data in this Draft Letter of Offer is derived from Consolidated Financial Statements for FY 2023 which have been prepared in accordance with Indian Accounting Standard (Ind AS) and are included in this Draft Letter of Offer. The financial year of our Company commences on April 1 and ends on March 31.

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.

Unless the context otherwise indicates, any percentage amounts, as set forth in the sections titled “Risk Factors” have been calculated on the basis of the Consolidated Financial Statements of our Company prepared in accordance with Ind AS and the Companies Act, 2013.

Currency and units of presentation

In this Draft Letter of Offer, unless the context otherwise requires, all references to (a) ‘Rupees’ or ‘₹’ or ‘Rs.’ or ‘INR’ are to Indian rupees, the official currency of the Republic of India; (b) ‘US Dollars’ or ‘US\$’ or ‘USD’ or ‘\$’ are to United States Dollars, the official currency of the United States of America. All references to the word ‘Lakh’ or ‘Lac’ or ‘Lacs’, means ‘One hundred thousand’ and the word ‘Million’ means ‘Ten lakhs’ and the word ‘Crore’ means ‘Ten Million’ and the word ‘Billion’ means ‘One thousand Million’. 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 Consolidated Financial Statements.

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	Exchange rate as on		
	March 31, 23	March 31, 2022	March 31, 2021
1 USD	82.14	75.93	73.13

Industry and Market Data

Unless stated otherwise, industry and market data used throughout this Draft Letter of Offer has been obtained or derived from internal Company reports and industry and government publications, publicly available information and sources. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although, our Company believes that industry data used in this Draft Letter of Offer is reliable, it has not been independently verified. Further, the extent to which the industry and market data presented 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 we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this Draft Letter of Offer that are not statements of historical fact constitute 'forward-looking statements'. Investors can generally identify forward-looking statements by terminology such as, 'aim', 'anticipate', 'believe', 'continue', 'can', 'could', 'estimate', 'expect', 'expected to', 'intend', 'is likely', 'may', 'objective', 'plan', 'potential', 'project', 'pursue', 'shall', 'should', 'will', 'would', 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. All forward-looking statements are subject to risks, uncertainties and assumptions about our Company that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Important factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under the sections titled "Risk Factors", "Management's Discussion and Analysis of Financial Condition and Results of Operations", "Industry Overview" and "Our Business" on pages 19, 134, 56, and 60 of this Draft Letter of Offer respectively

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed in the sections "Risk Factors" and "Our Business" on pages 19 and 60.

The forward-looking statements contained in this Draft Letter of Offer are based on the beliefs of management, as well as the assumptions made by, and information currently available to, management of our Company. While our Company believes that the expectations reflected in such forward-looking statements are reasonable at this time, it cannot assure investors that such expectations will prove to be correct. Given these uncertainties, Investors are cautioned not to place undue reliance on such forward-looking statements. In any event, these statements speak only as of the date of this Draft Letter of Offer or the respective dates indicated in this Draft Letter of Offer, and our Company and its affiliates undertake no obligation to update or revise any of them, whether as a result of new information, future events or otherwise. If any of these risks and uncertainties materialise, or if any of our Company's underlying assumptions prove to be incorrect, the actual results of operations or financial condition of our Company could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to our Company are expressly qualified in their entirety by reference to these cautionary statements. In accordance with SEBI and Stock Exchange requirements, our Company will ensure that the Eligible Equity Shareholders are informed of material developments until the time of the grant of listing and trading permissions for the Rights Equity Shares by the Stock Exchange.

SECTION II - SUMMARY OF THE OFFER DOCUMENT

The following is a general summary of certain disclosures included in this Draft Letter of Offer and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Letter of Offer or all details relevant to the prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Letter of Offer, including, the sections “Risk Factors”, “Objects of the Issue” “Our Business” and “Outstanding Litigation and Defaults” on pages 19, 42, 60 and 142, respectively.

A. Primary business of the Issuer and the industry:

Summary of Business:

Headquartered in Mumbai, Inventure Growth and Securities Limited, SEBI registered stockbroker in the equity segment bearing SEBI registration number ‘INZ000221934’, and itself has its securities listed on both the Stock Exchanges. Its segments include equity/commodity broking, currency, Initial public offer, Mutual fund, research, Depository Participant and other related activities. It provides research services on both the fundamental and technical sides. Its depository services include the opening of Demat account, dematerialization of securities, pledge of securities and holding statement of clients in relation to securities. IGSL operates through 126 business locations including branches, Authorized Person located across India.

Broking Industry Overview:

Indian broking industry operates in the volatile environment which has changed rapidly over past 3 years. Sentiments of the market was impacted by aftermath of global pandemic accelerating retail inflation rate to 7.79% in April 2022 on the back of central bank hawkish stance. FPIs were the net sellers during the fiscal. Geo political tension continued resulted in souring crude oil prices and recession fears across some developed nation. IPO market was largely tepid with India’s largest IPO Life Insurance Corporation (LIC) made its debut in the market in May 2022 to raise Rs.20,557 crores.

Benchmark indices also remained quite volatile with Nifty making Low at around 15183.40 in June month and High at around 18887.60 in Dec month. Retail broking has played a prominent role with new investors entry in the market has been tripled from March 2020. The total number of demat account crossed the 10 crore mark for the first time in August 2022. As per data reported by CDSL & NSDL, 2.5 crores demat accounts were added in FY2023 totaling cumulative demat account to 11.45 crores.

Average daily turnover of ADTO for the equity markets both cash & F&O during FY2023 stood at Rs.153.9 lakh crore, up 121% YoY from Rs.69.5 lakh crore in FY2022.

Industry has gone through structural changes transitioning to fee based model from earlier transaction based tilting companies to increase its source of income by providing wealth management, Mutual Fund, Insurance, Investment advisory, Research of PMS services apart from brokerages charges. Cross selling of different products has become important trigger to have skin in the game by providing add-on services and retaining profitability.

The government increased STT on the sale of futures and options from 0.05% to 0.062% (Hiking by 25%) which will have negative impact on F&O volumes. Further NSE announced scrapping of ‘Do Not Exercise’ (DNE) from the beginning of April 2023 expiry.

The Government of India has introduced several reforms to liberalise, regulate and enhance this industry. SEBI has been empowered to investigate, examine, visit company premises, summon records and persons, and inquire and impose penalties commensurate with misconduct. The first and foremost challenge for the fledgling regulator was to create a regulatory and supervisory framework for the market, a job that proved formidable, because vested interests resisted every new step. However, with the designing and notification of 32 regulations and guidelines, during its decade and a half of existence, the apparatus steadily evolved and has adapted to the situation. SEBI

has put timelines for performance of its various functions, such as registration and renewal, on the website. These measures work as a self-disciplining mechanism within SEBI and provide full transparency to its functioning.

For further information please refer to the section 'Industry Overview' beginning on page no 56 of the Draft Letter of Offer.

B. Names of the Promoter/Promoter Group

Kanji Bachubhai Rita, is the promoter and Kanji Bachu Rita (HUF) is the promoter group of our Company

C. Objects of the Issue

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

Sr. No.	Particulars	Amount (in lakhs)	Amount to be utilized form right issue (₹ in lakhs)
1.	Expansion of Arbitrage and share trading business*	2072.00	1910.00
2.	Working capital requirement for expansion of arbitrage and share trading business and Incremental Margin Requirement for F&O and other Derivative products@	1000.00	1000.00
3.	Expansion of margin trading facilities business to provide leverage to exiting clients to benefit from the Volatility in the current Market^	1500.00	1500.00
4.	Investing in the new edge proprietary technology and software#	400.00	400.00
	Total	4972.00	4810.00

***Brief Description of Expansion of Arbitrage and share trading business:**

Sr. No	Brief Description	Amount (in lakhs)	Amount to be utilized form right issue (₹ in lakhs)
1.	Acquisition of Office Premises	1800.00	1800.00
2.	Stamp Duty (6% of 18Cr)	108.00	NIL (stamp duty paying from internal accruals)
3.	Furniture and Fixture	100.00	100.00
4.	Computers Hardware's and Software's	64.00	10.00 (remaining 54.00 For Computers Hardware's and Software's paying from internal accruals)
	Total	2072.00	1910.00

@ Working capital requirement for expansion of arbitrage and share trading business and Incremental Margin Requirement for F&O and other Derivative products

Sr. No	Brief Description	Amount (₹ in lakhs)
1.	Additional working capital to invest in stock in trade of shares and securities	500.00
2.	Incremental Margin requirement for F&O and other derivatives product	500.00
	Total	1000.00

^Brief Description of Expansion of margin trading facilities

MTF is the SEBI approved margin trading facility, only way for clients to hold debit stocks for more than T+2+5. Maximum limit to hold debit stock is up to 90 days also same could be carried beyond that if the settlement is done once a quarter. Margin Trading Facility (MTF) is extended to existing clients who are active for trading at BSE or NSE. However NRI clients shall not be eligible for MTF.

If Client's outstanding dues in normal trading a/c stand beyond T7, SEBI rules debar further exposure until such dues beyond T7 is cleared by client. Under MTF, clients can avail the funding for longer periods subject to fulfilment of maintenance margin and other conditions. Further, MTF will command lower margin as compared to margin applicable for Loan against Shares.

Only Equity shares that are classified as Group I Security shall be dealt under MTF. Stocks under MTF include Collateral Stocks to be deposited by you for availing MTF and Funded Stocks purchased by you under MTF.

The MTF product is already existing service provided by our Company, since last 5 years. The breakup of MTF Loan AUM and Interest Earned for last 5 years and for half year ended 30th September, 2023 and projection for next 2 years is as under:

(Rs. In Cr.)

Sr. No.	Particulars	FY 2020	FY 2021	FY 2022	FY 2023	HALF YEAR SEPT 2023	FY 2024	FY 2025
1	Total AUM under MTF product	1.58	4.32	9.92	10.62	27.54	45.00	90.00
	(yoy growth %)		173%	130%	7%	159%	324%	100%
2	Interest earned In MTF	0.31	0.18	1.04	1.67	1.18	4.08	10.13
	(yoy growth %)		-40%	465%	61%		144%	148%

#Brief investment requirement for investment in new edge technology and software:

Sr. No	Brief Description	Amount (in Lakhs)	Amount to be utilized form right issue (₹ in lakhs)
1.	New Edge Back Office Software	100.00	100.00
2.	Risk Management Software	40.00	40.00
3.	Algo Trading Software	180.00	180.00
4.	Additional Hardware for above software	50.00	50.00
5.	Additional expenses on recurring maintenance and Research and Development of software	30.00	30.00
	Total	400.00	400.00

The Balance requirement of funds will be utilized from reserve & surplus

D. Subscription to the Issue by our Promoter and Promoter Group

Pursuant to the letter dated November 1, 2023, our Promoters and members of the Promoter Group, has undertaken that they may or may not:

- subscribe, jointly and / or severally to the extent of their Rights Entitlements;

- b. subscribe, jointly and / or severally to the extent of any Rights Entitlement that may be renounced in their favour by any other Promoters or Member(s) of the Promoter Group of our Company;
- c. may renounce their Right Entitlements fully or in part in favour of any third party other than the Promoters and members of the Promoter Group; and
- d. at their sole discretion, apply for and subscribe to additional Rights Equity Shares, and any such subscription for Rights Equity Shares shall be over and above their Rights Entitlement.

The aforementioned subscription of Rights Equity Shares and Additional Rights Shares by our Promoter, if allotted shall not result in a change of control of the management of our Company and shall not result in an obligation on our Promoter to make an open offer to the public shareholders of our Company in terms of the SEBI Takeover Regulations. Further, as on the date of this Draft Letter of Offer, our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable laws, pursuant to this Issue.

E. Summary of Outstanding Litigations:

For details regarding the same, please refer to the chapter titled '*Outstanding Litigations and Material Developments*' beginning on page 142 of the Draft Letter of Offer.

F. Risk Factors:

Please see '*Risk Factors*' beginning on page no. 19.

Summary of Contingent Liabilities of our Company:

Our Company has following contingent liabilities as of March 31, 2023:

Sr. No.	Name of the Regulatory Authority	Particulars	For the Financial Year ended March 31	
			2023 (Rs. in Lakhs)	2022 (Rs. in Lakhs)
1.	Income Tax Officer	Income tax demands in appeal before the first appellate authority	224.98	224.98
2.	Securities and Exchange Board of India	SEBI Whole Time Member (WTM) passed an order against the Company and its directors (including independent directors and a non-executive director) and officers for violation of SEBI (ICDR) Regulations. The said order was challenged before the Securities Appellate Tribunal (SAT), by an appeal by the Company and others. The SAT, by its order dated October 10, 2019, gave full relief to the independent directors and non-executive directors and partial relief to the Company and its directors and officers. However, before disposal of the appeals by SAT, SEBI's Adjudication Officer (AO) passed an order dated August 30, 2019, to levy penalty of Rs.75.00 Lakhs (Rupees Seventy-Five Lakhs) on the Company and various penalties on Others, u/s 15HA & 15HB of the SEBI Act. On an appeal to SAT, the said penalty orders on the Company & Others have been set aside vide an order dated February 26, 2020, and the matter has been remitted to the AO to decide them afresh. The Company has filed an appeal on November 28, 2020, before Supreme Court against the aforesaid order of Whole-Time Member dated October 10, 2019, which is pending for disposal as on September 30, 2023	Not ascertainable	Not ascertainable

G. Summary of Related Party Transactions:

For details of the related party transactions, as reported in the Consolidated Financial Statements, see “*Consolidated Financial Statements*” on page no.72.

H. Issue of equity shares made in last one year for consideration other than cash

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

I. Any split/consolidation of equity shares in the last one year.

Our Company has not undertaken any split/consolidation of equity shares in the last one year 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. The risks described below are not the only ones relevant to us, the Equity Shares, the industry in which we operate or the regions in which we operate. If one, or any combination, of the following risks or other risks which are not currently known or are now deemed immaterial actually occurs or were to occur, our business, results of operations, financial condition and prospects could suffer and the trading price of the Equity Shares could decline and you may lose all or part of your investment. Unless specified in the relevant risk factor below, we are not in a position to quantify the financial implication of any of the risks mentioned below. Further, some events may be material collectively rather than individually.

We have described the risks and uncertainties that our management believes are material but the risks set out in this Draft Letter of Offer may not be exhaustive and additional risks and uncertainties not presently known to us, or which we currently deem to be immaterial, may arise or may become material in the future. In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Issue, including the merits and the risks involved. Prospective investors should consult their tax, financial and legal advisors about the particular consequences to you of an investment in the 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 56, 60 and 134 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, which refer to future events that may involve known and unknown risks, uncertainties and other factors, many of which may be beyond our control, and which may cause the actual results to be materially different from those expressed or implied by the forward-looking statements. For further details, see “Forward Looking Statements” on page no 13.

Unless otherwise stated, the financial information used in this section is derived from our Company’s limited review report on consolidated basis as of and for the half year ended September 30, 2023 and audited consolidated financial statements as of and for the year ended March 31, 2023.

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.

Materiality:

The Risk Factors have been determined on the basis of their materiality.

The following factors have been considered for determining the materiality of Risk Factors:

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

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

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

Internal Risks/Business Related Risk

1. *Our Company and its subsidiaries are involved in certain legal proceedings, if order will not be in our favour will have a negative impact on our operation & profit.*

Our Company is involved in certain legal proceedings (including tax and commercial disputes) at different levels of adjudication before various courts, tribunals and appellate authorities. A summary of the proceedings involving our Company including the aggregate approximate amount involved to the extent ascertainable, is provided in the chapter titled outstanding litigation& material developments derived in page no.142.

The amounts claimed in these proceedings have been disclosed to the extent ascertainable. We may incur significant expenses and management time in such legal proceedings. Any adverse ruling in any of the above proceedings or consequent levy of penalties by other statutory authorities may render us / them liable to liabilities / penalties and may have a material adverse effect on our reputation, business, financial condition and results of operations, which could adversely affect the trading price of our Equity Shares.

2. *Some of our records relating to the litigation matters going on with SEBI, Criminal Proceedings by our company/subsidiaries in tribunals, courts, or related authorities are not traceable.*

We cannot assure you that these litigations will not affect our Company. We have been unable to locate copies of PILs, proceedings records which are to be filed by our Company or against our Company. Since copies of these are unavailable with us, we cannot assure you that these will not affect our position in capital market. We cannot assure you that records of these litigations will be available in the future or that we will not be subject to any penalty imposed by the competent regulatory authority in this respect. If any of the court, tribunal imposes any penalty or take any action against us, it may have an adverse effect on our operations and financial condition.

3. *Most of our branches and offices are housed in leased premises. In the event we are unable to renew such lease agreements, our business, financial condition and results of operations could be adversely affected.*

We have obtained some of our branch office on lease. In the event we are unable to renew the lease agreements or the same are terminated by the lessors, we may suffer a disruption in our operations. In case of such termination, we may encounter delay in finding suitable alternative properties in required timeframe or may not find alternatives at all. Because of the nature of our business, continuity of operations and access to facilities and systems is of critical importance. As a result, the termination, or threat of termination, of any of our leases would have a substantial disruptive effect on our business, distract our management and employees and may increase our expenses. The termination of any of our leases could have a material adverse effect on our business and our financial condition

4. *Our business requires us to obtain and renew certain licenses and permits from government and regulatory authorities and the failure to obtain or renew them in a timely manner may adversely affect our business operations.*

Our business require us to obtain and renew from time to time, certain approvals, licenses, registrations and permits, some of which have expired and for which we have either made or are in the process of making an application for obtaining the approval or its renewal. In addition, we require certain approvals, licenses, registrations and permissions under various regulations, guidelines, circulars and statutes regulated by authorities such as the SEBI, the RBI, the Stock Exchanges and certain other regulatory and government authorities, for operating our business. In particular, we are required to obtain a certificate of registration for carrying on certain of our business activities from SEBI and other such regulatory authorities that are subject to numerous conditions. If we fail to maintain such registrations and licenses or comply with applicable conditions, our certificate of registration for carrying on a particular

activity may be suspended and/or cancelled and we will not then be able to carry on such activity. This could materially and adversely affect our business, financial condition and results of operations. We cannot assure you that we will be able to obtain approvals in respect of such applications or any application made by us in the future. For more information about the licenses required by us, see the section titled “Government and Other Approvals” beginning on page no. 148.

5. *If we are unable to respond to the demands of our existing and new clients, or adapt to technological changes or advances, our business and growth could be adversely affected.*

The Broking industry is characterized by increasingly complex and integrated infrastructure and services, new and changing business models and rapid technological and regulatory changes. Our clients’ needs and demands for our services evolve with these changes. Our future success will depend, on our ability to respond to our clients demand. For new services, capabilities and technologies on a timely and cost-effective basis, we also need to adapt to technological advancements and keep pace with changing regulatory standards to address our clients’ increasingly sophisticated requirements. Transitioning to these new technologies may be disruptive to our resources and the services we provide and may increase our reliance on third-party service providers. If we fail to adapt or keep pace with new technologies in a timely manner, provide customers with better services and user experience, or retain and attract skilled technology staff, it could harm our ability.

6. *Our business is dependent on systems and operations availability and any interruptions in our transaction systems could lead to a decline in our profits.*

We are dependent on our technology systems to perform the critical function of gathering, processing and communicating information efficiently, securely and without interruptions. We face risks arising from failures in our systems control processes or technology systems on which our ability to manage our business depends. Additionally, rapid increases in client demand may strain our ability to enhance our technology and expand our client base. At the core of our on-line trading system there is an application based on very small aperture terminals /Leased Lines which has a direct connection with the stock exchange and allows investors to trade securities on-line. The stock exchange-based network allows us to provide investors with real-time market data such as streaming quotes from each market due to better connectivity. A breakdown or interruption in the Indian domestic satellite system could have a material adverse effect on our business and client base. Our operations are highly dependent on the integrity of our technology systems and our success depends, in part, on our ability to make timely enhancements and additions to our technology in anticipation of client demands. To the extent we experience system interruptions, errors or downtime (which could result from a variety of causes, including changes in client use patterns, system failure, changes to systems, linkages with third-party systems and equipment, and power failures), it would have a significant impact on our business operations. While we maintain back up of all records at our offices in Mumbai, any unforeseen events or circumstances beyond our control at this office could result in loss of data and records and adversely affect our results of operations. We currently do not have a disaster recovery system and will be fully exposed in case of natural or man-made disasters.

Our operations rely heavily on the effectiveness of our IT systems and their ability to record and process accurately a large number of transactions on a daily basis and in a timely manner. We have recognized and continue to address the need to have sophisticated technology systems in place to meet our clients’ requirements. A prolonged disruption of, or failure of, our information processing or communications systems would limit our ability to process transactions. This would impair our ability to service our clients and execute trades on behalf of clients, which could materially and adversely affect our competitiveness, financial condition, cash flows and results of operations

7. *General economic and market condition in India and globally could have an adverse effect on our business, financial condition, cash flows, and future prospects.*

Our business is highly dependent on economic and political conditions in India and other countries. In the past, global economic and political conditions have resulted in volatility, and negative impact on securities market. General economic and political conditions in India and globally that affect the Indian securities markets may have an adverse effect on our business. Global economic and political conditions that may affect the Indian securities market including macroeconomic and monetary policies, industry-specific

trends, mergers and acquisition activity, legislation and regulations relating to the financial and securities industries, household savings rate, investment in alternative financial instruments, upward and downward trends in the market, business and financial sectors, volatility in share prices, perceived lack of attractiveness of the Indian capital markets, inflation, foreign direct investment, consumer confidence, currency and interest rate fluctuations, and availability of short-term and long-term market funding sources and cost of funding. Moreover, market conditions may change rapidly due to any adverse economic and political conditions, and we may not be able to respond to such changes in a timely manner. Any adverse impact of general economic or political conditions could adversely affect our business, financial condition, cash flows, results of operations and prospects.

8. *We are subject to extensive statutory and regulatory requirements and supervision, which have material influence on, and consequences for, our business operations.*

Our business activities are subject to extensive supervision and regulation by the Government and various regulatory authorities, such as SEBI and the exchange. We believe that our business activities and operations are compliant with all applicable Law rules regulations ACTS as applicable in India and overseas. However, we cannot assure you that the Government or the regulatory authorities will not take different interpretations regarding applicability of, or compliance with, the laws and regulatory framework governing our business. Moreover, there is no assurance that the Government or regulatory authorities will not take a different interpretation regarding any of our current business activities being restricted or prohibited under applicable laws or the terms of the regulatory registrations and approvals obtained by us. We may be unable to obtain, maintain or renew, or comply with the terms of, the regulatory approvals and registrations applicable to our business activities, and this may have adverse consequences for our business operations. In such an event, we may also be subject to regulatory action, including fines, suspension or termination of approvals or registrations, or restrictions on undertaking all or some of our business activities.

As a SEBI Registered Stock Broker company, we are subject to uncertainties that are common in the securitiesmarket. These include the volatility of domestic and international Capital market, extensive governmental regulation, litigation, intense competition, substantial fluctuations in the volume and price level of securities, and dependence on the solvency of various third parties. As a result, our revenues and earnings may vary significantly from quarter to quarter and from year to year. In periods of low trading volume, profitability is impaired because certain expenses remain relatively fixed.

9. *Increases in capital commitments in our trading and other businesses may increase the potential for significant losses.*

The trend in capital markets is towards larger and more frequent commitments of capital by financial brokerage house in many of their activities. We may be subject to increased risk as we commit greater amounts of capital to facilitate primarily client – driven business. We may enter into large transactions in which we commit our own capital as part of our trading business. The number and size of these large transactions may materially affect our results of operations in a given period. We may also incur significant losses from our trading activities due to market fluctuations and volatility from quarter to quarter.

10. *Our professional reputation may be affected adversely, and we may be liable to our clients and third parties if our services are not regarded as satisfactory.*


Our Company is dependent to a large extent on our relationships with our clients and our reputation for integrity and the professional services to attract and retain the clients. As a result, if a client is not satisfied with our services, it may affect our business adversely.

11. *Our clients deal in securities and any default by a client could result in substantial losses.*

Our clients are required to deposit a minimum initial margin and then are required to pay the balance settlement amount by the pay-in date for the transaction undertaken by us on their behalf. If a client is unable to pay this balance amount before the pay-in date, we may be required to make the payment on behalf of the defaulting client, which may affect our profitability. In case of high market volatility or adverse movements in share price, it is possible that clients may not honor their commitment, and any

inability on our part to pay the margins to the stock exchanges may be detrimental to our business, reputation and profitability.

12. *We may be unsuccessful in protecting our intellectual property rights. Unauthorized use of our intellectual property may result infringement of our trademark & copyright We may also be subject to third-party claims of intellectual property infringement.*

The intellectual property rights are important to our business. We rely on copyright and trademark laws, trade secrets, confidentiality procedures and contractual provisions to protect our intellectual property. Although, our Corporate logo “ INVENTURE” is registered and still we are subject to the various risks arising out of the same, including but not limited to infringement or passing off our name and logo by a third party. These trademarks are integral to our business, and the loss of any of these intellectual property rights could have an adverse effect on our business.

However, we cannot be certain that the steps we have taken will prevent unauthorized use of our intellectual property. Therefore, our efforts to protect our intellectual property may not be adequate. Notwithstanding the precautions we take to protect our intellectual property rights, it is possible that third parties may copy or otherwise infringe on our rights, which may have an adverse effect on our business, results of operations, cash flows and financial condition.

We may need to litigate to enforce our intellectual property rights or to determine the validity and scope of the proprietary rights to others. Any such litigation could be time-consuming and costly. As the number of patents, copyrights and other intellectual property rights in our industry increases, and as the coverage of these rights increases, we believe that companies in our industry will face more frequent infringement claims. Defending against these claims, even if not meritorious, could be expensive and divert our attention and resources from operating our Company.

While we take care to ensure that we comply with the intellectual property rights of others, we cannot determine with certainty whether we are infringing any existing third-party intellectual property rights, which may force us to alter our offerings. We may also be susceptible to claims from third parties asserting infringement and other related claims. If such claims are raised, those claims could result in costly litigation, divert management’s attention and resources, subject us to significant liabilities and require us to enter into potentially expensive royalty or licensing agreements or to cease certain offerings. Regardless of their merit, infringement and other intellectual property claims are often expensive and time- consuming to litigate. The materialization of any of the foregoing risks could adversely affect our business, results of operations and financial condition.

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

We have entered into transactions with our Subsidiary Company, promoter and our Promoter Group. While all such transactions have been entered on an arm’s length basis and as per the provisions of Companies Act, 2013 and other applicable law, there can be no assurance that we could not have achieved more favorable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we may enter into related party transactions in the future will also be in compliance with the provision of Companies Act, 2013 and other applicable laws. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations. For further details, please refer to the “Consolidated Financial Statements” beginning on page no 72 of this Draft Letter of Offer.

14. *Our insurance coverage may not adequately protect us against certain operating hazards and this may have an adverse effect on our business.*

Our Company has availed stockbrokers’ indemnity policies that provide coverage against incomplete transactions in compliance with byelaws including circulars of stock exchanges. Apart from the aforesaid policies, our Company has not availed any other insurance policy to cover any kind of risk. As our arrangements for insurance or indemnification are not adequate, we may be required to make substantial payments in the event of any damage and/or loss incurred. Further there can be no

assurance that any claim under the insurance policies maintained by us will be honored fully, in part or on time.

15. *Our business and profitability could be adversely affected if we fail to keep pace with changing technology and evolving industry standards and norms or fail to enhance existing products and develop and introduce new latest products in a timely manner.*

The markets for our products are characterized by rapidly changing technology, evolving industry standards and norms and new product or molecule introductions. Adaptability is one of the key attributes for success in our industry. Our results of operations and financial condition depend on our ability to develop and introduce new products, as well as our ability to modify and upgrade our existing products. Our success will depend on several factors, including proper identification of market demands and the competitiveness of our products with the products introduced by our competitors. Our failure to successfully adopt such technologies in a cost-effective and a timely manner could increase our costs and lead to us being less competitive in terms of our prices or quality of products we provide.

16. *We are subject to extensive statutory and regulatory requirements and supervision, which have material influence on, and consequences for, our business operations.*

Our business activities are subject to periodic inspection by regulatory authorities, such as SEBI. We incur costs to comply with requirements of laws and regulations. Any lapses or non-compliance of any laws or regulations or rules or acts or policies by us may adversely affect our business and / or financial operations. Any negative findings against us during such inspections may materially and adversely affect our business and results of operations. As on date, no such inspection is ongoing by SEBI or any other such regulatory authorities.

17. *Downturns or disruptions in the securities markets could reduce transaction volumes and could cause a decline in the business and impact our profitability.*

As a financial services company, our businesses are materially affected by conditions in the domestic and global financial markets and economic conditions in India and throughout the world. Our revenues, level of operations and, consequently, our profitability is largely dependent on favorable capital market conditions, a conducive regulatory and political environment, investor sentiment, price levels of securities and other factors that affect the volume of stock trading in India and the level of interest in Indian business developments. Many factors or events could lead to a downturn in the financial markets including war, acts of terrorism, natural catastrophes and sudden changes in economic and financial policies. These types of events could affect confidence in the financial markets and impair their ability to function effectively. Substantially all of our revenues in recent years have been derived from capital markets activities, and although we continue to diversify our revenue sources, we expect this business to continue to account for a significant portion of our revenues in the foreseeable future. Capital markets are exposed to additional risks, including liquidity, interest rate and foreign exchange related risks. Any downturn or disruption in the securities markets and the capital markets specifically would have a material adverse effect on our results of operations.

Even in the absence of a market downturn, we are exposed to substantial risk of loss due to market volatility. A market downturn would likely lead to a decline in the volume of transactions that we execute for our customers as well as a decrease in prices. Any decline in transaction volumes would lead to a decline in our revenues received from commissions. Our results of operations would be adversely affected by any reduction in the volume or value of broking and merchant banking transactions. Our profitability may also be adversely affected by our fixed costs and the possibility that we would be unable to scale back other costs within a time frame sufficient to match any decreases in revenue relating to changes in market and economic conditions.

18. *We could be exposed to risks arising from employee and business associate misconduct and trading errors.*

Misconduct by employees could include their binding us to transactions that exceed authorized limits or present unacceptable risks to us, hiding unauthorized or unsuccessful trading activities from us or the improper use of confidential information. These types of misconduct could result in business risks or

losses to us including regulatory sanctions and serious harm to our reputation. Furthermore, while our business associates work under our overall supervision and control and each of their clients are directly registered with us on a revenue sharing basis. Our Business Associates are typically managed by independent entrepreneurs and not by our employees. We have significantly less control over the activities of our business associates than our employees. The precautions we take to prevent and detect these activities may not be effective. For example, some of our client's place orders over the telephone. If an employee or Business Associate performs misconduct or commits trading errors, our business operations and reputation could have a material adverse impact.

19. *Our inability to build and maintain our brand name will adversely affect our business, prospects, financial condition and results of operation.*

Brand recognition is important to the success of our business. Establishing and maintaining our brand name for people relying on our services to look for desired results is critical to the success of the customer acquisition process of our business. No assurance can be given that our brand name will be effective in attracting and growing user and customer base for our businesses or that such efforts will be cost-effective, which may negatively affect our business, prospects, financial condition and results of operations.

20. *As the securities of our Company are listed on Stock Exchanges in India, our Company is subject to certain obligations and reporting requirements under the SEBI Listing Regulations.*

Any non-compliances/delay in complying with such obligations and reporting requirements may render us liable to prosecution and/or penalties. The Equity Shares of our Company are listed on Mainboard of NSE & BSE Limited; therefore, we are subject to the obligations and reporting requirements prescribed under the SEBI Listing Regulations. There have been instances in the recent past wherein, our Company has failed to comply with the requirements of the SEBI Listing Regulations in a timely manner and has also received the BSE and NSE notices pursuant to Our Company endeavors to comply with all such obligations/reporting requirements, there may be nondisclosures/delayed/erroneous disclosures and/or any other violations which might have been committed by us, and the same may result into Stock Exchanges and/or SEBI imposing penalties, issuing warnings and show cause notices against us and/or taking actions as provided under the SEBI Act and Rules and Regulations made there under and applicable SEBI Circulars. Any such adverse regulatory action or development could affect our business reputation, divert management attention, and result in a material adverse effect on our business prospects and financial performance and on the trading price of the Equity Shares.

21. *We have existing debt facilities and may raise additional debt, which could adversely affect our financial health and our ability to obtain financing in the future and react to changes in our business and increases in interest rates of our borrowings may impact our results of operation.*

As of March 31, 2023, the amount of our total secured borrowings on consolidated basis was Rs. 2,810.26lakhs, which consists of overdraft facilities from banks. Our business requires a high amount of working capital to finance operational expenses before payments are received from the client. We may incur additional indebtedness in the future. Our ability to meet our debt service obligations and our ability to repay our outstanding borrowings will depend primarily upon the cash flow produced by our businesses. We cannot assure you that we will generate sufficient revenue from our businesses to service existing or proposed borrowings. If we fail to meet our debt service obligations, our lenders could declare us to be in default under the terms of our borrowings and may accelerate the maturity of our obligations. We cannot assure you that, in the event of any such acceleration, we would have sufficient resources to repay these borrowings. Accordingly, any such acceleration would have an adverse effect on our cash flows, business, financial condition and results of operation. In addition: (a) our ability to obtain additional financing for working capital, capital expenditures, acquisitions or general corporate purposes may be impaired in the future; (b) a substantial portion of our cash flow from operations may be dedicated to the payment of principal and interest on our indebtedness, thereby reducing the funds available to us for other purposes; (c) we will be exposed to the risk of increased interest rates; and (d) our flexibility to adjust to changing marketcondition and ability to withstand competitive pressures could be limited, and we may be more vulnerable to a downturn in general economic conditions in our business or be unable to carry out capital spending that is necessary or important to our growth strategy.

22. Our success depends largely on our senior management and skilled employees and our ability to attract and retain them.

Our success depends on the continued services and performance of the members of our senior management team and other key employees. Our continued success also depends upon our ability to attract and retain skilled staff, particularly managers and skilled workers. The loss of the services of our senior management or our inability to recruit, train or retain a sufficient number of skilled professionals could have a material adverse effect on our operations and profitability. Competition for senior management in our industry in which we operate is intense, and we may not be able to retain our existing senior management or attract and retain new senior management in the future. We do maintain “key man” life insurance policies for senior members of our management team or other key personnel. However, any such loss of the services of our senior management personnel or skilled staff could adversely affect our business, prospects, financial condition and results of operation.

23. Certain filings of our Company under the Companies Act have been filed post the prescribed date of filing. There may also be certain inadvertent errors in these filings.

Certain filings of our Company under the Companies Act, including those in relation to issue and allotment of Equity Shares, changes in our management and such other filings have been filed post the prescribed date of filing under the Companies Act. There may also be instances where there are inadvertent errors in secretarial records and filings. We cannot assure you that these filings and errors will not be subject to any penalties imposed by the relevant authority in this respect.

24. Our Company had negative cash flow in recent fiscals, details of which are given below. Sustained negative cash flow could adversely impact our business, financial condition and results of operations.

(₹ in lacs)

Cash flow from	FY 31.03.23	FY 31.03.22
Cash generated/(used) in operating activities	(547.71)	2537.75
Cash generated/(used) in investing activities	475.14	(1053.11)
Cash generated/(used) in financing activities	138.43	(2942.05)

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet its capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. If we are not able to generate sufficient cash flow, it may adversely affect our business and financial operations. For further details please refer to the section titled ‘Financial Information’ beginning on page 72, of the Draft Letter of Offer.

25. We face intense competition in our businesses, which may limit our growth and prospects.

Our Company faces significant competition from other big and small broking companies. We compete on the basis of a number of factors, including execution, depth of product and service offerings, innovation, reputation and price. Our competitors may have advantages over us, including, but not limited to:

- Substantially greater financial resources;
- Longer operating history than in certain of our businesses;
- Greater brand recognition among consumers;
- Larger customer bases in and outside India; or
- More diversified operations which allow profits from certain operations to support others with lower profitability.

These competitive pressures may affect our business, and our growth will largely depend on our ability to respond in an effective and timely manner to these competitive pressures.

26. Our funding requirements and deployment of the issue proceeds are based on management estimates and have not been independently appraised by any bank or financial institution.

Our funding requirements and the deployment of the proceeds of the Issue are based on management estimates and our current business plan. The fund requirements and intended use of proceeds have not been appraised by bank or financial institution and are based on our estimates. In view of the competitive and dynamic nature of our business, we may have to revise our expenditure and fund

requirements because of variations including in the cost structure, changes in estimates and other external factors, which may not be within the control of our management. This may entail rescheduling, revising or cancelling the planned expenditure and fund requirement and increasing or decreasing the expenditure for a particular purpose from its planned expenditure at the discretion of our Board. In addition, schedule of implementation as described herein are based on management's current expectations and are subject to change due to various factors some of which may not be in our control.

- 27. *Our Company's management will have flexibility in utilizing the Net Proceeds. There is no monitoring agency appointed by our Company and the deployment of funds is at the discretion of our Management and our Board of Directors, though it shall be monitored by our Audit Committee.***

The deployment of the funds towards the objects of the issue is entirely at the discretion of the Board of Directors and is not subject to monitoring by external independent agency. As per SEBI (ICDR) Regulations, 2018, as amended, appointment of monitoring agency is required only for Issue size above ₹10,000.00 lakhs. Hence, we have not appointed any monitoring agency to monitor the utilization of Issue proceeds. However, the audit committee of our Board will monitor the utilization of Issue proceeds in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, our Company shall inform about material deviations in the utilization of Net Issue Proceeds to the BSE and NSE and shall also simultaneously make the material deviations / adverse comments of the audit committee public. Whereas, we confirm that any diversion in utilization of Issue Proceeds will be in accordance with applicable laws.

- 28. *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 ₹ 49 Cr 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 utilization 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 utilization of Issue proceeds and shall have the flexibility in applying the proceeds of this Issue which will be in accordance with applicable laws.

- 29. *Our financing requirements and the deployment of the net proceeds of the Issue are based on management estimates and have not been independently appraised.***

Our financing requirements and the deployment of the net proceeds of the Issue are based on management estimates and have not been appraised by any bank or financial institution. In view of the highly competitive nature of the industry in which we operate, we may have to revise our management estimates from time to time and consequently our financing requirements and the expected deployment of the net proceeds of the Issue may also change.

- 30. *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.

- 31. *Any variation in the utilization of the Net Proceeds as disclosed in this Draft Letter of Offer shall be subject to certain compliance requirements, including prior Shareholders' approval.***

In accordance with Section 27 of the Companies Act, 2013, we cannot undertake any variation in the utilization of the Net Proceeds as disclosed in this Draft Letter of Offer without obtaining the shareholders' approval through a special resolution. In the event of any such circumstances that requires us to undertake variation in the disclosed utilisation of the Net Proceeds, we may not be able

to obtain the Shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such Shareholders' approval may adversely affect our business or operations. Further, our Promoters or controlling shareholders would be required to provide an exit opportunity to the shareholders who do not agree with our proposal to modify the objects of the Issue as prescribed in the SEBI (ICDR) Regulations. If our shareholders exercise such exit option, our business and financial condition could be adversely affected. Therefore, we may not be able to undertake variation of objects of the Issue to use any unutilized proceeds of the Issue, if any, even if such variation is in the interest of our Company, which may restrict our ability to respond to any change in our business or financial condition, and may adversely affect our business and results of operations.

32. *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.

33. *There are no alternate arrangements for meeting our requirements for the Objects of the Issue.*

Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial performance. As on date, we have not made any alternate arrangements for meeting our capital requirements for the Objects of the Issue. We meet our working capital requirements through our owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our working capital requirements, which in turn will negatively affect our financial condition and results of operations. Further we have not yet identified any alternate source of funding and hence any failure or delay on our part to raise money from this Issue or any shortfall in the Issue Proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details, please refer chapter titled "Objects of the Issue" on page 42 of this Letter of Offer.

ISSUE RELATED RISKS

34. *There are restrictions on daily / weekly / monthly movements in the price of the Equity Shares, which may adversely affect a shareholders' ability to sell, or the price at which it can sell, Equity Shares at a particular point in time.*

Once listed, we would be subject to circuit breakers imposed by all stock exchanges in India, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on circuit breakers is set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchanges do not inform us of the percentage limit of the circuit breaker in effect from time to time and may change it without our knowledge. This circuit breaker limits the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance may be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

35. *After this Issue, the price of the Equity Shares may be highly volatile, or an active trading market for the Equity Shares may not develop.*

The price of the Equity Shares on the Stock Exchanges may fluctuate as a result of the factors, including:

- a. Volatility in the Indian and global capital market;
- b. Company's results of operations and financial performance;
- c. Performance of Company's competitors,
- d. Adverse media reports on Company or pertaining to the agriculture Industry;

- e. Changes in our estimates of performance or recommendations by financial analysts;
- f. Significant developments in India's economic and fiscal policies; and
- g. Significant developments in India's environmental regulations.

Current valuations may not be sustainable in the future and may also not be reflective of future valuations for our industry and our Company. There has been no public market for the Equity Shares and the prices of the Equity Shares may fluctuate after this Issue. There can be no assurance that an active trading market for the Equity Shares will develop or be sustained after this Issue or that the price at which the Equity Shares are initially traded will correspond to the price at which the Equity Shares will trade in the market subsequent to this Issue.

36. *You will not be able to sell immediately on Stock Exchange any of the Equity Shares you purchase in the Issue until the Issue receives appropriate trading permissions.*

The Equity Shares will be listed on the Stock Exchange. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and trading may commence. We cannot assure you that the Equity Shares will be credited to investor's demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in the Letter of Offer. Any failure or delay in obtaining the approval would restrict your ability to dispose of the Equity Shares. In accordance with section 40 of the Companies Act, 2013, in the event that the permission of listing the Equity Shares is denied by the stock exchanges, we are required to refund all monies collected to investors.

37. *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.

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

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

39. *SEBI has by way of circulars dated January 22, 2020, May 6, 2020, January 19, 2021 and October 01, 2021, streamlined the process of right issue. You should follow the instructions carefully, as stated in such SEBI circulars and in this 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 155 of this 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 dematerialized form.
- (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.

40. *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.

EXTERNAL RISKS

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

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 U.S. 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 adverse effects on the securities of companies in other countries, including India. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability, including the financial crisis and fluctuations in the stock markets in China and further deterioration of credit conditions in the U.S. or European markets, could also have a negative impact on the Indian economy. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders' equity and the price of our Equity Shares.

Our performance, growth and market price of our Equity Shares are and will be dependent on the health of the Indian economy. 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. India's economic growth is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports (oil and oil products), 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, cash flows 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.

42. *Changing laws, rules and regulations and legal uncertainties in India, including adverse application of corporate and tax laws, may adversely affect our business and financial results.*

Our business and financial performance could be adversely affected by any change in laws or interpretations of existing laws, or the promulgation of new laws, rules and regulations applicable to us and our business including those relating to the industry in which we operate. There can be no assurance that the Government of India or state governments will not introduce new laws, regulations and policies which will require us to obtain additional approvals and licenses or impose onerous requirements on our business. For example, the new Companies Act, 2013 contains significant changes to Indian company law, including in relation to the issue of capital by companies, disclosures in offer documents, related party transactions, corporate governance, audit matters, internal controls, shareholder class actions, restrictions on the number of layers of subsidiaries, prohibitions on loans to directors, insider trading and restrictions on directors and key management personnel from engaging in forward dealing.

The Government of India has approved the adoption of a comprehensive national goods and services tax ("GST") regime that will combine taxes and levies by the Central and State Governments into a unified rate structure, with effect from July 1, 2017. Given the limited availability of information in the public domain concerning the GST, we cannot provide any assurance as to this or any other aspect of the tax regime following implementation of the GST. The implementation of this rationalized tax structure may be affected by any disagreement between certain state governments, which may create uncertainty. Any future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable. If, as a result of a particular tax risk materializing, the tax costs associated with certain transactions are greater than anticipated, it could affect the profitability of such transactions.

We have not determined the effect of such legislations on our business. In addition, unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment laws governing our business, operations and group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals.

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

43. *Investors may have difficulty enforcing foreign judgments against us or our management.*

We are a limited liability company incorporated under the laws of India. All our directors and executive officers are residents of India and all of our assets and such persons are located in India. As a result, it may not be possible for investors to effect service of process upon us or such persons outside of India, or to enforce judgments obtained against such parties outside of India.

Recognition and enforcement of foreign judgments is provided for under Section 13 of the Code of Civil Procedure, 1908 ("CPC") on a statutory basis. Section 13 of the CPC provides that foreign judgments shall be conclusive regarding any matter directly adjudicated upon, except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognise the law of India in cases to which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; and (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. Under the CPC, a court in India shall, upon the production of any document purporting to be a certified copy of a foreign

judgment, presume that the judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record.

However, under the CPC, such presumption may be displaced by proving that the court did not have jurisdiction. India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. Section 44A of the CPC provides that where a foreign judgment has been rendered by a superior court, within the meaning of that Section, in any country or territory outside of India which the Central Government has by notification declared to be in a reciprocating territory, it may be enforced in India by proceedings in execution as if the judgment had been rendered by the relevant court in India. However, Section 44A of the CPC is applicable only to monetary decrees not being of the same nature as amounts payable in respect of taxes, other charges of a like nature or of a fine or other penalties.

The United States and India do not currently have a treaty providing for reciprocal recognition and enforcement of judgments, other than arbitration awards, in civil and commercial matters. Therefore, a final judgment for the payment of money rendered by any federal or state court in the United States on civil liability, whether or not predicated solely upon the federal securities laws of the United States, would not be enforceable in India. However, the party in whose favour such final judgment is rendered may bring a new suit in a competent court in India based on a final judgment that has been obtained in the United States. The suit must be brought in India within three years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India.

It is unlikely that a court in India would award damages on the same basis as a foreign court if an action was brought in India. Furthermore, it is unlikely that an Indian court would enforce a foreign judgment if that court were of the view that the amount of damages awarded was excessive or inconsistent with public policy or Indian practice. It is uncertain as to whether an Indian court would enforce foreign judgments that would contravene or violate Indian law. However, a party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI under the FEMA to execute such a judgment or to repatriate any amount recovered.

SECTION IV – INTRODUCTION

THE ISSUE

The Issue has been authorized by way of resolution passed by our Board of Directors on January 30, 2023, pursuant to section 62(1)(a) of the Companies Act, 2013 and other applicable provisions. The terms of the Issue including the Record Date and Rights Entitlement Ratio have been approved by the Board of Directors at their meeting held on [●].

The following is a summary of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, more detailed information in “Terms of the Issue” on page 155.

Particulars	Details of Equity Shares
Rights Equity Shares being offered by our Company	[●]Equity Shares
Rights Entitlement	[●]Rights Equity Shares for every [●]fully paid-up Equity Shares held on the Record Date i.e. [●], 2024
Record Date	[●], 2024
Face Value per Rights Equity Shares	₹ 1/- per Equity Share
Issue Price per Rights Equity Share	[●]/- per fully paid-up Equity Share (including a premium of ₹ [●]/- per Equity Share)
Equity Shares outstanding prior to the Issue	84,00,00,000Equity Shares
Issue Size	Issue of up to [●]Equity Shares of face value of ₹1 each for cash at a price of ₹[●] (including a premium of ₹[●] per Rights Equity Share) per Rights Equity Share for an amount aggregating upto ₹4,900 lakhs.
Fractional Entitlement	For Equity Shares being offered on a rights basis under the Issue, if the shareholding of any of the Eligible Equity Shareholders is less than [●] ([●]) Equity Shares or is not in multiples of [●] ([●]), the fractional entitlement of such Eligible Equity Shareholders shall be ignored for computation of the Rights Entitlement. However, Eligible Equity shareholders whose fractional entitlements are being ignored earlier will be given preference in the Allotment of one additional Equity Share each, if such Eligible Equity Shareholders have applied for additional Equity Shares over and above their Rights Entitlement, if any
Voting Rights and Dividend	The Rights Equity Shares issued pursuant to the issue shall rank <i>pari passu</i> in all respects with the existing Equity Shares of our Company.
Equity Shares outstanding after the Issue (assuming full subscription for and Allotment of the Rights Entitlement)	Upto [●] Equity Shares
Terms of the Issue	Please see the chapter titled ‘ Terms of the Issue ’ on page 155 of this Draft Letter of Offer.
Use of Issue Proceeds	Please refer “ <i>Objects of the Issue</i> ” on page 42 of this Draft Letter of Offer.
Security Codes for the Equity Shares	ISIN: INE878H01024 BSE: 533506; NSE:INVENTURE
ISIN for Rights Entitlements@	[●]
Terms of Payment	The full amount is payable on application

GENERAL INFORMATION

Inventure Growth and Securities Limited was originally incorporated on June 22, 1995, as a Public limited company, under the name and style 'Inventure Growth and Securities Limited' under the provisions of the Companies Act, 1956, with the Registrar of Companies, Mumbai. We received Certificate of Commencement of Business dated June 22, 1995 issued by the Registrar of Companies, Mumbai. The Company made a maiden public offer of its Equity Capital in July 2011. The Equity capital are listed on BSE and NSE in India.

Name	<i>Inventure Growth and Securities Limited</i>
Company Identification Number	L65990MH1995PLC089838
Address of Registered Office of Company	201, 2nd Floor, Viraj Tower, Near Landmark, Western Express Highway, Andheri – East, Mumbai - 400069, India Tel: +91 - 22-71148500/600 Website: www.inventuregrowth.com E-mail: cs@inventuregrowth.com
Address of Registrar of Companies	Registrar of Companies, Maharashtra, Mumbai 100, Everest Building, Marine Drive, Mumbai - 400020 Maharashtra, India. Tel: +91 22 2281 2639, +91 22 2288 3389, +91 22 2281 3760 Fax: +91 22 2281 1977 E-mail: roc.mumbai@mca.gov.in
Designated Stock Exchange	BSE Limited

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
Mr. Kanji Bachubhai Rita	57	Executive Director- Chairperson-MD	1601, Laburnam Towers, Mahindra Gardens, S.V. Road, Goregaon(W) Mumbai-4000104, Maharashtra, India	00727470
Mr. Kamlesh Shankarlal Limbachiya	56	Whole-time Director	A/2702, Oberoi Woods, Mohan Gokhle Road, Near Oberoi International School, Goregaon East, Mumbai-400063 Maharashtra, India	02774663
Mrs. Lasha Meet Rita	28	Whole-time Director	1601, Laburnam Towers, Mahindra Gardens, S.V. Road, Goregaon(W) Mumbai-4000104, Maharashtra, India	08104505
Mr. Surji Damji Chheda	59	Non-Executive - Independent Director	A/403 Titanium Tower – Jay view CHS LTD Linking Road opp. Star bazaar Shankar Nagar Andheri West Mumbai 400053.	02456666
Mr. Pathik Bharat Shah	37	Non-Executive Independent Director	Royal Samrat, S. V. Road, Near Cinemax Theatre, Goregaon (west), Mumbai – 400104	03593855
Mr. Rekhchand Ramdayal Thanvi	66	Non-Executive Independent Director	R-8/15 Jai Shreedhan Chs Ltd Link Road Near Hypercity Bangur Nagar Goregaon West Bangur Nagar, Mumbai, Goregaon West, 400104, Maharashtra, India	09752722

Company Secretary and Compliance Officer

Shikha Ashok Mishra

201, 2nd Floor, Viraj Tower, Near Landmark, Western Express Highway, Andheri – East, Mumbai - 400069, India

Website: www.inventuregrowth.com

E-mail: cs@inventuregrowth.com

Tel: +91 - 22-71148500/600

Website: www.inventuregrowth.com

Investors are advised to contact the Company Secretary and Compliance Officer or Registrar to the Issue for any pre-Issue or post-Issue related problems such as non-receipt of Abridged Letter of Offer / CAF / 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 Rights Equity Shares applied for, amount blocked, where the CAF or the plain paper application, was submitted by the ASBA Investors.

Chief Financial Officer

Arvind Gala

201, 2nd Floor, Viraj Tower, Near Landmark, Western Express Highway, Andheri – East, Mumbai - 400069, India

Website: www.inventuregrowth.com

E-mail: cfo@inventuregrowth.com

Tel: +91 - 22-71148500/600

Website: www.inventuregrowth.com

Details of Key Intermediaries pertaining to this Issue of our Company:

Registrar to the Issue	BankertotheCompany
Link IntimeIndia PrivateLimited C-101,1st Floor,247Park, L.B.S.Marg,Vikhroli(West),Mumbai - 400083, Maharashtra, India. TelNo: + 91 810 811 4949 Email: inventure.rights2023@linkintime.co.in Website: www.linkintime.co.in SEBIRegistrationNumber: INR000004058 Contact Person: Shanti Gopalkrishnan	HDFC BANK Maneckji Wadia Bldg., Nanik Motwani Marg Fort Mumbai 400001 TelNo: +91 9702883039 Email: rakesh.kanojiya@hdfcbank.com Website: www.hdfcbank.com Contact Person: Rakesh Kanojiya
BankertotheCompany	Banker to the Issue/ Sponsor Bank
Punjab National Bank A-15-C, Poddar Road, Malad East, Mumbai - 400097 TelNo: +91 -9929093999 Email: bo1186@pnb.co.in Website: www.pnbindia.in Contact Person: Mahesh Meena	IndusInd Bank Limited 4th floor, PNA House, Street no. 17, Plot no. 57, MIDC, Andheri (East), Mumbai – 400093, Maharashtra, India. TelNo.: +91 -22-61069318 Email: nsecig@IndusInd.com Website: www.IndusInd.com ContactPerson: Kaushik Chatterjee

Statutory&Peer Review Auditor of the Company	Legal Advisor to issue
M/s. PPV & Co., Chartered Accountants 1 Radha Apartments Teli Galli Andheri East Mumbai - 4 0 0 0 6 9, Maharashtra, India, West Firm Registration Number: 153929W Peer Review Number: 015008 Contact Person: Mr. Priyanshi Vakharia Membership Number: 181834 Contact Details: +91 9769867030 E-mail ID: ca.ppvco@gmail.com	M/s. Amruta Giradkar Associates Office No. 820, 8th Floor, Ecstasy Business Park, JSD, Mulund West, Mumbai, Maharashtra 400080 Membership Number: 19381 Contact Person: Amruta Giradkar Contact Number: 9892981184 E-mail Id: amruta@csamrutagiradkar.com

Investors may contact the Registrar or our Compliance Officer for any pre-Issue/post-Issue related matter. All grievances relating to the ASBA process may be addressed to the Registrar, with a copy to the SCSBs, giving full details such as name, address of the Applicant, contact number(s), e-mail ID of the sole/ first holder, folio number or demat account number, serial number of the CAF, number of Rights Equity Shares applied for, amount blocked, ASBA Account number and the Designated Branch of the SCSBs where the CAF, or the plain paper application, as the case may be, was submitted by the ASBA Investors along with a photocopy of the acknowledgement slip. For details on the ASBA process as well as for non-ASBA process, see “*Terms of the Issue*” on page 155.

DESIGNATED INTERMEDIARIES

Self-Certified Syndicate Banks (SCSB’s)

The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA process is provided on the website of SEBI at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> as updated from time to time, or at such other website as may be prescribed from time to time. Further, for a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries and updated from time to time, please refer to the above-mentioned link or any such other website as may be prescribed by SEBI from time to time.

Inter-se Allocation of responsibilities

Since no Lead Manager has been appointed for purposes of the Issue, there is no requirement of an 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 November 04, 2023 from the Statutory Auditors to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations in this Draft Letter of Offer as an “Expert” as defined under Section 2(38) of the Companies Act, 2013 to the extent and in its capacity as an independent Statutory Auditor and in respect of its (i) Audit Report dated May 23, 2023 on our Financial Statements for the financial year ended March 31, 2023 and March 31, 2022 (ii) Statement of Special Tax Benefits dated April 24, 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.

Issue Schedule:

LAST DATE FOR CREDIT OF RIGHTS ENTITLEMENTS	[•]
ISSUE OPENING DATE	[•]
LAST DATE FOR ON MARKET RENUNCIATION OF RIGHTS ENTITLEMENTS*	[•]
ISSUE CLOSING DATE	[•]
FINALISATION OF BASIS OF ALLOTMENT (ON OR ABOUT)	[•]
DATE OF ALLOTMENT (ON OR ABOUT)	[•]
DATE OF CREDIT (ON OR ABOUT)	[•]
DATE OF LISTING (ON OR ABOUT)	[•]

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

#Our Board will have 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 issue date)

Please note that if Eligible Shareholders holding Equity Shares who have not provided the details of their demat accounts to our Company or to the Registrar to the Issue, they are required to provide their demat account details to our Company or the Registrar to the Offer not later than 2 (Two) 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 1 (One) day before the Issue Closing Date, i.e., [•].

Investors are advised to ensure that the Applications are submitted on or before the Issue Closing Date. Our Company or the Registrar to the Issue will not 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, please refer to the section titled 'Terms of the Issue' beginning on page 155 of this Letter of Offer.

The details of the Rights Entitlements with respect to each Eligible Shareholders can be accessed by such respective Eligible Shareholders on the website of the Registrar to the Issue at www.linkintime.co.in after keying in their respective details along with other security control measures implemented there at.

For further details, please refer to the paragraph titled see 'Credit of Rights Entitlements in demat accounts of Eligible Shareholders' under the section titled 'Terms of the Issue' beginning on page 155 of this Letter of Offer. Please note that if no Application is made by the Eligible Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall get lapsed 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 premium 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 this Issue. For further details, please see the chapter titled "Terms of the Issue" beginning on page 155.

Credit Rating

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

Debenture Trustees

This is an issue of equity shares; hence appointment of debenture trustee is not required.

Monitoring Agency

Since the size of the Issue is less than ₹ 10,000 Lakhs, our Company is not required to comply with the

provisions of the SEBI ICDR Regulations including the provisions relating to appointment of monitoring agency.

Appraising Agency

None of the purposes for which the Net Proceeds are proposed to be utilized have been appraised by any bank or financial institution.

Underwriting

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

Changes in Auditors during the last three years

There has been no change in the statutory auditors of our Company during the three years immediately preceding the date of this Draft Letter of Offer. Except the following.

Sr No.	Name of auditors	From	To	Reasons for change
1	PHD & Associates Firm Reg no (111236W)	2011-12	2019-20	Completion of Tenure
2	M/S PPV & Co. (Firm Reg no. 153929W)	2020-21	2024-25	

Minimum Subscription

If our Company does not receive the minimum subscription of 90% of the Issue Size, or the subscription level falls below 90% of the Issue Size, after the Issue Closing Date on account of withdrawal of applications, our Company shall refund the entire subscription amount received within 4 days from the Issue Closing Date. In the event that there is a delay in making refund of the subscription amount by more than four days after our Company becomes liable to pay subscription amount or such other period as prescribed by applicable laws, our Company shall pay interest for the delayed period at rate prescribed under applicable laws.

Filing of the Offer Document

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 Letter of Offer with SEBI for rights issues has been increased. The threshold of the rights issue size under Regulation 3 (b) of the SEBI ICDR Regulations 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 will be filed with the Stock Exchanges 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 Exchanges.

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:

No.	Particulars	Amount (₹ in lakhs)	
		Aggregate nominal value	Aggregate value at Issue Price
A.	Authorized Share Capital[^]		
	1,25,00,00,000 Equity Shares of face value of ₹1.00 each	12,500.00	-
B.	Issued, Subscribed and Paid-Up Share Capital before the Issue		
	84,00,00,000 Equity Shares of face value of ₹1.00 each	84,00.00	-
C.	Present Issue in terms of this Draft Letter of Offer*		
	Issue of [●] Equity Shares for cash at a price of ₹[●] per Equity Share	[●]	[●]
D.	Issued, Subscribed and Paid-up Share Capital after the Issue[#]		
	[●]Equity Shares of face value of ₹1.00 each	[●]	-
E.	Securities Premium Account		
	Before the Issue	811.63	
	After the Issue	[●]	

[^]The authorized share capital of our Company was increased pursuant to a board resolution dated January 30, 2023 and a shareholder resolution through Postal Ballot dated March 24, 2023.

*The Issue has been authorized by our Board pursuant to a resolution dated January 30, 2023 pursuant to Section 62(1)(a) and other applicable provisions of the Companies Act.

[#]assuming full subscription to the Rights Entitlements and Allotment of the Rights Equity Shares.

Notes to the Capital Structure:

- Our Company does not have any employee stock option scheme or employee stock purchase scheme.
- Our Company does not have any outstanding warrants, options, convertible loans, debentures or any other securities convertible at a later date into Equity Shares, as on the date of this Draft Letter of Offer, which would entitle the holders to acquire further Equity Shares.
- Shareholding of Promoters and Promoter Group:**

The details of specified securities held by the Promoters and Promoter Group including the details of lock-in, pledge and encumbrance on such securities as on the date of this Draft Letter of Offer are set forth hereunder:

Sr. No.	Name of the Promoters & Promoter Group	No. of Equity Shares held	% of total share capital	Details of Equity Shares pledged/encumbered		Details of Equity Shares locked-in	
				No. of Equity Shares	% of total share capital	No. of Equity Shares	% of total share capital
	Promoter						
1	Kanji Bachubhai Rita	22,16,43,270	26.39	-	-	-	-
	Promoter Group						
1	Kanji Bachu Rita (HUF)	1,11,120	0.01	-	-	-	-
	Grand Total	22,17,54,390	26.40	-	-	-	-

4. No Equity Shares have been acquired by the Promoters or members of the Promoter Group in the year immediately preceding the date of the Draft Letter of Offer.

5. Intention and extent of participation in the Issue by the Promoters and Promoter Group

Pursuant to the letter dated November 1, 2023, our Promoters and members of the Promoter Group, has undertaken that they may or may not:

- subscribe, jointly and / or severally to the extent of their Rights Entitlements;
- subscribe, jointly and / or severally to the extent of any Rights Entitlement that may be renounced in their favour by any other Promoters or Member(s) of the Promoter Group of our Company;
- may renounce their Right Entitlements fully or in part in favour of any third party other than the Promoters and members of the Promoter Group ; and
- at their sole discretion, apply for and subscribe to additional Rights Equity Shares, and any such subscription for Rights Equity Shares shall be over and above their Rights Entitlement.
- The aforementioned subscription of Rights Equity Shares and Additional Rights Shares by our Promoter, if allotted shall not result in a change of control of the management of our Company and shall not result in an obligation on our Promoter to make an open offer to the public shareholders of our Company in terms of the SEBI Takeover Regulations. Further, as on the date of this Draft Letter of Offer, our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable laws, pursuant to this Issue.

6. All the Equity Shares of our Company are fully paid-up as on the date of this Draft Letter of Offer. Further, the Equity Shares offered in the Rights Issue shall be made fully paid at the time of their allotment.

7. The ex-rights price per Equity Share arrived in accordance with Regulation 10(4)(b) of the SEBI (SAST) Regulations is ₹[●].

8. Shareholding Pattern of our Company as per the last filing with the Stock Exchanges in compliance with the provisions of the SEBI Listing Regulations:

i. The details of the shareholding pattern of our Company as on September 30, 2023 can be accessed on the website of BSE at:

<https://www.bseindia.com/stock-share-price/inventure-growth--securities-ltd/inventure/533506/shareholding-pattern/>

ii. Statement showing holding of the Equity Shares of the Promoters and Promoter Group including details of lock-in, pledge of and encumbrance thereon, as on September 30, 2023 can be accessed on the website of BSE

at <https://www.bseindia.com/corporates/shpPromoterNGroup.aspx?scripcd=533506&qtrid=119.00&QtrName=September%202023>

iii. Statement showing holding of the Equity Shares of persons belonging to the category “Public” including shareholders holding more than 1% of the total number of the Equity Shares as on September 30, 2023 can be accessed on the website of BSE at

<https://www.bseindia.com/corporates/shpPublicShareholder.aspx?scripcd=533506&qtrid=119.00&QtrName=September%202023>

iv. Statement showing shareholding pattern of the Non Promoter-Non Public shareholder of our Company as on September 30, 2023 can be accessed on the website of BSE at

<https://www.bseindia.com/corporates/shpNonProPublic.aspx?scripcd=533506&qtrid=119.00&QtrName=September%202023>

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

OBJECTS OF THE ISSUE

The Issue includes a Right Issue of upto [●] Equity Shares of our Company at an Issue Price of [●] per Equity Share.

The objects of the Net Proceeds (as defined below) of the Issue are:

1. Expansion of Arbitrage and Share Trading Business
2. Working Capital for Expansion of Arbitrage and Share Trading Business
3. Expansion of Margin Trading Facility (MTF).
4. Investing in the new edge proprietary technology and software.

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 main object clause of Memorandum of Association of our Company enables us to undertake the activities for which the funds are being raised by us through the Issue. Further, we confirm that the activities which we have been carrying out till date are in accordance with the object clause of our Memorandum of Association.

Requirement of Funds, Issue Proceeds and Net Proceeds:

The details of the proceeds of the Issue are summarized in the table below:

Sr. No.	Particulars	Amount (₹ in lakhs)
1	Gross Proceeds of the Issue (₹ in lakhs upto)*	4900.00
2	Issue Expenses	90.00
3	Net Proceeds of the Issue (excluding the Issue Expenses) (“Net Proceeds”)	4810.00
4	Funds to be utilized from (Free Reserves)	162.00
5	Total Funds to be utilized	4972.00

*Assuming full subscription in the Issue and subject to finalization of the Basis of Allotment and to be adjusted per the Rights Entitlement ratio.

Utilization of Net Proceeds and Means of Finance

The means of finance are set forth for attaining the objects:

Sr. No.	Particulars	Amount (₹ in lakhs)
1	Proceeds through Right Issue excluding issue expenses	4810.00
2	Through Internal Funds Free Reserve	162.00
3	Total Utilization	4972.00

Brief Description of Funds to be utilized from proceeds of Right Issue and Internal Funds excluding Issue Expenses:

Sr. No.	Particulars	Amount (₹ in lakhs)	Amount to be utilized from right issue (₹ in lakhs)
1.	Expansion of Arbitrage and share trading business *	2072.00	1910.00
2.	Working Capital to invest in stock in trade expansion of arbitrage and share trading business and Incremental Margin Requirement for F&O and other	1000.00	1000.00

	Derivative products@		
3.	Expansion of margin trading facilities business to provide leverage to exiting clients to benefit from the Volatility in the current Market ^	1500.00	1500.00
4.	Investing in the new edge proprietary technology and software#	400.00	400.00
	Total	4972.00	4810.00

***Brief Description of Expansion of Arbitrage and share trading business:**

Sr. No	Brief Description	Amount (₹ in lakhs)	Amount to be utilized form right issue (₹ in lakhs)
1	Acquisition of Office Premises	1800.00	1800.00
2	Stamp Duty (6%of 18Cr)	108.00	NIL (stamp duty paying from internal accruals)
3	Furniture and Fixture	100.00	100.00
4	Computers Hardware's and Software's	64.00	10.00 (remaining 54.00 For Computers Hardware's and Software's paying from internal accruals)
	Total	2072.00	1910.00

@ Working capital requirement for expansion of arbitrage and share trading business and Incremental Margin Requirement for F&O and other Derivative products

Sr. No	Brief Description	Amount (₹ in lakhs)
1.	Additional working capital to invest in stock in trade of shares and securities	500.00
2.	Incremental Margin requirement for F&O and other derivatives product	500.00
	Total	1000.00

^Brief Description of Expansion of margin trading facilities

MTF is the SEBI approved margin trading facility, only way for clients to hold debit stocks for more than T+2+5. Maximum limit to hold debit stock is up to 90 days also same could be carried beyond that if the settlement is done once a quarter.

Margin Trading Facility (MTF) is extended to existing clients who are active for trading at BSE or NSE. However NRI clients shall not be eligible for MTF.

If Client's outstanding dues in normal trading a/c stand beyond T7, SEBI rules debars further exposure until such dues beyond T7 is cleared by client. Under MTF, clients can avail the funding for longer periods subject to fulfilment of maintenance margin and other conditions. Further, MTF will command lower margin as compared to margin applicable for Loan against Shares.

Only Equity shares that are classified as Group I Security shall be dealt under MTF. Stocks under MTF include Collateral Stocks to be deposited by you for availing MTF and Funded Stocks purchased by you under MTF.

The MTF product is already existing service provided by our Company, since last 5 years. The breakup of MTF Loan AUM and Interest Earned for last 5 years and for half year ended 30th September, 2023 and projection for next 2 years is as under:

(Rs. In Cr.)

Sr. No.	Particulars	FY 2020	FY 2021	FY 2022	FY 2023	HALF YEAR SEPT 2023	FY 2024	FY 2025
1	Total AUM under MTF product	1.58	4.32	9.92	10.62	27.54	45.00	90.00
	(yoy growth %)		173%	130%	7%	159%	324%	100%
2	Interest earned In MTF	0.31	0.18	1.04	1.67	1.18	4.08	10.13
	(yoy growth %)		-40%	465%	61%		144%	148%

#Brief investment requirement for investment in new edge technology and software

Sr. No	Brief Description	Amount (₹ in lakhs)	Amount to be utilized form right issue (₹ in lakhs)
1	New Edge Back Office Software	100.00	100.00
2	Risk Management Software	40.00	40.00
3	Algo Trading Software	180.00	180.00
4	Additional Hardware for above software	50.00	50.00
5	Additional expanses on recurring maintenance and Research and Development of software	30.00	30.00
	Total	400.00	400.00

The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plan, management estimates, and other commercial and technical factors. However, such fund requirement and deployment of funds have not been appraised by any bank, or financial institution. We may have to revise our funding requirement and deployment of fund on account of a variety of factors such as our financial and market condition, business strategy, competition, variation in cost estimates on account of factors, and other external factors such as changes in the business environment and interest or exchange rate fluctuations, which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of our management, subject to compliance with applicable law.

The balance requirement of funds will be utilized from reserve & surplus.

Means of Funding

Our object of the right issue as per estimated quotations requires total funding of Rs. 5062.00/- Lakhs including issue expanses. Whereas, our Company proposes to meet the funding requirements of Rs. 4900/- lakhs for the proposed objects of the Issue from the Net Proceeds and remaining Rs 162.00 Lakhs from internal accruals.

Means of Finance for arrears of Rs. 162.00 Lakhs.

Particulars	Amount in Lakhs
General Reserves and Retained Earnings	162.00

Our Company is not required 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 and existing identifiable internal accruals.

There are no existing or anticipated transactions in relation to utilization of Net Proceeds with our Promoter, Directors, key managerial personnel or associate companies (as defined under Companies Act, 2013).

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

Our Company may have to revise its business plan from time to time and consequently our fund requirements may also change. Our Company's historical expenditure may not be reflective of our future expenditure plans. Our Company may have to revise its estimated costs, fund allocation and fund requirements owing to various factors such as economic and business conditions, increased competition and other external factors which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of the Company's management.

The balance requirement of funds will be utilized from reserve & surplus.

For further details on the risks involved in our business plans and executing our business strategies, please see the section titled "*Risk Factors*" beginning on pageno.19.

Details of Use of Net Issue Proceeds:

1. Funding for Expansion of Arbitrage and share trading business

a. Purchase of Property

We intend to purchase the property located at 2ndFloor, Kenorita Jewels Building, Station Road, Jawahar Nagar 1, Goregaon West, Mumbai – 400104, Maharashtra from K R Shoppers Private Limited, a Related Party of our Company (common Promoters and Directors)admeasuring 6,342.58 square feet at the total cost of ₹19.08 crore. The property will give additional impetus for growth.

We will require additional ₹1.00Crore for the interiors, furniture and fixtures and Rs. 64 lakhs for computers, servers etc.

b. Purchase of Furniture and Computer Hardware & Software:

To make office functional we need some interiors to be done along with computers and required software need to be purchased. We have finalized below quotations for the same:

Particulars	Name of Supplier	Amount in Corer	Date of Placement of Order	Expected date of Delivery	Validity of Quotation
Furniture and Fixture	Jay Interiors, Andheri Mumbai	1,12,39,500/- (incl. of GST)	Yet to be placed	60 days of placement of order	180 days from Nov 1, 2023
Computer hardware and Software	TechGuide, Andheri Mumbai	80 computers at price of 80,000 = 64,00,000 + GST (18%)	Yet to be placed	60 days of placement of order	180 days from Nov 1, 2023

2. Working capital requirement for expansion of arbitrage and share trading business and Incremental Margin Requirement for F&O and other Derivative products

Part of the Issue proceeds will be used towards working capital in the form to invest in Stock in Trade and incremental margin requirement for F&O and other derivatives product by the Company. The margin Requirements with the stock exchanges are determined by the stock exchanges on the basis of trading volumes, market volatility and to extent of open interests in respect of equity index/ stock futures. Such margin requirements comprise of “initial margin” representing initial margin paid and “margin deposits”, representing additional margin over and above the initial margin, intra-day margin etc. for entering into contracts for equity index/ stock futures, which are released on final settlement and/or squaring up of underlying contracts.

The working capital requirement mainly comprises of margin money to be placed with stock exchanges on the basis of trading volumes, market volatility and the extent of outstanding positions in respect of equity index/stock futures & options. Such margin capital requirements also include initial margin and additional margin deposited for entering into the contracts for equity index/ stock futures and options. Further, equity index/stock futures & options are marked-to-market on a daily basis in which case “Mark-to-Market Margin” is also required to be provided till the final settlement of the contracts.

Trend of working capital requirement for the last two fiscal years, Quarter ended 30th September, 2023 and estimated figure of 31st March, 2024 is as under:

				(Rs. In lakhs)
Particulars	31 March 2022	31 March 2023	30 September 2023	31 March 2024
	<i>Audited</i>	<i>Audited</i>	<i>Unaudited</i>	<i>Estimated</i>
	<i>Yearly</i>	<i>Yearly</i>	<i>Half yearly</i>	<i>Yearly</i>
Cash on hand	0.29	0.47	0.51	0.60
Balance with banks in current accounts	351.28	395.51	325.18	350.00
Bank balance other than (a) above	11,651.13	11,842.02	13,699.11	15,000.00
Stock in trade	12.59	25.83	539.86	1,500.00
Margin Money	-	-	-	500.00
Trade receivables	601.24	386.66	1,159.69	400.00
Current tax asset	250.56	203.74	177.19	200.00
Total Current asset (CA)	12,867.09	12,854.24	15,901.54	17,950.60

Trade payable	4,458.04	3,563.30	7,511.37	5,000.00
Borrowings	743.54	914.65	1,294.99	2,000.00
Deposits	365.75	437.53	1,312.01	1,350.00
Other financial liabilities	-	5.02	539.10	600.00
Total Current liability (CL)	5,567.34	4,920.50	10,657.48	8,950.00
Net Working Capital = (CA-CL)	7,299.75	7,933.74	5,244.06	9,000.60
YOY Increase/(Decrease) in working capital		634		1,067

The margin requirements to be maintained with the stock exchanges would be used for clients as well as for proprietary trading. The working capital requirement of cash segment is mainly due to client business. However, in respect of derivatives segment, the margin requirements to be maintained with the stock exchanges would be used for proprietary trading only. Over and above the margin actually utilised, our Company is also required to deposit additional capital/margin with the stock exchanges to smoothly undertake its additional business activities.

Herein below the break-up of proprietary and client trading for the previous three years of our Company is given:

				(Rs. In lakhs)
Particulars	31 March 2022	31 March 2023	30 September 2023	31 March 2024
	Yearly	Yearly	Half yearly	Yearly
	Actual	Actual	Actual	Estimated
Proprietary Turnover	8	32,388	66,313	
Client	4,437,398	5,414,063	2,115,237	

Turnover				
Total	4,437,406	5,446,451	2,181,550	-
% of total turnover				
Proprietary Turnover	0.00%	0.59%	3.04%	10%
Client Turnover	100.00%	99.41%	96.96%	90%
Total	100.00%	100.00%	100.00%	100.00%

The Signification increase in working capital is due to the following reasons

The working capital requirement which is disclosed “Utilization of Fund” is for mainly for two purposes

- A) Investment in stock in trade of Securities which will be used for proprietary trading in the Capital Market Segment and also used as a Collateral Security with the Clearing Corporation Margin requirements against Company's position in Derivative Segment.
- B) Deposit with Stock Exchange in the form of Cash and Fixed Deposit placed towards Exchange margin requirement for Proprietary trade in Future & Option Segment,

A) Investment in Stock In Trade

1. The Company was not able to access the capital market till June 2022 due to debarment by SEBI. The Company can only sell old shares held by it till March 2022 before the commencement of debarment period with the prior permission of SEBI. Hence there was a net decrease in the Stock In Trade since no further purchases was permissible under debarment period.
2. There was a significant increase in working capital requirement due to increase in trading volumn and thereby increase in stock in trade requirement for arbitrage and trading position, after the completion of debarment period from June 2022 till the date of filing of this offer document.

The brief summary of proprietary trading and Change in Stock in Trade from FY 2021-22 to FY 2023-24 (till December) is as following:

PROPRITARY TRADING:

1. Income from Proprietary Trading.

(Rs. In lakhs)

Particular	FY 2021-22				
	Quarter Ended				Year Ended
	30.06.2021	30.09.2021	31.12.2021	31.03.2022	FY 2021-22
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
Sale of share (a)	-	-	118	-	118
Purchase of share (b)	-	-	-	-	-
Change in stock in trade (c)	-	-	83	-	83
Income from Share trading (Delivery based) a+b+c = (A)	-	-	35	-	35
Income from share trading	-	-	-	-	-

(Squarred off Transaction) (B) Income from Derivative trading (C)	-	-	-	-	-
Total Income (A+B+C)	-	-	35	-	35

(Rs. In lakhs)

Particular	FY 2022-23				
	Quarter Ended				Year Ended
	30.06.2022	30.09.2022	31.12.2022	31.03.2023	FY 2022-23
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
Sale of share (a)	-	581	386	232	1,200
Purchase of share (b)	15	635	304	253	1,208
Change in stock in trade (c)	(15)	(59)	79	(19)	(13)
Income from Share trading (Delivery based) a+b+c = (A)	(0)	5	3	(3)	5
Income from share trading (Squarred off Transaction) (B)	-	5	4	2	11
Income from Derivative trading (C)	0	(14)	17	20	23
Total Income (A+B+C)	0	(5)	24	19	39

(Rs. In lakhs)

Particular	FY 2023-24		
	Quarter Ended		
	30.06.2023	30.09.2023	31.12.2023
	(Unaudited)	(Unaudited)	(Estimated)
Sale of share (a)	663	2,028	3,148
Purchase of share (b)	727	2,417	3,278
Change in stock in trade (c)	(64)	(450)	(991)
Income from Share trading (Delivery based) a+b+c = (A)	(0)	61	861
Income from share trading (Squarred off Transaction) (B)	3	2	8
Income from Derivative trading (C)	11	20	90
Total Income (A+B+C)	14	83	960

2. Summary of Stock in trade

Closing Stock in trade	Amount	% Increase /(Decrease) in stock in trade (QoQ)
As on 30.06.2021	95.84	
As on 30.09.2021	95.84	0.00%
As on 31.12.2021	12.59	-86.87%
As on 31.03.2022	12.59	0.00%
As on 30.06.2022	27.21	116.20%
As on 30.09.2022	86.71	218.63%
As on 31.12.2022	7.32	-91.56%
As on 31.03.2023	25.83	253.00%
As on 30.06.2023	89.45	246.29%

As on 30.09.2023	539.86	503.50%
As on 31.12.2023	1,594.65	195.38%

B) Deposit with Stock Exchange for Cash Collateral Deposit

Due to the reason mentioned above, the Company was not able to trade in Derivative Segment due to debarment restriction. Hence there was no margin deposit for Derivative Segment till March, 2022. After the Completion of debarment period in June, 2022, the Company had begun trading in Stock and Index Future and Options contract, Currency Derivative Contracts.

The deposit in the form of Margin deposit with respective Clearing Corporation from March, 2022 till December 2023 are summarized below:

Actual Margin deposited for Proprietary Trades			
Period		Amount in lakhs	% Increase /(Decrease) in stock in trade (QoQ)
FY 2021-22	As on 30.06.2021	-	
	As on 30.09.2021	-	0%
	As on 31.12.2021	-	0%
	As on 31.03.2022	-	0%
FY 2022-23	As on 30.06.2022	34	0%
	As on 30.09.2022	68	97%
	As on 31.12.2022	-	-100%
	As on 31.03.2023	-	0%
FY 2023-24	As on 30.06.2023	203	0%
	As on 30.09.2023	144	-29%
	As on 31.12.2023	657	357%

The Company is also required to keep addition margin with the Stock Exchanges towards its broking business for proprietary as well client trading position. The Actual Margin deposited with Exchanges for the period April 2021 to December, 2023 are under.

Total Margin paid to Exchange under Broking Business			
Period		Amount in lakhs	% Increase /(Decrease) in stock in trade (QoQ)
FY 2021-22	As on 30.06.2021	4,081	
	As on 30.09.2021	4,813	18%
	As on 31.12.2021	5,231	9%
	As on 31.03.2022	4,511	-14%
FY 2022-23	As on 30.06.2022	4,675	4%
	As on 30.09.2022	5,687	22%
	As on 31.12.2022	5,706	0%
	As on 31.03.2023	5,491	-4%
FY 2023-24	As on 30.06.2023	7,907	44%
	As on 30.09.2023	7,787	-2%
	As on 31.12.2023	8,034	3%

Rationale behind working Capital required:

As the Company is a stock broker who place/execute “client order” and also do “proprietary trading” in its own Proprietary books.

“Proprietary Trading” means, when a member trades on exchange on its own behalf. Proprietary trades includes all the segment such as Equity, Derivatives, Currency, bonds or other Securities”.

The Object of trading in “Share & securities” and “derivatives” in its own Proprietary books is to generate profits from share price appreciation and to grab “arbitrage” opportunities prevailing in the market

“Arbitrage is a trading tactic in which individuals/Company’s profit from the difference in asset prices on two different exchanges/Segment”

In order to generate profit from arbitrage business the company apply the difference tactics, below are some of the example of tactics applied.

1. “Buy equity share in one exchange and simultaneously and Sell in other exchange or vice versa”.
2. “Buy Equity share in cash segment and simultaneously Sell in derivatives segment” or vice versa.

This lead to company generating profits from price difference in different exchange/Segment.

In the Example no 2 above. The company would require Working Capital in the form of cash to buy Stock in Trade of Shares and Securities in the equity segment and simultaneous would require margin to sell in the F&O segment in order to hedge and generate profit. Also, the Company may also buy stock in the spot Commodity Exchange and hedge the position in the Commodity Derivative Segment of MCX, NCDEX, BSE, NSE and/or other Commodity Exchanges in India and abroad.

Further, we also take arbitrage Calendar spread position in the Future of Index and Securities Derivative, Currency Derivative, Commodity Derivative etc. Also, we take Covered bullies and bearish position in Future with corresponding hedge position in options segment.

All such position in the Derivative Segment require additional working capital in the form of additional Margin to be deposited with Exchanges/ Clearing Corporation in the respective Derivative Segment such as Future & Options Segment, Currency Derivative Segment, Commodity Derivate Segment etc..

From the above explanation, trading in all the segment form parts for generating profit/loss from proprietary trading.”

3. Expansion of margin trading facility (MTF) Business

Net Proceeds will be used for expansion of our existing margin trading facility(MTF) business. Where we provide funds to our client for the purchase of securities in the capital market and thereby help them to increase their exposure by leveraging their margin deposit

The Company will earn interest in the range of 15% to 18% by financing to our clients who avail such MTF Facilities. This MTF business further helps the company to extra revenue by way of additional brokerage charged on delivery based transactions and secondly by way of demat charges on the transaction of securities pledge and unpledged under MTF product and also by way of additional demat charges for delivery based sale purchase and sold under MTF facility

We also intend to increase our arbitrage and jobbing business in proprietary trading account towards working capital in the forms of securities, stock in trade and margin deposit.

Based on the estimated business volumes, we expect our incremental requirements for margin money to be funded out of the proposed right issue to the extent of ₹49 crore. This capital infusion out of the Issue will enable us to strengthen our balance sheet and undertake more business in equities, derivatives and commodities markets.

4. Funding for requirement for investment in new edge proprietary technology and software

With growing business opportunity, we want in invest in new technology software to provide client services in effective manner. This software as an upshot is a perfect combo of the most updated information, software

development technology named as Tech RPA (Robotic Process Automation). This software provides end to end solution for Back Office which covers exchanges like, BSE, NSE, MCX, MCS-SX, NCDEX, and covers segment like Equity, future and options, commodity, currency, SLBM, MF, depositories. With rapid change in technology risk also increases for efficient risk management we need additional servers and annual maintenance. Details for the same are provided below:

Particulars	Name of Supplier	Amount in Crore	Date of Placement Order	Expected date of Delivery	Validity of Quotation
New edge Back office software and its maintenance	Techexcel Software Solutions Pvt. Ltd	Rs. 1.25 /- (incl. of GST) p.a.	Yet to be placed	60 days of placement order	180 days from Nov 1, 2023
Risk Management Software (Voice Logger)	63 Moons Technology Limited	Rs. 0.40/ per year	Yet to be placed	60 days of placement order	180 days from Nov 1, 2023
Trading Software + Trading Suite	Millicent Technologies	Rs. 1.80/- (exc. Taxes)	Yet to be placed	60 days of placement order	180 days from Nov 1, 2023
Additional hardware for above mentioned software (Servers)	Tech Guide	Rs. 0.25/- (excl. taxes)	Yet to be placed	60 days of placement order	180 days from Nov 1, 2023

Additionally, approximately 30 lakhs will be required for maintenance of aforementioned software

5. Issue Related Expenses

The total expenses of the Issue are estimated to be approximately ₹90.00 lakhs. The expenses of this Issue include, among others, printing and distribution expenses, advertisement expenses and legal fees, if applicable. The estimated Issue expenses are as follows:

(Rs in lakhs)

Activity	Estimated expenses	As a % of the total estimated Issue expenses	As a % of the total Issue size
Payment of selling commissions, brokerages, Advisors to the Company, payment to other intermediaries such as Legal Advisors, Registrars etc. and other out of pocket expenses.	18.00	[●]	[●]
Fee payable to other professional service providers including auditors, consultants	5.00	[●]	[●]
Advertising and marketing expenses	13.00	[●]	[●]
Printing and stationery expenses, distribution and postage	4.00	[●]	[●]
Regulatory and other expenses including Listing Fee	50.00	[●]	[●]
Total estimated Issue expenses*	90.00	[●]	[●]

*Includes applicable taxes. Subject to finalization 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. The expenses incurred in right issue shall be adjusted with reserve and surplus.

Schedule of implementation

Our Company proposes to utilize funds collected in rights issue after finalisation of the basis of allotment. Post completion of the rights issue, the company will use the funds for the purpose stated in the objects of the issue.

Deployment of Funds in the Project and balance fund deployment

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

Interim Use of Funds

Utilization of funds for the purposes described above, we undertake to temporarily deposit the funds from the Net Proceeds in the scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934. In accordance with Section 27 of the Companies Act, 2013 we confirm that the Company will make interim use of proceeds will be as per applicable laws.

Appraisal Report

None of the objects for which the Net Proceeds from the Issue will be utilised have been appraised by any financial institutions/banks.

Monitoring of Utilization of Funds

As this is an Issue for an amount less than ₹10,000 Lakh, there is no requirement for the appointment of a monitoring agency. The Board or its duly authorized committees will monitor the utilization of the proceeds of the Issue.

Our Company will disclose the utilization of the Issue Proceeds, including interim use, under a separate head along with details, for all such Issue Proceeds that have not been utilized. Our Company will indicate investments, if any, of unutilized Issue Proceeds in the balance sheet of our Company for the relevant Financial Years subsequent to the listing.

We will also on an annual basis, prepare a statement of the funds which have been utilized for purposes other than those stated in this Draft Letter of Offer, if any, and place it before the Audit Committee and the Board. Such disclosure will be made only until all the Issue Proceeds have been utilized in full. The statement shall be certified by our Statutory Auditor. Further, in accordance with Regulation 32 of the SEBI Listing Regulations, we will furnish to the Stock Exchange on a quarterly basis, a statement including deviations and variations, if any, in the utilization of the Issue Proceeds from the Objects of the Issue as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results, after placing the same before the Audit Committee.

Other Confirmations

No part of the Net Proceeds of the Issue will be utilized by our Company as consideration to our Promoter, members of the Promoter Group, Directors, Group Entities or key management personnel. Our Company has not entered into or is not planning to enter into any arrangement/ agreements with Promoter, Directors, key management personnel, associates or Group Entities in relation to the utilization of the Net Proceeds of the Issue.

Key Industry Regulations for the Proposed Objects of the Issue

The Key Industry Regulations for the proposed Objects of the Issue are not different from the existing business of our Company

STATEMENT OF TAX BENEFITS

STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO INVENTURE GROWTH AND SECURITIES LIMITED AND ITS SHAREHOLDERS UNDER THE APPLICABLE LAWS IN INDIA

To

The Board of Directors

Inventure Growth and Securities Limited

201, 2nd Floor, Viraj Tower, Near Landmark,

Western Express Highway, Andheri – East,

Mumbai - 400069, Maharashtra, India

Independent Auditor's certificate on Statement of Tax Benefits under Income Tax Act 1961 available to Inventure Growth and Securities Limited and its Shareholders under the Applicable Laws in India.

We hereby report that the enclosed annexure, prepared by the Management of the Company, states the possible special tax benefits available to the Company and the shareholders of the Company under the Income - Tax Act, 1961 ('Act') as amended by the Finance Act, 2023 (i.e. applicable to Financial Year 2023-24 relevant to Assessment Year 2024-25), presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the Act. Hence, the ability of the Company or its shareholders to derive the special tax benefits is dependent upon fulfilling such conditions which, based on business imperatives which the Company may face in the future, the Company may or may not choose to fulfil.

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

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

- The Company or its shareholders will continue to obtain these benefits in future; or
- The conditions prescribed for availing the benefits have been/would be met.

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

No assurance is given that the revenue authorities / courts will concur with the views expressed herein. The views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We would not assume responsibility to update the view, consequence to such change. We shall not be liable to Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith of intentional misconduct.

The enclosed annexure is intended for your information and for inclusion in this Draft Letter of Offer / Letter of Offer 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 written consent.

For PPV & Co.,
Chartered Accountants
Firm Registration No. 153929W
Priyanshi Vakharia
Proprietor
Membership No: 181834
Place: Mumbai
Date: April 24, 2023
UDIN: 23181834BGXCSD9187

Annexure

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

Outlined below are the possible special tax benefits available to the Company and its shareholders under the current direct tax laws in India for the financial year 2023-24.

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

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

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

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

SECTION V: ABOUT THE COMPANY

INDUSTRY OVERVIEW

The information in this section has been extracted from various websites and publicly available documents from various industry sources. The data may have been re-classified by us for the purpose of presentation. Neither we nor any other person connected with the issue has independently verified the information provided in this section. Industry sources and publications, referred to in this section, generally state that the information contained therein has been obtained from sources generally believed to be reliable but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured, and, accordingly, investment decisions should not be based on such information.

INTRODUCTION

Indian economy is fastest growing economy in the world in FY2023 with GDP growth of 7.2% on the back of strong macroeconomic fundamentals. Global Economy faced uncertainty due to geo-political tension which led to significant supply chain disruption, accelerating inflation across the world, souring crude oil prices and recession fears across some developed nation.

Our company operates in broking industry which has changed rapidly over past 3 years. Industry is highly competitive with diverse range of players including traditional fullservice brokers, discount brokers and fintech start-ups. Retail broking played a prominent role with new investor entry in the market tripled from March 2020. The total number of demat account rose to 12.7 crore in August 2023, a surge of 26% YoY indicating strong retail participation. However, Foreign Institutional Investor (FII's) were net seller during the period.

Various guidelines, rules and restriction imposed by SEBI ie. Guidelines for Foreign portfolio Investors (FPI) on making investment process more transparent, Margins requirement for short selling, regulations and speeding up fund raising process via IPO will protect the interest of the investor.

During the FY2023-2024, Benchmark indices touched Low on April 2023 High on Sept 2023. Credit rating agency ICRA expects broking industry to report revenue growth of Rs.28,500- Rs.29,000 crores in FY2023. Going forward industry is expected to grow on the back of strong retail participation, rising disposable income, Expanding digital reach, Favorable regulatory environment.

Industry has gone through structural changes transitioning to fee-based model from earlier transaction based tilting companies to increase its source of income by providing wealth management, Mutual Fund, Insurance, Investment advisory, Research of PMS services apart from brokerages charges. Cross selling of different products has become important trigger to have skin in the game by providing add-on services and retaining profitability.

The government increased STT on the sale of futures and options from 0.05% to 0.062% (Hiking by 25%) which will have negative impact on F&O volumes. Further NSE announced scrapping of 'Do Not Exercise' (DNE) from the beginning of April 2023 expiry.

MARKET SIZE

The Indian brokerage industry has undergone rapid changes in its business environment in last three fiscals, starting with a surge in customer accretion (client base rising from ~2.1 crore in FY20 to 8.1 crore in February 2023), business volume (~15.8 lakh crore in FY20 to ~163 lakh crore in Q3FY23), pick-up in flat brokerage model to rising proportion of derivatives volumes. In recent quarters, brokerages seemed to undergo a structural shift from aggressive client addition to maintaining profitability amid rising compliance cost, through improvement in unit economics.

The broking segment, especially retail broking, has become increasingly dynamic. Entry of new players, digitization& disruption, regulations have changed the way business has been shaping up. Brokers are now restructuring their business strategy to diversify revenue streams. Value added services, including wealth

management, research, advisory, AMC and financial planning has been the focus to ensure maximum customer's engagement and enrich wealth creation journey of clients. Fund based activity, including margin funding and loan against shares, is expected to enable sustained contribution to earnings.

Thus, while brokerages have witnessed an increase in topline, share of pure broking income has been sliding in the overall pie. Further, as per Care Edge, revenue growth for the broking industry is expected to moderate to 10% growth in FY23 to 28000–30000 crore and be flattish in FY24 with consolidation in industry benefiting some traditional brokers. Post Covid, the broking industry witnessed a substantial surge in client accretion competitive pricing, increased marketing and digital offerings. Active clients increased from 1 crore in FY20 to 1.8 crore in FY21 and ~3.5 crore in FY22. There was substantial participation from new to market customers from tier-II/III and beyond. However, after reaching a peak of ~3.66 crore in June 2022, active clients have declined and reached ~3.35 crore in January 2023, owing to a large number of clients onboarded earlier being inactive

Post Covid, the broking industry witnessed a substantial surge in client accretion competitive pricing, increased marketing and digital offerings. Active clients increased from 1 crore in FY20 to 1.8 crore in FY21 and ~3.5 crore in FY22. There was substantial participation from new to market customers from tier-II/III and beyond. However, after reaching a peak of ~3.66 crore in June 2022, active clients have declined and reached ~3.35 crore in January 2023, owing to a large number of clients onboarded earlier being inactive.

Exhibit 1: ADTO trajectory in Indian market

Particulars	Average Daily Turnover (Rs. in Lakh Crores)	FY21	FY22	FY23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23
Cash	BSE	0.87	1.12	0.86	0.03	0.04	0.05	0.05	0.07	0.06	0.05
	NSE	0.62	0.67	0.53	0.52	0.60	0.62	0.73	0.77	0.84	0.67
	Total	1.49	1.78	1.39	0.55	0.64	0.67	0.77	0.83	0.90	0.72
	YoY Growth (%)	63%	20%	-22%	-25%	3%	42%	55%	31%	34%	38%
Futures + Options	NSE	25.85	68.36	153.51	242.20	252.19	258.19	303.03	303.46	331.32	318.87
	BSE	1.41	2.66	1.38	0.00	0.01	1.00	4.36	10.56	26.42	32.83
	Total	27.26	71.02	154.88	242.20	252.20	259.18	307.39	314.01	357.75	351.70
	YoY Growth (%)	95%	161%	118%	129%	142%	131%	175%	130%	133%	143%
Total	Cash + F& O Total	28.75	72.80	156.28	242.75	252.84	259.86	308.16	314.85	358.65	352.42

Source: NSE, BSE

RECENT DEVELOPMENTS

India is primarily a domestic demand-driven economy, with consumption and investments contributing to 70% of the economic activity. With an improvement in the economic scenario several investments and developments have been made across various sectors of the economy. According to World Bank, India must continue to prioritize lowering inequality while also putting growth-oriented policies into place to boost the economy. The Stock Broking Industry in India is changing faster than ever before from a 14- day settlement cycle to T + 1 settlement, from a outcry system to transparent online price dissemination and from dealing through a dealer over the phone to use of API's and Algorithmic Trades, The Industry has been constantly reinventing itself.

COMPANY OVERVIEW

Inventure Growth & Securities Limited (IGSL) is a public limited company founded in 1995. The company is a member of various exchanges, including the Bombay Stock Exchange (BSE), National Stock Exchange (NSE), MCX Stock Exchange (MCX-SX), and OTC Exchange of India (OTCEI). IGSL is also registered as a depository participant with Central Depository Service (India) Limited (CDSL).

Company is full service broker that offers a wide range of products and services to institutional clients, HNI individuals, Non Resident Individuals (NRI) and retail investors. It is primarily engaged in equity broking business with more than 20+ years of expertise. It operates through a network of 126 branches, franchisees, and Authorised person across India, ensuring that it can provide its services to clients across the country.

The company provides a comprehensive suite of financial services, including equity broking, depository services, Fundamental and technical research based advice, IPO, MTF and distribution of financial products. It provides investment advice to retail clients and distributes mutual funds and insurance products.

Equity penetration in India is very low as compared to other developed countries. Growth of disposable income, internet penetration and financial inclusion is great combination for equity penetration and growth of broking industry as a whole. In order to benefit from this opportunity Management expects to expand its market reach.

Company has decided to invest heavily into technology which will act as a pivotal role. In order to enhance clients trading Experience Company has tied up with 63 Moons Technologies Ltd. to offer IGSL Aero – Desktop trading platform. Further, company has partnered with Finsto Wealth Magic to offer a mutual fund app, providing clients with convenient access to mutual fund investments.

Industry has gone through structural changes transitioning to fee based model from earlier transaction based tilting companies to increase its source of income by providing wealth management, Mutual Fund, Insurance, Investment advisory, Research of PMS services apart from brokerages charges. Cross selling of different products has become important trigger to have skin in the game by providing add-on services and retaining profitability.

The government increased STT on the sale of futures and options from 0.05% to 0.062% (Hiking by 25%) which will have negative impact on F&O volumes. Further NSE announced scrapping of 'Do Not Exercise' (DNE) from the beginning of April 2023 expiry.

The Government of India has introduced several reforms to liberalize, regulate and enhance this industry. SEBI has been empowered to investigate, examine, visit company premises, summon records and persons, and inquire and impose penalties commensurate with misconduct. The first and foremost challenge for the fledgling regulator was to create a regulatory and supervisory framework for the market, a job that proved formidable, because vested interests resisted every new step. However, with the designing and notification of 32 regulations and guidelines, during its decade and a half of existence, the apparatus steadily evolved and has adapted to the situation. SEBI has put timelines for performance of its various functions, such as registration and renewal, on the website. These measures work as a self-disciplining mechanism within SEBI and provide full transparency to its functioning. SEBI has been undertaking tightening of regulations amid

increase in derivative volume, which is likely to increase compliance cost for intermediaries and may eventually also lead to a rise in brokerage rates, though timing and extent of price revision of the same is difficult to guess. Recently, government hiked STT on sale of futures and options to an extent of ~25%. This rise will result in higher cost for participants and, thus, could impact robust momentum seen in volumes over last three fiscals. However, rolling back of ~6% hike in transaction charges (undertaken last year) by NSE is seen partially offsetting the increase in cost for participants. Further, withdrawal of 'Do Not Exercise' facility for trading in stock options is seen to have a limited impact as majority of volumes are undertaken in index options wherein 'Do Not Exercise' facility will be available.

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OUR BUSINESS

Following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in the Draft Letter of Offer, including the information contained in the section titled 'Risk Factors', beginning on page 19 of the Draft Letter of Offer.

This section should be read in conjunction with, and is qualified in its entirety by, the more detailed information about our Company and its financial statements, including the notes thereto, in the sections titled 'Risk Factors' and 'Consolidated Financial Information' and chapter titled 'Management Discussion and Analysis of Financial Condition and Results of Operations' beginning on page 19, 72 and 134, respectively, of the Draft Letter of Offer.

Unless the context otherwise requires, in relation to business operations, in this section of the Draft Letter of Offer, all references to "we", "us", "our" and "our Company" are to Inventure Growth and Securities Limited.

HISTORY OF OUR COMPANY

Year	Milestones
2023	IGSL MTF Business has touch all times funding highs.
2022	IGSL has obtained NCDEX Commodity TM membership from ICL to IGSL for ease of operation & between Client Service.
2021	IGSL has obtained MCX Commodity membership from ICL as TM to IGSL as TCM for ease of operation & better Client Service.
2021	Subdivision of existing IGSL equity shares from every One (1) equity share of ₹10/- each converted into Ten (10) equity shares of ₹1/- each of IGSL.
2019	IGSL has appointed ICCL as clearing corporation under SEBI interpretability facility in Cash, F&O & CDS Segment.
2018	Started Margin Trading Facility to give more leverage to Clients
2018	Company has obtained Research Analyst Certificate
2017	Company introduces Smart, Easy and Fast Mobile Trading APP "IGSL TRADE" Company Launch HTML 5 -Desktop / Web Base Trading Platform "IGSL LIGHT"
2016	Upgrade Back-office Software to give more ease and good experience to Clients
2014	Top performer on SME platform awarded by BSE to our Merchant Banking Subsidiary
2013	Grant of certificate of registration to act as an approved person with Central Insurance Repository Limited.
2012	Declared 10% Dividend, Declared Bonus 3:1 ratio, Merchant Banker Category -1 License (for subsidiary), ICRA rating - (ICRA) A3+ for BG Limits.
2011	Successful IPO of Inventure Growth & Securities Limited, Listed in NSE and BSE 2012
2010	Trading Member of National Stock Exchange of India Ltd. in Wholesale Debt Market Segment Registration as a Licensed and regulated Portfolio Manager by SEBI.
2009	Clearing Member of National Stock Exchange of India Ltd. Trading Member of Bombay Stock Exchange Ltd. In Wholesale Debt Market Segment
2008	Ventured into Wealth Management by incorporating a subsidiary in the name and style of IWML (Inventure Wealth Management Limited) Incorporated subsidiary – IIBPL (Inventure Insurance and Broking Private Limited) Trading Member of BSE in Currency Derivative Segment Trading Member of MCX Stock Exchange in Currency Derivative Segment
2008	Clearing Member of MCX Stock Exchange in Currency Derivative Segment Trading Member & Clearing Member of National Stock Exchange of India Ltd. in Currency Derivative Segment Acquired ICL(Inventure Commodities Limited)
2007	Crossed 25,000 registered clients Acquired IFPL (Inventure Finance Private Limited). A NBFC regulated under RBI
2004	Self- Clearing Member of NSE Future and Option Segment.
2000	Trading Member of NSE capital market as well as in Future and Option segment. Trading Member of Bombay Stock Exchange, Derivate segment.
1999	Depository Participant with CDSL.
1996	Member of Bombay Stock Exchange of India.
1995	Inventure Growth and Securities Limited Incorporated.

Business Overview

We offer a host of services under one roof providing comprehensive advisory services that are well diversified from trading services in equity cash and derivatives market, debt market, commodities and currency futures segment to financing activity, wealth management, and distributions of financial product. Our Company has direct interests in equity, debt and currency futures broking, depository activities, and other activities like commodity broking, non-banking financial services, wealth management, merchant banking and sale of insurance products are provided through its Subsidiaries.

As a growing Indian domestic brokerage house, we have a diversified clientele base that includes institutional clients, high net worth individuals and retail investors. We use a knowledge-based approach together with personalized services to meet our clients' needs in line with their investment objective. Our clientele includes institutional clients, high net worth individuals and retail investors across the country. We could withstand the volatile market conditions based on this diversified base of customers and the speed and accuracy of our employees.

The Company has its Head Office in Mumbai, have completed 28 years of operations providing a 360-degree view of your financial needs and planning. It has one-stop shop for all your financial needs operating in different segments such as cash and derivatives trading, currency futures and a registered depository participant with Central Depository Service (India) Limited. The Company operates with wide range of products and services across various asset classes like mutual funds, real estate, debt, insurance and many more.

The Company encourages its customers to make right decisions for your portfolio. It provides its valuable services to its customers with a trusted pedigree of employees, and authorized persons it is our constant endeavor to provide services in transparent manner. Inventure today has managed to create a good network of clients in Maharashtra and Gujarat.

Our Company is a trading cum clearing member of BSE, NSE, MCX and NCDX for trading in derivatives and securities. IGSL caters to the needs of clients' i.e. institutional clients, high net worth individuals and retail investors in the secondary market segment. Our Company offers advisory services to our clients through the research undertaken by a team of fundamental and technical research analyst, and provides personalized trade and execution services along with real time information to our clients. Our online equity trading portal "net net lite" was launched in the year 2006-07. The portal offers equity news, announcements, market commentary, sector watch, company specific information, personalized portfolio tracking and real time quotes without involving any additional intermediary thus saving on cost.

Our helps retails customers to diversify their portfolios in almost all available financial services.

Our services covers the following:

1. Retail Broking
2. Financial Product Distribution
3. Institutional Broking
4. Mutual Fund Investments
5. Commodity Broking
6. Registered Research Analyst
7. Depository Participant

Business Model

We follow a simplified business model. Firstly, we do business through our Authorized person (AP). Our second business model is called Remisier where we have registered AP who sit in our office or at his own premises. If required, we provide them with the entire infrastructure etc. Our third business model is our direct franchisees. Franchisee is an individual whom we assigned the rights to use our Company's trademark name and business model to do business. The franchisee must follow certain rules and guidelines already established by us and as per the exchange/regulator norms, and the franchisee pays us a deposit to us at the time of registration. If the franchisee shows the inclination we register him as a AP and provide the support to develop his/her/them business.

HNI & Retail

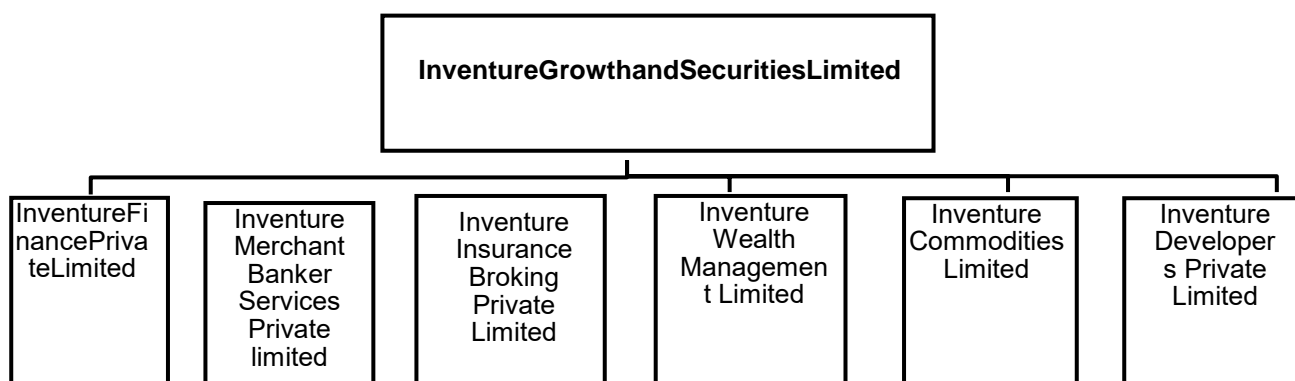
Brokerage services are based on an advisory model using research provided by a team of research analysts. Dedicated dealers and advisors provide personalized trade and execution services to active traders, retail investors and high net worth investors. IGSL is a member of BSE, NSE, MSEI in the equity segment, Derivatives, currency futures segment and primarily offers secondary market broking services to its HNI & retail customers both Indian and non-resident Indian. IGSL is a member of MCX and NCDEX. Our HNI & retail client brokerage covers equity brokerage services, personal financial services including the distribution of mutual funds & initial public offerings (IPO's) through IGSL, commodity brokerage services. Historically, the services offered in this segment have been the most substantial part of our business. For our equity trading services, our model combines a dedicated relationship and dealing team behind each client to ensure that our services continuously grow not only in terms of revenue but also in terms of number of clients. While the dealing teams continuously keep equity trading clients updated with market information and are responsible for execution of trades, the relationship team continues to acquire and enroll new clients for our services.

Institutional

To be eligible to offer broking services to the institutions, a broker has to be empaneled with an institution. Institutions evaluate brokerage houses on a number of parameters, such as quality of service and research capability before choosing them. IGSL commenced our institutional brokerage business to increase our clients' base.

IGSL's institutional brokerage operations are managed by experienced and knowledgeable relationship managers. IGSL services clients through dedicated sales teams. This team provides products and services including trading, distribution and research services to our clients. IGSL is empaneled with 10 institutional clients, domestic mutual funds, insurance companies, FPI, Indian banks and corporates.

OUR SUBSIDIARIES



Subsidiary businesses are largely divided into:

1. Non-banking finance.
2. Commodity Broking.
3. Merchant Banking Activities
4. Real estate activities.

The detailed scope of work carried out by each of the aforesaid subsidiaries is specified hereinafter:

1. Inventure Finance Private Limited

Inventure Finance Private Limited is a non-banking finance company (NBFC). The Company is engaged in lending and allied activities. It focuses on consumer lending, small and medium-sized enterprises (SME) lending, commercial lending, Its SME lending products include loan against property and business loans. Its commercial lending products include inter corporate deposits (ICD), loan against securities and financial institutions group lending business. Its retail lending products include Business Loans, salaried personal loans and gold loans.

2. Inventure Merchant Bankers Services Private Limited

Inventure Merchant Bankers Service Private limited has a comprehensive package of services like issue management, leasing and hire purchase, loan syndication, merger and acquisitions, Valuation Services etc. These services encompass Project Advisory and Loan Syndication, Structured Debt Placement, Capital Markets, Mergers & Acquisitions, Private Equity and Stressed Assets Resolution. Wearer a complete solutions provider offering diversified financial advisory and investment banking services, innovative ideas and unparalleled execution to our client base across all stages of the business cycle. The customer centric approach of Inventure Merchant Bankers Service Private Limited, with dedicated professional team has helped carve a niche for itself in financial services arena and won confidence of its clients. Inventure Merchant Banking Service Private limited is registered with SEBI. With years of experience in capital markets activity this elite division of ours is dedicated in providing services/assistance related to Issue Management, merger and amalgamation of listed Company, Buybacks, delisting in Compliance with norms of SEBI.

3. Inventure Insurance Broking Private Limited

Inventure Insurance Braking Services Private limited is driven by a vision to provide transparent and reliable insurance broking services for all types of Life Insurance, General Insurance and Risk Management Solutions. We are committed to provide honest, timely and research-backed information and insurance services to our customers.

4. Inventure Wealth Management Limited

Inventure Wealth Management Limited gained investor trust by managing funds as per its investment objectives and have been able to deliver superior risk adjusted returns. The consistent long term performance was achieved on the strength of fundamentals, process driven investment approach with enough flexibility for the fund managers to manage their funds in their respective unique style and insight. We strive hard to deliver consistent performance over the benchmark across all our products, thereby creating customer satisfaction. We have a dedicated team of employee offering a broad range of investment products across asset classes with varying risk parameters that cater to needs of various Customer segments.

5. Inventure Commodities Limited

Inventure Commodities Limited is offering Hedging Solutions and Arbitrage Desk to meet the requirements of all kinds of market participants. The Commodities Broking Services cater to the retail private investor segment, while the Hedging Services are offered through our corporate desk to the producing/consuming firms that have either direct or economic exposure to the underlying commodity. Our offerings also include Arbitrage products that are backed by our experts. ICL offers a range of services to mitigate risk and provide assurance to clients operating in India. Our mission is to provide trade financiers with specialist risk mitigation and assurance services at strategic points along the commodity value chain, key benefits of trading in commodities are portfolio diversification, inflation protection, hedge against event bases risk etc., creating a secure environment for the successful conduct of trade.

6. Inventure Developers Private Limited

Inventure Developers Private Limited is engaged in Real Estate related activities. It carries on business as builders, developers, general construction contractors, purchase, takeover, acquire, and to sell or

advertise, transfer, adapt, manage, franchise, commercialize, run, use, maintain, and in all aspects deal in any type of properties. Its business also includes take on lease or otherwise flats, offices, buildings or like structure along with equipment, plant and machinery, furniture and fixtures, and to assign the rights, title and interest in any type of properties, in India or elsewhere, either alone or jointly with one or more persons, companies, government.

LOCATION

We have headquarter at Mumbai and operates through 126 business locations including branches, Authorized Person located across India.

Our branches are the retail locations where we offer our services face-to-face and automated services to our customers. It is an independent profit center. We develop branches in line with our growth strategy keeping in mind the overall market condition. Our business locations also include intermediaries or our "Business Associates", who deliver a standard quality of service offering on the basis of a pre-determined revenue sharing ratio for the business generated through them.

Collaborations

We have not entered into any technical or other collaboration.

Utilities & Infrastructure Facilities

We require computers and laptops for our data preparation work. Our registered offices are 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.

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.

The following is a department-wise break-up of our employees as on September 30, 2023:

Sr. No.	Category	Registered Offices	Branch Offices	Total
1	Senior Management	5	--	5
2	Middle Management	9	2	11
3	Others	70	19	89
	Total	84	21	105

Risk Management

The Company recognizes that risk is inherent to any business activity and that managing risk effectively is critical to the immediate and future success of the Company. The Company is registered and regulated by SEBI for stockbroking, depository participant, investment advisory, and mutual funds. The Company has highly digitalized processes which minimizes the scope for omission and commission of errors and frauds. However, the Company faces variety of risk because of business environment it operates in, which may affect its operations or financial results and many of that risk are driven by factors that the company cannot predict or control. The major sources of our revenues are derived from equity brokerage business. Hence, like other players in the market, our business is highly sensitive to economic and political conditions prevalent in the country and across the globe. Any sustained downturn in general economic conditions or Indian equity markets and severe market fluctuations would likely result in reduced client trading volumes and net revenues, and hence, will have a material adverse effect on our profitability. The Company is also exposed to the risk arising from misconduct, fraud, or trading errors by its employees such as indulgence in unauthorized transactions by employees/registered authorized persons, misreporting of and non-compliance with various statutory and legal requirements, improper use of confidential information and operational errors. We also provide exposure limits to clients, based on the collaterals of securities that we receive from them, in connection without brokerage business. Sharp change in market values of securities and the failure by parties to honour their commitments on a timely basis could have a material adverse effect on the portability of our

operations. The overall assessment of risks and threats at Company level is carried out and presented to the Board of Directors. Hence adequate risk management system has been put in place by the management to ensure the success and financial soundness of the company and to deal with various trades related risks.

We have deployed resources in terms of technology, people and processes to manage our risk management function. We monitor and control our risk exposure through financial, credit, operational, compliance and legal reporting systems based on mandatory regulatory requirements and as per our business needs. We have risk management procedures for evaluating and managing the market, credit and other risks to which we are exposed, as well as protecting our reputation in the market.

Internal Controls

The Company has an internal audit system which is effective and commensurate with the nature of business, regulatory prescriptions and the size of its operations. The scope of internal audit covers all aspects of the business, including regular front-end and back-end operations and internal compliances. The Company also retains specialized audit firms to carry out specific / concurrent audit of some critical functions, such as half-yearly internal audit mandated by SEBI/Exchanges, Processes, Know Your Customer (KYC) verifications, demat transfers, pay-outs verifications, systems audit, branches and authorized person DP audit and, end use verification audits, among others. In addition, the Company complies with several specific audits mandated by regulatory authorities such as SEBI / Exchanges / Depositories and the reports are periodically submitted to the regulators. The Board/Audit Committee reviews the overall risk management framework and the adequacy of internal controls instituted by the management team. The Audit Committee reviews major instances of fraud periodically and actions are taken on the same. The Board has also put in place state-of-the-art technology and has automated most of the key areas of operations and processes, to minimize human intervention. The statutory auditors, after reviewing the systems and processes, have confirmed the adequacy and effectiveness of the internal financial controls of the Company.

We have established general risk management procedures for trading activities, including instruments and strategies, position and trading limits for trading desks, business units and/or individual traders, periodic stress testing and cash flow and "value at risk" analyses. We periodically review and modify these procedures, as necessary or appropriate. This regular stress testing analysis helps us in maintain adequate financial resources to withstand any default or delay in payment by clients. Under our KYC policy, prior to establishing a relationship with a customer, we assess the risks of doing business with that customer. We also regularly monitor these risks throughout the term of the relationship with the customer. In general, our consideration focuses on the following areas:

- The nature of the customer (e.g., institutional or retail) and its corresponding level of experience and sophistication;
- The creditworthiness of the customer, as measured by established credit policies and procedures as mentioned for compliance and risk management; and
- The authority (including apparent authority) of the customer to conduct its proposed trading activities, including the customer's legal authority and the capacity of the individuals responsible for the trading.

To further mitigate our risk we have imposed separations with regards to business activities between:

- back-office personnel responsible for trade reconciliation, margin, position limits, preparation and maintenance of books and records and other similar matters as well as compliance personnel, risk management personnel and treasury or funding personnel; and
- personnel responsible for customer relationships or proprietary trading.

Approach to Marketing and Marketing Set-up

Our top management and key executives enjoy the confidence of several corporate clients. We interact with our customers to get the feedback on the quality of products and services and improve the same as well. The marketing team regularly stays in touch with our customers. They also regularly approach new customers to try and develop a business relationship.

Technology

We recognise the need to have a sophisticated technology network in place to meet our customer needs as well as to maintain a risk management system. To that end, we have set up a dedicated data center at our office at Mumbai. Our technology infrastructure is aimed at ensuring that our trading and information systems are reliable and performance enhancing and that client data are protected. Data back-up is taken on an incremental basis on tape drives and sent to another location. Our system is a complex multi-product/multi-architecture system as per the needs of our retail, corporate and HNI clients. We have scalable platforms for order management and risk management and also have sophisticated server and network infrastructure.

OUR MANAGEMENT

Board of Directors

Under our Articles of Association, we are required to have not less than 3 (three) Directors and not more than 15 (fifteen) Directors, subject to the applicable provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. We currently have 6 (six) Directors on our Board.

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

Name, Profile, Designation, Address, Occupation, Term, Nationality, Date of Birth and DIN		Other Directorships
MR. KANJI BACHUBHAI RITA		<ol style="list-style-type: none"> 1. Kothari Builders Pvt Ltd 2. Inventure Finance Private Limited 3. K R Shoppers Private Limited 4. Kenorita Collections Private Limited 5. Inventure Merchant Banker Services Private Limited 6. Ratnasagar Enterprises Private Limited 7. Keshvi Developers Private Limited 8. Inventure Developers Private Limited
Designation	Executive Director-Chairperson-MD	
Address	1601, Laburnam Towers, Mahindra Gardens, S.V. Road, Goregaon(W) Mumbai-4000104, Maharashtra, India	
Occupation	Service;	
DIN	00727470	
Term	Not Liable to retire by rotation	
Period of Directorship	September 24, 2015- till date;	
Nationality	Indian;	
Date of Birth	November 15, 1966;	
Age	57	
Original Date of Appointment	September 24, 2015	
PAN	AABPR6131J	
MR. KAMLESH SHANKARLAL LIMBACHIYA		<ol style="list-style-type: none"> 1. Inventure Commodities Limited. 2. Inventure Wealth Management Limited. 3. Inventure Merchant Banker Services Private Limited. 4. Keshvi Developers Private Limited. 5. Inventure Developers Private Limited
Designation	Whole-time Director	
Address	A/2702, Oberoi Woods, Mohan Gokhle Road, Near Oberoi International School, Goregaon East, Mumbai-400063 Maharashtra, India	
Occupation	Service;	
DIN	02774663	
Term	Liable to retire by rotation;	
Period of Directorship	May 28, 2014;	
Nationality	Indian;	
Date of Birth	September 27, 1967;	
Age	56	
Original Date of Appointment	December 02, 2014	
PAN	AAAPL3732C	
MRS. LASHA MEET RITA		-Inventure Commodities Limited.
Designation	Whole-time Director	
Address	1601, Laburnam Towers, Mahindra Gardens, S.V. Road, Goregaon(W) Mumbai-4000104, Maharashtra, India	
Occupation	Service;	
Term	Liable to retire by rotation;	
Period of Directorship	September 30, 2019 - till date	
Nationality	Indian;	
Date of Birth	March 24, 1995;	

Age	28	
DIN	08104505	
Original Date of Appointment	January 30,2019	
PAN	BLUPS7502R	
MR. SURJI DAMJI CHHEDA		1. Chhaya Securities Private Limited 2. Sejal Glass Limited 3. Inventure Finance Private Limited
Designation	Non-Executive -Independent Director;	
Address	A-403, Titanium Tower-Jay View Chs Ltd, Linking Road Opp Star Bazar Sahakar Nagar, Andheri West Mumbai-400053, Maharashtra, India.	
Occupation	Service;	
Term	Not Liable to retire by rotation;	
Period of Directorship of	October 01, 2022 - till date	
Nationality	Indian;	
Date of Birth	March 15, 1964;	
Age	59;	
DIN	02456666;	
Original Date of Appointment	October 01, 2022	
PAN	AAEPC4350R	
MR. REKHCHAND RAMDAYAL THANVI		NIL
Designation	Non-Executive -Independent Director;	
Address	R-8/15, Jai Shreedhan CHS Ltd., Link Road Near Hypercity Bangur Nagar, Goregaon West, Mumbai-400104 Maharashtra, India.	
Occupation	Service ;	
Term	Not Liable to retire by rotation;	
Period of Directorship	October 01, 2022 - till date	
Nationality	Indian;	
Date of Birth	July 06, 1957;	
Age	66;	
DIN	09752722	
Original Date of Appointment	October 01, 2022	
PAN	ABMPT6119N	
MR. PATHIK BHARAT SHAH		1. Dhanera Ajbani's Leasing & Finance Private Limited
Designation	Non-Executive Independent Director;	
Address	Royal Samrat, S. V. Road, Near Cinemax Theatre, Goregoan (west), Mumbai – 400104	
Occupation	Professional;	
Term	Not liable to retire by rotation;	
Period of Directorship of	March 22, 2023 - till date;	
Nationality	Indian;	
Date of Birth	September 07, 1986	
Age	37;	
DIN	03593855	
Original Date of Appointment	January 30, 2023	
PAN	AARPS8591D	

CONFIRMATIONS

1. As on the date of this Letter of Offer, none of our directors are on the RBI List of wilful defaulters.
2. As on the date of this Letter of Offer, none of our Directors are Fugitive Economic Offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
3. As on the date of this Letter of Offer, none of our Director is or was a director of any listed Company during the last 5 (five) years preceding the date of this Letter of Offer, whose shares have been or were suspended from being traded on the Stock Exchange(s), during the term of their directorship in such Company.
4. As on the date of this Letter of Offer, none of our Director is or was a director of any listed Company which has been or was delisted from any stock exchange during the term of their directorship in such Company.
5. As on the date of this Letter of Offer, 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 promoters, 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. No proceedings / investigations have been initiated by SEBI against any Company, the Board of Directors of which also comprises any of the Directors of our Company

6. Past Directorships in suspended companies

None of our Directors are, or were a director of any listed company, whose shares have been, or were suspended from being traded on any of the stock exchanges during the term of their directorships in such companies during the last 5 (Five) years preceding the date of this Draft Letter of Offer.

7. Past Directorships in delisted companies

Further, none of our directors are or were a director of any listed company, which has been, or was delisted from any stock exchange during the term of their directorship in such Company during the last 5 (Five) years preceding the date of this Draft Letter of Offer.

DETAILS OF OUR KEY MANAGERIAL PERSONNEL

MR. KANJI BACHUBHAI RITA	
Designation	Executive Director-Chairperson-MD
Address	1601, Laburnam Towers, Mahindra Gardens, S.V. Road, Goregaon(W) Mumbai-400104, Maharashtra, India
Occupation	Service
Nationality	Indian;
Date of Birth	November 15, 1966;
Age	57
Role and Responsibility in the Company	Overall management control

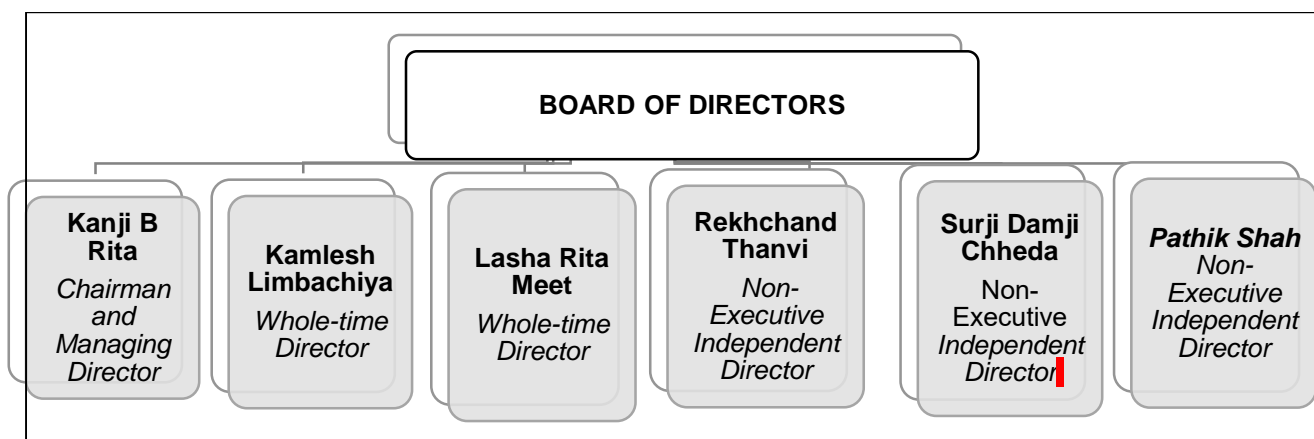
MR. KAMLESH SHANKARLAL LIMBACHIYA	
Designation	Whole-time Director
Address	A/2702, Oberoi Woods, Mohan Gokhle Road, Near Oberoi International School, Goregaon East, Mumbai-400063 Maharashtra, India
Occupation	Service
Term	Liable to retire by rotation;
Period of Directorship	May 28, 2014;
Nationality	Indian;

Date of Birth	September 27, 1967;
Age	56
DIN	02774663
MRS. LASHA MEET RITA	
Designation	Whole-time Director
Address	1601, Laburnam Towers, Mahindra Gardens, S.V. Road, Goregaon(W) Mumbai-400104, Maharashtra, India
Occupation	Service
Term	Liable to retire by rotation;
Period of Directorship	September 30, 2019 - till date
Nationality	Indian;
Date of Birth	March 24, 1995;
Age	28
DIN	08104505

MR. ARVIND GALA	
Designation	Chief Financial Officer
Address	2 nd floor, Plot No. 36, opp. St Joseph high school, pushpa park, daftary road, Malad East, Mumbai - 400097
Occupation	Service
Nationality	Indian;
Date of Birth	August 15, 1977
Age	46
Role and Responsibility in the Company	Finance and Accounts

Ms. Shikha Mishra	
Designation	Company Secretary and Compliance Officer
Address	304/ B, Vinay Vihar, Medtiya Nagar, Mira Road -400107, Maharashtra, India
Occupation	Service
Nationality	Indian;
Date of Birth	September 09, 1991
Age	32
Role and Responsibility in the Company	Secretarial, company law and legal

ORGANIZATIONAL STRUCTURE



SECTION VI – FINANCIAL INFORMATION

CONSOLIDATED FINANCIAL STATEMENTS

Particulars	Page No.
Audited Consolidated Financial Statements for the financial years ended March 31, 2023	72 - 128

INDEPENDENT AUDITORS' REPORT

To the Members of Inventure Growth & Securities Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of Inventure Growth & Securities Limited (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated Balance sheet as at March 31, 2023, and the consolidated Statement of Profit and Loss, including Other Comprehensive Income, the consolidated Statement of Changes in Equity and the consolidated Cash Flows Statement for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditor on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at March 31, 2023, of consolidated profit, consolidated other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements* section of our report. We are independent of the Group, in accordance with the ethical requirements that are relevant to our audit of the consolidated Ind AS financial statements in India in terms of the Code of Ethics issued



by ICAI and the relevant provisions of the Companies Act, 2013, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Emphasis of Matter

Attention is drawn to the Note 37 to the financial statements of Holding Company regarding it having pledged its term deposits aggregating to Rs.2,494.89 lakhs for its wholly owned subsidiary to avail overdraft facility; Rs.1,869.79 lakhs outstanding as at year end.

As regards BSE notice No 20220107-45 on Rule 8(1)(f) and 8(3)(f) of Securities Contracts (Regulation) Rules, 1957 (SCRR), inter alia, dealing with above referred transaction, the management does not expect any material impact on the financial statements for the year ended 31-03-2023.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

For key audit matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matter described below to be the key audit matter to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying Ind AS financial statements.



Key audit matters	How our audit addressed the key audit matters
<p><u>IT systems and controls</u></p> <p>The financial accounting and reporting systems of the Company are fundamentally reliant on IT systems and IT controls to process significant transaction volumes. Hence, the assessment of the general IT controls and the application controls specific to the accounting and preparation of the financial information is considered to be a key audit matter.</p>	<p>We have performed the following procedures assisted by specialized IT auditors on the IT infrastructure and applications pertaining to financial reporting:</p> <ul style="list-style-type: none"> • Obtained an understanding of the IT environment and operating effectiveness of IT controls over information systems that are important to financial reporting and various interfaces. • Tested IT controls, including testing and reviewing authorization of request for access to systems, change to systems. • Tested the design and operating effectiveness of certain automated controls that were considered as key internal controls over financial reporting. • Identified and tested IT applications, databases and operating systems relevant to our audit.

Other Information

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

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

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.



When we read such other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and to comply with the relevant applicable requirements of the standard on auditing for auditor's responsibility in relation to other information in documents containing audited Ind AS financial statements. We have nothing to report in this regard.

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

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in term of the requirements of the Companies Act, 2013 (the Act) that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.



Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Group has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Other Matter

We did not audit the financial statements and other financial information, in respect of six subsidiaries, whose financial statements include total assets of Rs.12,437 lakhs as at March 31, 2023, and total revenue of Rs.979 lakhs and net cash flows of Rs.21 lakhs for the year ended March 31, 2023. These financial statements and other financial information have been audited by other auditor, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of these subsidiaries, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of such other auditor.

Our opinion above on the consolidated financial statements and our report on the Other Legal and Regulatory Requirements below, 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 and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on consideration of report of other auditors on separate financial statements and other financial information of subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable, that:
 - (a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this



Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Amendment Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors of the Holding Company taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors its subsidiaries, none of the directors of the Group's companies, is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls with reference to consolidated financial statements of the Holding Company and its subsidiaries refer to our separate report in "**Annexure**" to this report;
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and based on consideration of reports of other statutory auditors of the subsidiaries, the managerial remuneration for the year ended March 31, 2023 has been paid by the Group to its directors during the year is in accordance with the provisions of section 197 read with Schedule V to the Act.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:
 - i. The Group has disclosed the impact of pending litigations on its financial position in its consolidated Ind AS financial statements as referred to in Note 41 to the said financial statements.
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.



iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.

iv.

a. No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b. No funds (which are material either individually or in the aggregate) have been received by the respective Holding Company or any of such subsidiaries from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c. Based on the audit procedures that has been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiaries whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. No dividend is declared or paid during the year, hence reporting as regards compliance with Section 123 of the Act is not applicable.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Group only w.e.f. 01 April, 2023, hence reporting under this clause is not applicable.



2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued (i) by us with respect to the standalone financial statements and (ii) by the auditors of the subsidiary companies, forming part of the consolidated Ind AS financial statements to which this reporting under CARO is applicable, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated Ind AS financial statements.

For PPV & CO

Chartered Accountants

Firm Registration No.153929W



Priyanshi Vakharia

Proprietor

Membership No.: 181834

UDIN: 23181834BGXCSL2495

Mumbai

23 May 2023



Annexure - Referred to under 'Report on Other Legal and Regulatory Requirements' section of our Independent Auditors' Report of even date to the members of Inventure Growth & Securities Limited on the consolidated Ind AS financial statements for the year ended March 31, 2023.

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Group as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group").

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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



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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to these consolidated Ind AS financial statements.

Meaning of Internal Financial Controls with reference to these Consolidated Ind AS Financial Statements

A company's internal financial control with reference to these consolidated Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to these consolidated Ind AS financial statements includes those policies and procedures that :

- a. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- b. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- c. provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



Inherent Limitations of Internal Financial with reference to these Consolidated Ind AS Financial Statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Group has, in all material respects, an adequate internal financial control with reference to these consolidated Ind AS financial statements and such internal financial controls with reference to these consolidated financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company in so far as it relates to its six subsidiaries, is based on the corresponding reports of the auditors of such subsidiaries.

For PPV&CO

Chartered Accountants

Firm Registration No.153929W



Priyanshi Vakharia

Proprietor

Membership No.: 181834

UDIN: 23181834BGXCSL2495

Mumbai

23 May 2023



INVENTURE GROWTH & SECURITIES LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2023

(₹ in lakhs)

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
ASSETS			
1 Financial Assets			
(a) Cash and cash equivalents	3	456.19	390.33
(b) Bank balance other than (a) above	4	12,765.77	12,859.15
(c) Stock in trade	5	28.75	12.59
(d) Receivables			
I Trade receivables	6	386.66	601.35
II Other receivables	7	2.30	3.65
(e) Loans	8	11,598.43	10,621.19
(f) Investments	9	147.71	166.55
(g) Other financial assets	10	429.33	686.32
		25,815.14	25,341.13
2 Non-Financial Assets			
(a) Current tax assets (net)	11	253.50	313.43
(b) Deferred tax assets (net)	12	228.99	292.06
(c) Investment property	13	200.51	200.51
(d) Property, plant and equipment	14	895.20	932.21
(e) Capital work-in-progress	14A	-	-
(f) Other intangible assets	14B	67.25	98.36
(g) Goodwill on consolidation		149.16	149.16
(h) Other non-financial assets	15	116.62	139.68
		1,911.23	2,125.41
Total Assets		27,726.37	27,466.54
LIABILITIES AND EQUITY			
Liabilities			
1 Financial Liabilities			
(a) Payables			
(I) Trade payables	16		
(i) total outstanding dues of Micro and Small enterprises		-	-
(ii) total outstanding dues of creditors other than Micro and Small enterprises		3,545.34	4,480.50
(II) Other Payables			
(i) total outstanding dues of Micro and Small enterprises		-	-
(ii) total outstanding dues of creditors other than Micro and Small enterprises		-	-
(b) Borrowings	17	2,810.26	2,645.48
(c) Deposits	18	437.53	365.75
(d) Other financial liabilities	19	14.27	0.17
		6,807.40	7,491.90
2 Non-Financial Liabilities			
(a) Provisions	20	5.89	-
(b) Other non financial liabilities	21	36.41	29.39
		42.30	29.39
3 Equity			
(a) Equity share capital	22	8,400.00	8,400.00
(b) Other equity	23	12,476.38	11,544.97
(c) Non controlling interest		0.29	0.28
		20,876.67	19,945.25
Total Liabilities and Equity		27,726.37	27,466.54

The accompanying notes are an integral part of the financial statements

As per our report of even date

For PPV & CO
Chartered Accountants
Firm Registration No. 153929W

Priyanshi Vakharia
Proprietor
Membership No. 181834



Place : Mumbai
Date : 23 May 2023

For and on behalf of the Board of Directors

Kanj B. Rita
(DIN 00727470)
Managing Director

Arvind J. Gala
Chief Financial Officer

Kamlesh S. Limbachiya
(DIN 02774663)
Wholtime Director

Lasha M. Rita
(DIN 08104505)
Wholtime Director



INVENTURE GROWTH & SECURITIES LIMITED
CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31 MARCH 2023

(₹ in lakhs)

Particulars	Note No.	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Revenue from operations			
(i) Interest income	24	1,488.45	1,715.75
(ii) Dividend income	25	0.20	0.29
(iii) Fees and commission income	26	1,861.73	2,383.46
(iv) Sale of shares	27	1,202.65	118.47
(v) Reversal of Impairment provision on financial instruments	32	-	155.71
(vi) Other operating income	28	328.38	281.35
(I) Total revenue from operations		4,881.41	4,655.03
(II) Other income	29	217.54	308.03
(III) Total income (I+II)		5,098.95	4,963.06
Expenses			
(i) Finance costs	30	190.97	121.85
(ii) Fees and commission expense	31	1,017.69	1,476.00
(iii) Impairment on financial instruments	32	36.08	-
(iv) Purchases of stock-in-trade	33	1,213.57	-
(v) Changes in stock-in-trade	34	(16.17)	83.25
(vi) Employee benefits expenses	35	623.27	645.77
(vii) Depreciation and amortization expense	14	80.93	64.68
(viii) Other expenses	36	700.25	767.09
(IV) Total expenses		3,846.60	3,158.65
(V) Profit/(loss) before exceptional item and tax (III-IV)		1,252.35	1,804.41
(VI) Exceptional items		-	100.00
(VII) Profit/(loss) before tax (V-VI)		1,252.35	1,904.41
(VIII) Tax expense	44		
(i) Current tax		292.40	455.60
(ii) Deferred tax		33.69	53.49
Total tax expenses (VIII)		326.09	509.10
(IX) Profit/(Loss) after tax for the year before non controlling interest (VII - VIII)		926.26	1,395.31
(X) Less: Share of Profit/(Loss) of non controlling interest		0.01	0.02
(XI) Profit/(Loss) after tax for the year after non controlling interest (XI - X)		926.25	1,395.29
(XII) Other comprehensive income			
Items that will not be reclassified to Profit or Loss:			
(i) Change in fair value of financial assets		(1.04)	61.48
(ii) Remeasurements of net defined benefit expenses		9.03	(27.58)
(iii) Tax effect of above		(2.83)	8.10
Total other comprehensive income/(loss) before non controlling interest (XII)		5.16	42.00
(XIII) Less: Share of Profit/(Loss) of non controlling Interest		-	-
(XIV) Total comprehensive income/(loss) for the year (XI + XII - XIII)		931.41	1,437.29
(XV) Earnings per equity share (Face value of ₹1/- per share)	37		
Basic (in ₹)		0.11	0.17
Diluted (in ₹)		0.11	0.17

The accompanying notes are an integral part of the financial statements

As per our report of even date

For PPV & CO
Chartered Accountants
Firm Registration No. 153929W

Priyanshi Vakharia
Proprietor
Membership No. 181834



Place : Mumbai
Date : 23 May 2023

For and on behalf of the Board of Directors

Kanji B. Rita
(DIN 00727470)
Managing Director

Kamlesh S. Limbachiya
(DIN 02774663)
Wholetime Director

Lasha M. Rita
(DIN 08104505)
Wholetime Director

Arvind J. Gala
Chief Financial Officer



IN VENTURE GROWTH & SECURITIES LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2023

A. Equity Share Capital

(₹ in lakhs)

Balance as at 1st April 2022	Changes in Equity Share Capital due to prior period errors	Restated balance as at 1st April 2022	Changes in Equity Share Capital during the year	Balance as at 31st March 2023
8,400.00	-	8,400.00	-	8,400.00

B. Other Equity

(₹ in lakhs)

Particulars	Share application money pending allotment	Reserves and Surplus							Total
		Capital Reserve	Securities Premium	Taxation Reserves	Statutory Reserve	General Reserve	Retained Earnings	Equity Instruments through Other Comprehensive Income	Re-measurements of Net Defined Benefit Plans
Balance as at 1st April 2022 (A)	-	20.25	811.63	125.00	692.93	4,748.22	5,132.12	34.31	(19.48)
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-
Restated balance as at 1st April 2022 (B)	-	20.25	811.63	125.00	692.93	4,748.22	5,132.12	34.31	(19.48)
Profit for the year (C)	-	-	-	-	-	-	926.26	-	-
Other Comprehensive Income/(Loss) for the year, net of tax (D)	-	-	-	-	-	-	-	(1.04)	6.20
Total Comprehensive Income/(Loss) for the year, net of tax (C+ D) = E	-	-	-	-	-	-	926.26	(1.04)	6.20
Dividend paid (F)	-	-	-	-	-	-	-	-	-
Transfer to retained earnings (G)	-	-	-	-	88.00	-	(88.00)	-	-
Non-Controlling interest (H)	-	-	-	-	-	-	(0.01)	-	-
Balance as at 31st March 2023 (B+E+F+G+H) = I	-	20.25	811.63	125.00	780.93	4,748.22	5,970.37	33.27	(13.28)
									12,476.58

As per our attached report of even date

For and on behalf of the Board of Directors

For PPV & CO
Chartered Accountants
Firm Registration No. 153929W

Prityanshi Vakharia
Proprietor
Membership No. 181834

Place : Mumbai
Date : 23 May 2023



14.13.13

Kanji B. Rita
(DIN 00727470)
Managing Director

Arvind J. Gala
Chief Financial Officer

Kamlesh S. Limbachiya
(DIN 02774663)
Wholetime Director

Lasha M. Rita
(DIN 08104505)
Wholetime Director

14.13.13

14.13.13



INVENTURE GROWTH & SECURITIES LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2023

(A) Equity Share Capital

(₹ in lakhs)

Balance as at 1st April 2021	Changes in Equity Share Capital due to prior period errors	Restated balance as at 1st April 2021	Changes in Equity Share Capital during the year	Balance as at 31st March 2022
8,400.00	-	8,400.00	-	8,400.00

(B) Other Equity

(₹ in lakhs)

Particulars	Share application money pending allotment	Reserves and Surplus						Equity Instruments through Other Comprehensive Income	Remeasurements of Net Defined Benefit Plans	Total
		Capital Reserve	Securities Premium	Taxation Reserves	Statutory Reserve	General Reserve	Retained Earnings			
Balance as at 1st April 2021 (A)	-	20.25	811.63	125.00	575.93	4,748.22	3,853.83	(27.17)	-	10,107.68
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-
Restated balance as at 1st April 2021 (B)	-	20.25	811.63	125.00	575.93	4,748.22	3,853.83	(27.17)	-	10,107.68
Profit for the year (C)	-	-	-	-	-	-	1,395.31	-	-	1,395.31
Other Comprehensive Income/(Loss) for the year, net of tax (D)	-	-	-	-	-	-	-	61.48	(19.48)	42.00
Total Comprehensive Income/(Loss) for the year, net of tax (C + D) = E	-	-	-	-	-	-	1,395.31	61.48	(19.48)	1,437.31
Dividend paid (F)	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings (G)	-	-	-	-	117.00	-	(117.00)	-	-	-
Non- Controlling interest (H)	-	-	-	-	-	-	(0.02)	-	-	(0.02)
Balance as at 31st March 2022 (B+E+F+G+H) = I	-	20.25	811.63	125.00	692.93	4,748.22	5,132.12	34.31	(19.48)	11,514.97

As per our attached report of even date

For and on behalf of the Board of Directors

For PPV & CO
Chartered Accountants
Firm Registration No. 153929W
Priyanshi Vakharia
Proprietor
Membership No. 181834

Place : Mumbai
Date : 23 May 2023



Kanji B. Rita
(DIN 00727470)
Managing Director
Arvind J. Gala
Chief Financial Officer

Kamlesh S. Limbachiy
(DIN 02774663)
Wholetime Director

Lasha M. Rita
(DIN 08104505)
Wholetime Director



(₹ in lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
A. Cash Flow from Operating Activities		
Net Profit before exceptional item and tax	1,252.34	1,904.41
Adjustment for:		
Depreciation and amortisation	80.93	64.68
Finance costs	32.61	65.58
Interest income	(177.36)	(171.59)
Interest on IT Refund	(2.12)	(2.40)
Preliminary expenses written off	0.00	0.00
Dividend income	(3.89)	(4.61)
Provision for defined employee benefits	13.40	30.48
Impairment on financial instruments (net)	(229.34)	(341.67)
(Profit)/Loss on sale of investments (net)	(5.71)	(10.98)
	(291.48)	(370.51)
Operating profit before working capital changes	960.86	1,533.91
Adjustments for:		
(Increase)/decrease in trade receivables	199.46	53.84
(Increase)/decrease in inventories (held as stock in trade)	(16.17)	83.26
Increase/(decrease) in loans	(423.21)	2,582.00
(Increase)/decrease in other financial assets	(150.72)	(204.92)
(Increase)/decrease in other non financial assets	35.14	77.66
Increase/(decrease) in trade payables	(890.35)	870.04
Increase/(decrease) in deposits	71.78	62.83
Increase/(decrease) in other financial liabilities	14.61	(55.02)
Increase/(decrease) in other non financial liability	6.02	(13.03)
Increase/(decrease) in accrued interest on term deposits	6.01	(19.01)
Term deposits with banks with original maturity of more than three months - placed	(3,584.41)	(5,787.55)
Term deposits with banks with original maturity of more than three months - matured	3,441.54	3,648.75
	(1,292.31)	1,298.85
Cash generated from operations	(331.45)	2,832.76
Direct Taxes paid (Net of refunds)	(216.27)	(295.01)
Net cash flow from operating activities (A)	(547.71)	2,537.75
B. Cash Flow from Investing Activities		
Purchase of property plant and equipment	(12.24)	(45.27)
Purchase of membership rights	-	(100.00)
Investment in property	-	(26.80)
Proceeds from sale of investment in property	244.93	393.78
Acquisition of investments	(1,033.23)	-
Investment in shares and securities	-	(208.06)
Proceeds from sale of investments in shares and securities/Mutual fund	868.33	193.06
Term deposits with banks with original maturity of more than three months - placed	(463.71)	(2,966.37)
Term deposits with banks with original maturity of more than three months - matured	692.81	1,539.72
Dividend income	2.89	4.75
Interest received	175.36	162.08
Net cash flow from investing activities (B)	475.14	(1,053.11)
C. Cash Flow from Financing Activities		
Proceeds/(Repayment) of Short borrowings	(6.32)	(2,695.83)
Proceeds/(Repayment) of bank overdrafts	171.11	(195.97)
Finance costs	(32.60)	(65.58)
Interest received on IT Refund	0.99	-
Interest received	5.26	15.33
Net cash flow from financing activities (C)	138.43	(2,942.05)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	65.86	(1,457.41)
Cash and cash equivalents at the beginning of the year	390.33	1,847.74
Cash and cash equivalents at the end of the year	456.19	390.33

Notes:

- 1 Cash and Cash Equivalents are as under:

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Cash on hand	0.69	0.47
Cheque in hand	-	18.04
Balance in Current Accounts	455.50	371.82
	456.19	390.33

- 2 The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Indian Accounting Standard -7 on "Cash Flow Statements" as prescribed by the Central Government in the Companies (Accounting Standards) Rules, 2015, as amended
- 3 Previous year's figures have been regrouped/rearranged wherever necessary to conform to the current year's presentation.

As per our report of even date

For PPV & CO
Chartered Accountants
Firm Registration No. 153929W
Priyanshi Vakharia
Proprietor
Membership No. 181834



Place : Mumbai
Date : 23 May 2023

For and on behalf of the Board of Directors

Kanji B. Rita
(DIN 00727470)
Managing Director
Arvind J. Gala
Chief Financial Officer

Kamlesh S. Limbachiya
(DIN 02774663)
Wholtime Director

Lasha M. Rita
(DIN 08104505)
Wholtime Director



INVENTURE GROWTH & SECURITIES LIMITED

Notes forming part of the Consolidated Financial Statements

1. Corporate information

Inventure Growth & Securities Limited ('the Company') was incorporated in on 22 June 1995 and got listed on 04th August 2011. The Company together with its subsidiaries, (collectively, the Group) is engaged in the business of providing stock broking services, depository participant services, commodity broking services, financing/fund based services, wealth management, merchant banking services. The Group's registered office is at 201, Viraj Tower, Near Landmark Building, Western Express Highway, Andheri (E), Mumbai-400069.

Note 2 Significant Accounting Policy

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time. The Group uses accrual basis of accounting. The financial statements are presented in Indian Rupee (INR) which is also the functional currency of the Group.

The consolidated financial statements have been prepared on a historical cost basis, except for financial assets measured at fair value. The preparation of financial statements requires the management to make judgments, accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosure of contingent liabilities, at the end of the reporting period. 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 amounts of assets or liabilities in future periods.

The consolidated financial statements are prepared on a going concern basis, as the Management is satisfied that the Group shall be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on the going concern assumption.

2.2 Basis of consolidation

The Consolidated financial statements have been prepared by applying the principles laid down in the Indian Accounting Standard : Ind AS 110 "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India for the purpose of these Consolidated Balance Sheet, Consolidated Statement of Profit and Loss and Consolidated Cash Flow together referred to in as "Consolidated Financial Statements". Reference in these notes to the Parent Company means Inventure Growth and Securities Limited, reference to Subsidiary Companies means subsidiaries of Inventure Growth and Securities Limited, i.e. Inventure Finance Private Limited, Inventure Merchant Banker Services Private Limited, Inventure Commodities Limited, Inventure Wealth Management Limited, Inventure Insurance Broking Private Limited and reference to Group means the Parent Company, and Subsidiary Companies of the Parent Company.

2.3 Principles of Consolidation:

The Consolidated Financial Statements comprises of the Financial Statements of the Parent Company and its subsidiaries and 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 eliminating intra-group balances / transactions and resulting profits/ loss in full.

The Consolidated Financial Statements are presented, to the extent possible in the same format as that adopted by the Parent Company for its separate financial statement.

2.4 Presentation of financial statements

The financial statements of the Group are presented in order of liquidity and in accordance with Schedule III (Division III) of the Companies Act, 2013 applicable to NBFCs, as notified by the Ministry of Corporate Affairs. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 'Statement of Cash Flows'. The Group generally reports financial assets and financial liabilities on a gross basis in the Balance Sheet. They are offset and reported net only when Ind AS specifically permits the same or it has an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event. Similarly, the Group offsets incomes and expenses and reports the same on a net basis when permitted by Ind AS specifically unless they are material in nature.

2.5 Critical accounting estimates and judgments

The preparation of the Group's financial statements requires Management to make use of estimates and judgments. In view of the inherent uncertainties and a level of subjectivity involved in measurement of items, it is possible that the outcomes in the subsequent financial years could differ from those based on Management's estimates. Accounting estimates and judgments are used in various line items in the financial statements for e.g.:

- Business model assessment
- Fair value of financial instruments
- Effective interest rate (EIR)
- Impairment of financial assets
- Provisions and contingent liabilities
- Provision for tax expenses
- Residual value, useful life and indicators of impairment and recoverable value of property, plant and equipment



INVENTURE GROWTH & SECURITIES LIMITED

Notes forming part of the Consolidated Financial Statements

2.6 Income

Revenue Recognition

The Group recognises revenue from contracts with customers (other than financial assets to which Ind AS 109 'Financial instruments' is applicable) based on a comprehensive assessment model as set out in Ind AS 115 'Revenue from contracts with customers'. The Group identifies contract(s) with a customer and its performance obligations under the contract, determines the transaction price and its allocation to the performance obligations in the contract and recognises revenue only on satisfactory completion of performance obligations. Revenue is measured at the fair value of the consideration received or receivable.

The Group recognises income on recoveries of financial assets written off on realisation or when the right to receive the same without any uncertainties of recovery is established

The revenue includes the following:

(i) Brokerage fee income

Revenue from contract with customer is recognized at a point in time when performance obligation is completed i.e. when the trade is executed. These include brokerage fees charged per transaction executed on behalf of the clients as per the contractually agreed rate.

(ii) Interest income

The Group recognises interest income using effective interest rate (EIR) on all financial assets subsequently measured under amortised cost or fair value through other comprehensive income (FVOCI). EIR is calculated by considering all costs and incomes attributable to acquisition of a financial asset or assumption of a financial liability and it represents a rate that exactly discounts estimated future cash payments/receipts through the expected life of the financial asset/financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.

Interest income is calculated by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. In case of credit-impaired financial assets, interest income is recognized on the amortised cost net of impairment loss of the financial asset at EIR. If the financial asset is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis.

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

(iii) Dividend income

Dividend income on equity shares is recognised

- it is probable that the economic benefits associated with the dividend will flow
- the amount of the dividend can be measured reliably

(iv) Fees and commission income

Fees and commission income includes:

Income from depository operations is accounted when performance obligation is completed

Advisory fees income is recognised when the performance obligation is satisfied by rendering the services to the client.

Distribution income is earned by distribution of services and products of other entities under distribution arrangements. The income so earned is recognised on successful distribution on behalf of other entities subject to there being no significant uncertainty of its recovery.

(v) Net gain on fair value changes

The Group designates certain financial assets for subsequent measurement at fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI). The Group recognises gains on fair value change of financial assets measured at FVTPL and realised gains on derecognition of financial asset measured at FVTPL and FVOCI on net basis.

(vi) Recoveries of financial assets written off

Income on recoveries of financial assets written off is recognized on realisation or when the right to receive the same without any uncertainties of recovery is established.

2.7 Expenditures

(i) Finance costs

Borrowing costs on financial liabilities are recognised using the EIR .

(ii) Fees and commission expenses

Fees and commission expenses which are not directly linked to the sourcing of financial assets, are recognised in the Statement of Profit and Loss on an accrual basis.



INVENTURE GROWTH & SECURITIES LIMITED

Notes forming part of the Consolidated Financial Statements

2.8 Cash and cash equivalents

Cash and cash equivalents include cash on hand, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value

2.9 Financial instruments

A financial instrument is defined as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Trade receivables and payables, loan receivables, investments in securities and subsidiaries, debt securities and other borrowings, preferential and equity capital etc. are some examples of financial instruments

The Group classifies its financial assets into the following measurement categories:

- Financial assets to be measured at amortised cost
- Financial assets to be measured at fair value through other comprehensive income
- Financial assets to be measured at fair value through profit or loss account.

The classification depends on the contractual terms of the financial assets' cash flows and the Group's business model for managing financial assets.

Derecognition of Financial Assets

A financial asset (or, where applicable, a part of a financial asset) is derecognized when:

- The right to receive cash flows from the asset have expired; or
- Transfer of right to receive cash flows from the asset or assumption of an obligation to pay the received cash flows in full without material delay to a third party under an assignment arrangement and when there has been substantial transfer of all the risks and rewards of the asset.

On derecognition of a financial asset in its entirety, the difference between:

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

Impairment of financial assets

Expected Credit Loss (ECL) principles

The Group recognises loss allowances (provisions) for expected credit losses on its financial assets (including non-fund exposures) that are measured at amortised costs.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is the portion of Lifetime ECL that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

The mechanics of ECL

ECLs is calculated based on probability weighted scenarios to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive. The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

Probability of default (PD) - The probability of default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.

Exposure at default (EAD) - The exposure at default is an estimate of the exposure at a future default date.

Loss given default (LGD) - The loss given default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the Company would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

Trade Receivables

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated for changes in the forward-looking estimates.



INVENTURE GROWTH & SECURITIES LIMITED

Notes forming part of the Consolidated Financial Statements

Financial instruments held for trading

A financial instrument is classified as held for trading if it is acquired or incurred principally for selling or repurchasing in the near term, or forms part of a portfolio of financial instruments that are managed together and for which there is evidence of short-term profit taking, or it is a derivative not designated in a qualifying hedge relationship. The profit/(loss) earned on sale of investments and securities held for trading are recognised on trade date basis. Profit or loss on sale of investments is determined on the basis of the weighted average cost method and securities held for trading on FIFO method. On disposal of an investment, the difference between carrying amount and net disposal proceeds is charged to or credited to statement of profit and loss. Trading derivatives and trading securities are classified as held for trading and recognised at fair value.

Collateral Valuation

To mitigate its credit risks on financial assets, the Group seeks to use collateral, wherever possible. The collateral comes in various forms, such as equity shares, fixed deposits, etc. However, the fair value of collateral affects the calculation of ECLs. To the extent possible, the Group uses active market data for valuing financial assets held as collateral. Other financial assets which do not have readily determinable market values are valued using models.

Write-offs

The Group reduces the gross carrying amount of a financial asset when it has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Group determines that the client or borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. Any subsequent recoveries against such loans are credited to the statement of profit and loss.

Financial liabilities

Financial liabilities include liabilities that represent a contractual obligation to deliver cash or another financial assets to another entity, or a contract that may or will be settled in the entities own equity instruments. Few examples of financial liabilities are trade payables, debt securities and other borrowings and subordinated debts.

Initial measurement

All financial liabilities are recognised initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade payables, other payables, and other borrowings.

Subsequent measurement

After initial recognition, all financial liabilities are subsequently measured at amortised cost using the EIR. Any gains or losses arising on derecognition of liabilities are recognised in the Statement of Profit and Loss.

Derecognition

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

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet only if there is an enforceable legal right to offset the recognised amounts with an intention to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

2.10 Provisions and Contingent liabilities

A provision is recognised when the Group has a present obligation as a result of a past event and it is probable that an outflow of embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Provisions are reviewed at each balance sheet date and adjusted to effect current management estimates.

The Group operates in a regulatory and legal environment that, by nature, has an element of litigation risk inherent to its operations. Contingent liabilities are recognised when there is possible obligation arising from past events that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. For determining the probability and amount of liability, the Group takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

2.11 Income Taxes

Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, in accordance with the Income Tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.



INVENTURE GROWTH & SECURITIES LIMITED

Notes forming part of the Consolidated Financial Statements

Deferred tax

Deferred tax is provided using the Balance Sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for deductible temporary differences to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets, if any, are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised either in OCI or in other equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum Alternate Tax (MAT)

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Group recognizes MAT credit available as an asset only to the extent that it is probable that the Group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Group recognizes MAT credit as an asset, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Group reviews the MAT Credit Entitlement asset at each reporting date and writes down the asset to the extent the Group does not have convincing evidence that it will pay normal tax during the specified period.

2.12 Earning per share (basic and diluted)

The Group reports basic and diluted earnings per equity share. Basic earnings per equity share have been computed by dividing net profit/loss attributable to the equity share holders for the year by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share have been computed by dividing the net profit attributable to the equity share holders after giving impact of dilutive potential equity shares for the year by the weighted average number of equity shares and dilutive potential equity shares outstanding during the period/year, except where the results are anti-dilutive.

2.13 Borrowing costs

Expenses related to borrowing cost are accounted using effective interest rate. Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

2.14 Property, plant and equipment

Property, plant and equipment are carried at historical cost of acquisition less accumulated depreciation and impairment losses, consistent with the criteria specified in Ind AS 16 'Property, Plant and Equipment'.

Depreciation on property, plant and equipment

- (a) Depreciation is provided on a pro-rata basis for all tangible assets on straight line method over the useful life of assets.
- (b) Useful lives of assets are determined by the Management by an internal technical assessment.
- (c) Depreciation on addition to assets and assets sold during the year is being provided for on a pro rata basis with reference to the month in which such asset is added or sold as the case may be.
- (d) An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included under other income in the Statement of Profit and Loss when the asset is derecognised.
- (e) The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.



INVENTURE GROWTH & SECURITIES LIMITED

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Particulars	Useful life prescribed by Schedule II of the Companies Act, 2013 (in years)	Useful life estimated by Company (in years)
Office Building	60	60
Computer & Data Processing		
· Servers and networks	6	6
· End user devices (laptop, desktop etc.)	3	3
Furniture & Fixtures	10	10
Vehicles	8	8
Office Equipments	5	5
Air Conditioners	5	5

2.15 Intangible assets and amortisation thereof

Intangible assets are initially recognised at cost and subsequently carried at cost less accumulated amortisation and accumulated impairment. The intangible assets are amortised using the straight line method over a period of their useful lives estimated by the management. The useful lives of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

2.16 Impairment of non-financial assets

An assessment is done at each Balance Sheet date to ascertain whether there is any indication that an asset may be impaired. If any such indication exists, an estimate of the recoverable amount of asset is determined. If the carrying value of relevant asset is higher than the recoverable amount, the carrying value is written down accordingly.

2.17 Provisions and contingent liabilities

The Group creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. The Group also discloses present obligations for which a reliable estimate cannot be made. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

2.18 Retirement and other employee benefits

(i) Gratuity

The employees of the Company are eligible for gratuity in accordance with the Payment of Gratuity Act. Retirement benefits in the form of gratuity is considered as defined benefit obligation. During the year, for the first time the Company has funded its gratuity liability (past & present) by contributing to a life group savings insurance plan. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation. The valuation has been carried out using the project Unit Credit Method as per Ind AS 19 to determine the Present Value of Defined Benefit Obligations and the related Current Service Cost and, where applicable, Past Service Cost.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets, are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

(ii) Provident fund

The Group contributes to a recognized provident fund which is a Defined Contribution Scheme. The contributions are accounted for on an accrual basis and recognized in the Statement of Profit and Loss.

(iii) Compensated absences

Unutilized leave of staff lapses as at the year end and is not encashable. Accordingly, no provision is made for compensated absences.



INVENTURE GROWTH & SECURITIES LIMITED
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2.19 Fair value measurement

The Group measures its qualifying financial instruments at fair value on each Balance Sheet date.

Fair value is the price that would be received against sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place in the accessible principal market or the most advantageous accessible market as applicable.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into Level I, Level II and Level III based on the lowest level input that is significant to the fair value measurement as a whole.

For assets and liabilities that are fair valued in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy



INVENTURE GROWTH & SECURITIES LIMITED
Notes forming part of the Consolidated Financial Statements

Note 3 Cash and cash equivalents

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Cash on hand	0.69	0.47
Cheque in hand	-	18.04
Balances with banks in current accounts	455.50	371.82
Total	456.19	390.33

Note 4 Bank balances other than cash and cash equivalents

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Fixed deposit with maturity for less than 12 months*	2,858.00	4,178.36
Fixed deposit with maturity for more than 12 months *	9,850.16	8,615.03
Interest accrued on fixed deposits*	57.61	65.76
Total	12,765.77	12,859.15

*** Breakup of deposits**

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Fixed deposits under lien with stock exchanges towards base capital	6,584.74	6,016.74
Fixed deposits lien with Bank - Collateral security against bank overdraft facility	2,990.67	3,567.31
Fixed deposits lien with Bank - Collateral security against bank overdraft facility of Wholly Owned Subsidiary	2,494.89	2,494.89
Interest accrued on fixed deposits	57.61	65.76
Fixed deposits free from charges	637.86	714.46
Total	12,765.77	12,859.15

Note 5 Stock in trade

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
At fair value through profit and loss		
Shares and Securities held for trading	28.75	12.59
Total	28.75	12.59

Note 6 Trade receivables

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Receivables considered good - Unsecured*	386.66	601.35
Receivables - Credit impaired	249.69	289.41
	636.35	890.76
Less: Impairment loss allowance	(249.69)	(289.41)
Total	386.66	601.35
* Includes amount due from Directors	-	-



INVENTURE GROWTH & SECURITIES LIMITED
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Trade Receivables ageing schedule

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment					As at 31st March 2023
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	345.23	0.20	0.33	0.91	40.00	386.66
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	61.61	0.37	1.49	6.12	137.11	206.70
(iv) Disputed Trade Receivables – considered good	-	-	-	-	43.00	43.00
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Sub-total	406.83	0.57	1.82	7.03	220.11	636.36
Less: Impairment loss allowance						(249.70)
Total						386.66

Trade Receivables ageing schedule

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment					As at 31st March 2022
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	554.80	10.23	12.66	11.29	12.37	601.35
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	115.80	0.74	19.42	45.96	107.49	289.41
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Sub-total	670.60	10.97	32.08	57.25	119.86	890.76
Less: Impairment loss allowance						(289.41)
Total						601.35

Note 7 Other receivables

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Receivables Considered Good		
i.Secured	-	-
ii.Unsecured	2.30	3.65
Total	2.30	3.65



INVENTURE GROWTH & SECURITIES LIMITED

Notes forming part of the Consolidated Financial Statements

Note 8 Loans

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
(A) At Amortised cost		
Margin trade funding (MTF)	1,062.11	992.18
Loan to employees	1.81	6.83
Loans repayable on demand	11,436.30	10,726.15
Less: Impairment loss allowance	901.78	1,103.96
Total (A) Net	11,598.43	10,621.19
(B) Secured/Unsecured		
Secured	1,083.15	1,007.80
Unsecured	11,417.07	10,717.36
Less: Impairment loss allowance	901.78	1,103.96
Total (B) Net	11,598.43	10,621.19
(C) Loans in India		
Loans granted	12,500.21	11,725.16
Less: Impairment loss allowance	901.78	1,103.96
Total (C) Net	11,598.43	10,621.19

Note 9 Investment

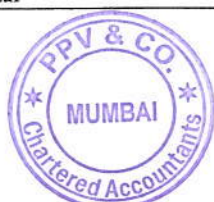
(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
(A1) At Amortised cost		
In Equity instrument of other company	331.76	331.76
Less: Impairment loss allowance	(331.76)	(331.76)
Total investment in equity instrument of other companies (I)	-	-
(A2) At Amortised cost		
In Mutual Fund	58.30	-
Total investment in Mutual Fund (II)	58.30	-
(B) At Fair value through Other Comprehensive Income		
In quoted equity instruments	69.41	166.55
Total investments in quoted equity instruments (III)	69.41	166.55
In Treasury bill (364T290623)	10.00	-
In G-SEC 738GS2027	10.00	-
Total investment in Government Securities* (IV)	20.00	-
*includes ₹ 20 Lakhs (Previous year ₹ Nil) pledged with Bombay Stock Exchange		
Total Investment (I+II+III+IV)	147.71	166.55
Investments in India	147.71	166.55
Investments outside India	-	-

Note 10 Other financial assets

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Deposits with stock exchanges	400.35	372.75
Deposit with professional clearing member	-	25.50
Deposit with depository	2.50	2.50
Other deposits	21.98	22.82
Receivable from subsidiaries for trade payable taken over	-	17.80
Receivable against sale of property	4.50	61.02
Balance with clearing corporations	-	183.93
Total	429.33	686.32



INVENTURE GROWTH & SECURITIES LIMITED

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Note 11 Current tax assets (Net)

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Income tax paid (net of provision for tax)	253.50	313.43
Total	253.50	313.43

Note 12 Deferred tax assets (Net)

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Deferred tax liabilities		
Property, plant and equipment & other intangible assets	134.48	143.90
Total	134.48	143.90
Deferred tax assets:		
Property, plant and equipment & other intangible assets	6.07	4.39
Impairment allowance for financial assets	295.57	341.57
Remeasurements of net defined benefit Expenses	16.60	18.20
MAT credit entitlement	45.23	71.79
Total	363.46	435.96
Net Deferred tax asset	228.99	292.06

Note 13 Investment property

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
At Amortised cost		
Investment properties	200.51	200.51
Total	200.51	200.51



INVENTURE GROWTH & SECURITIES LIMITED
Notes forming part of the Consolidated Financial Statements

Note 15 Other non-financial assets

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Prepaid expenses	62.88	38.42
Advances to suppliers and others	24.65	36.04
Indirect tax input credits	14.17	12.48
Advance for purchase of property	-	50.00
Accrued income	0.18	-
Net defined benefit asset	14.74	2.74
Total	116.62	139.68

Note 16 Trade payables

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
(i) Total outstanding dues of micro enterprise and small enterprises	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	3,545.33	4,480.50
Total	3,545.33	4,480.50

The details of amount outstanding to Micro, Small and Medium Enterprises defined under "Micro, Small and Medium Enterprises Development Act, 2006" (as identified based on information available with the Company and relied upon by the Auditors is as under).

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Principal amount due and remaining unpaid	-	-
Interest due on above and the unpaid interest	-	-
Interest paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years	-	-

Trade Payables ageing schedule

(₹ in lakhs)

Particulars	Outstanding for following periods from due date				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	As at 31st March 2023
(i) MSME	-	-	-	-	-
(ii) Others	3,520.37	1.15	0.07	23.76	3,545.35
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
TOTAL	3,520.37	1.15	0.07	23.76	3,545.35

Trade Payables ageing schedule

(₹ in lakhs)

Particulars	Outstanding for following periods from due date				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	As at 31st March 2022
(i) MSME	-	-	-	-	-
(ii) Others	4,441.43	12.71	4.74	21.58	4,480.46
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
TOTAL	4,441.43	12.71	4.74	21.58	4,480.46

Note 17 Borrowings

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
At Amortised cost		
Secured		
Overdraft facility from banks *	2,793.26	2,612.22
Other unsecured loans	17.01	33.26
Total	2,810.26	2,645.48
Borrowings in India	2,810.26	2,645.48
Borrowings outside India	-	-
Total	2,810.26	2,645.48

*Bank overdraft facility is secured against term deposit - Refer note 4
Rate of interest is ranging from 5% to 9%



INVENTURE GROWTH & SECURITIES LIMITED
Notes forming part of the Consolidated Financial Statements

Note 14 Property, Plant & Equipment (Current Year)

Note 14 Property, Plant & Equipment (Current Year)										(₹ in lakhs)	
Particulars	Gross Block				Accumulated Depreciation / Amortisation				Net Block		
	As at 1 April 2022	Additions	Deductions/adjustment	As at 31 March 2023	As at 1 April 2022	For the year	On disposal/ Adjustments	As at 31 March 2023	As at 31 March 2023	As at 31 March 2022	
Property, Plant and Equipment											
Own Assets:											
Building	1,042.03	-	-	1,042.03	197.51	14.30	-	211.80	830.22	844.52	
Furniture and Fixtures	360.13	0.27	-	360.40	322.32	12.57	-	334.89	25.51	37.81	
Vehicles	185.79	-	-	185.79	172.35	9.45	-	181.80	3.98	13.44	
Office Equipment	122.62	2.83	-	125.45	108.12	3.37	-	111.50	13.95	14.49	
Air Conditioners	46.20	2.42	0.56	48.07	44.82	1.24	0.56	45.51	2.56	1.38	
Computers	136.51	7.28	0.32	143.47	115.94	8.88	0.32	124.17	18.98	20.57	
Total	1,893.27	12.80	0.87	1,905.20	961.06	49.81	0.88	1,009.67	895.20	932.21	

Note 14A Capital Work-In-Progress (Current year)

Particulars	Gross Block			Accumulated Depreciation / Amortisation				Net Block	
	As at 1 April 2022	Additions	Transfer to Property Plant and Equipment	As at 31 March 2023	As at 1 April 2022	For the year	Transfer to Property plant and Equipment	As at 31 March 2023	As at 31 March 2022
Capital Work-in-Progress	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-

There is no Capital work in progress as at 31st March 2023. Accordingly disclosure requirement of (i) Capital work in progress ageing and (ii) Overdue completion of Capital work-in-progress or exceeded cost as compared to original plan is not applicable

Note 14B Intangible assets (Current year)

Particulars	Gross Block			Accumulated Depreciation / Amortisation			Net Block		
	As at 1 April 2022	Additions	Transfer to Property Plant and Equipment	As at 31 March 2023	As at 1 April 2022	For the year	Transfer to Property plant and Equipment	As at 31 March 2023	As at 31 March 2022
Own Assets:									
Computer Software	121.84	-	-	121.84	116.19	3.06	-	119.24	2.60
Membership of Stock Exchanges	291.60	-	-	291.60	202.02	24.94	-	226.95	89.58
Merchant Banking Licence	31.33	-	-	31.33	28.21	3.13	-	31.33	3.13
Total	444.77	-	-	444.77	346.41	31.12	-	377.53	98.36

There are no Intangible assets under development



INVENTURE GROWTH & SECURITIES LIMITED
Notes forming part of the Consolidated Financial Statements

Note 14 Property, Plant & Equipment (Previous Year)

Particulars	Gross Block			Accumulated Depreciation / Amortisation				Net Block	
	As at 1 April 2021	Additions	Deductions	As at 31 March 2022	As at 1 April 2021	For the year	On disposal/ Adjustments	As at 31 March 2022	As at 31 March 2021
Property, Plant and Equipment									
Own Assets:									
Building	1,042.03	-	-	1,042.03	183.04	14.46	-	197.51	844.52
Furniture and Fixtures	346.20	13.93	-	360.13	310.78	11.54	-	322.32	35.42
Vehicles	185.79	-	-	185.79	161.88	10.47	-	172.35	23.91
Office Equipment	111.73	10.89	-	122.62	105.75	2.38	-	108.12	5.98
Air Conditioners	46.20	-	-	46.20	43.71	1.11	-	44.82	2.49
Computers	116.06	20.45	-	136.51	109.16	6.78	-	115.94	6.90
Total	1,848.00	45.27	-	1,893.27	914.32	46.75	-	961.06	932.21
									933.69

Note 14A Capital Work-In-Progress (Previous year)

Particulars	Gross Block			Accumulated Depreciation / Amortisation				Net Block	
	As at 1 April 2021	Additions	Deductions	As at 31 March 2022	As at 1 April 2021	For the year	On disposal/ Adjustments	As at 31 March 2022	As at 31 March 2021
Capital Work-in-Progress	-	18.66	(18.66)	-	-	-	-	-	-
Total	-	18.66	(18.66)	-	-	-	-	-	-

There is no Capital work in progress as at 31st March 2022. Accordingly disclosure requirement of (i) Capital work in progress ageing and (ii) Overdue completion of Capital work-in-progress or exceeded cost as compared to original plan is not applicable.

Note 14B Intangible assets (Previous year)

Particulars	Gross Block			Accumulated Depreciation / Amortisation				Net Block	
	As at 1 April 2021	Additions	Deductions	As at 31 March 2022	As at 1 April 2021	For the year	On disposal/ Adjustments	As at 31 March 2022	As at 31 March 2021
Own Assets:									
Computer Software	121.84	-	-	121.84	113.17	3.02	-	116.19	5.65
Membership of Stock Exchanges	191.60	100.00	-	291.60	191.60	10.42	-	202.02	89.58
Merchant Banking Licence	31.33	-	-	31.33	23.71	4.50	-	28.21	3.13
Total	344.77	100.00	-	444.77	328.48	17.94	-	346.41	98.36
									16.30

There are no Intangible assets under development



INVENTURE GROWTH & SECURITIES LIMITED

Notes forming part of the Consolidated Financial Statements

Note 18 Deposits

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
At Amortised cost		
Security Deposits from clients and sub brokers	437.53	365.75
Total	437.53	365.75

Note 19 Other financial liabilities

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Balance with clearing corporations	5.02	-
Other payable	9.25	0.17
Total	14.27	0.17

Note 20 Provisions

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Gratuity	5.89	-
Total	5.89	-

Note 21 Other non financial liabilities

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Amount payable against purchase of property	5.00	5.00
Statutory dues	31.41	24.39
Total	36.41	29.39



INVENTURE GROWTH & SECURITIES LIMITED
Notes forming part of the Consolidated Financial Statements

Note 22 Equity Share Capital

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Authorised		
**1,250,000,000 (Previous year: 1,000,000,000) Equity Shares of ₹ 1/- each	12,500.00	10,000.00
Issued		
840,000,000 (Previous year: 840,000,000) Equity Shares of ₹ 1/- each	8,400.00	8,400.00
Subscribed and fully paid up		
840,000,000 (Previous year: 840,000,000) Equity Shares of ₹ 1/- each	8,400.00	8,400.00
Total	8,400.00	8,400.00

**The Company has increased Authorised Share Capital from existing 100,00,00,000 equity shares of Re. 1/- each to 125,00,00,000 equity shares of Re. 1/- each through postal ballot dated 22nd March, 2023.

(a) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	As at 31 March 2023		As at 31 March 2022	
	No. of Shares	(₹ in lakhs)	No. of Shares	(₹ in lakhs)
At the beginning of the year	840,000,000	8,400.00	84,000,000	8,400.00
Add: Issued during the year	-	-	-	-
Add: Adjustment of Sub-Division of Equity shares	-	-	756,000,000	-
Outstanding at the end of the year	840,000,000	8,400.00	840,000,000	8,400.00

(b) The Company has one class of Equity shares having a par value of ₹ 1/- per share. Each shareholder is eligible for 1 vote per share held. The dividend if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim dividend. In event of liquidation the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts in proportion to their shareholdings.

(c) Details of shareholders holding more than 5% shares in the company:

Name of Shareholder	As at 31 March 2023		As at 31 March 2022	
	No. of Shares	% holding	No. of Shares	% holding
Equity shares of ₹ 1/- each fully paid				
Kanji B. Rita	221,643,270	26.39%	221,643,270	26.39%

(d) Disclosure of Shareholding of Promoters

Shares held by promoters at the end of the current year					% Change during the year
Promoter Name	As at 31 March 2023		As at 31 March 2022		
	No. of shares	% of total shares	No. of shares	% of total shares	
Kanji B Rita	221,643,270	26.39%	221,643,270	26.39%	-
Kanji B Rita(HUF)	1,11,120	0.01%	1,11,120	0.01%	-

Shares held by promoters at the end of the previous year					% Change during the year
Promoter Name	As at 31 March 2022		As at 31 March 2021		
	No. of shares	% of total shares	No. of shares	% of total shares	
Kanji B Rita	221,643,270	26.39%	221,643,270	26.39%	-
Kanji B Rita(HUF)	1,11,120	0.01%	1,11,120	0.01%	-
Pravin Nanji Gala	-	-	1,00,00,000	1.19%	100.00%



INVENTURE GROWTH & SECURITIES LIMITED

Notes forming part of the Consolidated Financial Statements

Note 23 Other equity

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Reserves and Surplus		
Capital Reserve		
Balance at the beginning of the year	20.25	20.25
Addition during the year		
Balance at the end of the year	20.25	20.25
Security premium		
Balance at the beginning of the year	811.63	811.63
Addition during the year	-	-
Balance at the end of the year	811.63	811.63
Taxation Reserve		
Balance at the beginning of the year	125.00	125.00
Addition during the year	-	-
Balance at the end of the year	125.00	125.00
Statutory Reserve		
Balance at the beginning of the year	692.93	575.93
Addition during the year	88.00	117.00
Balance at the end of the year	780.93	692.93
Retained Earnings		
Balance at the beginning of the year	5,132.12	3,853.82
Profit/(Loss) for the year	926.26	1,395.31
Transfer to Statutory reserve	(88.00)	(117.00)
IND AS Adjustments	-	-
Non Controlling Interest	(0.01)	(0.02)
Dividend paid to Equity Shareholders	-	-
Dividend distribution tax	-	-
Balance at the end of the year	5,970.37	5,132.12
General Reserve		
Balance at the beginning of the year	4,748.22	4,748.22
Transferred to Retained Earnings	-	-
Balance at the end of the year	4,748.22	4,748.22
Other Comprehensive Income		
Balance at the beginning of the year	14.82	(27.17)
IND AS Adjustments	-	-
Non Controlling Interest	-	-
Movement in other comprehensive income(net) during the year	5.16	42.00
Balance at the end of the year	19.99	14.82
Total Other Equity	12,476.38	11,544.97



INVENTURE GROWTH & SECURITIES LIMITED

Notes forming part of the Consolidated Financial Statements

Nature and purpose of reserve

(a) Capital reserve

Capital reserve represents amount paid up on partly paid equity shares forfeited due to non-payment of call money.

(b) Securities premium

Securities Premium reserves is used to record the premium on issue of shares. The reserve can be utilized only for limited purposes such as issuance of bonus shares, writing off the preliminary expenses in accordance with the provisions of the Companies Act, 2013.

(c) Taxation reserve

Amount set aside to meet with substantial tax litigation if any.

(d) Statutory reserve

In case of a subsidiary company carrying on Non-banking financial business, the Group creates a statutory reserve in accordance with the provisions of section 45 -IC of the Reserve Bank of India Act,1934.

(e) Retained earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

(f) General reserve

Under the erstwhile Companies Act, 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act, 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilized only in accordance with the specific requirements of Companies Act, 2013.

(g) Other comprehensive income

Other comprehensive income consist of remeasurement gains/losses on employees defined benefit expenses and change in fair value of investments



INVENTURE GROWTH & SECURITIES LIMITED

Notes forming part of the Consolidated Financial Statements

Note 24 Interest income

(₹ in lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest on margin trading funding	167.47	103.73
Interest from Financing activities	859.28	1,152.00
Interest on term deposits with banks	461.70	460.02
Total	1,488.45	1,715.75

Note 25 Dividend income

(₹ in lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Dividend received on shares held as stock in trade	0.20	0.29
Total	0.20	0.29

Note 26 Fees and commission income

(₹ in lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Brokerage	1,767.79	2,242.53
Commission	3.57	-
Research and advisory fees	29.29	24.01
Depository operations	61.08	116.88
Income from Loan Processing	-	0.04
Total	1,861.73	2,383.46

Note 27 Sale of shares

(₹ in lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Sale of Shares	1,202.65	118.47
Total	1,202.65	118.47



INVENTURE GROWTH & SECURITIES LIMITED

Notes forming part of the Consolidated Financial Statements

Note 28 Other operating income

(₹ in lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Turnover Charges	183.09	180.37
Delayed payment charges from clients	111.56	100.98
Derivatives and intraday securities trading (net)	33.73	-
Total	328.38	281.35

Note 29 Other income

(₹ in lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Dividend income from investment	3.70	4.61
Net gain/ (loss) on sale of investments	5.71	10.98
Others:		
(a) Interest Income on term deposits with bank	162.02	153.36
(b) Interest from Income Tax Refund	2.13	-
(c) Other Interest Income	29.16	23.57
(d) Recovery of bad debt	-	100.00
(e) Miscellaneous income	14.81	15.51
Total	217.54	308.03

Note 30 Finance costs

(₹ in lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
On instruments measured at amortised cost		
Interest on borrowings	174.26	99.49
Other interest expense	16.27	14.45
Interest on income tax	0.44	7.91
Total	190.97	121.85



INVENTURE GROWTH & SECURITIES LIMITED

Notes forming part of the Consolidated Financial Statements

Note 31 Fees and commission expense

(₹ in lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Sub- brokerage	1,017.69	1,476.00
Total	1,017.69	1,476.00

Note 32 Impairment/(Reversal) on financial instruments

(₹ in lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
On financial instruments measured at amortised cost		
Impairment loss on loans / receivables	1.77	18.41
Impairment loss allowance:		
On receivables	(28.93)	(68.60)
On Loans (MTF)	0.70	5.60
On credit risk and credit impaired loans	62.54	(111.12)
Total	36.08	(155.71)

Note 33 Purchase of stock in trade

(₹ in lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Purchase of stock in trade	1,213.57	-
Total	1,213.57	-

Note 34 Changes in inventories of stock-in -trade

(₹ in lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Closing stock-in -trade	28.75	12.59
Opening stock-in -trade	12.59	95.84
Total	(16.17)	83.25

Note 35 Employee benefit expenses

(₹ in lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Salaries	550.15	582.67
Contributions to Provident and Other Funds	38.28	29.04
Employees' gratuity expenses	11.84	11.15
Staff welfare expenses	23.00	22.91
Total	623.27	645.77



INVENTURE GROWTH & SECURITIES LIMITED

Notes forming part of the Consolidated Financial Statements

Note 36 Other expenses

(₹ in lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Transaction Charges	179.78	181.37
Payment to Franchisees	12.73	19.25
Commission to Arbitrator	5.55	-
Stock Exchange expenses	31.62	1.26
SEBI fees	9.05	9.30
ROC Fee	0.05	0.08
Depository charges	26.84	36.78
Rent, taxes and energy costs	34.84	37.76
Repairs and Maintenance	50.78	80.89
Sub Brokerage	-	1.28
Printing & Stationery	3.55	5.15
CSR Expenditure	24.86	19.45
Communication cost	44.29	46.69
Computer & Software expenses	14.70	19.81
Legal and Stamping charges	0.08	0.03
Legal and professional fees	101.33	69.57
Auditor's Remuneration *	10.30	11.71
Directors Sitting fees	12.15	10.10
Insurance	14.60	5.70
Travelling & Conveyance expenses	1.65	2.35
Rates and Taxes	7.70	7.74
Demat expenses	-	0.01
Advertisement and business promotion	17.63	13.27
Membership & Subscription	37.18	25.01
Bad Debts	-	75.82
STT on Investment	0.13	0.23
Preliminary expenses written off	0.00	0.00
Commission paid	0.11	-
Donations	9.64	-
Miscellaneous expenses	49.13	86.50
Total	700.25	767.09

* Auditor's remuneration

(₹ in lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Statutory Audit Fees	5.55	5.70
Limited Review Reports	2.25	2.25
Taxation Services	1.88	1.95
Certification services	0.63	1.81
Total	10.30	11.71



INVENTURE GROWTH & SECURITIES LIMITED

Notes forming part of the Consolidated Financial Statements

Note 37 Earning per share

Basic Earnings per share

The calculations of profit attributable to equity shareholders and number of equity shares outstanding for purposes of basic earnings per share calculations are as follows:

PARTICULARS	For the year ended 31 March 2023	For the year ended 31 March 2022
a) Equity shares of face value of ₹ 1/- each outstanding during the year	840,000,000	840,000,000
b) Net (loss)/profit after tax available for equity shareholders (₹ in lakhs)	926.25	1,395.29
c) Basic earnings per share of ₹ 1/- each (=b/a)	0.11	0.17

Diluted earnings per share

The calculations of diluted earnings per share is based on profit attributable to shareholders and number of equity shares outstanding after adjustment for the effects of all dilutive potential equity shares. In the absence of any dilutive potential equity shares, the dilutive earnings per share is same as the basic earnings per share calculated herein above.

Note 38 Segment information

The Group's operations predominantly relate to Equity Broking, Commodity Broking, Financing and other related activities. In accordance with Ind AS - 108 on segment reporting, the Group has identified (i) Equity/Commodity Broking and (ii) Financing activities as reportable segments. During the year under report the Group was engaged in its business only within India. The conditions prevailing in India being uniform, no separate geographical disclosures are considered necessary.

(₹ in lakhs)		
Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
1. Segment Revenue		
a) Equity/Commodity broking	2,813.94	3,395.27
b) Financing activities	864.82	1,350.18
c) Others	1,420.19	731.56
Total	5,098.95	5,477.01
Less: Inter Segment Revenue	0.07	413.95
Income from Operations, Other Operating Income & Other Income	5,098.88	5,063.06
2. Segment Results Profit/(Loss) before tax and interest from each segment		
a) Equity/Commodity broking	353.76	318.37
b) Financing activities	708.41	1,141.29
c) Others	223.79	510.35
Total	1,285.96	1,970.01
Less: Interest	32.62	65.60
Profit/ (Loss) from ordinary activities before tax	1,253.34	1,904.41
3. Capital Employed		
Segment Assets		
a) Equity/Commodity broking	16,727.21	16,912.05
b) Financing activities	10,622.19	10,175.33
c) Others	376.97	379.64
Total Segment Assets - A	27,726.37	27,467.02
Segment Liabilities		
a) Equity/Commodity broking	4,926.02	5,609.65
b) Financing activities	1,921.56	1,912.12
c) Others	2.12	-
Total Segment Liabilities - B	6,849.70	7,521.77
Capital Employed A - B	20,876.67	19,945.25



INVENTURE GROWTH & SECURITIES LIMITED
Notes forming part of the Consolidated Financial Statements

Note 39 Related Party Disclosures

(A) Name of the Related Parties and the Nature of Relationship

Nature of Relationship	Name of Related parties
Director and Key Management Personnel	Kanji B. Rita
	Kamlesh S Limbachiya
	Lasha Meet Rita
	Meet Kanji Rita
	Harilal B Rita
	Sachin B. Shah
	Shantilal B Rita
Key Management Personnel (KMP)	Arvind Jethalal Gala
	Bhavi R Gandhi
Relative of Director	Shantiben K. Rita
	Neeta Mukesh Gada
	Kalavati K. Limbachiya
	Manjulaben Shankarlal Limbachiya
	Sagar K. Limbachiya
	Mitaxi Vinod Limbachiya
	Kusum Vinod Limbachiya
	Heena Harilal Rita
	Jinisha Harilal Rita
	Parth Harilal Rita
	Parvati Lalji Chheda
	Romil Shantilal Rita
	Kamla Harilal Rita
	Padma Shantilal Rita
Relative of Key Management Personnel (KMP)	Kunjal A. Gala
Enterprises significantly influenced by the KMP	Arvind J. Gala HUF
	Dhairya Management Service Private Limited
	Jethalal B. Gala HUF
Enterprises significantly influenced by the Director	Kanji B Rita HUF
	Shantilal B Rita HUF
	Harilal B Rita HUF
	Kamlesh S Limbachiya HUF
	Kenorita Realty LLP
	Kothari Builders Private Ltd
	K R Shoppers Private Ltd



INVENTURE GROWTH & SECURITIES LIMITED
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(B) Details of Related Party transactions during the year ended 31 March 2023

(₹ in lakhs)

Particulars	Directors & Key Management Personnel	Relatives of Directors & Key Management Personnel	Enterprises significantly influenced by the Directors/Relatives/KMP	Total
Remuneration paid	129.53	-	-	129.53
	(122.63)	(-)	(-)	(122.63)
Salary Paid	23.41	2.21	-	25.61
	(22.91)	(11.75)	-	(34.66)
Director Sitting fees	0.90	-	-	0.90
	(0.90)	(-)	(-)	(0.90)
Loans given	-	-	-	-
	-	-	(374.00)	(374.00)
Loans repaid	-	-	14.00	14.00
	(-)	(-)	(1,163.45)	(1,163.45)
Interest received	-	-	10.89	10.89
	(-)	(-)	(115.59)	(115.59)
Brokerage & DP charges Received	0.22	5.25	0.60	6.08
	(0.01)	(21.70)	(4.17)	(25.88)
Sub-brokerage Paid	-	2.98	-	2.98
	-	(134.27)	-	(134.27)
Margin trade funding given	0.10	37.97	247.66	285.73
	(0.93)	(6.94)	(508.34)	(516.21)
Margin trade funding repaid	0.38	15.91	265.22	281.51
	(0.66)	(-)	(400.99)	(401.65)
Interest on margin trade funding	0.01	2.98	12.83	15.82
	(0.01)	(-)	(7.82)	(7.83)
Delayed payment charges	-	1.30	0.10	1.39
	(0.01)	(2.92)	(2.57)	(5.50)
Outstanding Balances				
Trade payable	0.03	4.99	4.80	9.82
	(0.11)	(167.14)	(32.20)	(199.45)
Trade receivables	-	0.01	0.00	0.01
	(-)	(46.17)	(-)	(46.17)
Margin trade funding	-	22.06	117.42	139.49
	(0.28)	(-)	(134.99)	(135.27)

Figures in brackets relates to the previous year

All Related Party Transactions entered during the current and previous year were in ordinary course of the business and on arm's length basis.

(b) Loans and Advances to Promoters, Directors, KMPs and Related parties

(₹ in lakhs)

Type of Borrowers	As at 31 March 2023		As at 31 March 2022	
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total loans and advances in nature of loans	Amount of loan or advance in the nature of loan outstanding	Percentage to the total loans and advances in nature of loans
Promoters	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Related parties	142.42	1.14%	161.17	1.37%
Total Loans to related party	142.42	1.14%	161.17	1.37%
Total outstanding loans and advances (Gross)	12,500.21		11,725.16	



INVENTURE GROWTH & SECURITIES LIMITED

Notes forming part of the Consolidated Financial Statements

Note 40 : STATEMENT OF CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE

As per Section 135 of the Companies Act, 2013, a Company, meeting the applicability threshold needs to spend at least 2% of its average net profit for the immediately preceding three financial years on Corporate Social Responsibility (CSR) activities. A CSR committee has been formed by the Company as per the Companies Act, 2013. The details of the CSR expenditure required to be incurred and amount spent during the year on the activities/contribution specified in VII of the Companies Act, 2013 are given as under:

Details of CSR Expenditure of the Group for the year ended 31 March 2023:

(₹ in lakhs)

Sr. no	Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
1	Amount required to be spent by the Group during the year	17.49	19.43
2	Amount of expenditure incurred on :	-	-
	(i) Construction/acquisition of any asset	-	-
	(ii) On purposes other than (i) above	2.00	19.45
3	Shortfall/(Excess) at the end of the year	15.49	(0.01)
4	Total of previous year's shortfall	-	-
5	Reason for shortfall	For FY 2022-23, the Company has contributed before 31-03-2023 its CSR obligation to an intermediary agent (IA). However, the IA has not utilised such contribution before 31-03-2023.	-
6	Nature of CSR activities	Promoting health care including preventive health care	Promoting health care including preventive health care and Promotion of education
7	Details of related party transactions, [e.g., contribution to a trust controlled by the Group] in relation to CSR expenditure as per relevant Accounting Standard,	Not Applicable	Not Applicable

The Group shall transfer the unspent amount of Rs. 15.49 lakhs to a Fund specified in Schedule VII to the Companies Act, 2013 within the prescribed time of six months from the end of the current financial year i.e FY 2022-23 as permitted under the second proviso to sub-section (5) of section 135 of the Act.

Note 41 . CONTINGENT LIABILITIES

(₹ in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
1 Income tax demands in appeal before the first appellate authority.	224.98	224.98
2 SEBI Whole Time Member (WTM) passed an order against the Group's Parent Company and its directors (including independent directors and a non executive director) and officers for violation of SEBI ICDR regulations. The said order was challenged before the Securities Appellate Tribunal (SAT), by an appeal by the Parent Company and others. The SAT, by its order dated 10.10.2019 gave full relief to the independent directors & non executive directors and partial relief to the Group's Parent Company and its directors & officers. However, before disposal of the appeals by SAT, SEBI's Adjudication Officer (AO) passed an order dated 30.08.2019 to levy penalty of Rs. 75 lakhs on the Group's Parent Company and various penalties on Others, u/s 15HA & 15HB of the SEBI Act. On an appeal to SAT, the said penalty orders on the Group's Parent Company & Others have been set aside vide an order dated 26.02.2020 and the matter has been remitted to the AO to decide them afresh. The Company has filed an appeal on 28.11.2020 before Supreme Court against the aforesaid order of WTM dated 10.10.2019 which is pending for disposal as on 31.03.2023.	Not ascertainable	Not ascertainable



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Note 42 Employee Benefit

Gratuity

The employees of the Company are eligible for gratuity in accordance with the Payment of Gratuity Act. To meet its obligation the company has a Defined Employee Benefit Plan. The valuation for the purpose of contribution the funded plan has been carried based on Project Cost Unit method as per Ind AS 19 to determine the Present Value of Defined Benefit Obligations and the related Current Service Cost and, where applicable, Past Service Cost.

Remeasurements, comprising of actuarial gains and losses, excluding amounts included in net interest on the net defined benefit liability, are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

a) Movement in defined benefit obligation

(₹ in lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Present value of defined benefit obligation at beginning of year	138.81	71.72
Current Service cost	13.65	15.56
Interest expense or cost	9.64	5.37
Return on Plan Asset (more)/less than expected based on discount rate	(10.23)	(7.93)
Benefits payout plans	(21.60)	-
Re-measurements due to:	-	-
- Actuarial loss / (gain) arising from change in financial assumptions	0.91	82.98
- Actuarial loss / (gain) arising from change in demographic assumptions	(10.69)	16.89
- Actuarial loss / (gain) arising on account of experience changes	(3.95)	(52.93)
Return on Plan Asset (more)/less than expected based on discount rate	10.23	7.93
Benefits paid	-	(0.78)
Present value of obligation as at the end	126.76	138.81
Movement in Plan Assets		
Fair Value of plan assets as at beginning	141.55	74.02
Employer contribution	10.14	62.53
Employer contribution on behalf of subsidiaries	-	-
Excess contribution	-	-
Benefits payout from plan	(21.60)	-
Actual Return on Plan Asset	5.52	5.00
Fair Value of plan assets as at end	135.61	141.55
Net defined benefit liability/(asset) as at the end of the year	(8.86)	(2.74)

(b) Expenses charged to the Statement of Profit & Loss

(₹ in lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Current Service cost	13.65	15.56
Net Interest Cost/(Income) on the Net Defined Benefit Liability /(Asset)	(0.59)	(2.56)
Accrued gratuity cost /(income) credited to Profit and Loss account	-	-
Expenses recognised in the income statement	13.06	13.01

(c) Key actuarial assumptions

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Discount Rate (p.a.)	7.40%	7.53%
Salary growth rate (p.a.)	10.00%	10%

The discount rate indicated above reflects the estimated timing and currency of benefit payments. It is based on the yields/rates available bonds as on the current validation date.



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Note 43 FINANCIAL RISK MANAGEMENT

The Group has established a comprehensive system for risk management and internal controls for all its businesses to manage the risks that it is exposed. The objective of its risk management framework is to ensure that various risks are identified, measured and mitigated and also that policies, procedures and standards are established to address these risks and ensure a systematic response in the case of crystallization of such risks.

The Group has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk
- Market risk

The risk management system features 'three lines of defence' approach.

1. The first line of defence comprises its operational departments, which assume primary responsibility for their own risks and operate within the limits stipulated in various policies approved by the Board or by committees constituted by the Board.

2. The second line of defence comprises specialized department such as risk management and compliance. They employ specialized methods to identify and assess risks faced by the operational departments and provide them with specialized risk management tools and methods, facilitate and monitor the implementation of effective risk management practices, develop monitoring tools for risk management, internal controls and compliances, report risk related information and promote the adoption of appropriate risk prevention measures.

3. The third line of defence comprise the internal audit and external audit functions. They monitor and conduct periodic evaluations of the risk management, internal controls and compliance activities to ensure the adequacy of risk controls and appropriate risk governance and provide the Board with comprehensive feedback.

(a) Credit risk

It is risk of financial loss that the Group will incur a loss because its customers or counter parties to financial instruments fails to meet its contractual obligation.

The Group's financial assets comprises of cash and bank balances, trade receivables, loans, investments and other financial assets which comprise mainly of deposits.

The maximum exposure to credit risk at the reporting date is primarily from Group's trade receivable and loans.

The maximum exposure to credit risk at the reporting date is primarily from Group's trade receivable and loans.

Following provides exposure to credit risks for trade receivables and loans:

Trade receivables

The Group applies the Ind AS 109 simplified approach to measuring expected credit losses (ECLs) for trade receivables at an amount equal to lifetime ECLs. The ECLs on trade receivables are calculated based on actual historic credit loss experience over the preceding three to five years on the total balance of non-credit impaired trade receivables. The Group considers a trade receivable to be credit impaired when one or more detrimental events have occurred, such as significant financial difficulty of the client or it becoming probable that the client will enter bankruptcy or other financial reorganization. When a trade receivable is credit impaired, it is written off against trade receivables and the amount of the loss is recognized in the income statement. Subsequent recoveries of amounts previously written off are credited to the income statement.

(₹ in lakhs)		
PARTICULARS	As at 31 March 2023	As at 31 March 2022
Trade receivables	636.35	890.76
Less : Expected credit loss	249.69	289.41
Trade receivables (net)	386.66	601.35

Loans

Loans comprise of margin trade funding (MTF) and loan to employees.

MTF are secured loans. The Group applies the Ind AS 109 simplified approach to measuring expected credit losses (ECLs) for MTF at an amount equal to lifetime ECLs. The ECLs on MTF are calculated based on actual historic credit loss experience over the preceding years on the total balance of non-credit impaired MTF. There has been no credit impaired MTF observed as at the balance sheet date.



INVENTURE GROWTH & SECURITIES LIMITED

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(₹ in lakhs)

PARTICULARS	As at 31 March 2023	As at 31 March 2022
Margin trade funding	1,062.11	992.18
Less : Expected credit loss	10.62	9.92
Margin trade funding (net)	1,051.49	982.26

Loan to employees is a nominal amount and is recovered regularly.

The Group includes Inventure Finance Private Limited, a wholly owned subsidiary of the Company, which is a Non Banking Financial Company registered under the RBI Act. It is required to follow guidelines as applicable to Non-Systemically Important Non-Deposit taking Company. Accordingly it follows the following model for ECL recognition on loans assets:

ECL on Standard Assets (Stage 1) - 0.25 per cent on the amount of loan given.

ECL on Sub-standard Assets (Stage 2) - Provision of 10 per cent of total outstanding shall be made.

ECL on Non- performing Assets (Stage 3) - Provision of 100 per cent of total outstanding shall be made.

Following table provides information about exposure to credit risk and ECL on Loan:

(₹ in lakhs)

Particulars	As at March 31 2023			
	Amortised Cost	Impairment Stage		
		Low credit risk	Significant increase in credit risk	Credit impaired
		(Stage 1)	(Stage 2)	(Stage 3)
	1	2	3	4
(A) Loans				
(i) Loans repayable on demand	10,943.08	7,717.06	2,615.72	610.29
(ii) Term loans	-	-	-	-
(iii) Others (to be specified)	-	-	-	-
Total (Gross)	10,943.08	7,717.06	2,615.72	610.29
Impairment loss allowance	(1,441.32)	(30.32)	(345.81)	(1,065.19)
Reversal of impairment allowances of earlier years	550.16	11.03	84.24	454.89
Total (Net)	10,051.92	7,697.77	2,354.15	-

(₹ in lakhs)

Particulars	As at March 31 2022			
	Amortised Cost	Impairment Stage		
		Low credit risk	Significant increase in credit risk	Credit impaired
		(Stage 1)	(Stage 2)	(Stage 3)
	1	2	3	4
(A) Loans				
(i) Loans repayable on demand	10,584.56	8,037.37	1,579.15	968.03
(ii) Term loans	-	-	-	-
(iii) Others (to be specified)	-	-	-	-
Total (Gross)	10,584.56	8,037.37	1,579.15	968.03
Impairment loss allowance	(1,996.53)	(34.80)	(993.70)	(968.03)
Reversal of impairment allowances of earlier years	902.50	14.71	887.79	-
Total (Net)	9,490.52	8,017.28	1,473.24	-



INVENTURE GROWTH & SECURITIES LIMITED
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Movement in the allowances for impairment in respect of trade receivables and loans of the Group is as follows:

(₹ in lakhs)

PARTICULARS	As at 31 March 2023	As at 31 March 2022
Opening Balance	1,393.37	1,755.96
Net re-measurement of loss allowance	(241.89)	(362.60)
Closing Balance	1,151.47	1,393.37

Other financial assets considered to have a low credit risk:

Credit risk on cash and cash equivalents is limited as we generally invest in deposits with banks with high credit ratings assigned by international and domestic credit rating agencies. Investments comprise of quoted equity instruments, which are market tradeable. Other financial assets include deposits for assets acquired on lease and with qualified clearing counterparties and exchanges as per the prescribed statutory limits.

(b) Liquidity risk

Liquidity risk is the risk that the entity will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The entity's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to entity's reputation.

Prudent liquidity risk management requires sufficient cash and marketable securities and availability of funds through adequate committed credit facilities to meet obligations when due and close out market positions.

The Group has a view of maintaining liquidity with minimal risks while making investments. The Group invests its surplus funds in short term liquid assets in bank deposits. The Group monitors its cash and bank balances periodically in view of its short term obligations associated with its financial liabilities.

(c) Market Risk

Market risk arises when movements in market factors (interest rates, credit spreads and equity prices) impact the Group's income or market value of its portfolios. The Group, in its course of business, is exposed to market risk due to change in equity prices, interest rates. The objective of market risk management is to maintain an acceptable level of market risk exposure while aiming to maximize returns.

i. Equity Price

The Group's exposure to equity price risk arises primarily on account of its proprietary positions and on account of margin bases positions of its clients in equity cash and derivative segments.

The Group's equity price risk is managed in accordance with its Risk Policy approved by Board.

ii. Interest rate risk

The Group is exposed to Interest rate risk if the fair value or future cash flows of its financial instruments will fluctuate as a result of changes in market interest rates. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates.

The Group's interest rate risk arises from interest bearing deposits with bank and loan given to customers. Such instrument exposes the Group to fair value interest rate risk. Management believes that the interest rate risk attached to these financial assets is not significant due to the nature of these financial assets.



INVENTURE GROWTH & SECURITIES LIMITED
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Note 44 INCOME TAX

(A) The major components of income tax expense for the year are as under

(₹ in lakhs)

PARTICULARS	For the year ended	
	31 March 2023	31 March 2022
Current Income tax*	292.40	455.60
Deferred tax [(credit)/charge]**	33.69	53.49
Tax expense for the year	326.09	509.10
Amounts recognized in other comprehensive income		
Income tax relating to remeasurements of net defined benefit expenses that will not be reclassified to profit or loss	(2.83)	8.10
Total Tax expenses	323.26	517.19

*Current tax includes short provision of tax relating to earlier years of Rs. 11.63 lakhs [Previous Year : Rs. (0.79) lakhs]

** Deferred tax includes MAT credit Entitlement - NIL (Previous Year : Rs 41.41 lakhs) - Refer Note 44(C)

(B) Reconciliation of tax expenses and the accounting profit for the year is as under

(₹ in lakhs)

PARTICULARS	For the year ended	
	31 March 2023	31 March 2022
Profit/(Loss) before tax	1252.35	1904.41
Indian statutory income tax rate (%)	27.82%	27.82%
Expected income tax expenses	348.40	529.81
Tax effect of adjustments to reconcile expected income tax expenses to reported income tax expenses		
Expenses allowable	(170.56)	(293.35)
Expenses not deductible	120.61	210.39
Losses carried forward	-	16.96
Losses set off	-	2.98
Deduction u/s 80G for donation	(0.89)	-
Rent income from house property	-	1.03
Others	0.35	12.56
Impact of differential tax rates	(17.13)	(23.98)
Tax adjustment related to earlier years	11.63	(0.79)
Current tax (A)	292.40	455.61
Deferred tax [(credit)/charge] (B)	33.69	53.49
Total income tax expenses (A+B)	326.09	509.10

(C) Deferred tax disclosure

Movement of deferred tax assets and liabilities

(₹ in lakhs)

PARTICULARS	As at 01 April 2022	Credit/ (Charge) in the statement of profit and loss	Credit/ (Charge) in the Other comprehensive income	MAT credit utilised during the year	As at 31 March 2023
Impairment allowance for financial assets	341.57	(46.00)	-	-	295.57
Difference between book and tax depreciation	(139.51)	11.10	-	-	(128.41)
Remeasurement of net defined benefit expenses	18.20	1.22	(2.83)	-	16.60
MAT credit entitlement	71.79	-	-	(26.56)	45.23
Net deferred tax assets/ (liabilities)	292.06	(33.69)	(2.83)	(26.56)	228.99

(₹ in lakhs)

PARTICULARS	As at 01 April 2021	Credit/ (Charge) in the statement of profit and loss	Credit/ (Charge) in the Other comprehensive income	MAT credit utilised during the year	As at 31 March 2022
Impairment allowance for financial assets	437.30	(95.73)	-	-	341.57
Difference between book and tax depreciation	(140.33)	0.82	-	-	(139.51)
Remeasurement of net defined benefit expenses	9.28	-	8.92	-	18.20
Tax effect on remeasurement of net defined benefit expenses during the year	-	-	(8.92)	-	-
MAT credit entitlement	169.65	41.41	-	(139.28)	71.79
Net deferred tax assets/ (liabilities)	475.90	(53.49)	-	(139.28)	292.06



INVENTURE GROWTH & SECURITIES LIMITED

Notes forming part of the Consolidated Financial Statements

Note 45 Maturity analysis

The table below shows an analysis of assets and liabilities analyzed according to when they are expected to be recovered or settled.

(₹ in lakhs)

PARTICULARS	As at 31 March 2023		
	Total	Within 12 months	After 12 months
Assets			
Financial Assets			
Cash and cash equivalents	456.19	456.19	-
Bank balance other than above	12,765.77	2,915.61	9,850.16
Stock in trade (Securities held for trading)	28.75	28.75	-
Trade receivables	386.66	386.66	-
Other receivables	2.30	2.30	-
Loans	11,598.43	9,588.05	2,010.38
Investments	147.71	-	147.71
Other financial assets	429.33	4.50	424.83
Non Financial Assets			
Current tax assets (net)	253.50	1.09	252.41
Deferred tax assets (net)	228.99	-	228.99
Property, plant and equipment	895.20	-	895.20
Other intangible assets	67.25	-	67.25
Goodwill on consolidation	149.16	-	149.16
Investment property	200.51	-	200.51
Other non-financial assets	116.62	116.62	-
Total Assets	27,726.37	13,499.78	14,226.58
Liabilities			
Financial Liabilities			
Trade payables	3,545.34	3,545.33	0.01
Borrowings (other than debt security)	2,810.26	2,793.26	17.01
Deposits	437.53	437.53	-
Other financial liabilities	14.27	14.27	-
Non-financial Liabilities			
Current tax liabilities (net)	-	-	-
Provision	5.89	-	5.89
Other non-financial liabilities	36.41	5.00	31.41
Total Liabilities	6,849.70	6,795.39	54.31
Net Assets	20,876.67	6,704.39	14,172.27



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Notes forming part of the Consolidated Financial Statements

(₹ in lakhs)

PARTICULARS	As at 31 March 2022		
	Total	Within 12 months	After 12 months
Assets			
Financial Assets			
Cash and cash equivalents	390.33	390.33	-
Bank balance other than above	12,859.15	4,443.40	8,415.75
Stock in trade (Securities held for trading)	12.59	12.59	-
Trade receivables	601.35	601.35	-
Other receivables	3.65	3.65	-
Loans	10,621.19	8,015.80	2,605.39
Investments	166.55	-	166.55
Other financial assets	686.32	262.75	423.57
Non Financial Assets			
Current tax assets (net)	313.43	-	313.43
Deferred tax assets (net)	292.06	-	292.06
Property, plant and equipment	200.51	-	200.51
Other intangible assets	932.21	-	932.21
Goodwill on consolidation	149.16	-	149.16
Investment property	98.36	-	98.36
Other non-financial assets	139.68	139.68	-
Total Assets	27,466.54	13,869.57	13,596.98
Liabilities			
Financial Liabilities			
Trade payables	4,480.50	4,480.50	-
Borrowings (other than debt security)	2,645.48	2,612.22	33.26
Deposits	365.75	365.75	-
Other financial liabilities	0.17	15.51	-
Non-financial Liabilities			
Current tax liabilities (net)	-	-	-
Other non-financial liabilities	29.39	5.00	24.39
Total Liabilities	7,521.29	7,478.98	57.65
Net Assets	19,945.25	6,390.58	13,539.32



INVENTURE GROWTH & SECURITIES LIMITED

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Note 46 FINANCIAL INSTRUMENTS

Refer to financial instruments by category table below for the disclosure on carrying value and fair value of financial assets and liabilities. For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amount approximate fair value due to short maturity of these instruments.

The carrying value and financial instruments by categories as of 31 March 2023 is as follows:

(₹ in lakhs)

Particulars		As at 31.03.2023			
ASSETS		Amortised cost	Fair Value through P&L	Fair Value through OCI	Total Carrying Value
1	Financial Assets				
(a)	Cash and cash equivalents	456.19	-	-	456.19
(b)	Bank balance other than (a) above	12,765.77	-	-	12,765.77
(c)	Stock in trade	-	28.75	-	28.75
(d)	Trade Receivables	386.66	-	-	386.66
(e)	Other Receivables	2.30	-	-	2.30
(f)	Loans	11,598.43	-	-	11,598.43
(g)	Investments	78.30	-	69.41	147.71
(h)	Other financial assets	429.33	-	-	429.33
Total Assets		25,716.98	28.75	69.41	25,815.14
LIABILITIES					
1	Financial Liabilities				
(a)	Trade Payables	3,545.34	-	-	3,545.34
(b)	Borrowings	2,810.26	-	-	2,810.26
(c)	Deposits	437.53	-	-	437.53
(d)	Other financial liabilities	14.27	-	-	14.27
Total Liabilities		6,807.40	-	-	6,807.40

The carrying value and financial instruments by categories as of 31 March 2022 is as follows:

(₹ in lakhs)

Particulars		As at 31.03.2022			
ASSETS		Amortised cost	Fair Value through P&L	Fair Value through OCI	Total Carrying Value
1	Financial Assets				
(a)	Cash and cash equivalents	390.33	-	-	390.33
(b)	Bank balance other than (a) above	12,859.15	-	-	12,859.15
(c)	Stock in trade	-	12.59	-	12.59
(d)	Trade Receivables	601.35	-	-	601.35
(e)	Other Receivables	3.65	-	-	3.65
(f)	Loans	10,621.19	-	-	10,621.19
(g)	Investments	-	-	166.55	166.55
(h)	Other financial assets	686.32	-	-	686.32
Total Assets		25,161.99	12.59	166.55	25,341.13
LIABILITIES					
1	Financial Liabilities				
(a)	Trade Payables	4,480.50	-	-	4,480.50
(b)	Borrowings	2,645.48	-	-	2,645.48
(c)	Deposits	365.75	-	-	365.75
(d)	Other financial liabilities	0.17	-	-	0.17
Total Liabilities		7,491.90	-	-	7,491.90



INVENTURE GROWTH & SECURITIES LIMITED

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Note 47 FAIR VALUES

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques.

Valuation framework

The Group's valuation framework includes:

- Benchmarking prices against observable market prices or other independent sources;
- Development and validation of fair valuation models using model logic, inputs, outputs and adjustments.

Finance function is responsible for establishing procedures, governing valuation and ensuring fair values are in compliance with accounting standards.

FAIR VALUE HIERARCHY

The Group determines fair values of its financial instruments according to the following hierarchy:

Level 1: valuation based on quoted market price: financial instruments with quoted prices for identical instruments in active markets that the Company can access at the measurement date.

Level 2: valuation using observable inputs: financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable.

Level 3: valuation technique with significant unobservable inputs: financial instruments valued using valuation techniques where one or more significant inputs are unobservable.

Valuation methodologies adopted

Fair values of financial assets, other than those which are subsequently measured at amortised cost, have been arrived at as under:

- Fair values of inventories held for trading under FVTPL have been determined under Level 1 using quoted market prices of the underlying ins
- Fair values of investment in quoted equity designated under FVOCI have been determined under Level 1 using quoted market prices of the underlying instruments;

The Group has determined that the carrying values of cash and cash equivalents, bank balances, trade receivables, short term loans, investments in equity instruments designated under FVOCI, trade payables, short term debts, borrowings, bank overdrafts and other current liabilities are a reasonable approximation of their fair value and hence their carrying values are deemed to be fair values.

Quantitative disclosures of fair value measurement hierarchy for assets as at 31 March 2023

(₹ in lakhs)

Nature of financial instruments	Fair Value measurement using				
	Date of Valuation	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs	Total
		(Level 1)	(Level 2)	(Level 3)	
Shares held as stock in trade classified under FVTPL	31-Mar-2023	28.75	-	-	28.75
Equity instrument classified under FVOCI	31-Mar-2023	69.41	-	-	69.41

Quantitative disclosures of fair value measurement hierarchy for assets as at 31 March 2022

(₹ in lakhs)

Nature of financial instruments	Fair Value measurement using				
	Date of Valuation	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs	Total
		(Level 1)	(Level 2)	(Level 3)	
Shares held as stock in trade classified under FVTPL	31-Mar-2022	12.59	-	-	12.59
Equity instrument classified under FVOCI	31-Mar-2022	166.55	-	-	166.55



INVENTURE GROWTH & SECURITIES LIMITED

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Note 48 REVENUE FROM CONTRACTS WITH CUSTOMERS

The Group derives revenue primarily from share broking business. Its other major revenue sources are depository operations and research and advisory fees. Disaggregate revenue information

PARTICULARS	For the year ended	
	31 March 2023	31 March 2022
Brokerage fees	1,767.79	2,242.53
Research and advisory fees	29.29	24.01
Depository operations	61.08	116.88
Loan processing income	-	0.04
Total	1,858.17	2,383.46
India	1,858.17	2,383.46
Outside India	-	-
Total	1,858.17	2,383.46
Timing of revenue recognition		
Services transferred at a point in time	1,767.79	2,242.53
Services transferred over time	90.37	140.92
Total	1,858.17	2,383.46

Note 49 ADDITIONAL DISCLOSURE PERTAINING TO SUBSIDIARIES AS PER DIVISION III OF COMPANIES ACT, 2013

Name of the entity	Net assets i.e., total assets minus total liabilities		Share in profit or loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	₹ in lakhs	As % of consolidated profit or loss	₹ in lakhs	As % of consolidated profit or loss	₹ in lakhs	As % of consolidated profit or loss	₹ in lakhs
Parent								
Inventure Growth & Securities Ltd.	49.70%	10,376.45	45.37%	420.28	84.94%	4.39	45.59%	424.67
Subsidiaries								
Inventure Finance Private Ltd.	41.68%	8,700.63	47.03%	435.66	35.23%	1.82	46.97%	437.48
Inventure Commodities Ltd.	4.69%	978.67	2.45%	22.73	0.00%	-	2.44%	22.73
Inventure Wealth Management Ltd.	0.32%	66.89	0.21%	1.96	-90.88%	(4.69)	-0.29%	(2.73)
Inventure Insurance and Broking Private Ltd.	0.43%	89.19	0.46%	4.25	-309.40%	(15.97)	-1.26%	(11.72)
Inventure Merchant Banking Services Private Ltd.	3.18%	664.24	4.47%	41.39	380.10%	19.62	6.55%	61.02
Inventure Developers Private Ltd.	0.00%	0.90	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Minority Interests in Subsidiaries								
Inventure Commodities Ltd.	0.00%	0.29	0.00%	0.01	0.00%	-	0.00%	0.01
TOTAL	100%	20,876.67	100%	926.25	100%	5.16	100%	931.41



INVENTURE GROWTH & SECURITIES LIMITED
Notes forming part of the Consolidated Financial Statements

Note 50 STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Subsidiaries

(₹ in lakhs)

Particulars	IFPL	IMBSPL	ICL	IWML	IIBPL	IDPL
Name of the subsidiary	Inventure Finance Private Limited	Inventure Merchant Banker Services Private Limited	Inventure Commodities Limited	Inventure Wealth Management Limited	Inventure Insurance Broking Private Limited	Inventure Developers Private Limited
The date since when subsidiary was acquired*	07/12/2007	29/08/2011	19/08/2008	12/06/2008	08/01/2008	08/06/2018
	28/06/2008	30/09/2020				
	11/03/2011					
	04/11/2011	12/09/2020				11/02/2021
Reporting period for the subsidiary concerned, if different from the Holding Company's reporting period						
Share capital	480.00	161.00	219.07	65.00	60.00	10.00
Other equity	8,220.63	503.24	782.01	1.89	29.18	-9.10
Total assets	10,622.19	664.89	1,001.77	67.22	89.46	1.07
Total liabilities	1,921.56	0.65	0.69	0.33	0.28	0.17
Investments	-	38.38	50.80	18.00	20.53	-
Turnover	864.82	60.01	43.99	3.16	7.45	0.05
Profit before taxation	552.82	54.34	32.49	2.64	6.79	-0.02
Provision for taxation (net)	117.15	13.02	9.77	0.67	2.53	-
Profit after taxation	435.66	41.32	22.73	1.96	4.25	-0.02
Proposed dividend	-	-	-	-	-	-
% of shareholding	100%	100%	99.97%	100%	100%	100%

* Following number of shares were acquired by the holding company on the following dates:

Date	Number of shares
07/12/2007	260,000
28/06/2008	540,000
11/03/2011	2,000,000
04/11/2011	2,000,000
12/9/2020	4,000,000
11/2/2021	90,000
	8,890,000



IN VENTURE GROWTH & SECURITIES LIMITED
Notes forming part of the Consolidated Financial Statements

Note 51. Additional Regulatory Information

- (i) Disclosure of Capital to risk-weighted assets (CRAR), Tier I CRAR, Tier II CRAR and Liquidity coverage ratios required under para (WB)(xvi) of Division III of Schedule III to the Act are not applicable to the Company as it is in broking business and not an NBFC registered under section 45-IA of Reserve bank of India Act, 1934.
- (ii) The Group does not hold any benami property in its name. There are no proceedings initiated or pending against the Group under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- (iii) The Group has been sanctioned working capital limits from the banks against pledge of its fixed deposits. Due to the very nature of the security offered, quarterly returns or statements of current assets are not required to be filed by the Group.
- (iv) The Group has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.
- (v) There are no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- (vi) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (vii) The Group does not have layers beyond the number prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- (viii) The Group has not entered into scheme of arrangement during the year.
- (ix) The Group has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (x) The Group has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- (xi) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (xii) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

Note 52. The accounts of the trade receivables, loans given and trade payables who have not responded to the Group's request for confirmation of balances, are subject to reconciliation, if any, required

Note 53. Figures have been rounded off to nearest lakhs. Previous year figures have been regrouped / reclassified wherever necessary, to conform to this year's classification.



INVENTURE GROWTH & SECURITIES LIMITED
Notes forming part of the Consolidated Financial Statements

Note 54. EVENTS AFTER REPORTING DATE

There have been no events after the reporting date that requires disclosure in these financial statements.

Note 55. The financial statements of the Group for the year ended 31 March, 2023 were approved for issue by the Board of Directors at their meeting held on 23rd May 2023.

As per our report of even date

For PPV & CO
Chartered Accountants
Firm Registration No. 153929W

Priyanshi Vakharia
Priyanshi Vakharia
Proprietor
Membership No. 181834



Place : Mumbai
Date : 23 May 2023

For and on behalf of the Board of Directors

12.13.12
Kanji B. Rita
(DIN 00727470)
Managing Director

Arvind J. Gala
Arvind J. Gala
Chief Financial Officer

Kamlesh S. Limbachiya
Kamlesh S. Limbachiya
(DIN 02774663)
Wholetime Director

Lasha M. Rita
Lasha M. Rita
(DIN 08104505)
Wholetime Director



OTHER INFORMATION

STATEMENT OF ACCOUNTING AND OTHER RATIOS

Particulars	March 31, 2023	March 31, 2022
EBITDA (Rs. in Lacs)	1,524.25	1,990.94
Net Profit (Rs.in Lacs)	926.25	1,395.29
Net Worth (Rs.in Lacs)(Refer Note 1)	20,876.38	19,944.97
Return on Net worth (%) (Refer Note 2)	4.44%	6.99%
Basic and Diluted Earnings per Equity Share (Refer Note 3)	0.11	0.17
Net Asset Value / Book Value per Equity share (Based on no of share at the end of year)	2.49	2.37

Note:

1. Net Worth= Equity Share Capital + Reserve and Surplus
2. Return on Net Worth= Net Profit After Tax / Net Worth
3. Net Asset Value or Book Value= Equity Share Capital + Reserve & Surplus

CAPITALISATION STATEMENT

(₹ in Lakhs)

Particulars	Pre Issue	As adjusted for the issue (Post Issue) *
	As at September 30, 2023	
Debt:		
Short term debt	3,041.96	
Long term debt	-	
Total Debt	3,041.96	
Shareholders Funds		
Equity Share Capital	8,400.00	
Reserves and Surplus	12,732.78	
Less: Revaluation Reserves	-	
Total Shareholders' Fund/Net Worth	21,132.78	
Total borrowings /shareholders' funds (Net worth) ratio	0.14:1	
Total Debt / Shareholders Fund	14.39%	

**Post Issue Capitalization will be determined post finalization of relevant parameters at the time of finalizing the final Letter of Offer.*

MARKET PRICE INFORMATION

Our Company's Equity Shares have been listed and actively being traded on BSE

- a. Year is a Financial Year;
- b. 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;
- c. 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
- d. 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	Date of High	Number of Shares traded on date of high	Total volume traded on date of High (in ₹)	Low	Date of Low	Number of shares traded on date of low	Total Volume traded on date of Low (in ₹)	Average Price for the Year
2023	3.99	08-04-2022	70,68,732	2,75,35,457	1.47	28-03-2023	26.18.366	40.86.646	2.62
2022	41.95	10-06-2021	3,51,624	1,39,40,123	2.35	29-10-2023	10.88.350	25.89.405	3.72
2021	32.75	09-03-2021	1,18.546	36,73,402	10.40	01-06-2020	1,232	13.486	16.75

(Source: 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 trading during the past six months, from May 2023 to October 2023 was 126 days. The average volume of Equity Shares traded on BSE was 1662960 per day.

The high and low prices and volume of Equity Shares traded on the respective date on BSE during the last Six months preceding the date of this Letter of Offer are as follows:

Month (2023)	High	Date of High	Number of Shares traded on date of high	Total volume traded on date of High (in ₹)	Low	Date of Low	Number of shares traded on date of low	Total Volume traded on date of Low (in ₹)	Average Price for the Month
May	2.08	05-05-2023	13,88,696	2,719	1.84	02-05-2023	7,21,431	13,36,825	1.89
June	2.27	19-06-2023	16,66,701	36,92,222	1.89	05-06-2023	19,51,511	37,28,343	1.96
July	2.09	04-07-2023	26,13,184	53,08,317	1.9	27-07-2023	6,01,860	11,58,899	1.96
August	2.19	30-08-2023	1,39,37,030	2,92,10,889	1.84	24-08-2023	16,61,791	30,99,676	1.98
September	2.74	11-09-2023	76,98,681	76,98,681	2.02	01-09-2023	38,63,765	80,29,368	2.21
October	2.45	12-10-2023	45,14,463	1,07,37,438	1.96	26-10-2023	13,68,909	27,27,764	2.23

(Source: 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 January 30, 2023. The high and low prices of our Company's shares as quoted on BSE on January 31, 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 ₹)
January 31, 2023	11,03,070	2.51	2.40

MATERIAL DEVELOPMENTS

There are no material developments since March 31, 2023, which significantly affect the operations, performance, prospects or financial condition of our Company except following changes.

Appointment of Ms. Shikha Ashok Mishra as Company Secretary & Compliance officer with effect from June 20, 2023.

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

You should read the following discussion of our financial condition and results of operations together with our Financial Statements which is included in this Letter of Offer. The following discussion and analysis of our financial condition and results of operations is based on our Financial Statements for the years ended March 31, 2023, 2022 and half year ended September 30, 2023 & September 30, 2022 including the related notes and reports, included in this Letter of Offer is prepared in accordance with requirements of the Companies Act, 2013, which differ in certain material respects from IFRS, U.S. GAAP and GAAP in other countries. Our Financial Statements have been derived from our audited statutory financial statements. Accordingly, the degree to which our Financial Statements will provide meaningful information to a prospective investor in countries other than India is entirely dependent on the reader's level of familiarity with IND AS, Companies Act, SEBI Regulations and other relevant accounting practices in India.

Our financial statements included in this Letter of Offer are prepared in accordance with IND AS, which differs in certain material respects from other Indian 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 and Financial 2022 included herein is based on the Financial Statements, included in this Letter of Offer. For further information, see "Financial Statements" on page 72 of this Letter of Offer.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements. Given these uncertainties, prospective investors are cautioned not to place undue reliance on such forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those discussed in "Risk Factors" and "Our Business" on pages 19 and 60, respectively, which discuss a number of factors and contingencies that could affect our financial condition and results of operations.

Significant Developments Subsequent to the Last Financial Period

In the opinion of the Board of Directors of our Company, other than as mentioned below, since the date of the last financial statements disclosed in this Draft Letter of Offer, there have not arisen any circumstance that materially or adversely affect or are likely to affect the business or profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months.

In the opinion of the Board of Directors of our Company, since the date of the last financial statements disclosed in this draft Letter of Offer, there have not arisen any circumstance that materially or adversely affect or are likely to affect the profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months.

- The company increased its's Authorized equity share capital from ₹ 100 Crores to ₹ 125 Crores of ₹ 1/- each vide resolution passed through postal ballot dated 24th March, 2023.

Key factors affecting the results of operation:

Our Company's future results of operations could be affected potentially by the following factors:

Economic conditions in the markets in which we operate

Our results of operations are dependent on the overall economic conditions in the markets in which we operate, including India. Any change in macro-economic conditions in these markets, including changes in interest rates, government policies or taxation and political, economic or other developments could affect our business and results of operations. While stronger macro-economic conditions tend to result into higher demand for our products, weaker macro-economic conditions tend to result into lower demand. Change in demand in the market segments we currently supply or improvement/deterioration in the market or a change in regulations, customs, taxes or other trade barriers or restrictions could affect our operations and financial

condition.

Stock market trends

A significant portion of our revenues is derived from equity broking. Revenues, level of operations and, consequently, profitability are dependent on favourable capital market conditions and other factors that affect the volume of stock trading in India. In recent years, the Indian and world securities markets have fluctuated considerably and the volumes have declined.

Regulatory developments

Our Company is regulated by the Companies Act and some of its activities are subject to supervision and regulation by statutory and regulatory authorities including the SEBI, RBI, CDSL, NSDL and the exchanges. It is therefore subject to changes in Indian law, as well as to changes in regulation and government policies and accounting principles.

OUR SIGNIFICANT ACCOUNTING POLICIES

For Significant accounting policies please refer *Significant Accounting Policies, “Annexure IV” beginning under “Auditors’ Report and Financial Information of our Company”*.

RESULTS OF OPERATIONS

The following discussion on results of operations should be read in conjunction with the consolidated financial results of our Company for the financial years ended March 31, 2023 and 2022.

Statement of Assets & Liabilities Comparison of Audited Financial Years ended March 31, 2023, & 2022 and six month ended September 30, 2023 with September 30, 2022

(₹In Lakhs)

	Particulars	Notes	March 31, 2023 (Audited)	March 31, 2022 (Audited)	September 30, 2023 (unaudited)	September 30, 2022 (unaudited)
	ASSETS					
1	Financial Assets					
A	Cash and cash equivalents	3	456.19	390.33	797.19	455.27
B	Bank balance other than (a) above	4	12,765.77	12,859.15	14,479.10	12,703.21
C	Stock in trade	5	28.75	12.59	810.18	86.71
D	Receivables					
	I. Trade receivables	6	386.66	601.35	1161.75	696.15
	II. Other receivables	7	2.30	3.65	2.30	3.45
E	Loans	8	11,598.43	10,621.19	12,575.83	11,517.82
F	Investments	9	147.71	166.55	245.24	129.83
G	Other financial assets	10	429.33	686.32	1,842.71	1,555.04
			25,815.14	25,341.13	31,914.31	27,147.49
2	Non-Financial Assets					
A	Current tax assets(net)	11	253.50	313.43	182.52	321.90
B	Deferred tax assets(net)	12	228.99	292.06	325.20	308.90
C	Investment property	13	200.51	200.51	200.51	200.51
D	Property, plant and equipment	14	895.20	932.21	639.41	913.08

	Particulars	Notes	March 31, 2023 (Audited)	March 31, 2022 (Audited)	September 30, 2023 (unaudited)	September 30, 2022 (unaudited)
E	Capital WIP	14A	-	-	-	-
F	Other intangible assets	14B	67.25	98.36	53.52	82.10
G	Goodwill on consolidation		149.16	149.16	149.16	149.16
H	Other non-financial assets	15	116.62	139.68	124.38	60.05
			1,911.23	2,125.41	1,674.70	2,035.70
	Total Assets		27,726.37	27,466.54	33,589.01	29,183.19
	LIABILITIES AND EQUITY					
	Liabilities					
1	Financial Liabilities					
A	Payables					
	I. Trade payables	16				
	(i)Total outstanding dues of Micro and Small enterprises		-	-	-	-
	(ii)Total outstanding dues of creditors other than Micro and Small enterprises		3,545.34	4,480.50	7,514.40	5,599.77
	II. Other Payables					
	(i)Total outstanding dues of Micro and Small enterprises		-	-	-	-
	(ii)Total outstanding dues of creditors other than Micro and Small enterprises		-	-	-	-
B	Borrowings	17	2,810.26	2,645.48	3,041.96	2,593.44
C	Deposits	18	437.53	365.75	1312.01	633.48
D	Other financial liabilities	19	14.27	0.17	543.68	30.54
			6,807.40	7,491.90	12,412.05	8,857.23
2	Non-Financial Liabilities					
A	Current tax liabilities (net)	-	-	-	-	3.59
B	Provisions	20	5.89		12.23	24.38
C	Other non-financial liabilities	21	36.41	29.39	31.95	05.00
			42.30	29.39	44.18	32.97
3	Equity					
A	Equity share capital	22	8,400.00	8,400.00	8,400.00	8,400.00
B	Other share capital	23	12,476.38	11,544.97	12,732.78	11,892.99
C	Non-controlling interest		0.29	0.28	-	-
			20,876.67	19,945.25	21,132.78	20,292.99
	Total Liabilities and Equity		27,726.37	27,466.54	33,589.01	29,183.19

Comparison of Financial Years ended March 31, 2023 and 2022 of Statement of Profit and Loss Account:

(₹In lakhs)

Particulars	March 31, 2023	March 31, 2022	September 30, 2023	September 30, 2022
Income				
Revenue from Operations	4,881.41	4,655.03	5,291.51	2,210.81
Increase/Decrease (%)	4.86%		139.39%	
Other income	217.54	308.03	167.36	113.58
Total Revenue	5,098.95	4,963.06	5,459.87	2,324.39
Increase/Decrease (%)	2.73%		134.89%	
Expenditure				
Operating Expenses	1,053.77	1,476.00	1,292.75	545.65
Increase/Decrease (%)	(28.61%)		136.92%	
% to Total Income	20.67%	29.74%	23.68%	23.47%
Purchase of Stock in Trade	1,213.57	0.00	3,524.67	650.26
Increase/Decrease (%)	Not meaningful		442.04%	
% to Total Income	23.80%	0.00%	64.56%	27.98%
Changes in Stock in Trade	(16.17)	83.25	-781.43	-74.12
Increase/Decrease (%)	(119.42%)		954%	
% to Total Income	(0.32%)	1.68%	-14.31%	3.19%
Employee Benefit Expenses	623.27	645.77	293.25	309.15
Increase/Decrease (%)	(3.48%)		-5.14%	
% to Total Income	12.22%	13.01%	5.37%	13.30%
Other Expenses	700.25	767.09	422.27	291.59
Increase/Decrease (%)	(8.71%)		44.82%	
% to Total Income	13.73%	15.46%	7.73%	12.54%
Total Expenditure	3,846.60	3,158.65	5,118.50	1,846.83
Increase/Decrease (%)	21.77%		177.14%	
% to Total Income	75.43%	66.64%	93.74%	79.45%
Profit Before Interest, Depreciation and Tax	1,524.26	1,990.94	468.36	601.86
Increase/Decrease (%)	(23.44%)		22.18%	
% to Total Income	29.89%	40.12%	8.58%	25.89%

Particulars	March 31, 2023	March 31, 2022	September 30, 2023	September 30,2022
Finance Cost	190.97	121.85	92.56	82.52
Increase/Decrease (%)	56.15%		12.16%	
% to Total Income	3.75%	2.46%	1.70%	3.55%
Depreciation	80.93	64.68	34.38	41.78
Increase/Decrease (%)	20.07%		-17.70%	
% to Total Income	1.59%	1.30%	0.63%	1.80%
Profit Before Taxation	1,252.36	1,804.42	341.37	477.56
Increase/Decrease (%)	(30.59%)		-28.52%	
% to Total Income	24.56%	36.36%	6.25%	20.55%
Tax Impact	326.09	509.10	107.53	111.80
Increase/Decrease (%)	(35.95%)		(3.82%)	
% to Total Income	6.40%	10.26%	1.97%	4.81%
Profit After Tax but Before Extra-ordinary Items	926.27	1,395.32	233.84	365.76
Increase/Decrease (%)	(28.49%)		-36.07%	
% to Total Income	18.17%	26.10%	4.28%	15.74%
Exceptional Item	0.00	100.00	00	00
Less: Share of Profit of Non-Controlling Interest	0.0	0.0	0.0	0.0
Net Profit Transferred to Balance Sheet	931.41	1,437.29	256.94	347.77
Increase/Decrease (%)	(35.20%)		-26.12%	
% to Total Income	18.30%	28.96%	4.71%	14.96%

CASH FLOWS

The following table sets forth certain information relating to our cash flows with respect to operating activities, investing activities and financing activities for the periods indicated:

(₹ in Lakhs)

Particulars	Fiscal 2023 (Consolidated)	Fiscal 2022 (Consolidated)	September 2023(Consolidated)	September 2022 (Consolidated)
Net (loss) / profit before tax	1,252.34	1,904.41	340.68	476.63
Net cash from/ (used in) operating activities	(547.71)	2,537.75	(479.60)	570.56
Net cash from/ (used in) investing activities	475.14	(1,053.11)	611.72	(435.97)
Net cash from financing activities	138.43	2,942.05	209.68	(68.95)
Net increase/ (decrease) in cash and cash equivalents	65.86	(1,457.41)	341.80	65.64
Cash and cash equivalents at the beginning of the year/period	390.33	1,847.74	455.27	390.33
Cash and cash equivalents at year/period end	456.19	390.33	797.07	455.97

Note: Cash flow details for all years have been taken on. Consolidated financials for FY 2022-23 have also been displayed.

FACTORS THAT MAY AFFECT THE RESULTS OF THE OPERATIONS:

1. Unusual or infrequent events or transactions

Except as described in this Draft Letter of Offer, during the period under review there have been no events or transactions, which in our best judgment would consider unusual or infrequent on account of business activity, unusual items of income, change of accounting policies and discretionary reduction of expenses.

2. Significant economic changes that materially affected or are likely to affect income from continuing operations.

Our business has been subject, and we expect it to continue to be subject, to significant economic changes arising from the trends identified above in 'Factors Affecting our Results of Operations' and the uncertainties described in the section entitled 'Risk Factors' beginning on page19 of the Draft Letter of Offer. To our knowledge, except as we have described in the Draft Letter of Offer, there are no known factors which we expect to bring about significant economic changes.

3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue, or income from continuing operations.

Apart from the risks as disclosed under Section titled "Risk Factors" on page19 in the Draft Letter of Offer, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

4. 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.

Our Company's future costs and revenues will be determined by stock market trends, government policies and prices quoted by service providers.

5. Total turnover of each major industry segment in which the issuer company operated.

For details on the total turnover of the industry please refer to "Industry Overview" on page no 56

6. Status of any publicly announced new products or business segment.

Our Company has not announced any new product or business segment.

7. The extent to which business is seasonal.

Our Company's business is not seasonal in nature.

8. Any significant dependence on a single or few suppliers or customers.

We are not dependent upon few suppliers or customers.

9. Competitive conditions.

Competitive conditions are as described under "Industry Overview" and "Our Business" on pages 55 and 59 respectively.

DISCLOSURES PERTAINING TO WILFUL DEFAULTERS OR FRAUDULENT BORROWERS

Neither our Company, nor our Promoter & Promoter Group or any of our Directors are or have been categorized as a wilful defaulter or fraudulent borrowers by any bank or financial institution or consortium thereof, in accordance with the guidelines issued by the RBI.

SECTION VII– LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as disclosed below, there is no outstanding litigation with respect to

- (i) issues of moral turpitude or criminal liability on the part of our Company and/or our Subsidiaries;
- (ii) material violations of statutory regulations by our Company and/or our Subsidiaries;
- (iii) economic offences where proceedings have been initiated against our Company and/or our Subsidiaries;
- (iv) any pending matters, which if they result in an adverse outcome, would materially and adversely affect our operations or our financial position; and
- (v) other litigation, including civil or tax litigation proceedings, which involves an amount in excess of the Materiality Threshold (as defined below) or is otherwise material in terms of
 - a. the 'Policy on Determination and Disclosure of Materiality of Events and Information and Web Archival Policy' adopted by our Board, in accordance with the requirements under Regulation 30 of the SEBI Listing Regulations, and
 - b. the 'Policy on Determination of Materiality of Litigation' adopted by the Board through its resolution dated November 1, 2023, for the purpose of litigation disclosures in this Letter of Offer ("Materiality Policy").

In this regard, please note the following:

1. Any outstanding litigation involving our Company and/or our Subsidiaries, i.e., proceedings other than litigation involving issues of moral turpitude, criminal liability, material violations of statutory regulations or proceedings related to economic offences, shall be considered material and shall be disclosed in this Letter of Offer or the Abridged Letter of Offer, if
 - (i) the monetary amount of claim by or against the entity or person in any such pending matter exceeds ₹40 lakhs (Rupees Forty Lakhs), and/or
 - (ii) is otherwise determined to be material in terms of the Materiality Policy.
2. Pre-litigation notices received by our Company and/or our Subsidiaries from third parties (excluding notices pertaining to any offence involving issues of moral turpitude, criminal liability, material violations of statutory regulations or proceedings related to economic offences) shall not be evaluated for materiality until such time our Company and/or our Subsidiaries are impleaded as defendants in litigation proceedings before any judicial forum.

Litigations involving our Company

There are no issues of moral turpitude or criminal liability, material violation of statutory regulations or economic offences or material pending matters involving our Company, except as follows:

A. Proceedings involving issues of moral turpitude or criminal liability initiated against our Company

NIL

B. Proceedings involving issues of moral turpitude or criminal liability initiated by our Company

Following are the list of cases filed by us under Section 138 of the Negotiable Instruments Act, 1881

Sr No.	Case No.	Name of Parties	Forum	Next Date of hearing	Amount involved	Status
1	SS/83/2016	Bimal Natwarlal Tailor	MM, Andheri Mumbai	24 th January, 2024	38,36,517	The matter is pending

C. Proceedings involving material violations of statutory regulations by our Company:

Following are show cause notice and appeal from SEBI & SAT

Sr. No.	Particulars	Explanation	Status
1.	<ul style="list-style-type: none"> Show cause notice issued by WTM for Investigation in the matter relating to utilization of funds of IPO proceeds. WTM passed order dated August 6, 2018. Appeal was filled by the Company Executive Directors & KMP in appellant no. 361, Independent Director appellant no. 362 and by Non- Executive in appellant no. 363 with SAT SAT passed order against appeal no. 361 and dismissed appeal no. 362 and 363 The order of SAT came on October 10, 2019 Review application was filled by Company and Review order of SAT came on 6th February, 2020 Company filled appeal against SAT order with Supreme court. SEBI filled appeal with Supreme Court against the order passed by SAT for Independent directors viz, Arun N. Joshi, Srinivasaiyer Jambunathan, Harshawardhan M. Gajbhiye, Ajay Khera, and Deepak M Vaishnav & 363 of 2018 Pravin N. Gala 	Show Cause Notice has been received for investigation of Misutilization of IPO proceeds by IGSL.	The appeal filed against SAT order in supreme court is pending and next hearing is scheduled to be held in January, 2024.
2.	Show Cause Notice issued by AO of SEBI on 4 th February, 2022 to the Company under Rule 4(1) of SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules. 1995	1. Trading activities of certain entities in INDEX Options Contracts of NIFTY and imposed penalty for Sec15HA of	The matter is pending

		SEBI Act, 1992 read with Reg. 3 (a), (b),(c), (d) and Reg. 4(1) 4(2) (a) of SEBI PUFTP Regulation 2. Section 15 HB of SEBI Act for violations of Clause A91), (2), (3), (4) and (5) of Code of Conduct as Schedule II under Regulation 9(F) SEBI (Stock Brokers) and (Sub Brokers) Regulation	
3.	Show Cause Notice issued by BSE Limited via notice dated August 14, 2023.	The member dealing for his client has entered into reversal transaction in securities of Company.	The Company has filed reply with BSE Limited
4.	Member and Core Settlement Guarantee Fund Committee (MCGFC) of NSE has issued show cause notice under Chapter IV of the Rules of National Stock Exchange of India Limited to Inventure Growth & Securities Limited vide notice dated 07th June 2022.	1. For Misuse of clients' funds ranging 2. The incorrect data submitted for weekly monitoring of clients' funds 3. The Notice reported incorrect bank account balances	The company has received order on April 28, 2023 from MCGFC with a penalty of Rs 58.62 Lakhs. The company has filed a review application May 15, 2023 against the order and the matter is pending for final order

D. Economic offences where proceedings have been initiated against our Company

NIL

E. Other proceedings involving our Company which involve an amount exceeding the Materiality Threshold or are otherwise material in terms of the Material Policy and other pending matters which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company.

NIL

F. Tax Proceedings

Below are the details of the pending tax cases involving our Company, specifying the number of cases pending and the total amount involved:

Sr. No	Assessment Year	Name of the Assessee	Proceeding Name	Proceeding status & limitation date	Amount involved
1	2011-12	Inventure Growth & Securities limited	CIT (A) 49, Mumbai/10150/2018-19	All submission done, Final order awaited	1,48,92,730
2	2012-13	Inventure Growth & Securities limited	CIT (A) 49, Mumbai/20121186198	All submission done, Final order awaited	12,11,420
3	2013-14	Inventure Growth & Securities limited	Not assigned	Appeal case not yet assigned	78,16,349
4	2014-15	Inventure Growth & Securities limited	CIT (A) 49, Mumbai/10207/2019-20	All submission done, Final order awaited	94,28,320
5	2017-18	Inventure Growth & Securities limited	NFAC/2016-17/10153883	All submission done, Final order awaited	-
6	2009-10	Inventure Growth & Securities limited	CIT (A) 49, Mumbai/10150/2018-19	All submission done, Final order awaited	18,88,299

Except as stated herein above there are no tax proceedings involving our Company which involve an amount exceeding the materiality threshold or are otherwise material in terms of the Materiality Policy.

Litigations involving our Subsidiary Company

There are no issues of moral turpitude or criminal liability, material violation of statutory regulations or economic offences or material pending matters involving our Subsidiary Company, except as follows:

Inventure Finance Private Limited

A. Proceedings involving issues of moral turpitude or criminal liability initiated against our Subsidiary Company

Securities and Exchange Board of India Versus Inventure Finance Private Limited

That the Applicant herein approaches this Hon'ble Court through the present application for compounding of offence u/s 24A of SEBI Act, 1992 in respect of offence referred are as.

That the Applicant is being prosecuted for alleged violation of Section 12(A) of the SEBI Act and Regulations 3(a), 3(b), 3(c), 3(d) and 4(1), 4(2)(a) and 4(2)(c) of the PRUTP Regulations which is

punishable under section 24(1) read with section 27 of the Securities and Exchange Board of India Act, 1992.

That it appears from the complaint that SEBI initiated investigations into the alleged price manipulation in the scrip of Kelvin Fincap Limited as large volumes of shares coupled with synchronised trades between inter-connected entities (as we preferential allottee made in 2012) and abnormal price movement were noticed by SEBI on the Stock Exchanges with respect to the shares of the said Company, especially during the period commencing from November 30, 2011 to May 29, 2014.

The Company has paid penalty charge by AO and compounding application made by Company to Hon'ble Court is still pending

B. Proceedings involving issues of moral turpitude or criminal liability initiated by our Subsidiary Company

Following are the list of cases filed by us under Section 138 of the Negotiable Instruments Act, 1881

Sr No.	Case No.	Name of Parties	Forum	Next Date of hearing	Amount involved(In Lakhs)	Status
1	6306514/2015	DINESH BHAWANJI RAMBHIA	63rd Court, Andheri, Metropoliton Magistrate, Mumbai	18-12-2023	184.95	Part Heard
2	3304850/2019	AV IMPEX PROP ADITYA VIVEK VAIDYA	33rd Court, Ballard Pier, Additional Metropoliton Magistrate, Mumbai	04-12-2023	05 Lakh	Not Heard Case
3	4406513/2015	BHAVIK RAMESH GANGER	44th Court, Andheri, Metropoliton Magistrate, Mumbai	06-01-2024	97.043	Part Heard
4	684/2016	1)DINESH BHAWANJI RAMBHIA & ORS & 2)KIRTIDA DINESH RAMBHIA	44th Court, Andheri, Metropoliton Magistrate, Mumbai	17-01-2024	45.06	Not Heard Case

C. Proceedings involving list of cases filed by us under the IBC Code 2016.

Sr No.	Case No.	Name of Parties	Forum	Next Date of hearing	Amount involved	Status
1	4479 - 2019	MAHABALI INNOVATIVE TECHNOLOGIES PRIVATE LIMITED	NCLT MUMBAI BENCH IBC	Not Applicable	Rs. 35,05,151 /-	We have filed Form D on April 27, 2023
2	IA 1788/2022 in C.P.(IB)2440MB/2019	RUSHABH CIVIL CONTRACTORS PVT LTD	NCLT MUMBAI BENCH IBC	Not Applicable	Rs. 90,05,867 /-	We have filed Form C on July 12, 2022 and submitted our documents to new IRP Appointed vide order dated August 22, 2022 on 25th November, 2022 further Communication is pending

D. Proceedings involving material violations of statutory regulations by our Subsidiary Company: NIL

E. Economic offences where proceedings have been initiated against our Company: NIL

Inventure Commodities Limited

A. Proceedings involving issues of moral turpitude or criminal liability initiated against our Subsidiary Company NIL

B. Proceedings involving issues of moral turpitude or criminal liability initiated by our Subsidiary Company: NIL

C. Proceedings involving material violations of statutory regulations by our Subsidiary Company

Tax Proceedings

Sr. No	Assessment Year	Name of the Assessee	Proceeding Name	Proceeding status & limitation date	Amount involved
1	2009-10	Inventure Commodities Limited	CIT (A), Mumbai 49/10572/2016	All submission done, Final order awaited	18,88,299

D. Economic offences where proceedings have been initiated against our Subsidiary Company: NIL

GOVERNMENT AND OTHER APPROVALS

Our Company requires various licenses, registrations, permits and approvals issued by relevant central and state authorities under various rules and regulations (“Approvals”) for carrying on its present business activities. The requirement for the Approvals may vary based on factors such as the legal requirements in the jurisdiction, in which the Registered Office is located. Further, our obligation to obtain and renew such approvals arises periodically and applications for such approvals are made at the appropriate stage.

Material pending government and regulatory approvals pertaining to the Objects of the Issue

There are no, government and regulatory approval pertaining to the Objects of the Issue.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The Issue has been authorized by our Board of Director pursuant to a resolution dated January 30, 2023:

The Board of Directors in their meeting held on [●], 2023 have determined the Issue Price at ₹[●] per Equity Share and the Rights Entitlement as [●] Rights Equity Share(s) for every [●] fully paid up Equity Share(s) held on the Record Date.

Our Company has received in-principle approvals from BSE and NSE in accordance with Regulation 28(1) of the SEBI Listing Regulations for listing of the Rights Equity Shares to be allotted in this Issue pursuant to their letters dated [●] and [●], respectively. Our Company will also make applications to BSE and NSE to obtain their 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 Eligible Equity Shareholders of our Company. For details, see “Terms of the Issue” on page no 155.

Prohibition by SEBI or other Governmental Authorities

Our Company, our Promoters, members of our Promoter Group and our Directors have not been prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority.

As on date of this Draft Letter of Offer, our Company, our Promoter, our Directors, the members of our Promoter Group and persons in control of our Company have not been prohibited from accessing the capital market or debarred from buying or selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any authority/court as on date of this Draft Letter of Offer.

Further, our Promoter and our Directors are not promoter or director of any other company which is debarred from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI. Further, except as stated above, there is no outstanding action pending against our company or any of our Directors or Promoters by SEBI as stated in this document and as the date of filing of this Draft Letter of Offer.

Neither our Promoter nor our Directors are declared as Fugitive Economic Offenders.

Association of our Directors with securities market

Since we are an Equity Broking company, all our directors are associated with the Securities Market.

Prohibition by RBI

Neither our Company, nor Promoter & promoter group or Directors have been/ are identified as Wilful Defaulters.

Compliance with Companies (Significant Beneficial Ownership) Rules, 2018

Our Company, our Promoter and the member 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 this 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 and NSE. We are eligible to offer Rights Equity Shares pursuant to

the Issue in terms of Chapter III and other applicable provisions of the SEBI ICDR Regulations. Further, our Company is undertaking this Issue in compliance with Part B of Schedule VI of 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 is the Designated Stock Exchange for the Issue.

Compliance with Clause (1) of Part B of Schedule VI of the SEBI ICDR Regulations

Our Company is in compliance with the provisions specified in Clause (1) of Part B of Schedule VI of SEBI ICDR Regulations as explained below:

1. Our Company has been filing periodic reports, statements and information in compliance with the SEBI Listing Regulations, as applicable for the last one year immediately preceding the date of filing of this Draft Letter of Offer with SEBI;
2. The reports, statements and information referred to above are available on the website of BSE and NSE; and
3. Our Company has an investor grievance-handling mechanism which includes meeting of the Stakeholders' Relationship Committee at frequent intervals, appropriate delegation of power by our Board as regards share transfer and clearly laid down systems and procedures for timely and satisfactory redressal of investor grievances.

As our Company satisfies the conditions specified in Clause (1) of Part B of Schedule VI of SEBI ICDR Regulations and given that the conditions specified in Clause (3) of Part B of Schedule VI of SEBI ICDR Regulations are not applicable to our Company, the disclosures in this Draft Letter of Offer are in terms of Clause (4) of Part B of Schedule VI of the SEBI ICDR Regulations.

DISCLAIMER CLAUSE OF SEBI

The Draft Letter of Offer has not been filed with SEBI in terms of SEBI ICDR Regulations as the size of issue is less than ₹ 5,000.00 lakhs.

Disclaimer clauses from our Company

Our Company accept no responsibility for statements made otherwise than in this Draft Letter of Offer or in any advertisement or other material issued by our Company or by any other persons at the instance of our Company and anyone placing reliance on any other source of information would be doing so at their own risk.

Investors who invest in the Issue will be deemed to have represented to our Company and its directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Rights Equity Shares, and are relying on independent advice / evaluation as to their ability and quantum of investment in the Issue.

CAUTION

Our Company shall make all information available to the Eligible Equity Shareholders and no selective or additional information would be available for a section of the Eligible Equity Shareholders in any manner whatsoever including at presentations, in research or sales reports etc. after filing of this Draft Letter of Offer.

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 rights to purchase the Rights Equity Shares offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this Draft Letter of Offer is current only as of its date.

Disclaimer with respect to jurisdiction

This Draft Letter of Offer has been prepared under the provisions of Indian laws 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, India only.

Designated Stock Exchange

The Designated Stock Exchange for the purpose of the Issue is BSE.

Disclaimer Clause of BSE

As required, a copy of this Draft Letter of Offer has been submitted to BSE. The Disclaimer Clause as intimated by BSE to us, post scrutiny of this Draft Letter of Offer, shall be included in the Letter of Offer prior to filing with the Stock Exchanges.

Disclaimer Clause of NSE

As required, a copy of this Draft Letter of Offer has been submitted to NSE. The Disclaimer Clause as intimated by NSE to us, post scrutiny of this Draft Letter of Offer, shall be included in the Letter of Offer prior to filing with the Stock Exchanges.

Listing

Our Company will apply to BSE and NSE 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.

Consents

Consents in writing of our Promoter, Directors, Auditors, Banker to the Company, Banker to Issue, Legal Advisor 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.

Expert Opinion

Except for the reports in the section on “Statement of Tax Benefits” on page 54 From the Statutory Auditors, our Company has not obtained any expert opinions.

Selling Restrictions

This Draft Letter of Offer is solely for the use of the person who has received it from our Company or from the Registrar to the Issue. This Draft Letter of Offer is not to be reproduced or distributed to any other person.

The distribution of this Draft Letter of Offer/ Letter of Offer, Abridged Letter of Offer, Application Form and the Rights Entitlement Letter and the issue of Rights Entitlements and Equity Shares on a rights basis to persons

in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Draft Letter of Offer/ Letter of Offer, Abridged Letter of Offer Application Form and the Rights Entitlement Letter may come are required to inform themselves about and observe such restrictions. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders of our Company and will dispatch the Draft Letter of Offer/ Letter of Offer, Abridged Letter of Offer Application Form and the Rights Entitlement Letter only to Eligible Equity Shareholders who have provided an Indian address to our Company.

No action has been or will be taken to permit the Issue in any jurisdiction, or the possession, circulation, or distribution of the Draft Letter of Offer, Abridged Letter of Offer or any other material relating to our Company, the Equity Shares or Rights Entitlement in any jurisdiction, where action would be required for that purpose, except that this Draft Letter of Offer has been filed with the Stock Exchange.

Accordingly, the Rights Entitlement or Equity Shares may not be offered or sold, directly or indirectly, and this Draft Letter of Offer or any offering materials or advertisements in connection with the Issue or Rights Entitlement may not be distributed or published in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Draft Letter of Offer / Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer.

This Draft Letter of Offer and its accompanying documents are being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose. If this Letter of Offer is received by any person in any jurisdiction where to do so would or might contravene local securities laws or regulation, or by their agent or nominee, they must not seek to subscribe to the Equity Shares or the Rights Entitlement referred to in this Letter of Offer. Investors are advised to consult their legal counsel prior to applying for the Rights Entitlement and Equity Shares or accepting any provisional allotment of Equity Shares, or making any offer, sale, resale, pledge or other transfer of the Equity Shares or Rights Entitlement.

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. 144 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 authorized to acquire the Rights Entitlements and the Equity Shares in compliance with all applicable laws, rules and regulations. Our Company reserves the right to treat as invalid any Application Form which:

(i) appears to our Company or its agents to have been executed in or dispatched from the United States of America; (ii) does not include the relevant certification set out in the Application Form headed "Overseas

Shareholders” to the effect that the person accepting and/or renouncing the Application Form does not have a registered address (and is not otherwise located) in the United States, and such person is complying with laws of the jurisdictions applicable to such person in connection with the Issue, among others; (iii) where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; or (iv) where a registered Indian address is not provided, and our Company shall not be bound to allot or issue any Equity Shares or Rights Entitlement in respect of any such Application Form. None of the Rights Entitlements or the Equity Shares have been, or will be, registered under the United States Securities Act of 1933, as amended (the “Securities Act”), or any state securities laws in the United States. Accordingly, the Rights Entitlements and Equity Shares are being offered and sold only outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales are made.

NO OFFER IN ANY JURISDICTION OUTSIDE INDIA

NO OFFER OR INVITATION TO PURCHASE RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES IS BEING MADE IN ANY JURISDICTION OUTSIDE OF INDIA, INCLUDING, BUT NOT LIMITED TO AUSTRALIA, BAHRAIN, CANADA, THE EUROPEAN ECONOMIC AREA, GHANA, HONG KONG, INDONESIA, JAPAN, KENYA, KUWAIT, MALAYSIA, NEW ZEALAND, SULTANATE OF OMAN, PEOPLE'S REPUBLIC OF CHINA, QATAR, SINGAPORE, SOUTH AFRICA, SWITZERLAND, THAILAND, THE UNITED ARAB EMIRATES, THE UNITED KINGDOM AND THE UNITED STATES. THE OFFERING TO WHICH THIS DRAFT LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY RIGHTS EQUITY SHARES OR RIGHTS ENTITLEMENT FOR SALE IN ANY JURISDICTION OUTSIDE INDIA OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, THIS LETTER OF OFFER SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO ANY OTHER JURISDICTION AT ANY TIME

Filing

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 Letter of Offer with SEBI for rights issues has been increased. The threshold of the rights issue size under Regulation 3 (b) of the SEBI ICDR Regulations 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 will be filed with the Stock Exchanges 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 Exchanges.

Investor Grievances and Redressal System

Our Company has adequate arrangements for the redressal of investor complaints in compliance with the corporate governance requirements under the Listing Agreement.

Our Company has a Stakeholders' Relationship Committee. The broad terms of reference include redressal of investors' complaints pertaining to share transfers, non-receipt of annual reports, dividend payments, issue of duplicate certificates etc. 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. The Investor complaints received by our Company are generally disposed of within 30 days from the date of receipt of the complaint.

Investors may contact our Compliance Officer or the Registrar in case of any pre-Issue/post-Issue related problems such as non-receipt of Allotment advice/demat credit/refund orders etc. The contact details of the Compliance Officer and Registrar to the Issue are as follows:

Registrar to the Issue

Link IntimeIndia PrivateLimited

C-101, 1st Floor, 247 Park,
L.B.S. Marg, Vikhroli (West), Mumbai - 400083, Maharashtra, India.

TelNo: + 91 +91 810 811 4949

Email: inventure.rights2023@linkintime.co.in

Website: www.linkintime.co.in

SEBI Registration Number: INR000004058

Contact Person: Shanti Gopalkrishnan

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.

Company Secretary and Compliance Officer

Shikha Ashok Mishra

201, 2nd Floor, Viraj Tower, Near Landmark, Western Express Highway, Andheri – East, Mumbai - 400069, India

Website: www.inventuregrowth.com

E-mail: cs@inventuregrowth.com; investorsgrievancies@inventuregrowth.com

Tel: +91 - 22-71148500/600

Website: www.inventuregrowth.com

SECTION VIII – ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

This section is for the information of the Eligible Equity Shareholders proposing to apply in this Issue. The Eligible Equity Shareholders should carefully read the provisions contained in this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, before submitting the Application Form. Our Company is not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer. The Eligible Equity Shareholders are advised to make their independent investigation and ensure that the Application Form is accurately filled up in accordance with instructions provided therein and this Draft Letter of Offer. Unless otherwise permitted under the SEBI ICDR Regulations read with the SEBI Relaxation Circulars, the Eligible Equity Shareholders proposing to apply in this Issue can apply only through ASBA.

Further, SEBI has pursuant to the SEBI Rights Issue Circular stated that in the event there are physical shareholders who have not been able to open a demat account pursuant to the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 or are unable to communicate their demat account details to our Company or the Registrar for credit of Rights Entitlements, such physical shareholders may be allowed to submit their Application.

This Issue is proposed to be undertaken on a rights basis and is subject to the terms and conditions contained in 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 of our Company, the provisions of the Companies Act, 2013, the FEMA, the FEMA Rules, the SEBI ICDR Regulations, the SEBI Listing Regulations and the guidelines, notifications, circulars and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, approvals, if any, from RBI or other regulatory authorities, the terms of the Listing Agreements entered into by our Company with Stock Exchanges and the terms and conditions as stipulated in the Allotment Advice.

I. DISPATCH AND AVAILABILITY OF ISSUE MATERIALS

In accordance with the SEBI ICDR Regulations, SEBI circulars SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020, Circular SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020 and the MCA Circular, our Company will send, only through email, the Abridged Letter of Offer, the Rights Entitlement Letter, Application Form and other issue material to the email addresses of all the Eligible Equity Shareholders who have provided their Indian addresses to our Company.

Further, the Letter of Offer will be sent/ dispatched to the Eligible Equity Shareholders who have provided Indian address and who have made a request in this regard. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer 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 Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian 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

Shareholders can access this Draft Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Equity Shares under applicable laws) on the websites of:

- (i) Our Company at www.inventuregrowth.com.
- (ii) The Registrar at www.linkintime.co.in.
- (iii) The Stock Exchanges at www.bseindia.com and www.nseindia.com

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., www.linkintime.co.in) by entering their DP ID and Client ID or Folio Number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) and PAN. The link for the same shall also be available on the website of our Company (i.e., www.inventuregrowth.com).

Further, our Company will undertake all adequate steps to reach out to the Eligible Equity Shareholders who have provided their Indian address through other means, as may be feasible.

Please note that neither our Company nor the Registrar shall be responsible for non-dispatch of physical copies of Issue materials, including this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form or delay in the receipt of this Draft 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.

The distribution of this Draft Letter of Offer, Abridged Letter of Offer, the Rights Entitlement Letter and the issue of 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 the Stock Exchanges. Accordingly, the Rights Entitlements and Equity Shares may not be offered or sold, directly or indirectly, and this Draft 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 authorized 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 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 this Draft 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 this Draft 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 Equity Shares offered in the Issue will be deemed to have declared, represented and warranted that such person is authorized to acquire the Rights Entitlements and the 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).

II. PROCESS OF MAKING AN APPLICATION IN THE ISSUE

In accordance with Regulation 76 of the SEBI ICDR Regulations, the SEBI Rights Issue Circulars and the ASBA Circulars, all Eligible Shareholders desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Eligible Shareholders should carefully read the provisions applicable to such Applications before making their Application through ASBA. For details, see 'Making of an Application through the ASBA Process' beginning on page 157 of this Draft Letter of Offer.

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 escrow account, as applicable. For further details on the Rights Entitlements and demat suspense escrow account, see "*Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders*" below.

Please note that one single Application Form shall be used by Shareholders 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 escrow account in case of resident Eligible Equity Shareholders holding shares in physical form as on Record Date and applying in this Issue, as applicable. In case of Shareholders who have provided details of demat account in accordance with the SEBI ICDR Regulations, such Shareholders will have to apply for the Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Shareholders are required to submit a separate Application Form for each demat account.

Shareholders may apply for the Equity Shares by submitting the Application Form to 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.

Shareholders are also advised to ensure that the Application Form is correctly filled up stating therein

1. The ASBA Account 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 see “Grounds for Technical Rejection” below. 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, the Eligible Equity Shareholders 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, see “- Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process” below.

• Options available to the Eligible Equity Shareholders

The Rights Entitlement Letter will clearly indicate the number of Equity Shares that the Eligible Equity Shareholder is entitled to

If the Eligible Equity Shareholder applies in this Issue, then such Eligible Equity Shareholder can:

- i. Apply for its Equity Shares to the full extent of its Rights Entitlements; or
- ii. Apply for its Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or
- iii. Apply for Equity Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or
- iv. Apply for its Equity Shares to the full extent of its Rights Entitlements and apply for additional Equity Shares; or,
- v. Renounce its Rights Entitlements in full.

Making of an Application through the ASBA process

Eligible Shareholders, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with an SCSB, prior to making the Application. Shareholders 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 authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Eligible Shareholders 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, its directors, its employees, affiliates, associates and their respective directors and officers and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc., in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

Eligible Shareholders may apply for the Issue 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.

Eligible Shareholders while applying through the ASBA facility should carefully read the provisions applicable to such Applications before making their Application through the ASBA process.

Investors are also advised to ensure that the Application Form is correctly filled up stating therein the ASBA Account in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB.

Do's for Shareholders applying through ASBA:

- a) Ensure that the details about your Depository Participant, PAN and beneficiary account are correct and the beneficiary account is activated as the Equity Shares will be allotted in the dematerialized form only.
- b) 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.
- c) Ensure that there are sufficient funds (equal to {number of Equity Shares (including additional 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.
- d) Ensure that you have authorized 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.
- e) Ensure that you have a bank account with an SCSB providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location.
- f) 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.
- g) 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.

Don'ts for Shareholders applying through ASBA:

- a) Do not apply if you are not eligible to participate in the Issue under securities laws applicable to your jurisdiction.
- b) Do not submit the Application Form after you have submitted a plain paper Application to a designated Branch of the SCSB or vice versa.
- c) Do not send your physical Application to the the Registrar, the Escrow Collection Bank(s) (assuming that such Escrow Collection Bank is not an SCSB), a branch of the SCSB which is not a Designated Branch of the SCSB or our Company; instead submit the same to a Designated Branch of the SCSB only.
- d) Do not instruct the SCSBs to unblock the funds blocked under the ASBA process upon making the Application.
- e) Do not submit Application Form using third party ASBA account.

• **Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process**

An Eligible Equity Shareholder in India who is eligible to apply under the ASBA process may make an Application to subscribe to this Issue on plain paper in case of non-receipt of Application Form as detailed above. In such cases of non-receipt of the Application Form through e-mail or 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 Stock Exchanges. 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 or is a U.S. Person or in the United States.

Please note that the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize 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:

- i. Name of our Company, being Inventure Growth And Securities Limited;
- ii. 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);
- iii. Folio Number (in case of Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) / DP and Client ID;
- iv. 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 Equity Shares applied for pursuant to this Issue
- v. Number of Equity Shares held as on Record Date;
- vi. Allotment option – only dematerialized form;
- vii. Number of Equity Shares entitled to;
- viii. Number of Equity Shares applied for within the Rights Entitlements;
- ix. Number of additional Equity Shares applied for, if any (applicable only if entire Rights Entitlements have been applied for);
- x. Total number of Equity Shares applied for;
- xi. Total amount paid at the rate of ₹ [●] per Equity Share;
- xii. Details of the ASBA Account such as the SCSB account number, name, address and branch of the relevant SCSB;

- xiii. 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;
- xiv. Authorisation to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
- xv. 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); and
- xvi. All such Eligible Equity Shareholders are deemed to have accepted the following:

“I/ We will not offer, sell or otherwise transfer any of the Rights Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation except under circumstances that will result in compliance with any applicable laws or regulations. We satisfy, and each account for which we are acting satisfies, all suitability standards for Shareholders in investments of the type subscribed for herein imposed by the jurisdiction of our residence.

I/ We understand and agree that the Rights Entitlement and Rights Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S, or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act.

I/ We (i) am/ are, and the person, if any, for whose account I/ we am/ are acquiring such Rights Entitlement and/ or the Rights Equity Shares is/ are, outside the U.S., (ii) am/ are not a “U.S. Person” as defined in (“Regulation S”), and (iii) is/ are acquiring the Rights Entitlement and/ or the Rights Equity Shares in an offshore transaction meeting the requirements of Regulation S.

I/ We acknowledge that the Company, its affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements.”

In cases where Multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, as applicable, including cases where a Shareholders submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected.

Shareholders 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 Shareholders. The plain paper Application format will be available on the website of the Registrar at www.linkintime.co.in.

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 Shareholders’ ASBA Accounts on or before the Issue Closing Date.

Acceptance of this Issue

Eligible Equity Shareholders may accept this Issue and apply for the Issue Shares 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.

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.

Applications submitted to anyone other than the Designated Branches of the SCSB are liable to be rejected. Investors can also make Application on plain paper under ASBA process mentioning all necessary details as mentioned under the section ‘Making of an Application by Eligible Equity Shareholders on plain paper under ASBA Process’ on page 159.

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 Equity Shares shall be made in dematerialized form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or our Company at least two 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. 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.

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 escrow account opened by our Company.

Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in this Issue:

- a) The Eligible Equity Shareholders shall send a letter to the Registrar containing the name(s), address, e-mail address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by e-mail, post, speed post, courier, or hand delivery so as to reach to the Registrar no later than two Working Days prior to the Issue Closing Date;
- b) The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least one day before the Issue Closing Date;
- c) The remaining procedure for Application shall be same as set out in “- Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process” mentioned above.

Resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date will not be allowed renounce their Rights Entitlements in the Issue. However, such Eligible Equity Shareholders, where the dematerialized Rights Entitlements are transferred from the suspense escrow demat account to the respective demat accounts within prescribed timelines, can apply for additional Equity Shares while submitting the Application through ASBA process.

Application for Additional Equity Shares

Shareholders are eligible to apply for additional 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 Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of additional 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 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 “*Basis of Allotment*” mentioned below.

Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for additional Equity Shares.

Non-resident Renouncees who are not Eligible Equity Shareholders cannot apply for additional Equity Shares.

Additional general instructions for Shareholders in relation to making of an application

- a. Please read this Draft Letter of Offer carefully to understand the Application process and applicable settlement process.

- b. Please read the instructions on the Application Form sent to you. Application should be complete in all respects. The Application Form found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected. The Application Form must be filled in English.
- c. In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under the section “Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process” mentioned above.
- d. Applications should be submitted to the Designated Branch of the SCSB or made online/electronic through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges.
- e. Applications should not be submitted to the Banker(s) to the Issue or Escrow Collection Bank(s) (assuming that such Escrow Collection Bank is not an SCSB), our Company or the Registrar.
- f. All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income-tax Act, irrespective of the amount of the Application. Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, Applications without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Shareholders for which PAN details have not been verified shall be “suspended for credit” and no Allotment and credit of Equity Shares pursuant to this Issue shall be made into the accounts of such Shareholders.
- g. Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation (“Demographic Details”) are updated, true and correct, in all respects. Shareholders applying under this Issue should note that on the basis of name of the Shareholders, 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, Shareholders 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 Shareholders including mailing of the letters intimating unblocking of bank account of the respective Shareholders and/or refund. The Demographic Details given by the Shareholders in the Application Form would not be used for any other purposes by the Registrar. Hence, Shareholders are advised to update their Demographic Details as provided to their Depository Participants.

The Allotment Advice and the e-mail intimating unblocking of ASBA Account or refund (if any) would be e-mailed to the address of the Shareholders as per the e-mail 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 Equity Shares are not allotted to such Shareholders. Please note that any such delay shall be at the sole risk of the Shareholders and none of our Company, the SCSBs, and Registrar shall be liable to compensate the Shareholders 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 Shareholders (including the order of names of joint holders), (b) DP ID, and (c) Client ID, then such Application Forms are liable to be rejected.

- h. By signing the Application Forms, Shareholders would be deemed to have authorized the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.
- i. For physical Applications through ASBA at Designated Branches of SCSB, signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in any such language or thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Shareholders must sign the Application as per the specimen signature recorded with the SCSB.

- j. Shareholders 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. Shareholders will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, SCSBs or the Registrar will not be liable for any such rejections.
- k. In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant's name and all communication will be addressed to the first Applicant.
- l. All communication in connection with Application for the 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 on Record Date)/DP ID and Client ID and Application Form number, as applicable. In case of any change in contact details of the Eligible Equity Shareholders, the Eligible Equity Shareholders should also send the intimation for such change to the respective depository participant, or to our Company or the Registrar in case of Eligible Equity Shareholders holding Equity Shares in physical form.
- m. Shareholders are required to ensure that the number of Equity Shares applied for by them do not exceed the prescribed limits under the applicable law.
- n. Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.
- o. Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
- p. Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.
- q. Do not pay the Application Money in cash, by money order, pay order or postal order.
- r. Do not submit multiple Applications.
- s. No investment under the FDI route (i.e. any investment which would result in the Shareholders holding 10% or more of the fully diluted paid-up equity share capital of the 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 Shareholders 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.
- t. 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 a incorporated non-resident must do so in accordance with the FDI Circular 2020 and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019.

• **Grounds for Technical Rejection**

Applications made in this Issue are liable to be rejected on the following grounds:

- (a) DP ID and Client ID mentioned in Application does not match with the DP ID and Client ID records available with the Registrar.
- (b) Details of PAN mentioned in the Application does not match with the PAN records available with the Registrar.

- (c) Sending an Application to our Company, Registrar, Escrow Collection Bank(s) (assuming that such Escrow Collection Bank is not a SCSB), to a branch of a SCSB which is not a Designated Branch of the SCSB.
- (d) Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money.
- (e) Funds in the ASBA Account whose details are mentioned in the Application Form having been frozen pursuant to regulatory orders.
- (f) Account holder not signing the Application or declaration mentioned therein.
- (g) Submission of more than one Application Form for Rights Entitlements available in a particular demat account.
- (h) Multiple Application Forms, including cases where a Shareholders submits Application Forms along with a plain paper Application.
- (i) Submitting the GIR number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts).
- (j) Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the Demographic Details provided by the Depositories.
- (k) Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB.
- (l) Application Forms which are not submitted by the Shareholders within the time periods prescribed in the Application Form and this Draft Letter of Offer.
- (m) Physical Application Forms not duly signed by the sole or joint Shareholders, as applicable.
- (n) Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, money order, postal order or outstation demand s.
- (o) If a Shareholders 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 Shareholders to subscribe to their Rights Entitlements.
- (p) Applications which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States (other than from persons in the United States who are U.S. QIBs and QPs) or other jurisdictions where the offer and sale of the 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 (a) both a U.S. QIB and a QP, if in the United States or a U.S. Person or (b) outside the United States and is a non-U.S. Person, and in each case such person is eligible to subscribe for the 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 Equity Shares in respect of any such Application Form.
- (q) Applications which have evidence of being executed or made in contravention of applicable securities laws.
- (r) Application from Shareholders that are residing in U.S. address as per the depository records (other than from persons in the United States who are U.S. QIBs and QPs).

• **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 Shareholders and such Applications shall not be treated as multiple applications. Similarly, a separate Application can be made against Equity Shares held in dematerialized 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 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, see “*Procedure for Applications by Mutual Funds*” mentioned below.

In cases where Multiple Application Forms are submitted, including cases where (a) an Shareholders submits Application Forms along with a plain paper Application or (b) multiple plain paper Applications (c) or multiple applications on ASBA, such Applications shall be treated as multiple applications and are liable to be rejected, other than multiple applications submitted by any of our Promoter or members of the Promoter Group to meet the minimum subscription requirements applicable to this Issue as described in “*Capital Structure - Intention and extent of participation by our Promoter*” mentioned above.

• ***Procedure for Applications by certain categories of Shareholders***

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 Shareholders group (which means multiple entities registered as foreign portfolio Shareholders 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 Shareholders 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 Shareholders 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 Shareholders will also be required to comply with applicable reporting requirements.

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 (iii) 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.

No investment under the FDI route will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval.

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 Shareholders holding 10% or more of the fully diluted paid-up equity share capital of the 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 Shareholders 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 Policy has been recently amended to state that all investments by entities incorporate 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 Shareholders**”), 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 Shareholders will also require prior approval of the Government of India and each Shareholders should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval has been obtained, the Shareholders 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 certificates 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, [●], 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 Exchanges 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 “- *Basis of Allotment*” mentioned on page 176.

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 Exchanges.

Please ensure that the Application Form and necessary details are filled in. In place of Application number, Shareholders 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, 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 to the Eligible Equity Shareholders upon submission of the Application.

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. Wherever an Application is rejected in part, the balance of Application Money, if any, after adjusting any money due on Issue 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 15 days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

For further instructions, please read the Application Form carefully.

III. CREDIT OF RIGHTS ENTITLEMENTS IN DEMAT ACCOUNTS OF ELIGIBLE EQUITY SHAREHOLDERS

• Rights Entitlements

As your name appears as a beneficial owner in respect of the issued and paid-up Equity Shares held in dematerialized 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 on the Record Date, you may be entitled to subscribe to the number of 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 (*i.e.*, www.linkintime.co.in) by entering their DP ID and Client ID or Folio Number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) and PAN. The link for the same shall also be available on the website of our Company (*i.e.*, www.inventuregrowth.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 dematerialized 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 escrow account to the Stock Exchanges 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 dematerialized 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 get lapsed 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 premium 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.

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 Working Days prior to the Issue Closing Date, 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. 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. Such Eligible Equity Shareholders holding shares in physical form can update the details of their respective demat accounts on the website of the Registrar (*i.e.* www.linkintime.co.in). Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

Our Company is undertaking this Issue on a rights basis to the Eligible Equity Shareholders and will send the Letter of Offer and the Abridged Letter of Offer, the Application Form and other applicable Issue materials primarily to email addresses of Eligible Equity Shareholders who have provided an Indian address to our Company. This Draft Letter of Offer will be provided to those who make a request in this regard.

In the event that e-mail addresses of the Eligible Equity Shareholders are not available with our Company or the Eligible Shareholders have not provided valid e-mail addresses to our Company, our Company will dispatch the Abridged Letter of Offer, Application Form and other applicable Issue materials by way of

physical delivery as per the applicable laws to those Eligible Equity Shareholders who have provided their Indian address.

The Letter of Offer the Abridged Letter of Offer and the Application Form may also be accessed on the websites of the Registrar and our Company through a link contained in the aforementioned email sent to email addresses of Eligible Equity Shareholders (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares and/ or the Rights Entitlements under applicable securities laws) and on the Stock Exchange website. The distribution of this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the issue of Rights Equity Shares and/ or the Rights Entitlements 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 this Draft Letter of Offer has been filed with SEBI and the Stock Exchange. Accordingly, the Rights Entitlements and Issue Shares may not be offered or sold, directly or indirectly, and this Draft 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 legal requirements applicable in such jurisdiction. Receipt of this Draft 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 in those jurisdictions in which it would be illegal to make such an offer and, in those circumstances, this Draft 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 this Draft 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 Issue Shares or the Rights Entitlements, distribute or send this Draft 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. If this Draft 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 this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form. Any person who acquires Rights Entitlements or makes an Application will be deemed to have declared, warranted and agreed, by accepting the delivery of this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, that it is entitled to subscribe for the Issue Shares under the laws of any jurisdiction which apply to such person.

Credit of Rights Entitlements in dematerialized account

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 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 dematerialized 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 suspended for debit / credit or details of which are unavailable with our Company or with the Registrar on the Record Date; or (d) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (e) instances where credit of the Rights Entitlements returned/reversed/failed; or (f) Equity Shares, the ownership of which is currently under dispute, including in any court proceedings.

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 Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to our Company or the Registrar account is active to facilitate the aforementioned transfer.

IV. RENUNCIATION AND TRADING OF RIGHTS ENTITLEMENT

• *Renounces*

All rights and obligations of the Eligible Equity Shareholders in relation to Applications and refunds pertaining to this Issue shall apply to the Renounce(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 favor 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 Exchanges or through an off-market transfer.

• *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 Exchanges (the “**On Market Renunciation**”); or (b) through an off-market transfer (the “**Off Market Renunciation**”), during the Renunciation Period. The Shareholders 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.

Shareholders may be subject to adverse foreign, state or local tax or legal consequences as a result of trading in the Rights Entitlements. Shareholders 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 Shareholders on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.

Payment Schedule of Issue Equity Shares.

₹ [●] per Issue Share (including premium of ₹ [●] per Issue 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 Eligible Shareholders.

(a) On Market Renunciation

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchanges through a registered stock-broker in the same manner as the existing Equity Shares of our Company.

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 Exchanges under ISIN [●] subject to requisite approvals. Prior to the Issue Opening Date, our Company will obtain the approval from the Stock Exchanges 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 Exchanges from time to time.

Since we are a BSE and NSE listed company. The Rights Entitlements are tradable in dematerialized 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 Shareholders 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 Shareholders 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 and NSE 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 Exchanges and the SEBI.

(b) Off Market Renunciation

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialized 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 Equity Shares in the Issue.

The Shareholders 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 Shareholders can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants.

The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the NSDL and CDSL from time to time.

V. MODE OF PAYMENT

All payments against the Application Forms shall be made only through ASBA facility. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility.

In case of Application through the ASBA facility, the Shareholders agrees to block the entire amount payable on Application with the submission of the Application Form, by authorizing the SCSB to block an amount, equivalent to the amount payable on Application, in the Shareholder'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 Shareholders in the Application Form does not have sufficient funds equivalent to 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 finalization 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 Shareholders

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 Shareholders

As regards the Application by non-resident Shareholders, 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 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 Equity Shares are Allotted on a non-repatriation basis, the dividend and sale proceeds of the 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 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 Equity Shares.

• Fractional Entitlements

The Rights Equity Shares are being offered on a rights basis to existing Eligible Equity Shareholders in the ratio of [●] Rights Equity Shares for every [●] Equity Shares held as on the Record Date. As per SEBI Rights Issue Circular, the fractional entitlements are to be ignored. Accordingly, if the shareholding of any of the Eligible Equity Shareholders is less than [●] Equity Shares or is not in the multiple of [●] Equity Shares, the fractional entitlements of such Eligible Equity Shareholders shall be ignored by rounding down of their Rights Entitlements. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the Allotment of one additional Rights Equity Share if they apply for additional Rights Equity Shares over and above their Rights Entitlements, if any, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for.

For example, if an Eligible Equity Shareholder holds [●] Equity Shares, such Equity Shareholder will be entitled to [●] Rights Equity Share and will also be given a preferential consideration for the Allotment of one additional Rights Equity Share if such Eligible Equity Shareholder has applied for additional Rights Equity Shares, over and above his/her Rights Entitlements, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for.

Further, the Eligible Equity Shareholders holding less than two Equity Shares shall have 'zero' entitlement for the Rights Equity Shares. Such Eligible Equity Shareholders are entitled to apply for additional Rights Equity Shares and will be given preference in the Allotment of one Rights Equity Share, if such Eligible Equity Shareholders apply for additional Rights Equity Shares, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for. However, they cannot renounce the same in favour of third parties.

• **Ranking**

The 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 Exchanges and the terms and conditions as stipulated in the Allotment advice. The Equity Shares to be issued and Allotted under this Issue shall rank *pari passu* with the existing Equity Shares, in all respects including dividends.

• **Listing and trading of the Equity Shares to be issued pursuant to this Issue**

Subject to receipt of the listing and trading approvals, the Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on the Stock Exchanges. Unless otherwise permitted by the SEBI ICDR Regulations, the 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 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 [●] and from the NSE through letter bearing reference number [●] dated [●]. Our Company will apply to the Stock Exchanges for final approvals for the listing and trading of the Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Equity Shares or the price at which the Equity Shares offered under this Issue will trade after the listing thereof.

The existing Equity Shares are listed and traded on BSE (Scrip Code: 533506); NSE (INVENTURE) under the ISIN: INE878H01024. The 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 Exchanges. Upon receipt of such listing and trading approvals, the Equity Shares shall be debited from such temporary ISIN and credited to the new ISIN for the 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 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 Exchanges, 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 Exchanges, rejecting the application for listing of the 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 Promoter and members of the Promoter Group

For details of the intent and extent of subscription by our Promoter and members of the Promoter Group, see “*Capital Structure - Intention and extent of participation by our Promoter*” mentioned above.

• Rights of Holders of Equity Shares of our Company

Subject to applicable laws, Shareholders who have been Allotted Equity Shares pursuant to the Issue shall have the following rights:

- a. The right to receive dividend, if declared;
- b. The right to receive surplus on liquidation;
- c. The right to receive offers for rights shares and be allotted bonus shares, if announced;
- d. The right to free transferability of Equity Shares;
- e. The right to attend general meetings of our Company and exercise voting powers in accordance with law, unless prohibited / restricted by law and as disclosed in this Draft Letter of Offer; and
- f. Such other rights as may be available to a shareholder of a listed public company under the Companies Act, 2013, the Memorandum of Association and the Articles of Association.

VII. GENERAL TERMS OF THE ISSUE

• Market Lot

The Equity Shares of our Company shall be tradable only in dematerialized form. The market lot for Issue Shares in dematerialized 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 Equity Shares offered in this Issue.

• Nomination

Nomination facility is available in respect of the 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 dematerialized 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 Shareholders would prevail. Any Shareholders holding Equity Shares in dematerialized form and desirous of changing the existing nomination is requested to inform its Depository Participant.

• Arrangements for Disposal of Odd Lots

The Equity Shares shall be traded in dematerialized form only and, therefore, the marketable lot shall be 1 Equity Shares and hence, no arrangements for disposal of odd lots are required.

• Notices

In accordance with the SEBI ICDR Regulations, SEBI Rights Issue Circular, our Company will send, primarily through email, the Abridged Letter of Offer, Application Form and other applicable Issue materials to the email addresses of all the Eligible Equity Shareholders who have provided their Indian addresses to our Company. This Draft Letter of Offer will be provided, primarily through email, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company and who make a request in this regard.

In the event that e-mail addresses of the Eligible Equity Shareholders are not available with our Company or the Eligible Shareholders have not provided valid e-mail addresses to our Company, our Company will dispatch the Abridged Letter of Offer, Application Form and other applicable Issue materials by way of physical delivery as per the applicable laws to those Eligible Equity Shareholders who have provided their Indian address.

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 regional language newspaper with wide circulation in Mumbai, Maharashtra, where our Registered Office is situated.

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 its website.

• **Offer to Non-Resident Eligible Equity Shareholders/Shareholders**

As per Rule 7 of the FEMA Rules, RBI has given general permission to Indian companies to issue right Equity Shares to non-resident Equity Shareholders including additional Equity Shares. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 issued by RBI, non-residents may, amongst other things, (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 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 Equity Shares and issue of Rights Entitlement Letters/ letters of Allotment/Allotment advice. If a non-resident or NRI Shareholders 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.linkintime.co.in. It will be the sole responsibility of the Shareholders 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 Equity Shares may be permitted under laws of such jurisdictions, Eligible Equity Shareholders can access this Draft Letter Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Equity Shares under applicable securities laws) from the websites of the Registrar, our Company, and the Stock Exchanges. Further, Application Forms will be made available at Registered and Corporate Office of our Company for the non-resident Indian Applicants. Our Board may at its absolute discretion, agree to such terms and conditions as may be stipulated by RBI while approving the Allotment. The 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 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, Overseas Corporate Bodies (“OCBs”) have been derecognized as an eligible class of Shareholders and RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs) Regulations, 2003. Any Shareholders 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 Foreign Exchange Management (Non-Debt Instrument) Rules, 2019.

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. at www.linkintime.co.in.

ALLOTMENT OF THE EQUITY SHARES IN DEMATERIALIZED FORM

PLEASE NOTE THAT THE EQUITY SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH SHAREHOLDERS ON THE RECORD DATE. FOR DETAILS, SEE “ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS” AS MENTIONED ABOVE.

VIII. ISSUE SCHEDULE:

LAST DATE FOR CREDIT OF RIGHTS ENTITLEMENTS	[•]
ISSUE OPENING DATE	[•]
LAST DATE FOR ON MARKET RENUNCIATION OF RIGHTS ENTITLEMENTS#	[•]
ISSUE CLOSING DATE*	[•]
FINALISATION OF BASIS OF ALLOTMENT (ON OR ABOUT)	[•]
DATE OF ALLOTMENT (ON OR ABOUT)	[•]
DATE OF CREDIT (ON OR ABOUT)	[•]
DATE OF LISTING (ON OR ABOUT)	[•]

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

**Our Board or a duly authorized 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 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 Working Days prior to the Issue Closing Date, i.e., [•], 2023 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, i.e., [•], 2023. 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.

IX. BASIS OF ALLOTMENT

Subject to the provisions contained in this Draft 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 Equity Shares in the following order of priority:

a) Full Allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlements of Equity Shares either in full or in part and also to the Renouncee(s) who has or have applied for Equity Shares renounced in their favour, in full or in part.

b) Eligible Equity Shareholders whose fractional entitlements are being ignored and Eligible Equity Shareholders with zero entitlement, would be given preference in allotment of one additional Equity Share each if they apply for additional Equity Shares. Allotment under this head shall be considered if there are any unsubscribed Equity Shares after allotment under (a) above. If number of Equity Shares required for Allotment under this head are more than the number of Equity Shares available after Allotment under (a) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange and will not be a preferential allotment.

c) Allotment to the Eligible Equity Shareholders who having applied for all the Equity Shares offered to them as part of this Issue, have also applied for additional Equity Shares. The Allotment of such additional 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 Equity Shares after making full Allotment in (a) and (b) above. The Allotment of such Equity Shares will be at the sole discretion of our Board in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.

d) Allotment to Renouncees who having applied for all the Equity Shares renounced in their favour, have applied for additional Equity Shares provided there is surplus available after making full Allotment under (a), (b) and (c) above. The Allotment of such Equity Shares will be made on a proportionate basis in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.

e) Allotment to any other person, subject to applicable laws, that our Board may deem fit, provided there is surplus available after making Allotment under (a), (b), (c) and (d) above, and the decision of our Board in this regard shall be final and binding.

After taking into account Allotment to be made under (a) to (d) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed'.

In the event of over subscription, Allotment shall be made within the overall size of the Issue.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Controlling Branches, a list of the Shareholders who have been allocated 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.

X. ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS

Our Company will issue/ 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 Equity Shares to the respective beneficiary accounts (only in dematerialized 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 on or before T+1 day (T: Basis of allotment day). 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 dematerialized form using electronic credit under the depository system and the Allotment advice shall be sent, through an e-mail, to the e-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 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 Equity Shares in the Issue and is Allotted a lesser number of Equity Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The unblocking of ASBA funds / refund of monies shall be completed 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.

Separate ISIN for Rights Equity Shares

In addition to the present ISIN for the existing Equity Shares, our Company would obtain a separate ISIN for the Rights Equity Shares for each Call, until fully paid-up. The Rights Equity Shares offered under this Issue will be traded under a separate ISIN after each Call for the period as may be applicable under the rules and regulations prior to the record date for the final Call Notice. The ISIN representing the Rights Equity Shares will be terminated after the Call Record Date for the final Call. On payment of the final Call Money in respect of the Rights Equity Shares, such Rights Equity Shares would be fully paid-up and merged with the existing ISIN of our Equity Shares.

Credit and Transfer of the Rights Equity Shares in case of the Eligible Equity Shareholders holding the Equity Shares in physical form and treatment of such Rights Equity Shares for non-receipt of demat account details in a timely manner

In case of allotment to the Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date, have paid the Application Money and have not provided the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, the following procedure shall be adhered to:

- a. The Registrar shall send Allotment advice and credit the Rights Equity Shares to a demat suspense account to be opened by our Company;
- b. Within 6 months from the Allotment Date, such Eligible Equity Shareholders shall be required to send a communication to our Company or the Registrar containing the name(s), Indian address, email 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 post, speed post, courier, electronic mail or hand delivery;
- c. Our Company (with the assistance of the Registrar) shall, after verification of the details of such demat account by the Registrar, transfer the Rights Equity Shares from the demat suspense account to the demat accounts of such Eligible Equity Shareholders;
- d. In case of non-receipt of details of demat account as per (b) above, our Company shall conduct a sale of such Rights Equity Shares lying in the demat suspense account on the floor of the Stock Exchange at the prevailing market price and remit the proceeds of such sale (net of brokerage, applicable taxes and administrative and incidental charges) to the bank account mentioned by the resident Eligible Equity Shareholders in their respective Application Forms and from which the payment for Application Money was made. In case such bank accounts cannot be identified due to any reason or bounce back from such account, our Company may use payment mechanisms such as cheques, demand drafts, etc. to such Eligible Equity Shareholders to remit such proceeds. Such Rights Equity Shares may be sold over such period of time as may be required, depending on liquidity and other market conditions on the floor of the Stock Exchange after the expiry of the period mentioned under (b) above. Therefore, such proceeds (net of brokerage, applicable taxes and administrative and incidental charges) by way of sale of such Rights Equity Shares may be higher or lower than the amount paid by such Eligible Equity Shareholders at the time of subscribing such shares;
- e. Our Company shall send reminder notices seeking the requisite details of demat account prior to expiry of time period under (b) above, in due course, to such resident Eligible Equity Shareholders who have not provided the requisite details. After expiry of time period under (b) above, our Company or the Registrar shall not accept any requests by such Eligible Equity Shareholders for updating the details of demat account under any circumstances, including in case of failure to sell such Rights Equity Shares;

After the consummation of the sale of Rights Equity Shares on the floor of the Stock Exchanges, our Company shall send an intimation to the respective Eligible Equity Shareholders, giving details of such sale, including the sale price and break-up of net brokerage, taxes and administrative and incidental charges;

f. If at the time of transfer of sale proceeds for default cases, the bank account from which Application Money was received is closed or non-operational, such sale proceeds will be transferred to IEPF in accordance with practice on Equity Shares and as per applicable law; and

g. In case the details of demat account provided by the Eligible Equity Shareholders are not of his/ her own demat account, the Rights Equity Shares shall be subject to sale process specified under (d) above.

Notes:

1. Our Company will open a separate demat suspense account to credit the Rights Equity Shares in respect of such Eligible Equity Shareholders who hold the Equity Shares in physical form as on at least two Working Days prior to the Issue Closing Date. Our Company, with the assistance of the Registrar, will initiate transfer of such Rights Equity Shares from the demat suspense account to the demat account of such Eligible Equity Shareholders, upon receipt of details of demat accounts from the Eligible Equity Shareholders.

2. The Eligible Equity Shareholders cannot trade in such Rights Equity Shares until the receipt of demat account details and transfer to such Eligible Equity Shareholders' respective account.

3. There will be no voting rights against such Rights Equity Shares kept in the demat suspense account. However, the respective Eligible Equity Shareholders will be eligible to receive dividends, if declared, in respect of such Rights Equity Shares on the Rights Equity Shares, as permitted under applicable laws.

4. Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of buying or selling of Rights Equity Shares or Rights Entitlements. The Eligible Equity Shareholders should obtain their own independent tax and legal advice and may not rely on our Company or any of their affiliates including any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates when evaluating the tax consequences in relation to the Rights Equity Shares (including but not limited to any applicable short-term capital gains tax, or any other applicable taxes or charges in case of any gains made by such Eligible Equity Shareholders from the sale of such Rights Equity Shares).

5. Our Company, its directors, its employees, affiliates, associates and their respective directors and officers and the Registrar shall not be liable in any manner and not be responsible for acts, mistakes, errors, omissions and commissions, etc., in relation to any delay in furnishing details of demat account by such Eligible Equity Shareholders, any resultant loss to the Eligible Equity Shareholders due to sale of the Rights Equity Shares, if such details are not correct, demat account is frozen or not active or in case of non-availability of details of bank account of such Eligible Equity Shareholders, profit or loss to such Eligible Equity Shareholders due to aforesaid process, tax deductions or other costs charged by our Company, or on account of aforesaid process in any manner.

XI. PAYMENT OF REFUND

• Mode of making refunds

The payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through unblocking amounts blocked using ASBA facility.

Refund payment to non-residents

The Application Money will be unblocked in the ASBA Account of the non-resident Applicants, details of which were provided in the Application Form.

XII. ALLOTMENT ADVICE OR DEMAT CREDIT OF SECURITIES

• Receipt of the Equity Shares in Dematerialized Form

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.

PLEASE NOTE THAT THE EQUITY SHARES APPLIED FOR UNDER THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO (A) THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY SUCH SHAREHOLDERS ON THE RECORD DATE, OR (B) THE DEPOSITORY ACCOUNT, DETAILS OF WHICH HAVE BEEN PROVIDED TO OUR COMPANY OR THE REGISTRAR AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE BY THE ELIGIBLE EQUITY SHAREHOLDER HOLDING EQUITY SHARES IN PHYSICAL FORM AS ON THE RECORD DATE.

Shareholders shall be allotted the Equity Shares in dematerialized (electronic) form.

SHAREHOLDERS MAY PLEASE NOTE THAT THE EQUITY SHARES CAN BE TRADED ON THE STOCK EXCHANGES ONLY IN DEMATERIALIZED FORM.

The procedure for availing the facility for Allotment of Equity Shares in this Issue in the dematerialized form is as under:

- 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 Shareholders having various folios in our Company with different joint holders, the Shareholders will have to open separate accounts for such holdings. Those Shareholders who have already opened such beneficiary account(s) need not adhere to this step.
- It should be ensured that the depository account is in the name(s) of the Shareholders and the names are in the same order as in the records of our Company or the Depositories.
- The responsibility for correctness of information filled in the Application Form *vis-a-vis* such information with the Shareholders's depository participant, would rest with the Shareholders. Shareholders should ensure that the names of the Shareholders and the order in which they appear in Application Form should be the same as registered with the Shareholders's depository participant.
- If incomplete or incorrect beneficiary account details are given in the Application Form, the Shareholders will not get any Equity Shares and the Application Form will be rejected.
- The Equity Shares will be allotted to Applicants only in dematerialized 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 IEPF authority/ in suspense, *etc.*). Allotment advice, refund order (if any) would be sent directly to the Applicant by e-mail and, if the printing is feasible, through physical dispatch, by the Registrar but the Applicant's depository participant will provide to him the confirmation of the credit of such Equity Shares to the Applicant's depository account.
- Non-transferable Allotment advice/ refund intimation will be directly sent to the Shareholders by the Registrar, by e-mail and, if the printing is feasible, through physical dispatch.
- Renouncees will also have to provide the necessary details about their beneficiary account for Allotment of Equity Shares in this Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.

XIII. IMPERSONATION

As a matter of abundant caution, attention of the Shareholders is specifically drawn to the provisions of Section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who

a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”

The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least Rs. 10 Lakhs or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term of not less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount. In case the fraud involves (i) an amount which is less than Rs. 10 Lakhs or 1% of the turnover of the company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to Rs. 50 Lakhs or with both.

XIV. UTILISATION OF ISSUE PROCEEDS

Our Board declares that:

A. All monies received out of this Issue shall be transferred to a separate bank account;

B. Details of all monies utilized out of this Issue referred to under (A) above shall be disclosed, and continue to be disclosed till 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 utilized;

C. Details of all unutilized 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 unutilized monies have been invested; and

D. Our Company may utilize the funds collected in the Issue only after final listing and trading approvals for the Rights Equity Shares Allotted in the Issue is received.

XV. UNDERTAKINGS BY OUR COMPANY

Our Company undertakes the following:

i. The complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily.

ii. All steps for completion of the necessary formalities for listing and commencement of trading at all Stock Exchanges where the Rights Equity Shares are to be listed will be taken within the time prescribed by the SEBI.

iii. The funds required for making refunds to unsuccessful Applicants as per the mode(s) disclosed shall be made available to the Registrar by our Company.

iv. Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Investor 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.

v. In case of unblocking of the application amount for unsuccessful Applicants or part of the application amount in case of proportionate Allotment, a suitable communication shall be sent to the Applicants.

vi. Adequate arrangements shall be made to collect all ASBA Applications.

vii. At any given time, there shall be only one denomination for the Rights Equity Shares of our Company.

viii. Our Company shall comply with all disclosure and accounting norms specified by the SEBI from time to time.

ix. Our Company accepts full responsibility for the accuracy of information given in this Draft Letter of Offer and confirms that to the best of its knowledge and belief, there are no other facts the omission of which makes any statement made in this Draft Letter of Offer misleading and further confirms that it has made all reasonable enquiries to ascertain such facts.

XVI. SHAREHOLDERS 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, the Abridged Letter of Offer, the Rights Entitlement Letter or Application Form must be addressed (quoting the Registered Folio Number in case of Eligible Equity Shareholders who hold Equity Shares in physical form as on 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 “**Inventure Growth And Securities Limited – Rights Issue**” on the envelope and postmarked in India or in the e- mail) to the Registrar at the following address:

Link IntimeIndia PrivateLimited

C-101,1st Floor,247Park,
L.B.S.Marg,Vikhroli(West),Mumbai - 400083, Maharashtra, India.

TelNo:+ 91 810 8114949

Email: inventure.rights2023@linkintime.co.in

InvestorGrievanceEmail: inventure.rights2023@linkintime.co.in

Website:www.linkintime.co.in

SEBIRegistrationNumber:INR000004058

Contact Person: Shanti Gopalkrishnan

3) In accordance with SEBI Rights Issue Circulars, frequently asked questions and online/ electronic dedicated Shareholders helpdesk for guidance on the Application process and resolution of difficulties faced by the Shareholders will be available on the website of the Registrar www.linkintime.co.in. Further, helpline number provided by the Registrar for guidance on the Application process and resolution of difficulties is + 91 810 811 4949.

4) The Shareholders can visit www.linkintime.co.in for the below-mentioned purposes also:

i. Frequently asked questions and online/ electronic dedicated Shareholders helpdesk for guidance on the Application process and resolution of difficulties faced by the Shareholders.

ii. Updation of Indian address/ e-mail address/ phone or mobile number in the records maintained by the Registrar or our Company.

iii. Updation of demat account details by Eligible Equity Shareholders holding shares in physical form.

iv. Submission of self-attested PAN, client master sheet and demat account details by non- resident Eligible Equity Shareholders.

This Issue will remain open for a minimum 7 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, of the Government of India, 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. The Union Cabinet, as provided in the Cabinet Press Release dated May 24, 2017, has given its approval for phasing out the FIPB. 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 now 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, FIPB section, through a memorandum dated June 5, 2017, has notified the specific ministries handling relevant sectors.

The Government has, from time to time, made policy pronouncements on FDI through press notes and press releases. 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 on 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 Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 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. The FDI Circular 2020, issued by the DPIIT, consolidates the policy framework in place as on October 15, 2020, and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020.

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 Takeover Regulations; (ii) the non-resident shareholding is within the sectorial limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI.

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 the 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.

Please also note that pursuant to Circular no. 14 dated September 16, 2003 issued by RBI, Overseas Corporate Bodies (“**OCBs**”) have been derecognized 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 a incorporated non-resident must do so in accordance with the FDI Circular 2020 and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019. 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 Equity Shares applied for do not exceed the applicable limits under laws or regulations.

SECTION IX – STATUTORY AND OTHER INFORMATION

Please note that the Rights Equity Shares applied for under this Issue can be allotted only in dematerialized form and to (a) the same depository account/ corresponding pan in which the Equity Shares are held by such Investor on the Record Date, or (b) the depository account, details of which have been provided to our Company or the Registrar at least two working days prior to the Issue Closing Date by the Eligible Equity Shareholder holding Equity Shares in physical form as on the Record Date, or (c) demat suspense account where the credit of the Rights Entitlements returned/reversed/failed.

SECTION X – 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 abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered and Corporate Office between 10 a.m. and 5 p.m. on all working days from the date of filing of the Draft Letter of Offer until the Issue Closing Date.

Material Contracts for the Issue

1. Agreement between Link Intime India Private Limited and our Company dated November 1, 2023 appointing them as 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.
3. Tripartite Agreement dated March 3, 2010, between our Company, NSDL and the Registrar to the Issue.
4. Tripartite Agreement dated October 31, 2006 between our Company, CDSL and the Registrar to the Issue

Material Documents

1. Certified copies of the updated Memorandum of Association and Articles of Association of our Company.
2. Certificate of incorporation.
3. Copy of the resolution passed at the meeting of the Board of Directors dated January 30, 2023 authorizing the Rights Issue.
4. Resolution passed by our Board dated [●], 2023 determining the Record Date.
5. Resolution of our Board dated [●], 2023, approving the Issue and finalizing the terms of the Issue including Issue Price and Rights Entitlement ratio.
6. Consents of our Directors, Company Secretary, Compliance Officer, Chief Financial Officer, Statutory Auditors, legal counsel to the Issue, Bankers to our Company and the Registrar to the Issue for inclusion of their names in this Draft Letter of Offer to act in their respective capacities.
7. Annual Reports of our Company for Fiscal Year 2023, 2022.
8. Statement of Tax Benefits report by our statutory auditor dated April 24, 2023.
9. In-principle approval dated [●], 2023 and [●], 2023 issued by BSE and NSE, respectively under Regulation 28(1) of the SEBI Listing Regulations.

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 Eligible Equity Shareholders, subject to compliance with applicable law.

DECLARATION

We hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities 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 and Exchange Board of India Act, 1992 or the rules made or guidelines or regulations issued thereunder, as the case may be. We further certify that all statements in this Draft Letter of Offer are true and correct.

Signed by all the Directors of Inventure Growth And Securities Limited

Name, designation and Signature	Name, designation and Signature
Sd/- Kanji Bachubhai Rita Managing Director DIN: 00727470	Sd/- Lasha Meet Rita Whole-time Director DIN: 08104505
Sd/- Kamleshkumar Shankarlal Limbachiya Whole-time Director DIN: 02774663	Sd/- Surji Damji Chheda Independent Director DIN: 02456666
Sd/- Pathik Bharat Shah Independent Director DIN: 03593855	Sd/- Rekhchand Ramdayal Thanvi Independent Director DIN: 09752722

Signed by the – Chief Financial Officer

Arvind Jethalal Gala
Chief Financial Officer

Place: Mumbai
 Date: November 30, 2023

Signed by the –Company Secretary

Shikha Ashok Mishra
ACS: 53469
Company Secretary and Compliance officer